



Childcare Sufficiency Assessment 2021

A report on the Early Years and Childcare Sector in Nottinghamshire

Early Childhood Services

Children and Families Department

September 2021

Contents

1. Introduction
2. National and Local Context
3. Child population
4. Childcare Supply
5. District Sufficiency Assessments
6. Demand for childcare and take up
7. Vulnerable Children
8. Funding
9. Sustainability
10. Parents
11. Conclusions, Actions and Recommendations

1. Introduction

The Childcare Act (2006) states that the Local Authority must make arrangements to secure that early childhood services in their area 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.

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 three- and four-year olds until the beginning of the term following their fifth birthday.

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.

These children are referred to as having a Funded Place

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.

The 2021 report will focus largely on the position of the Early Years and Childcare sector in Nottinghamshire as the UK emerges from the Covid 19 Pandemic, and the impact this has on places available for children across the County.

Covering

- Supply and demand of funded places for 2,3 and 4 year olds
- The supply and demand for places for children and babies under two (New for this year)
- Main effects on business sustainability and therefore future supply of places, post Covid19

Methodology

Definition: Included in the description of Childcare and Early Years Providers / Settings are Day Nurseries, Pre-schools, Childminders and Schools offering Early Years provision for children under Statutory School age.

Information was collected from

- Summer 2021 Term Self Update from Providers delivering Funded places.
- Early Years Consultation group online meetings.
- Contact with provision through the Early Childhood Services team.
- Information on Tracking Vulnerable Children.
- Online survey of providers (5% sample).
- Information and Support for Parents
- Families Information Survey, January 2021

2. National and local Context

National Context

Looking back over the past year the Early Years and Childcare Sector has operated in a number of different ways depending on the course of the Pandemic and Government advice

Between March 2020 to June 2020, Settings were closed to all children with the exception of those of Critical / Key workers and the children classed as the most Vulnerable.

Early Years Settings and schools were advised that they could open to more children from 1st June 2020 within certain guidelines. The guidelines meant that children had to be kept in bubbles of 8 or 16 with consistent members of staff and minimising the mixing of the groups. This inevitably meant that settings had to “cap” the numbers of children in attendance and remodel their delivery to welcome back as many children as possible.

As of 20th July 2020, Early Years Provision was able to welcome back more children as the restriction on bubbles was relaxed and new Protective Measures were introduced

The UK entered a second National lockdown on 5th November 2020, and despite Schools being closed again to all but children of Critical Workers and vulnerable children, Early Years settings were expected to remain open.

In 2021, there have been a number of changes to the Actions for Early Years Settings (DfE guidance) but no further expectations that settings must limit the numbers of children they offer places to.

Local Context

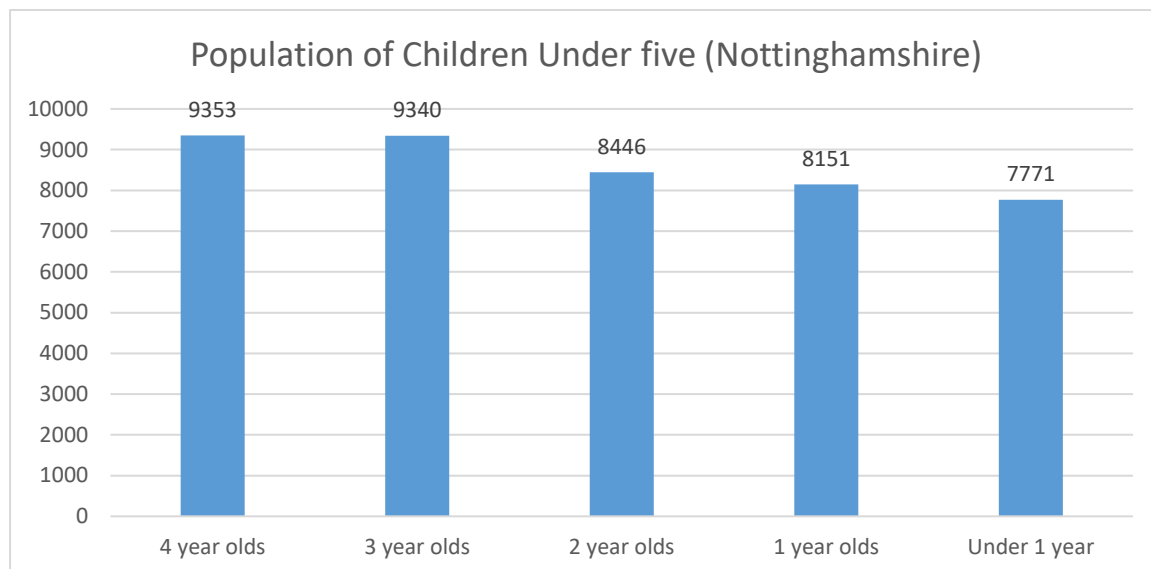
Between March 2020 and June 2020 approximately 8% of children attended Nottinghamshire settings, with an average over that period of 57% of settings remaining partially open.

By the end of July 2020, 73% of Nottinghamshire’s settings had re-opened and approximately 50% of children were back in attendance. and by the end of 2020 approximately 80% of settings reported being fully open.

Nottinghamshire entered Tier 3 restrictions in October with the UK entering the second National lockdown on 5th November 2020, and despite Schools being closed again to all but children of Critical Workers and vulnerable children, Early Years settings were expected to remain open. Since this time, on average each week, 90% of settings have been fully open. There have been some temporary closures due to cases of Covid19. Further detail is below in Section 4.

3. Childcare Population

According to the Office of National Statistics, the Mid Year population in 2020 for children under five was as follows:



The number of children aged under five continues to drop year on year as described in previous year's CSA reports.

4. Childcare Supply

There are 1,082 Ofsted Registered Early Years Providers, including Private, Voluntary, and Independent (PVI) Settings and schools (June 21) delivering Childcare and Early Education across Nottinghamshire. Of those 970 (90%) are registered to deliver funded places for 2, 3 and 4 year olds.

- 265 schools or academies are registered to provide Childcare and Early Education for 3 and 4 year olds in a nursery or reception class.
- Providing care in their own home, there are 554 Ofsted registered Childminders in Nottinghamshire most of which are registered to care for children from six weeks to eight years, and 455 (82%) are registered to deliver funded Places for 2,3 and 4 year olds
- Day Nursery settings provide care for children from six weeks to school age. There are 174 Day Nurseries operating in Nottinghamshire, all of whom deliver funded places for 2,3 and 4 year olds
- Generally, Preschools are used on a half-day or full-day basis and tend to operate only during term time. There are 80 preschools who all provide funded childcare places for 2, 3 and 4 year olds
- Out of school provision is defined as Breakfast club, after school, holiday care and out of school care, some of which offer Early years provision. There are 67 Ofsted registered holiday clubs and a further 30+ breakfast clubs in addition to the numbers of Early Years providers who deliver wrap around / out of school care as part of their Early Years provision.

