

18 July 2016**Agenda Item: 05**

REPORT OF THE SERVICE DIRECTOR, YOUTH, FAMILIES AND CULTURE

NOTTINGHAMSHIRE CHILDCARE SUFFICIENCY ASSESSMENT 2016

Purpose of the Report

1. To inform the Committee of the key findings and recommendations of the 2016 Childcare Sufficiency Assessment.
2. To seek approval of the proposed response to the recommendations made by the Nottinghamshire Childcare Sufficiency Assessment 2016.

Information and Advice

3. The Childcare Act (2006) requires local authorities in England to ensure a sufficiency of childcare for working parents, parents studying or training, and for disabled children. The duties in the Act (section 6) require local authorities to shape and support the development of childcare in their area in order to make it flexible, sustainable and responsive to the needs of the community.
4. Under section 6 of the act there is a requirement on local authorities to produce an annual sufficiency report on the availability and sufficiency of childcare in their area. This information should be made available to parents and elected members.

Methodology

5. Nottinghamshire County Council commissioned Hempsalls, a nationally recognised early years specialist organisation, to carry out Nottinghamshire's Childcare Sufficiency Assessment in January 2016. The final report was completed in May 2016 and is available as **Appendix 1**.
6. The Childcare Sufficiency Assessment (CSA) has drawn on data provided by Nottinghamshire County Council, with additional desk research to inform an assessment of current supply and future need.
7. The assessment used the following methods to gather both qualitative and quantitative data to inform planning to increase childcare provision in areas of need:

- a) Nottinghamshire County Council survey with early years providers in January 2016
- b) review of information held by the Families Information Service which holds information about childcare provision across Nottinghamshire
- c) an on-line parent/carers survey. A total of 516 parent/carers completed a questionnaire
- d) qualitative research (interviews/focus group discussions with parents and carers). A total of 17 parent/carers contributed
- e) desk based research.

Key Findings:

Child population

- 8. The child population in Nottinghamshire is forecast to increase over the next 20 years with the greatest increases in Broxtowe (14.4% increase) and Gedling (9.9% increase).
- 9. There has been a significant increase in the number of children with additional needs across the County (aged 0-16 years old). In 2002 there were 3,010 children aged 0-16 years old claiming Disability Living Allowance and in 2014 this had risen by 77% to 5,320.
- 10. The forecasted increase in the child population will require an increase in childcare capacity for all age ranges over the coming years. The significant increase in the number of young claimants with additional needs will require a focus on this population to review access, take-up to and a sufficient quantity of appropriate and high quality provision.

Economy

- 11. Unemployment has fallen over the past year across the County to 5.1% of the working age population between October 2014 and September 2015.
- 12. Average earnings within the County show wide variation between districts and this has an impact on what can be charged and will be paid for childcare in different areas.

Fees charged for childcare

- 13. The cost of childcare and therefore in Nottinghamshire has decreased since 2015, based on data collated by the Families Information Service making it more affordable for parents. Decreases in average fees are relatively low in childminding (a reduction of 2%) and after school provision (a reduction of 5%) and relatively high in day nurseries, having fallen by 7% for children aged under two years old and 18% for children aged two years and older.

Current provision

- 14. Since the previous assessment in 2015 there has been a marginal decrease in the number of registered early years and childcare providers in Nottinghamshire. Overall, numbers have decreased by 4% and there are now 1,202 settings.

15. There has also been a similar decrease in childminding provision but with 737 registered childminders continuing to operate within the County.
16. Changes within the governance and priorities of schools has meant a more substantial decline in those offering registered care outside of the normal school day. There remains 77 schools offering this compared to 103 in 2015. There are a further 54 settings offering an unregistered programme of out-of-school care.

Quality of Provision

17. As at 31 August 2015, 11% of early years provision in Nottinghamshire was rated outstanding by Ofsted and 75% was rated as good¹. Quality in early years provision has been increasing. As at 31 August 2012, 70% of early years provision was rated as good or outstanding and this increased to 86% in 2016.

