

17 September 2018**Agenda Item: 11****REPORT OF THE SERVICE DIRECTOR, COMMISSIONING AND
RESOURCES****NOTTINGHAMSHIRE CHILDCARE SUFFICIENCY ASSESSMENT 2018****Purpose of the Report**

1. To share the findings of the 2018 Childcare Sufficiency Assessment and seek approval of the proposed recommendations which enable the Council to fulfil the statutory duty to provide sufficient high quality childcare.
2. To share progress following the implementation of the recommendations made in the 2017 Childcare Sufficiency Assessment.

Information

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.
5. The 2018 Childcare Sufficiency Assessment is attached as **Appendix 1**.

Methodology

6. The information used to undertake this assessment was gathered from early years providers and by parents using a variety of methods which inform 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) information obtained from 641 early years providers using a new self-update module of Capita.
 - b) an online survey carried out in June 2018 which gained 297 responses from parents.
 - c) headcount data captured each term that shows the numbers of children accessing their funded childcare entitlements.

- d) review of information held by the Families Information Service about current levels of childcare provision and costs across Nottinghamshire.
8. It is worth noting that all data used to inform this report are a snapshot in time and are subject to change as children access provision during the course of the year.

Key Findings:

Current provision

9. Nottinghamshire continues to benefit from having a diverse range of flexible childcare across the County with 996 providers delivering early years funded places. The Private, Voluntary and Independent (PVI) sector offers 12,767 childcare places and continue to provide half the number of early years entitlement places for eligible children, with schools providing 50% of childcare places for 3 and 4 year olds.
10. The introduction of the extended childcare entitlement (also known as 30 hours), has seen an increase in the numbers of childminders delivering funded places. More than 50% of providers now deliver places for eligible 2, 3 and 4 year olds.
11. 78% of primary schools provide childcare for 3 and 4 year olds, with 4% providing places for eligible 2 year olds, providing in total 10,634 places for children eligible for free childcare. 28% of schools are now offering 30 hours of extended childcare.

Quality of Provision

12. As at 31 July 2018, 15% of early years provision in Nottinghamshire was rated 'Outstanding' by Ofsted and 71% was rated as 'Good'¹ which is the same as in 2016. However quality in early years provision has been increasing since 2012 when 70% of early years providers were assessed as 'Good' or 'Outstanding'.
13. A growing number of childminders are choosing to register with the local Childminding Agency rather than with Ofsted directly. The Childminding Agency is itself inspected by Ofsted and childminders who join adopt the same grade – the local agency '@Home Childcare' is currently rated as a 'Good' provider.

Fees charged for childcare

14. The cost of childcare for children not claiming/eligible for funded hours in Nottinghamshire varies across districts and by type of provider. Nottinghamshire Families Information Service (FIS) collates available information on fees which are published in this assessment, the Childcare and Family Trust annual childcare costs survey and annual holiday childcare costs survey. However, not all providers declare their fees to FIS and those that do are likely to be competitive on price, therefore fees appear lower than last year. Fees are highest in Rushcliffe across the board, and day nursery fees are lowest in Newark and Sherwood, whilst childminder fees are lowest in Ashfield. Parents consistently cite high childcare costs as a concern.

¹ Ofsted Data View:

<https://public.tableau.com/profile/ofsted#!/vizhome/Dataview/Viewregionalperformancevertime> accessed July 2018

Early years entitlements

15. Currently all 3 and 4 year olds and around 40% of 2 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 2,861 eligible 2 year olds from low income families and 17,804 3 and 4 year olds that have a statutory eligibility for the universal (15 hours) entitlement.
16. Take-up is 73% for eligible 2 year olds and 103% for 3 and 4 year olds (July 2018). Whilst Nottinghamshire's take up of free childcare by eligible 2 year olds is just above the national take up of 72% (DfE January 2018), data suggests that with the exception of Ashfield, take up rates have not replicated previous years' results. Rushcliffe in particular has seen a significant reduction (10%) whilst having a slight increase in the number of children eligible.
17. Since 1st September 2017, most working parents of 3 and 4 year olds have been entitled to an additional 15 hours of funded childcare a week. Nottinghamshire has had a very successful year of operation with 62% of all providers now offering 30 hours in response to the demands of the 6,621 parents eligible for additional hours. Of those who tried to claim their place (99% of the total), 93% took up their place in Nottinghamshire provision. This compares to 90% in a childcare place nationally for the same time period².
18. Additional supplementary funding is available to support children faced with economic disadvantage through the Early Years Pupil Premium (including LAC children), children with additional needs through the Early Years Inclusion Fund, and Disability Access Fund (DAF). Funding received from the Department of Education for 2018/19 to support children with disabilities to access their early years entitlement suggests there are currently 300 3 and 4 year olds eligible for Disability Living Allowance. Since April 2018 providers can also access Deprivation funding to support children known to social care, i.e. Child in Need or on a Child Protection Plan.