Supply

All Early Years and Childcare Settings are now (September 2021) fully open to all children. However, due to the nature of Self-Isolation restrictions, some have previously suffered temporary partial or full closures because

- A child or staff member has tested positive for Covid19 and a bubble* has had to close
 - The setting is small and because of the above, the whole setting is classed as one bubble and therefore the whole setting has closed
- OR
- The whole setting has closed due to all bubbles being affected
- Childminders have had to self-isolate because of a close contact outside of their business and therefore cannot accept any children during that time
 - Early Years settings in Schools closed when the Schools were limiting numbers
 - Staff shortages due to positive cases or close contacts self-isolating have meant not all children can be safely cared for
 - They operated out of a community building which closed because of National restrictions

In the last academic year, the number of Covid 19 incidences reported in PVI settings ¹ was 489, some of which were multiple cases at the same setting. Overall 389 adults and 472 Children have been reported as positive cases. Of these incidences, 175 bubbles closed, and 147 resulted in the total closures of a setting. However, 123 settings remained open despite a positive case because either the cases were reported over a holiday break or the positive case had not been in the setting for over 48 hours.

*Settings are no longer (September 2021) required to operate in Bubbles

The Number of Providers

Overall, the number of settings in Nottinghamshire has been largely static for a number of years, hovering around the 1,000 mark. However, in the last three years there has been an overall net decrease in PVI providers by 7%. (4% in the last year)

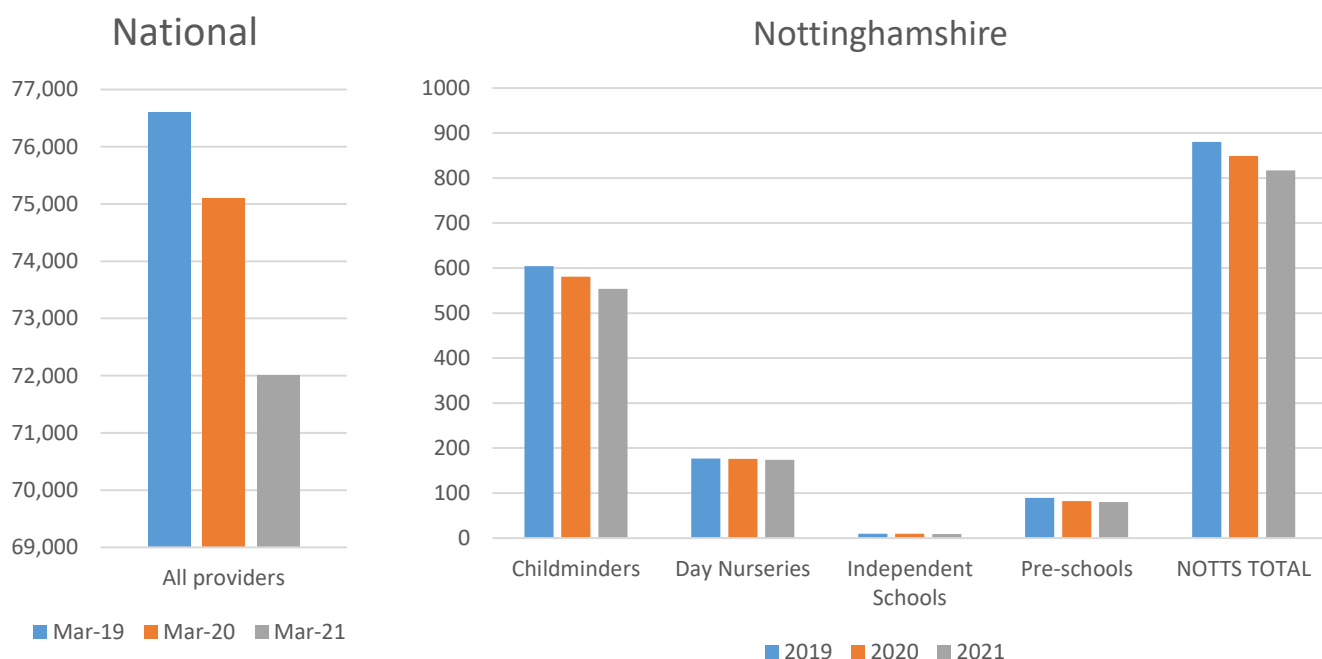
- There have been 99 Childminder resignations in those three years and 50 new registrations. Those Childminders who have stopped Childminding over the last year gave a number of reasons for their resignation, but half of them added that the Pandemic and restrictions had affected their choices.
- There have been 33 new Group Based (Nursery or Preschool) registrations, and 49 closures. The group based settings who have closed did not attribute their closure to Covid. Two preschools closed due to lack of numbers after the local school extended their offer to 3 and 4 year olds, and some simply found that there were not enough children in their community to make their setting viable, particularly those Preschools run by voluntary committees or charities.

According to a recent Government report², this reflects the national picture, Ofsted stating that there has been a 6% decrease in the number of providers in the last three years. (5% in the last year)

¹ Does not include Schools based Early Years Provision who report as part of a whole School

² <https://www.gov.uk/government/statistics/childcare-providers-and-inspections-as-at-31-march-2021/main-findings-childcare-providers-and-inspections-as-at-31-march-2021>

Number of providers Nationally (England and Wales) and Nottinghamshire:



Number of Providers in Nottinghamshire by Provider Type:

Private, Voluntary and Independent Sector	2019	2020	2021	+/-	% change 2019 to 2021
Childminders	604	581	554	-50	-8.3%
Day Nurseries	177	176	174	-3	-1.7%
Independent Schools	10	10	9	-1	-10.0%
Pre-schools	89	82	80	-9	-10.1%
NOTTS TOTAL	880	849	817	-63	-7.2%

Schools

There has been an increase over the last three years in the number of school based Early years provision offering the extended entitlements. There are 215 Schools registered to deliver Early Years Places and 65% are now offering 30 hours of funded Early education and Childcare.

