



14th October 2019

Agenda Item: 9

**REPORT OF THE SERVICE DIRECTOR, COMMISSIONING AND
RESOURCES**

NOTTINGHAMSHIRE CHILDCARE SUFFICIENCY ASSESSMENT 2019

Purpose of the Report

1. To share the findings of the 2019 Childcare Sufficiency Assessment (CSA) 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 the progress following the recommendations made in the 2018 Childcare Sufficiency Assessment.

Information

3. The Childcare Act (2006) states that the Local Authority must make arrangements to secure sufficient early childhood services in their area that are provided in such a way that facilitates access to those services, and maximise the benefit of those services to parents, prospective parents and young children.
4. The Act states that local authorities must secure free places offering 570 hours of Early Education and Childcare a year over no fewer than 38 weeks of the year and up to 52 weeks of the year for every eligible 2-year-old child in their area, and for all 3 and 4 year olds until the beginning of the term following their fifth birthday.
5. The Childcare Act 2016 amendment states that the Local Authority must also secure an additional 570 free hours of Early Education and Childcare a year over no fewer than 38 weeks of the year and up to 52 weeks of the year, for qualifying children of working parents.
6. 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.
7. The 2019 Nottinghamshire Childcare Sufficiency Assessment is available in **Appendix 1** and will be published on the Council's website subject to Committee approval.

Methodology

8. 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 704 early years providers using a self-update module of Capita
 - b) an online survey carried out in June 2019 which gained 694 responses from parents
 - c) headcount data captured each term that shows the numbers of children accessing their funded childcare entitlement and supplementary funding
 - d) review of information held by the Families Information Service (hosted by Inspire) about current levels of childcare provision and costs across Nottinghamshire
 - e) it is worth noting that all data used to inform this report is a snapshot in time and is therefore subject to change as children access provision during the course of the year.

Key Findings

Current Provision:

9. There are 1,068 providers (June 2019) delivering Childcare and Early Education across Nottinghamshire.
10. The number of Day Nurseries registered has remained static across the County at 191 settings, but there has been a 6% decrease in the number of pre-school settings, and a 7% increase in the number of registered childminders.
11. The greatest increase in provision in the last year (rising from 298 settings to 494) has been in provision of out of school care.
12. According to the assessment this Summer, there are over 2,500 x 15 hour places for 2,3 and 4 year olds vacant across the County. Only five areas are reporting a deficit of places and the numbers are negligible.
13. Nottinghamshire has sufficient childcare places for eligible 2 year olds, and all 3 and 4 year olds. There are exceptions and not all available places are accessible for families.

Quality of Provision

14. 83% of all registered Early Years Provision is currently (June 2019) rated as Good, Outstanding or Met¹ by Ofsted. This figure rises to 96% when factoring out those settings which are newly registered and are yet to be inspected. Just 0.6% (seven settings) have been judged as 'Inadequate'. 4% of settings are rated as Requiring Improvement, Inadequate or Not Met.
15. 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

¹ Met or Not Met judgements are applied where an inspection takes place in the absence of targeted children

Ofsted and childminders who join adopt the same grade – the local agency, @Home Childcare, is currently rated as a Good provider.

The cost of childcare

16. The cost of childcare for children not claiming their entitlements or those not 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 cost of childcare has risen across the sector by an average of 14% since the last year. Average childcare costs are highest in Rushcliffe and lowest in Bassetlaw; although in Ashfield, childminders charge the lowest fees in the County.
17. Providers are reporting that their fees have risen over recent years due to a number of new initiatives which have had significant impact on provision; namely the national minimum wage, pension costs, costs of training and increases in business rates.
18. Parents have stated that the cost of childcare is still a barrier to accessing work and training.