Financial support to parents

19. In addition to the introduction of 30 hours funded childcare, financial support is currently available through the childcare element of the working tax credit or childcare vouchers. Since September 2017 Tax free Childcare Accounts are available to all parents. For every £8.00 paid into the account by parents, Government tops it up by an additional £2.00 which can be used to pay for registered childcare. Though parents have the opportunity to save 29% of their childcare costs in this way, only 10% of families have opened an account so far. Parents on Universal Credit can also claim back up to 85% of their childcare costs.

Parent concerns and priorities regarding provision

20. Findings from the parent/carer survey identified that whilst parents are still most likely to use family members for childcare, the response showed a fall of 6% of parents choosing

² Source: DfE Experimental statistics on the use of 30 hours free childcare from April to August 2018, published 21 June 2018

to use alternative provision, which is assumed is influenced by the introduction of the 30 hours entitlement.

21. Parents reported high levels of satisfaction for the location of provision (98%) and times when (93%) childcare is available. 66% of parents reporting a preference to access childcare close to home, with only 10% choosing childcare close to work and 10% close to school.
22. However, the survey also found that some parents still require childcare 7 days a week and 24 hours a day, not just during the hours from 8am to 6pm. Parental responses indicate that some parents need provision to operate outside of these hours to provide the flexibility to work around part-time and shift employment patterns, including overnight evening (16%) and overnight care (2%).
23. Parental feedback suggests that a significant number were incentivised by the 30 hours entitlement to either increase their working week or look for work, with some indicating that partners had increased their contracted hours also. Exact figures of parents who have accessed employment or increased their working hours because of 30 hours is not known.
24. The survey included 38 parents of children with a disability or special educational needs. In terms of their ability to locate and access suitable childcare improvements have been made since last year with 71% reporting that they found it easy to find childcare for their child, compared to 64% last year, and 77% were able to access childcare at suitable times, compared to 67% this time last year.

Childcare Sufficiency Assessment (CSA) 2017

25. Last year's CSA highlighted a number of recommendations for improvement and the table below summarises actions taken to implement them:

	Recommendation	Action taken
A.	Improve data returns from early years providers across Nottinghamshire to ensure that future childcare sufficiency assessments understand demand and supply.	<p>The new Capita self-update tool has been launched to enable providers to update their occupancy data as and when it changes. A series of Portal workshops have been held throughout the year and across the County to offer face-to-face to providers in its use.</p> <p>Data is now drawn from the self-update each term to inform local sufficiency plans and annual sufficiency assessment.</p> <p>Not all early years providers submit their data within deadlines and this has resulted in the Council having to chase for data from some providers.</p> <p>The Nottinghamshire Early Years Provider Agreement has been refreshed and reminds providers that data sharing is a condition of their funding allocation.</p>
B.	Work with early years providers to establish additional childcare provision in areas of greatest need.	<p>30 hours workshops have been held across districts/localities to support providers, including schools, to prepare for its implementation.</p> <p>Sufficiency data shared with early years providers at local meetings so that providers have a greater understanding of the</p>