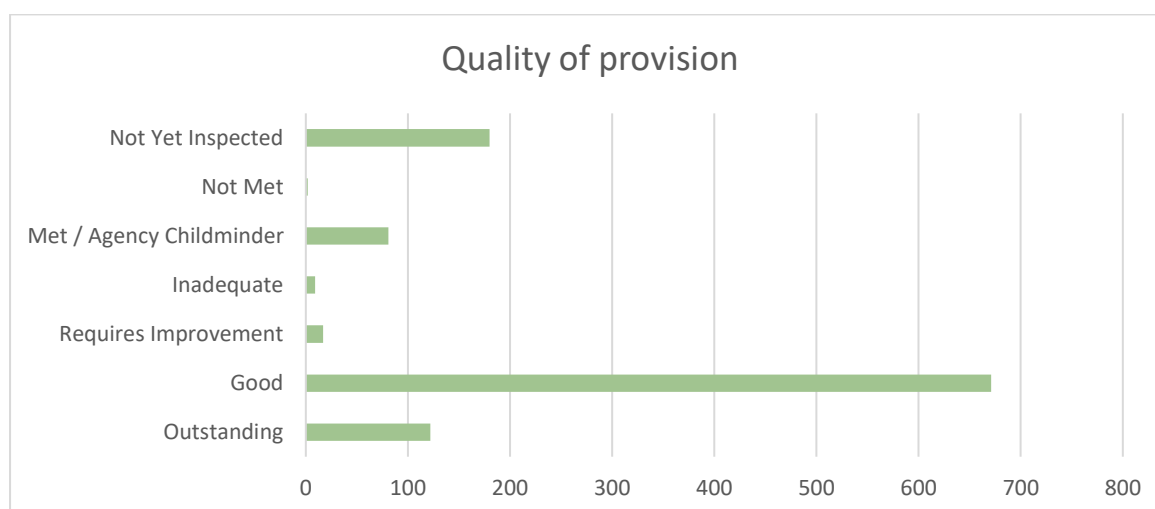
	2019	2020	2021	+/-	% change
Schools funded to deliver Extended (30 hours) offer	117	130	146	+29	+24.8%

Quality of provision

Below is a table showing the number of settings rated by Ofsted as Outstanding, Good, Requires Improvement or Inadequate. Ofsted have just (Summer 2021) resumed their inspections of Early years provision following a year of inspections being suspended due to the Pandemic.

	Ofsted Grading	Outstanding	Good	Requires Improvement	Inadequate	Met / Agency Childminder	Not Met	Not Yet Inspected	TOTAL
Notts TOTAL	Academy School	8	38	2	0	0	0	51	99
	Childminder	27	334	3	5	79	2	104	554
	Day Nursery	51	99	0	1	1	0	22	174
	Independent School	2	7	0	0	0	0	0	9
	Maintained School	23	130	11	1	1	0	0	166
	Pre-school	11	63	1	2	0	0	3	80
	TOTAL	122	671	17	9	81	2	180	1082

75% of the inspected provision in Nottinghamshire is classed as Good or Outstanding with a further 9% judged as having Met³ all requirements for registration. Under 2% of providers are judged as Requiring improvement with just over 1% Inadequate or Not Met. 16% of provision is yet to be inspected. Ofsted halted all inspections during the Pandemic and only resumed in June 2021.



³ Some childcare providers and childminders may have no children on roll at the time the inspection is carried out, or may not have any children present, even though they have children on roll. As a result, no grades can be given against the 4 key judgements. The inspector will make a judgement only on the 'overall quality and standards of the early years provision', and offer a judgement as to whether this is Met or Not Met

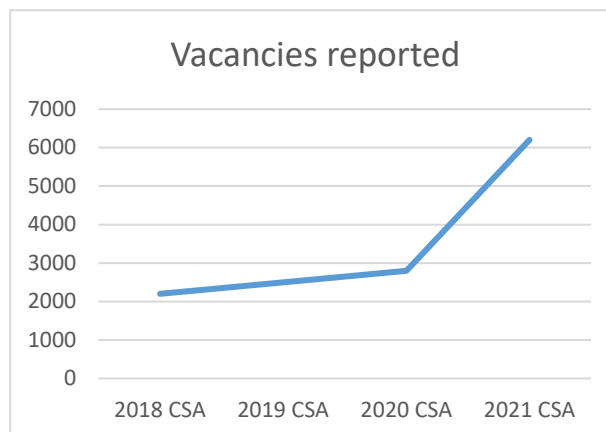
5. District Sufficiency Assessments

Vacancies for 2, 3 and 4 year olds (Children funded by Early Education Entitlements)

In the Summer 2021 Self Update from Providers, they were reporting a total of 6,204 x 15 hour vacancies across the County. The number of reported vacancies has gradually increased year on year over the last few years, but this is a steep increase from last year.

Vacancies reported:

2018 CSA	2019 CSA	2020 CSA	2021 CSA
2,200	2,500	2,800	6,200



This rise in the numbers of spare places across the county could be attributed to a number of factors

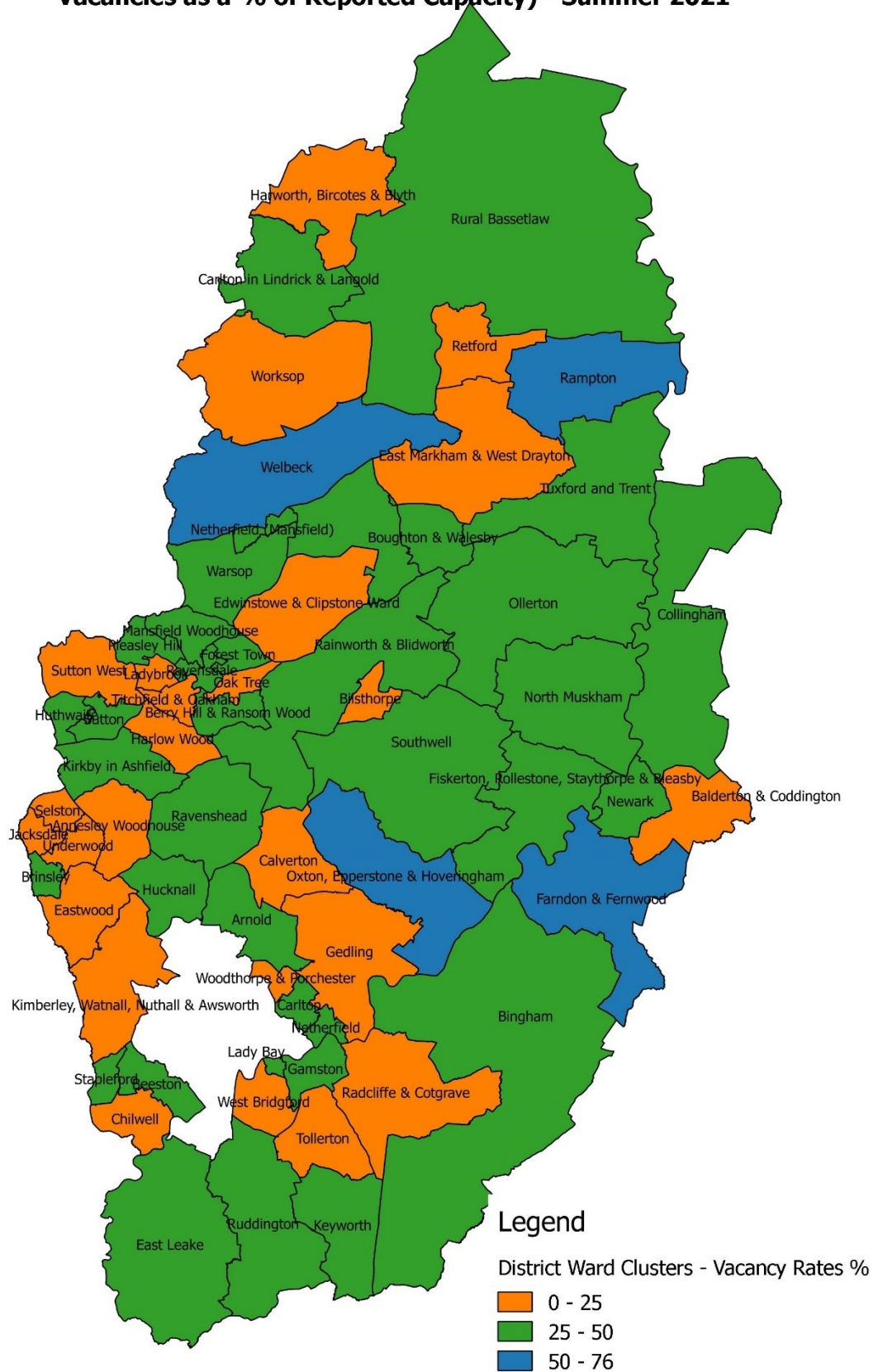
- Providers are more accurate with their reporting and data entries on the Self Update
- The birth rate in Nottinghamshire continues to drop, as notes in Section 3
- There's been an increase in the number of Schools based provision offering Extended (30) Hours
- New Schools opening all have Early Years provision in the School
- The number of children accessing a place has dropped, as noted in Section 9, when providers responding to our consultation said their usual numbers in attendance was lower than usual. This could be attributed to the changing needs of parents who
 - Are working from home due to the Pandemic restrictions
 - Are no longer working due to the impact of the Pandemic
 - Have sought alternative childcare arrangements during the temporary closure of settings due to the Pandemic