Early Years Entitlements

19. Data from the Summer term identified that the average take up rate of 2 year old funded places over three terms is 75.7%. A total of 3,441 eligible 2 year old children accessed their 15 hour place in the academic year 2018-19. Take up rates over the year were highest in Rushcliffe at 82% and lowest in Bassetlaw at 61%.
20. Data from the Summer term identified that the average take up rate over three terms is 102% of three year olds and 95% of four year olds.
21. The take up rate of the extended childcare offer for working households (30 hours funded per week) has been hugely successful with 99% of parents who applied and received an 'eligible 30 hours code' from HMRC had the codes validated by an early years provider, 93% of whom were in a 30 hours place in Nottinghamshire.
22. It is estimated that almost 2,800 children have benefitted from additional funding streams:
 - Inclusion fund for children with severe and complex needs
 - Disability Access Fund for 3 and 4 year olds receiving Disability Living Allowance
 - Deprivation fund for children aged 3 and 4 years on a Child Protection Plan or Child In Need
 - Early Years Pupil Premium for children meeting the criteria under economic deprivation or children who are Looked After.

Financial support to parents

23. Tax Free Childcare Accounts became available to parents from September 2017. For every £8 paid into the account, the Government will top up by £2 (up to a maximum top-

up of £2,000 per year, per child); this is doubled for disabled children. Only 16% of parents responding to the Council's survey used Tax Free Childcare Accounts.

24. Universal Credit for Childcare is aimed at working families with children under 17 years and provides up to 85% of childcare costs (capped). Tax Credits are now being phased out and replaced by Universal Credit for Childcare.
25. Care to Learn is available for younger parents (under 20 at the start of their training course) who are in education or training. Care to Learn is available for publicly funded courses in schools, sixth form or FE colleges. Childcare payments of £160 per week are paid directly to the childcare provider and parents can access their travel expenses.

Parent priorities regarding provision

26. 694 parents responded to the Council's survey (a 57% increase on last year).
27. 78% of respondents to the survey said that their provision was easily accessible from where they live. 71% said that their provision was open at suitable times. 60% of respondents agreed that they could use their funded hours at suitable times, and 62% of respondents agreed that settings were flexible.
28. 92% of parents who responded to the survey this year said they were satisfied or very satisfied with the quality of the provision their child(ren) received.
29. 75% of the respondents in the survey said they paid for some form of childcare – with the majority (63%) of them paying for 15 hours or less. Only 9% paid for a full week of 31-40+ hours.
30. Less than 40% of survey respondents agreed that they were satisfied with the amount they had to pay.

Progress following the 2018 Childcare Sufficiency Assessment

31. Last year's Childcare Sufficiency Assessment highlighted a number of recommendations for improvement and the table below summarises actions taken to implement them:

| Recommendation | Actions Taken and impact |
|---|--|
| Review support arrangements to improve data returns from early years providers across Nottinghamshire to improve the understanding of demand and supply | <ul style="list-style-type: none"> • Provider Agreement reviewed and implemented • New Audit process implemented • Self-Update Module sessions delivered at every provider network (6 sessions) <p>704 local providers used the Self Update system representing 88.5% of providers who are delivering funded places. An increase of 63 providers</p> |
| Targeted work in areas to ensure sufficient places for 2-year olds and | Additional places created in communities where they are most needed (Newark, Rainworth, Hucknall, Arnold and Retford) |

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|--|--|
| establish new ways to support their take up | Implementation of Early Childhood Services communications and marketing plan with an increased use of social media Increase from 73% take up to 75.7% |
| Develop Partnership Hubs between local providers to strengthen joint working arrangements and ensure sufficient places meet local parents' needs | District Sufficiency meetings bring together schools, PVI and childminders 89 settings attended Spring briefings |
| Work in partnership to establish new childminder provision in target areas | Work with the local Childminding Agency (@Home Childcare) to roll out a targeted campaign to recruit childminders in areas of low childcare sufficiency 26 new childminders recruited by @Home Childcare. 7% increase overall in the number of registered childminders |
| Ensure providers with less than Good Ofsted ratings are prioritised for quality improvement support | Successful implementation of the Early Years Improvement Plan which focuses on quality and attainment Successful implementation of new Service Standards for Quality and Attainment team |
| Promote supplementary funding available for vulnerable children and review and share best practice guidance to improve their outcomes | It is estimated that almost 2,800 children have benefitted from additional funding streams, although there is still work to do on the take up of the Disability Access Fund and Early Years Pupil Premium for Looked After Children |
| Promote take up of Tax Free Childcare accounts by parents | Nationally the expected take up is around 10%. In 2018, Nottinghamshire survey results suggested 13% of parents used these accounts. So far in 2019 this has risen to 16% |
| Strengthen consultation activities with parents of pre-school children to better gain their views to help meet their needs | Increased engagement in parental survey. Two face to face consultation events held in Spring 2019 |