		<p>needs and demands of parents within their localities.</p> <p>Two new early years settings have been completed at Robert Mellors Primary in Gedling and Holgate Primary in Ashfield offering an additional 55 and 45 places respectively.</p> <p>Five Children's Centre sites have been identified to invite early years providers to tender to provide childcare in areas with poor levels of childcare sufficiency.</p> <p>Three further schools have been supported to consider utilising rooms for childcare, i.e. Blidworth Oaks, Bilsthorpe Flying High Academy and Albany Infants and Nursery, Stapleford.</p> <p>A partnership with the local childminding agency has progressed and helped to recruit 14 new childminders.</p>
C.	Increase the take-up of funded early years places by 2 year olds.	<p>Targeted promotion in target localities to increase awareness of childcare entitlements for 2 year olds from low income families has taken place.</p> <p>Children's Centre Services continue to be commissioned to work with parents to help improve take-up rates for eligible 2 year olds.</p> <p>Information for parents regarding childcare provision continues to be reviewed and updated on the Notts Help Yourself website and Facebook pages.</p>
D.	To increase the sufficiency of 30 hours funded early years places, in response to demand from parents.	<p>Work with early years providers has been undertaken throughout the year which has resulted in 62% of providers delivering 30 hour places. Of the 99% of those codes validated, 93% of the children deemed eligible are taking up their place in Nottinghamshire provision.</p>
E.	Encourage schools to lower their age range to include 2, 3 and 4 year olds in areas with poor childcare sufficiency levels.	<p>The Early Years Guidance for schools has been published and 15 schools are now delivering places for 2 year olds, and 93 schools are now providing 30 hours childcare places as a result of the information and support they have received.</p>
F.	Monitor the impact of new extended childcare entitlements (30 hours) on childcare sufficiency levels, ensuring that the views and needs of parents and carers are addressed.	<p>Feedback from the annual Parents Survey has informed local sufficiency plans.</p> <p>Early years providers have been encouraged and supported to engage with parents in their planning for the extended hours, and in their partnership arrangements with other local providers.</p> <p>Nottinghamshire Children's Centre buildings have been considered to host childcare. Consultation has identified that 63% of parents think that the Council should use the buildings for childcare, and 59% of the parents said they would use a local Children's Centre building for childcare if available.</p>
G.	Encourage increased provision of childcare during the school holidays, breakfast clubs and after school clubs.	<p>The Council has refreshed and published guidance for schools establishing out of school provision.</p> <p>Advertised opportunities to provide wrap around care and holiday provision to the sector.</p>
H.	Increase the number of early years settings that	<p>Continued to provide support to early years providers through graduated support, training and guidance; with additional targeting</p>

	are assessed as Good or Outstanding by Ofsted.	of settings identified as 'Inadequate' or 'Requires Improvement' by Ofsted.
I.	Increase the provision of flexible childcare that meets the needs of working parents.	Secured additional DfE funding to support the development of Partnership Hubs in areas of low sufficiency between schools, childminders, day nurseries and pre-schools; and to increase the number of childminders delivering funded places.
J.	Continue to implement, monitor and review the revised Early Years National Funding Formula which includes supplementary funding for children with disabilities annually.	<p>Established the Early Years Inclusion fund and promoted the launch of the new Disability Access Fund to support providers to meet the needs of children with SEND.</p> <p>Revised the criteria for the Deprivation funding now designed to support children known to social care i.e. Child in Need or on a Child Protection Plan.</p> <p>Implemented the Capita Better Start tool to capture progress tracking information from providers to help monitor the impact of supplementary funding on children's development.</p>

Childcare Sufficiency Assessment 2018 Recommendations and Proposed Actions

26. The Nottinghamshire Childcare Sufficiency Assessment has identified a number of recommendations for local action. These recommendations form the basis of a measurable action plan for the Early Childhood Services team within the Council.

	Recommendation	Proposed Action
A.	Review support arrangements to improve data returns from early years providers across Nottinghamshire to improve the understanding of demand and supply.	<p>Strengthen and instigate compliance of local Early Years Provider Agreement and statutory requirement to submit timely headcount data. Monitoring of data submissions will ensure the Council contacts early years providers who do not meet deadlines.</p> <p>Deliver regular targeted workshops to the early years sector across the County for providers to demonstrate use of the self-update module, including schools.</p> <p>Ensure all Early Childhood Services team members promote the use of the self-update module during visits to early years settings.</p>
B.	Targeted work in areas to ensure sufficient places (in particular for 2 year olds) and establish new ways to support their take up.	<p>Increase work and support for schools who currently provide childcare for 3 and 4 year olds to lower their age range to create places for eligible 2 year olds (in particular across hot spot wards).</p> <p>Implementation of Early Childhood Services communications and marketing plan, including the increased promotion of the Families Information Service Facebook page and Notts Help Yourself website and continue targeted promotion in hot spot wards where take up rates are low.</p> <p>Implement new processes for Children's Centre services to make contact with all families that are eligible for funding and not yet taking their place.</p> <p>Engage early years providers who no longer offer childcare places for 2 year olds who have instead refocused their</p>