The map below shows at a glance the supply of FUNDED childcare by ward, and details vacancies reported as a percentage of places available

There are reported to be over 50% of available places that remain vacant	There are reported to be between 25% and 50% of available places that remain vacant	There are reported to be up to 25% of available places that remain vacant	There are reported to be no vacant places

There are no areas of the County where demand outweighs supply. There are four areas where there are more than 50% of available places that remain unfilled, which is a concern for the sustainability of providers in that area.

Nottinghamshire - District Ward Clusters and Vacancy Rates % (Reported Vacancies as a % of Reported Capacity) - Summer 2021



Children aged under 2 years and 2 year olds not funded by the 2 year entitlement

Many providers, particularly Childminders and Day Nurseries, offer places for children from aged 6 weeks to five years. In the latest Provider Self-Update, we asked our providers to indicate if they offered places to these non-funded children age 2 and under. This is new to this year's CSA and the data is presented separately. In future CSAs we hope to present data for all under-fives together.

327 providers (approximately a third) gave a response to this question, with just over half of them currently having vacancies for this age group, demonstrating sufficient places for babies and toddlers across the County.

	Currently have vacancies for non-funded children	Currently have no vacancies for non-funded Children	Do not offer places to non-funded children under 2
Childminder	68 (43%)	59 (37%)	32 (20%)
Day Nursery	69 (90%)	5 (6%)	2 (2%)
Pre-school	22 (55%)	11 (27%)	7 (17%)
School	8 (15%)	3 (5%)	41 (80%)
TOTAL	167 (52%)	78 (23%)	82 (25%)

	Currently have vacancies for non-funded children	Currently have no vacancies for non-funded Children	Do not offer places to non-funded children under 2
Ashfield	22	4	10
Bassetlaw	21	9	15
Broxtowe	20	12	7
Gedling	27	19	19
Mansfield	25	7	12
Newark & Sherwood	22	15	12
Rushcliffe	30	12	7
NOTTS TOTAL	167	78	82

6. Demand for childcare and take up rates

As mentioned, in March 2020 during the First National Lockdown, just 8% of children were in attendance at Early Years Settings. This rose to around 50% by the end of the 2020 Summer term. By the end of the Summer term in 2021, this had risen to normal, expected levels.

2 year olds

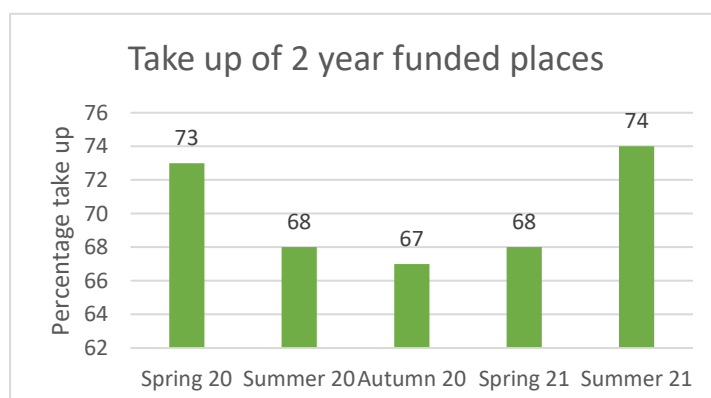
Two year olds qualify for a funded (15 hours) place if their home address is in Nottinghamshire, and

- if they are classed as a “looked after child”
- if they have left care through special guardianship or an adoption or residence order
- if they have an Education Health and Care Plan
- if their parents are in receipt of certain benefits .

Numbers of eligible children are identified through a list received from the DWP that details children who are in families in receipt of qualifying benefits.