Parent Concerns and Priorities Regarding provision

18. Findings from the parent/carer survey identify some areas of unmet need for childcare in Nottinghamshire. About a third of those surveyed feel that current childcare use could not meet all of their needs both in terms of early years and out of school care. Costs, opening hours and flexibility of provision were the most commonly identified barriers cited by 22% of respondents in each case. A significant number felt that what was on offer from their local provider did was not good value for money.
19. Survey respondents were also concerned about availability and choice but many make good use of informal childcare through family and friends to meet their needs. For some though there is a considerable need for more flexible provision. A lack of provision in school holidays was highlighted by many of those surveyed.
20. Parents working shifts or having irregular working patterns do have a particular challenge in finding suitable provision. 30% of survey respondents reported being unable to find childcare that fits in with their work patterns and this increased when the hours were irregular.
21. Looking ahead, the greatest demand for pre-school children over the next 12 months is for all year round provision. Extended childcare (defined in the survey as childcare to fit in with shifts i.e. before 8am and after 6pm) was needed by 22% of parents with a pre-school aged child. For school-aged children, responses indicated high demand for after school provision and strong demand for before school provision. Responses also indicate a need for flexible and stretched provision (e.g. outside a 'normal' working day of 9/9.30am and 5/5.30pm) and for all year round provision.

Early years entitlements

22. Currently all three and four year olds and around 40% of two year olds nationally are entitled to up to 15 hours a week, or 570 hours a year, of free early education. In Nottinghamshire there are around 3,143 eligible two year olds from low income families

¹ Ofsted Data View:

<https://public.tableau.com/profile/ofsted#!/vizhome/Dataview/Viewregionalperformancevertime> Accessed February 2016

and 18,894 three and four year olds that have a statutory eligibility for the early years entitlement. Take-up is 66% for two year olds and 100% for three and four year olds (February 2016). Nottinghamshire's take up of free childcare by eligible two year olds is just below the national take up of 70%.

23. There is wide local variation for take up of free childcare by eligible two year olds. In Rushcliffe nearly 100% of eligible two year olds took up their free 15 hours, compared with 56% in Bassetlaw (May 2016). This data is included in **Appendix 2**.

Childcare Sufficiency Assessment recommendations

24. The CSA highlighted a number of recommendations for improvement. Many of these are being implemented already and further work is required to scope alternative flexible childcare delivery models. The recommendations from the CSA are as follows:

	Recommendation	Local Response
A.	<p>Childcare Sufficiency should be prioritised</p> <p>The Local Authority should ensure the statutory sufficiency duty continues to remain a local priority, and its reports, findings and data are used to inform and evidence commissioned services, funding allocation, childcare place development, funded early learning, and wider duties.</p>	<p>The CSA will be reviewed and updated every six months rather than annually.</p> <p>Findings will be used to inform all capital and commissioning decisions including new plans to offer extended childcare for 3 and 4 year olds.</p>
B.	<p>Improve local intelligence</p> <p>Nottinghamshire needs to have robust data about both supply and demand for childcare, for children aged 0-14 years and for children with additional needs up to 18 years of age. Therefore, it is recommended the Local Authority reviews data collection and monitoring procedures to ensure it supports their market management role and sufficiency duties.</p> <p>The Local Authority has the opportunity to embed contractual levers into monitoring requirements within the Service Level Agreements of commissioned services; these should be linked to Key Performance Indicators (KPIs). This will support an improvement in held data.</p>	<p>Ensure the new NCC Early Years Provider Agreement is implemented in all settings; enabling routine data sharing for vacancy levels and waiting lists.</p> <p>Implement new performance management arrangements for the Families Information Service.</p> <p>Improved contract management for early years settings that have been commissioned to offer childcare in areas of greatest need.</p>
C.	<p>Reduce financial barriers preventing access to childcare</p> <p>Fees charged for childcare are identified as a main barrier to use in Nottinghamshire. Work should be undertaken with key stakeholders to ensure partners and staff are aware of what support for the costs of childcare is available, and how the free entitlement can be used, and disseminate that information to their client groups.</p>	<p>Marketing campaigns will be repeated to increase take up of free childcare in areas of need.</p> <p>Increased focus on childcare access to be included in contract management arrangements with Children Centre services.</p> <p>Establish and implement a communications plan to increase the engagement of stakeholders.</p>