		provision to solely provide places for 3 and 4 year olds, to understand their rationale and encourage them to reconsider.
C.	Develop Partnership Hubs between local providers to strengthen joint working arrangements and ensure sufficient places meet local parents' needs.	<p>Establish joint working arrangements with existing early years providers in hot spot wards, bringing together schools, childminders, and other PVI providers to deliver combined childcare options for parents.</p> <p>Use learning from the local Action for Children project to embed partnership hubs across hot spot wards.</p>
D.	Work in partnership to establish new childminder provision in target areas.	<p>Work with the local Childminding Agency (@Home Childcare) to roll out a targeted campaign to recruit childminders in areas of low childcare sufficiency.</p> <p>Increase promotion of Nottinghamshire County Council website and Notts Help Yourself to signpost prospective childminders to guidance and tools to help establish their new business.</p> <p>Signpost prospective childminders to the local Childminding Agency and the national charity PACEY.</p> <p>Create a Council 0.5 FTE post to lead on support and recruitment of childminders by realigning Council funding to prioritise this area of work following Committee approval.</p> <p>Creation of toolkit for prospective childminders by working with the local Childminding Agency.</p>
E.	Ensure providers with less than Good Ofsted ratings are prioritised for quality improvement support	<p>Continue to offer free packages of support to settings judged as 'Inadequate' or 'Requires Improvement' by Ofsted.</p> <p>Successful implementation of the Early Years Improvement Plan which focuses on quality and attainment.</p>
F.	Promote supplementary funding available for vulnerable children and review and share best practice guidance to improve their outcomes.	<p>Active promotion of supplementary funding to local early years providers through briefings, factsheets, application processes and newsletters including:</p> <ul style="list-style-type: none"> • Inclusion Fund • Deprivation Fund • Disability Access Fund • Early Years Pupil Premium <p>Increased focus on the promotion of the Disability Access Fund for children claiming Disability Living Allowance, by promoting funding entitlements to parents of children with SEND who are not accessing childcare provision through local services working with this cohort.</p> <p>Ensure all early years providers in receipt of supplementary funding provide outcome tracking data through the 'Better Start' tool as part of the Nottinghamshire Early Years Provider Agreement.</p> <p>Carry out in depth analysis of Better Start data to assess the impact of supplementary funding on the development of eligible children each term.</p> <p>In depth review of the new Early Years Inclusion fund application and monitoring processes after a year of</p>

		<p>implementation (April 2019).</p> <p>In depth review of the new Deprivation Fund criteria on outcomes for 3 and 4 year olds known to social care after a year of implementation (April 2019).</p>
G.	Promote take up of Tax Free Childcare accounts by parents	<p>Active promotion of Tax Free Childcare through websites, social media and media releases to target eligible parents.</p> <p>Publish more information on the Notts Help Yourself website to help promote Tax Free Childcare to parents.</p> <p>Continue to brief local partners regarding childcare funding including Tax Free Childcare.</p>
H.	Strengthen consultation activities with parents of pre-school children to better gain their views to help meet their needs.	<p>Future consultation exercises to be promoted through Children's Centre Facebook pages which are more targeted to parents with pre-school children.</p> <p>Children's Centre services will be tasked to support future consultation exercises.</p> <p>Ensure that consultation exercises gather the views of parents across Nottinghamshire to greater understand local needs.</p>

Other Options Considered

27. No other options have been considered.

Reasons for Recommendations

28. 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.
29. 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

30. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, 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, smarter working, sustainability and the environment 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

31. Council employees with responsibility for childcare sufficiency are funded by the centrally retained early years block of the Dedicated Schools Grant (DSG) which is reviewed each year totalling approximately £389,000. Online tools to support the development of the Childcare Sufficiency Assessment used by the Council are also funded by the DSG, totalling £18,000.
32. The provision of the Families Information Service is a statutory duty for top tier local authorities and supports the promotion of childcare entitlements, guides parents to find childcare and helps the Council secure data for the sufficiency assessment using social media and the Notts Help Yourself website. This service is also funded by the DSG totalling £94,000, with additional Council funding allocated to maintain the Notts Help Yourself website (£9,000 per annum).

Safeguarding of Children and Adults at Risk Implications

33. 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

34. 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.

RECOMMENDATIONS

That the Committee:

- 1) approves the recommendations of the Nottinghamshire Childcare Sufficiency Assessment 2018
- 2) acknowledges the progress made in the implementation of the recommendations made in 2017.

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Constitutional Comments (EP 24/08/17)

35. The recommendations falls within the remit of the Children and Young People's Committee by virtue of its terms of reference.

Financial Comments (SAS 31/08/17)

36. The financial implications of the report are contained within paragraphs 31 and 32 above.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

None.

Electoral Divisions and Members Affected

All.

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