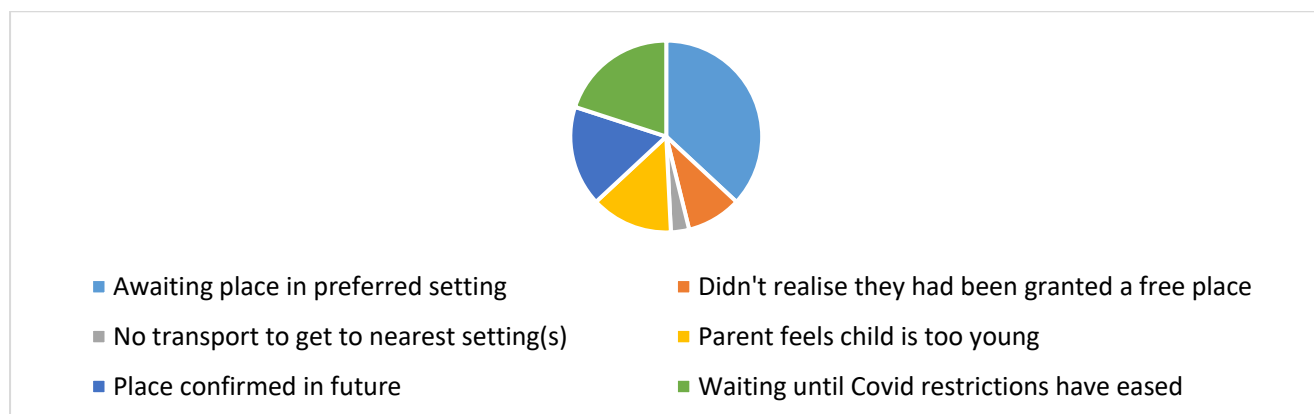
2 year old take up rates - Spring 2021 and Summer 2021 - numbers of children attending by location of provider

District (nos. of children attending at providers in these districts)	Nov 2020 DWP list	Numbers taking up Spring 2021	% take up by district	March 2021 DWP list	Numbers taking up Summer 2021	% take up by district	% increase in summer from spring 2021
Ashfield	536	343	63.99%	508	351	69.09%	5.10%
Bassetlaw	404	230	56.93%	372	234	62.90%	5.97%
Broxtowe	286	204	71.33%	284	203	71.48%	0.15%
Gedling	318	247	77.67%	298	277	92.95%	15.28%
Mansfield	434	292	67.28%	442	327	73.98%	6.70%
Newark & Sherwood	375	256	68.27%	394	273	69.29%	1.02%
Rushcliffe	194	168	86.60%	186	192	103.23%	16.63%
Totals	2547	1740		2484	1857		
% take up		68.3%			74.8%		
		31/03/21			16/08/21		



As reported in last year's CSA, the numbers of children taking up their funded entitlements dropped considerably during the Pandemic. However, this is now increasing and at the end of Spring 2021, Nottinghamshire was ranked highest in the region for take up of 2 year old places, and fifth compared to our Statistical Neighbours.

In order to ensure all children who are eligible for a place, our Children's centres follow up on any family where they have applied for a place but haven't taken it up. In the Summer term, 89 parents were contacted and their reasons for not accessing their entitlement were given as follows, with most parents waiting for a place in their chosen setting, or have a place confirmed in the future. 15% of respondents said they were waiting for Covid restrictions to ease further.



3 and 4 year olds

ALL 3 and 4 year olds are entitled to 570 hours of funded early years education per year. The tables below show take up rates for 3 and 4 year olds by district. The data source is the ONS Mid-Year population estimates and therefore is a snapshot and does not take into account a fluctuation in population. It is not clear from ONS which point in time the data is relevant.

District Name	Population of 3 year olds (1)	Population of 4 year olds (1)	3s taking place (2)	4s taking place (2)	% take up 3s	% take up 4s
Ashfield	1314	1569	1344	1399	102%	89%
Bassetlaw	1204	1385	1147	1246	95%	90%
Broxtowe	1096	1185	961	1076	88%	91%
Gedling	1177	1250	1109	1167	94%	93%
Mansfield	1232	1375	1159	1259	94%	92%
Newark and Sherwood	1224	1314	1191	1303	97%	99%
Rushcliffe	1199	1262	1183	1207	99%	96%
			8094	8657		
Out of county resident			594	468		
Grand Total	8446	9340	8688	9125		
Sources: ONS Mid year population estimates 2020 (1) Summer Term 2021 Headcount Data – Universal hours (2)		Overall % take up for county resident children			96%	93%
		Overall % take up including out of county resident children			103%	98%

Extended entitlement

3 and 4 year olds of working parents are entitled to an additional 570 hours paid at the same hourly rate. To be eligible each parent must expect to earn (on average) at least £120 a week (equal to 16 hours at the National Minimum or Living Wage). If either parent is on maternity, paternity, or adoption leave, or unable to work because they are disabled or have caring responsibilities, they may still be eligible. Children are not eligible if either parent expect to earn £100,000 or more per annum

Take up of the extended childcare offer has remained successful in recent years with a consistent take- up rate of 93% of children with an eligible 30 hours code accessing their extended hours in Nottinghamshire. The take up rate now stands at 94% (Summer 2021)

Proportions of Children Funded Extended Entitlement at Each Provider Type			
Provider Type	AUT20	SPR21	SUM21
Childminder	7%	7%	7%
PVI	64%	62%	63%
School	29%	31%	30%

7. Vulnerable Children

During the Covid Pandemic, all vulnerable children were still invited to attend their Early Years provision. We reported last year that between April and July, attendance for these groups doubled. In the last 12 months this has steadily increased back to normal levels. Our Early years Quality and Attainment Team monitor attendance of the most vulnerable children and support providers to meet their needs.

Additional supplementary funding is made available to support Early Years providers who are meeting the needs of the most vulnerable children. Details of the funding rates can be found below in Section 8.

Supplementary Funding take up

Inclusion Funding	24% of providers
Disability Access Fund for Children on DLA	13% of providers
Deprivation Fund for children known to Social Care	10% of providers
Early Years Pupil Premium	46% of providers
Do not receive any supplementary funding	51% of providers

85% of the providers who do not receive any supplementary funding were Childminders.

Early Years Inclusion Funding

This fund is available for children identified as having emerging, targeted and higher level needs. An application can be submitted for a 2, 3 or 4 year old child who is accessing a funded place and is living in Nottinghamshire.

Age	Number of Children 2020-2021		AUTUMN 20	SPRING 21	SUMMER 21
2yrs	10	Nottinghamshire Total 2020-2021	94	122	176
3yrs	58		Autumn 19	Spring 20	Summer 20
4yrs	104	2019-2020 (for comparison)	95	119	149
5yrs	4	2018-19 (for comparison)	82	96	119

Numbers of children accessing Inclusion Funding has risen by 19% since Summer 2020. This is attributed to Providers becoming more aware of the funding, and a clear targeted support offer for children identified earlier as having emerging needs. There has also been a marked increase in the number of applications received for children with Autistic Spectrum Disorder characteristics and the number of children under five with identified high level needs continues to increase.

Deprivation Fund

Eligible children are those 2, 3 and 4 year olds accessing their funded entitlement and who are known to Children's Social Care (CSC), i.e. Child in Need (CIN), Child on a Protection Plan (CPP) or Looked After (LAC). Funding is to back-fill key staff to participate in multi-agency meetings held each month to plan suitable interventions designed to improve the child's outcomes.

NB Figures increase across the terms as children once in receipt of this payment remain eligible for payments until they reach school age.