	Recommendation	Local Response
D.	<p>Offer flexible childcare provision</p> <p>There is a need to support the availability of childcare to meet changing working patterns (such as demand for childcare outside of traditional office hours 9-5 Monday – Friday) and with employers to support flexible working and awareness of support for childcare.</p> <p>Explore flexible delivery models as a matter of urgency; and consider how these models of working can be applied across different types of provision for all age ranges of children.</p>	<p>Analysis of consultation findings following parents questionnaire which includes a focus on flexibility and availability (June 2016).</p> <p>Scope and develop alternative models of childcare through Nottinghamshire's Early Innovator status and delivery plan.</p>
E.	<p>Provide additional childcare during school holidays and increased wrap around care</p> <p>The CSA identifies demand for provision in school holidays and an unmet for after school and before school provision. Work should be undertaken with key stakeholders to identify options for provision, which may include the right to request provision on schools sites, provider partnerships, and ensuring all available provision is recognised and promoted through the Local Authority's information duty, delivered by the Families Information Service.</p>	<p>New duties for schools to consider 'rights to request' childcare and holiday provision by parents is being considered and promoted through Head Teacher Briefings (Summer 2016).</p> <p>Map and improve current provision e.g. holiday play schemes.</p>
F.	<p>Continue to offer business and financial support</p> <p>The introduction of the National Living Wage and automatic enrolment for employee pensions will impact on childcare and early years providers' financial models and potentially have a negative impact on their sustainability. This is at a time when the sector is being required to change and remodel services, and national early years funding awards are a subject of uncertainty and debate. It is recommended specific business and finance support and remodelling work is delivered to support the future success and supply of provision.</p>	<p>Continue to support the sector to manage their financial planning; clear invoicing and payment arrangements.</p> <p>Develop and pilot fully costed delivery models for childcare.</p>

Other Options Considered

25. None.

Reasons for Recommendation/s

26. Under section 6 of The Childcare Act (2006) there is a requirement on local authorities to produce an annual sufficiency report on the availability and sufficiency of childcare in their area. The Act requires local authorities in England to ensure a sufficiency of childcare and this information should be made available to parents and elected members.
27. The duties in the Act require local authorities to shape and support the development of childcare in their area in order to make it flexible, sustainable and responsive to the needs

of the community. This role is described as a 'market management' function, supporting the sector to meet the needs of parents, children and young people, parents and stakeholders. This is of particular importance in also securing the duty to provide early learning for 2, 3 and 4 year olds.

Statutory and Policy Implications

28. This report has been compiled after consideration of implications in respect of crime and disorder, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, sustainability and the environment and ways of working and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

29. Additional childcare places are required to meet Nottinghamshire's childcare sufficiency needs, however this is very likely to require funding for one off capital costs; for example, improvements to a classroom to support schools planning on lowering their age range. It is currently unclear if Nottinghamshire will be successful securing national capital funding.

Safeguarding of Children and Adults at Risk Implications

30. Safeguarding is a central focus of childcare providers. The increase in numbers of children accessing childcare will inevitably identify safeguarding concerns in greater numbers of children. Nottinghamshire County Council has facilitated a number of 'safer settings' events to ensure all early years providers have the skills and knowledge to tackle safeguarding.

Implications for Service Users

31. If sufficiency needs are effectively addressed, parents/carers will be able to access a wider range of high quality childcare provision and more children will be ready for school. Likewise, by increasing access to free childcare, a key barrier to employment is removed, in turn reducing levels of child poverty and the poor outcomes associated with it.

RECOMMENDATION/S

That the Committee:

- 1) notes the findings of the 2016 Childcare Sufficiency Assessment.
- 2) approves the response to the findings of the 2016 Nottinghamshire Childcare Sufficiency Assessment.

Derek Higton
Service Director, Youth, Families and Culture

For any enquiries about this report please contact:

Irene Kakoullis

Group Manager Childhood and Early Help Services (Locality)

T: 0115 9774431

E: Irene.kakoullis@nottsccl.gov.uk

Constitutional Comments (LM 22/06/16)

32. The recommendations in the report fall within the Terms of Reference of the Children and Young People's Committee.

Financial Comments (CS 23/06/16)

33. The financial implications of the report are set out in paragraph 29 above.

Background Papers and Published Documents

None.

Electoral Division(s) and Member(s) Affected

All.

C0850