

25th October 2020

Dear Colleague,

Parent & Family Communication – Covid 19 Government Update

We hope this letter reaches everyone in good health. Following this week's various government briefings and announcements, I wanted to take the time to share my thoughts on the key messages, supporting data and what this may mean for Bertram Nursery Group.

Furlough

The current furlough scheme **closes in under 6 weeks, on 31st October 2020**. In preparation for this, Bertram had been conducting a full review of its workforce, coupled with bookings, and expected revenues across each nursery, to understand the potential impacts of reduced take up of places across the portfolio. Whilst we can see some reassuringly positive signs that occupancy is returning to sustainable levels across several sites, there are also some less optimistic signs where bookings remain consistently low.

Following yesterday's announcement by the Chancellor, where he introduced new or extended measures to support businesses in an effort to mitigate risks of mass redundancy, Bertram is reviewing the finer detail of the schemes so that we fully understand what this means and how we might avoid unnecessary job losses.

Prior to this announcement it was clear that we would need to take some tough decisions, such as a reduction in employees contracted hours or, at worst, potential job losses in some areas of the business. This would never be a decision we would take lightly, but very necessary unless there were clear signs that occupancy and revenues were increasing to carry business operating costs. Whilst we hope the new measures will go some way to supporting us and others avoid redundancies, we cannot be sure the new schemes will prevent any changes to our workforce as there remains a significant gap in income versus the costs of operating nurseries, ensuring we meet quality outcomes for children and meet regulatory requirements. The sector was already under significant financial pressure even before the Covid-19.

The Future

Despite the recent decision to close some sites in the group, and the ongoing pressures we face, we remain optimistic and positive excited about the long term plan for the business. Bertram will continue to pursue its commitment in the growth of our people and estate through investment and, alongside this, our plans for acquiring more nurseries. Our Private Equity (PE) partner, Apiary Capital, has been incredibly supportive and remain very enthusiastic about Bertram Nursery Group's future.

It has been humbling and amazing to see the passion and support of our teams across Bertram who have returned with such dedication to support families up and down the country, adapting to new ways of working and, crucially, working hard to ensure new safety and hygiene protocols are delivered consistently.

Self-Isolation

We understand the rules around self-isolation have been a little confusing and we have prepared a short reminder of the rules around self-isolation, based on government guidance as at 2/9/2020.

- If you have symptoms of covid-19, you must self-isolate, along with members of your family you live with. You must not leave the house and you must all have a test immediately.
- If your test returns as 'negative' and you feel well, and no-one you live with or in your support bubble tests positive, you can safely return to work.

- If your test returns as ‘positive’ you must isolate for 10 days and other member of the family you live with or those in your support bubble, must isolate for 14 days.
- If someone in you live with or in your support bubble is contacted through ‘track and trace’, where they may have been in contact with someone who tested positive, you do not need to self-isolate unless you have symptoms or have been expressly told to do so by the track and trace scheme.

Where you are self-isolating businesses should pay SSP from day 1 of work absence.

Absence due to covid 19 includes:-

- Those testing positive for the virus
- Those who are self-isolating as a member of their household or support bubble has tested positive
- Those who self-isolate due to instruction from track and trace.

The **government briefing on 21/9/20** reiterated its strong desire to ‘Keep Britain Moving’ and avoid the full closure and lockdown of many businesses as it did in the very first national lockdown. On March 23rd this year, our business along with many other sector colleagues closed many of our sites, reopening 5 or 6 months later with a significantly reduced operation. During this time, key sites remained open and a small incredibly dedicated number of employees continued to offer a service to key workers in areas of Scotland and England. The government have stated their intent to keep schools open and we can only hope that this includes Early Years provision within this ‘essential services’ group.

We fully expect that over the next week or so, there will be some further clarity and direction for the nation on whom they expect to remain open, and how, versus those they wish to close where government enforced lockdowns takes place.

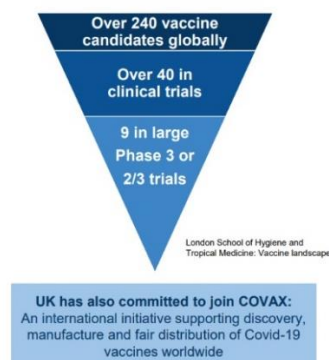
What is the data telling us?

There are areas of the country showing not just existing high rates of Covid-19, but also that the spread is increasing. Ultimately for many areas’ infection levels are increasing.

The UK and Scottish government are unified in their view that with covid-19 positive cases rising rapidly and hospital admissions and deaths also increasing, it is inevitable that tougher restrictions will be enforced across parts or the whole of Scotland and England. This will be done whilst also trying to ensure the majority of businesses can continue operating and children across the country will continue to receive crucial care and education.

Vaccine and timings.

Progress on vaccines



Vaccines with UK Supply Agreements	
Vaccine Type	Vaccine Developer
mRNA	BioNTech/ Pfizer
Adenoviral	Oxford/ AstraZeneca
	Janssen
Protein Adjuvant	Novavax
	GlaxoSmithKline/ Sanofi Pasteur
Inactivated Whole Virus	Valneva
Prophylactic neutralising antibodies	AstraZeneca

Hygiene & Covid-19

We continue to see localised spikes in Covid-19 positive cases across the country. Our team keep up their efforts to maintain the highest standards of hygiene and continue to follow our new procedures and protocols to mitigate risks of Covid-19 cases and/or transmission in the workplace.

We kindly remind and ask our parents to do the same and respect the social distancing and hygiene measures in place at each nursery.

Kind regards



Cary Rankin
CEO
Bertram Nursery Group