District / Academic Year	Child in Need			Child Protection Plan		
District	AUT20	SPR21	SUM21	AUT20	SPR21	SUM21
Ashfield	28	35	46	26	33	33
Bassetlaw	17	27	30	10	12	17
Broxtowe	10	15	24	6	9	11
Gedling	11	18	22	9	8	14
Mansfield	27	31	36	36	42	50
Newark	11	17	26	13	22	20
Rushcliffe	4	6	11	3	4	10
Notts County Total 2021	108	149	195	103	130	155
Notts County Total 2020 for comparison	AUT19	SPR20	SUM20	AUT19	SPR20	SUM20
	99	121	177	58	90	144
Notts County Total 2019 for comparison	AUT18	SPR19	SUM19	AUT18	SPR19	SUM19
	89	145	206	54	79	109

In Autumn 2020 and Spring 2021 there was a significant increase in the number of children identifying as CPP. This was most notable in the district of Mansfield where numbers doubled in Spring 2021 (42 in Spring 21 compared with 18 in Spring 20) and in Autumn 2021 with numbers almost trebling (36 in Autumn 20 compared with 8 in Autumn19). Early Childhood Services extended

the eligibility criteria to include 2 year olds and Looked After Children in the Summer of 2020, hence the increase in the numbers.

Early Years Pupil Premium

For 3 and 4 year old children are eligible who meet the economic criteria for free school meals, and/or are Looked After by the Local Authority.

Numbers of Children receiving Early Years Pupil Premium (**Economic Factor**,) in Academic Year 2020-2021 by district (total number of children funded was 2617).

District	Autumn 20	Spring 21	Summer 21
Ashfield	310	434	524
Bassetlaw	210	295	383
Broxtowe	152	204	257
Gedling	147	202	275
Mansfield	265	375	481
Newark	234	336	390
Rushcliffe	77	119	150
Out of county	40	72	86
Notts total 2020-21	1435	2037	2546
Notts total 2019-20 for comparison	1244	1656	2237

* NB Figures vary across the terms as children may be funded for one, two or three terms.

Numbers of Children receiving Early Years Pupil Premium (*Children Looked After*) in Academic Year 2019-2020 by district (total number of children funded was 39) This figure includes Children looked after, previously looked after and adopted.

	AUTUMN 20	SPRING 21	SUMMER 21
Notts Total 2020-2021	20	28	36
	AUTUMN 19	SPRING 20	SUMMER 20
Notts Total 2019-2020 for comparison	21	29	32
	AUTUMN 18	SPRING 19	SUMMER 19
Notts Total 2018-2019 for comparison	15	22	26

* NB Figures vary across the terms as children may be funded for one, two or three terms.
District figures not reported as generally less than 5.

Disability Access Fund

Numbers of children accessing Disability Access Fund (for children on Disability Living Allowance) in Academic Year 2020-2021 by district.

District	AUTUMN 20	SPRING 21	SUMMER 21	Total
Ashfield	3	5	5	13
Bassetlaw	2	2	5	9
Broxtowe	2	4	2	8
Gedling	10	5	4	19
Mansfield	12	8	4	24
Newark	4	2	4	10
Rushcliffe	9	6	6	21
Notts Total 2020	42	32	30	104
District	AUTUMN 19	SPRING 20	SUMMER 20	Total
Notts Total 19-20 for comparison	42	32	13	87

The numbers of children accessing DAF has now returned to pre-Covid levels following a drop in children accessing provision in the Summer term 2020.

8. Funding

Early Years Funding rates for 2021-2022 in Nottinghamshire

Funding for childcare places is provided from the Early Years block of the Dedicated Schools Grant which uses an Early Years Funding Formula to allocate funds to top tier local authorities. All Councils can top slice 5% of the Early Years Block to pay for administration, create an Inclusion Fund and Deprivation Fund. Nottinghamshire has historically retained less than the 5% and in 2021/2022, 3.3% of the Early Years block was being retained.

	2020/21	2021/22
Early Years Base Rate:	Hourly Rate	
Eligible 2 year olds School & PVI settings	£5.31	£5.39
Eligible 3 and 4 year olds in PVI settings	£4.35 (£4.25 + temporary 10p uplift for one year *)	£4.31
Funding supplements:		
Early Years Pupil Premium for 3 and 4 year olds	£0.53	£0.53
LAC Early Years Pupil Premium (all ages)	£0.53	£0.53
Deprivation 3 & 4 year olds eligible for EYPP	£0.10 per hour	£0.10 per hour
Deprivation for 3 and 4 year olds	£406 per annum for monthly CIN/CPP & LAC Meetings	£406 per annum for monthly CIN/CPP & LAC Meetings
Deprivation for 2 year olds	£406 per annum for monthly CIN/CPP & LAC Meetings	£406 per annum for monthly CIN/CPP & LAC Meetings

Early Years Inclusion Fund (supported by recent consultation) (PVI settings)	£110,000 DSG per annum plus £135,000 from NCC revenue budget	£110,000 DSG per annum plus £135,000 from NCC revenue budget
Disability Access Fund (DAF)	£615 per annum	£615 per annum

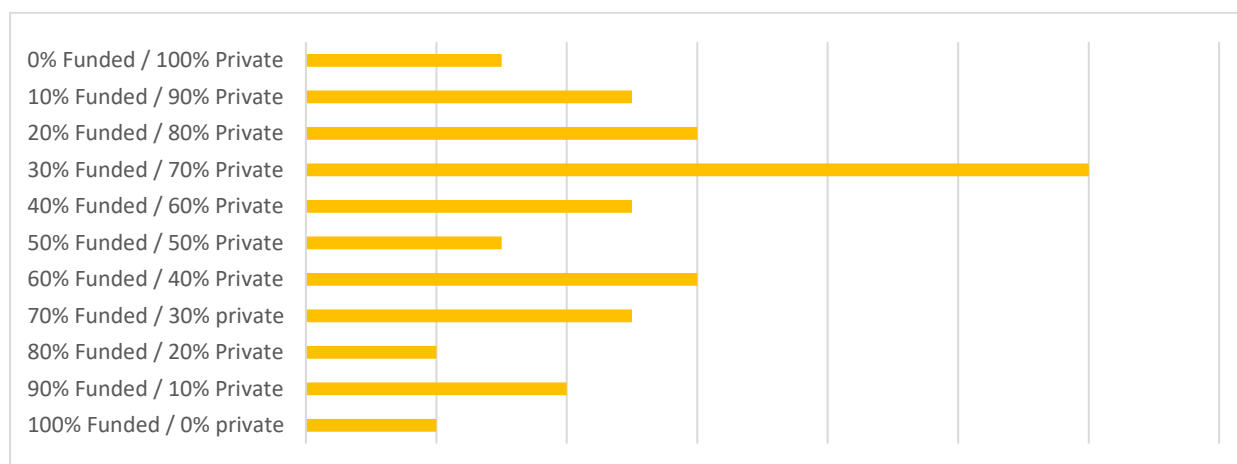
* In the financial year 2020/21 a temporary increase of 10p per hour for 3 and 4 year olds was agreed in anticipation of an identified trend of underspend due to the fall in numbers of children accessing this funding.