Childcare Sufficiency 2019 Recommendations

32. This year's Childcare Sufficiency Assessment has highlighted the following actions to be considered. The detailed table of actions and impact measures can be found in Section 10 of the CSA. A detailed action plan has been developed to address the recommendations.
- a) ensure there is sufficient childcare for 2, 3 and 4 year olds in three identified local areas (Netherfield / Colwick; Bellamy and Beeston North)
 - b) sustain existing high quality childcare by supporting for the sector to access funding opportunities, including supplementary funding
 - c) work with schools to ensure there is not an oversupply in some key localities

- d) increase the take up rates of 2 year funded entitlements in six local areas (Eastwood, Manton, Bridge wards, Rural Families, Trent Villages, Bassetlaw rural areas)
- e) support and expand Out of School Provision to ensure working parents are able to access suitable and flexible childcare provision
- f) deliver further consultation with parents' groups to better identify gaps in flexibility and accessibility of childcare
- g) deliver more frequent consultation with the early years sector to enable the Council to have an ongoing understanding of termly childcare sufficiency levels
- h) better forecast future needs by assessing birth rates and population projections, housing developments, development of Free Schools and Early Years Places.

Other Options Considered

33. No other options have been considered.

Reasons for Recommendations

34. 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.
35. 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.
36. This year there are particular matters arising around supporting parents in to work through the take up of funded places for 2 year olds, implementation of the extended 30 hours entitlement and the increased provision of out of school childcare.

Statutory and Policy Implications

37. 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

38. 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.
39. 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 to 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

40. Safeguarding is a central focus for 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' and training events to ensure all Early Years providers have the skills and knowledge to tackle safeguarding.

Implications for Service Users

41. The supply of sufficient, high quality, affordable, sustainable, and accessible childcare and early education has huge benefits for both parent and child, including:
- a) affordable childcare supports families to work, or train to maximise work opportunities which helps to raise household income and improve outcomes for children.
 - b) childcare that is flexible and accessible ensures parents can take up their entitlement at times that best support their child's learning and development, and at times which fit with the needs of parents to enable them to work or increase their hours of work if they wish to do so.
 - c) a good quality pre-school experience supports children's cognitive and emotional development, aiding transition between home and school and improving school readiness.
42. The Government's plan to improve social mobility through education [Unlocking Talent, Releasing Potential](#) states that good early years education is the cornerstone of social mobility and children with strong foundations will start school in a position to progress.

RECOMMENDATIONS

- 1) That Committee approves the recommendations of the Nottinghamshire Childcare Sufficiency Assessment 2019.

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Constitutional Comments (AK 23/09/19)

43. The recommendation falls within the remit of the Children and Young People's Committee under its terms of reference.

Financial Comments (SAS 20/09/19)

44. The cost of free child care for 2, 3 and 4 year olds is funded from the Early Years Block of the Dedicated Schools Grant (DSG) which is £49.136m for 2019-20.
45. The cost of staff with responsibility for childcare sufficiency is approximately £389,000 and the online tools to support the development of the Childcare Sufficiency Assessment is £18,000 both of which are reviewed each year. This totals £407,000 and is also funded from the Early Years Block of the DSG.
46. 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 to secure data for the sufficiency assessment using social media and the Notts Help Yourself website. This service costs £94,000 and is also funded by the Early Years Block of the DSG with additional Council funding allocated to maintain the Notts Help Yourself website at £9,000 per annum.

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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