East Midlands Average Hourly rates (available for 2021 only)

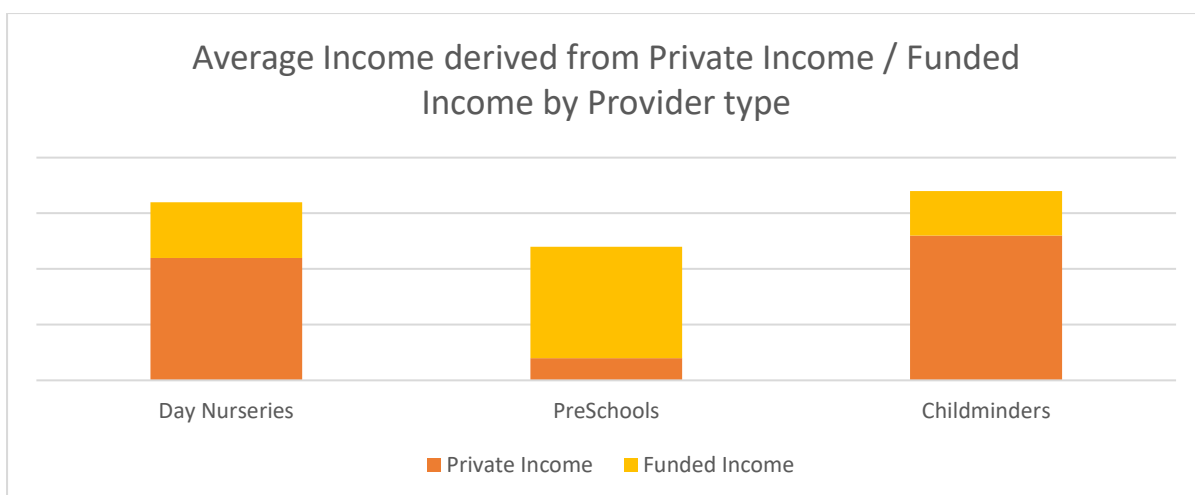
- 2 year olds £5.13
- 3 and 4 year olds universal entitlement £4.21
- Early Years Pupil Premium £0.53 (except Nottingham City who pay £1.00)

Fees and Parent Paid Income

We asked Providers to tell us approximately how much of their usual income was derived from Private / Parent Paid Fees, and how much from Nursery Education Funding as above. This has a significant impact on sustainability as described below in Section 9.



Broken down by setting type, Childminders and Day Nurseries typically derive most of their income from Private Fees, and Preschools derive most of their income from Early education Funding. *(Responses from School based Provision and Out of School provision was too small a sample to measure.)*

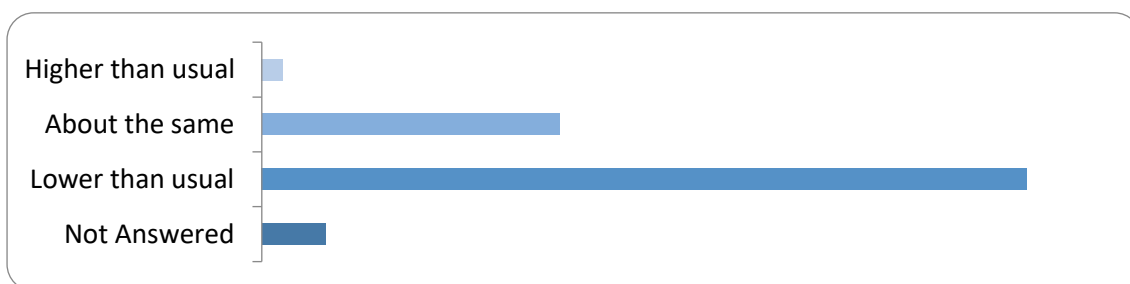


9. Sustainability

Despite our findings that Nottinghamshire's supply of childcare remains stable and sufficient, we are hearing from our Consultation group and from our direct contact with providers, that there are concerns for the future sustainability of their provision. As described on Section 5 above, our statistics tell us that there is no area of the County where we are not able to provide a place for the children in that area. However, what is concerning is that there are a number of areas where there are over a quarter of Childcare places unfilled.

All of our Private, Voluntary, and Independent (PVI) provision relies on income from Early Years funding as well as fees paid by parents as described above in Section 8. In the last 18 months, Nottinghamshire County Council has continued to pass on all Nursery Education Funding to settings who were forced to temporarily close for Covid related reasons. However, Parents were not always expected to pay their Private Fees when they were not using their place. The impact on income for providers was severely affected by this, particularly for settings heavily reliant on Parent paid fees.

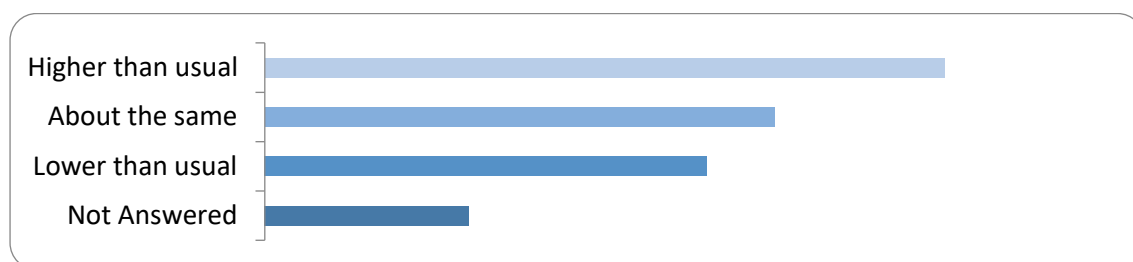
We asked providers, in the last accounting year, how they would describe their **business turnover**, and over 70% said it had been lower than usual.



This was largely attributed to **attendance levels** being lower, and we asked providers to tell us about their occupancy levels over the last year:

They were about the Same	27.78%
They were higher	11.11%
They were lower	59.26%

We also asked, in the last accounting year how would they describe their **business expenditure** and 40% said it was higher than usual.



The reasons for these increased expenses were attributed to

- Additional staffing for maintaining bubbles
- Additional Cleaning materials and cleaner's time
- Additional costs associated with PPE

National Funding Streams

The Government introduced a number of schemes to support businesses and the self-employed over the course of the Lockdown and Recovery periods. In last year's CSA we reported that 92% of providers had accessed some form of additional funding to support their business sustainability during this time, with the Coronavirus Job Retention Scheme and the Self-employment Grant being the most frequently accessed. As these schemes come to an end, some of the loans are outstanding, debts have been accrued and there is ongoing concern about future closures as Covid still continues to affect settings having to close temporarily.

This has had an ongoing impact on provision and Providers told us

- I have subsidised my business by taking out other finance / loans
- I have ceased some parts of my business (i.e. stopped delivering Out of school, or holiday care)
- We have covered a shortfall in income
- We're only still in business because Furlough helped us and our and our landlord helped us out with our rent

Staffing and Recruitment

This year we have heard that Providers have had to take further, additional measures to ensure sustainability and 16% of providers who responded to our consultation said they had made staff redundant



Additionally, we are hearing from the Early Years Sector that recruitment of new staff is a challenge, and this causes concern for the future of provision. From our consultation we found that

- 40% of businesses have vacancies
- 40% of those vacancies were for qualified staff and management
- A quarter of businesses reported finding it harder to recruit to vacancies than prior to the Pandemic stating:
 - “The removal of childcare GCSE has impacted on the experience of/interest in childcare that school leavers have”
 - “No ongoing acknowledgment for the sector leads to low morale and failure to want to enter the occupation”
 - “There are fewer applicants and the quality of applications can be poor”
 - “During August 2020 there were lots of applicants for vacancies but now we have had very few applicants even though we pay higher than National Minimum Wage”

Sustainability in the months ahead

We asked our providers how confident they were about the sustainability of their provision business in the coming months and years?

	Percent
I am very confident that I will still be operating in the usual way in 12 months	19%
I am confident that I will still be operating in the usual way in 12 months	33%
I am confident that I will still be operating, but in a different way in 12 months	15%
I am not confident I will still be operating in 12 months	20%
I am not confident that I will still be operating in 6 months	0.00%
I am unable to predict this at the moment	11%
Not Answered	2%

Funding levels will impact on this alongside closure of bubbles due to Covid which means parents fees are limited

We have had to reduce staff hours and staffing to keep sustainable.

Numbers (*of children attending*) are still very low going into the autumn term, and financially don't know how long we can continue unless numbers pick up

There are a number of challenges facing the sustainability of the Early Years and Childcare Sector in Nottinghamshire in the months ahead.

- Providers report that the national Early Years Funding rate is a drop in real terms when taking into account wage increases and pension contribution pressures.
- Numbers of children attending is dropping due to changing family needs and working patterns, and the continued drop in the birth rate.
- Settings are struggling to recruit to vacant posts which impacts on the numbers of children they can admit.
- Businesses continue to operate in the wake of additional financial pressures following the Coronavirus Pandemic, with debts accrued and loans to be repaid.

10. Information and support for Parents and Families

As well as Early Childhood Services own internal communications, we have worked closely with Notts Help Yourself, Families Information Service and Nottinghamshire County Council Corporate Communications teams to ensure parents and families are kept up to date with the situation in Nottinghamshire.

- **The Families Information Service (FIS)** exists to fulfil the statutory duty laid out in Section 12 of the Childcare Act 2006 to offer a service providing information, advice and assistance about childcare and other activities to benefit parents, children and young people up to the age of 20.
- **Notts Help Yourself** is a countywide website which provides a range of information for parents including childcare provision, wrap around care and holiday clubs. The information from the FIS data-base populates the website www.nottshelpyourself.org enabling parents to search for childcare in their local area.

Families Information Service Customer Survey 2021

A Survey Monkey survey was held between Monday 11th January and Sunday 31st January 2021. The response represented 348 children, of which 13% were reported to have Special Educational Needs / Disabilities.

We asked families what they had used Notts Help Yourself for. Those using the site to find childcare dropped from 29% to 8% which reflects the numbers of families accessing Childcare over the last year.



Notts Help Yourself refresh of childcare information pages



In the last year, we have refreshed the Childcare page on Notts Help Yourself to simplify and make the customer experience better and to update some of the information that's in the Parent/Carer Zone.

We have separated out the information to enhance the users experience and make it easier to find the sections on Finding Childcare, Childcare Funding, Types of Childcare, SEND, Working in Childcare, and linking to the Children's Centres information.



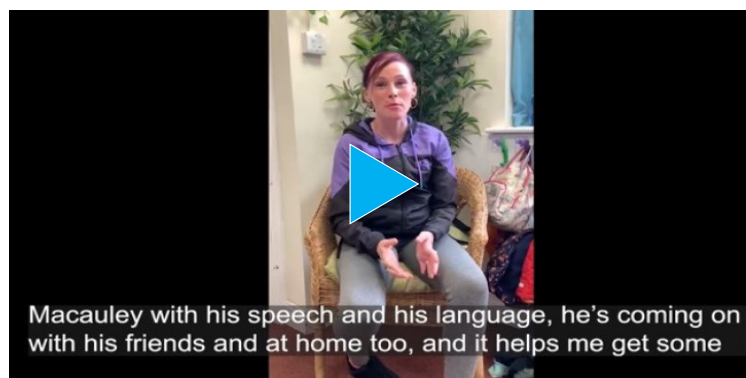
Taking your child to an early years setting: information for parents September 2021

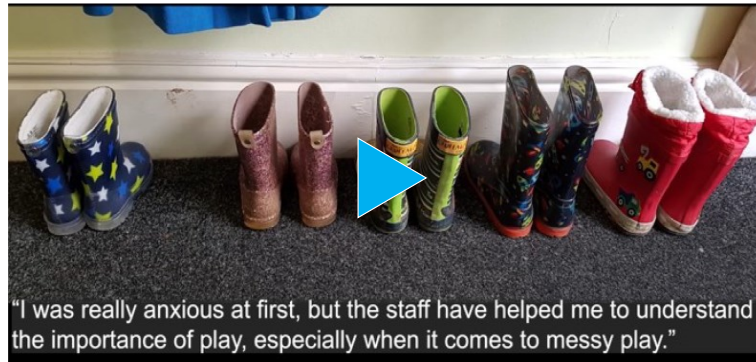
A key focus of our work with Parents and Families this year has been to encourage them to return their child to Childcare and promote the benefits of Early Education as well as supporting them to understand the latest Government Guidance and how settings are implementing Protective Measures to keep children safe.

We have produced a number of **Fact Sheets** for parents based on a summary of Covid 19 Government and Public Health guidance that have been distributed through our providers and via the public Nottinghamshire County Council Early Years and Childcare web pages [Early years and childcare | Nottinghamshire County Council](#)

Nottinghamshire County Council has been actively promoting the take up of childcare places through social media posts on Facebook and Twitter and have promoted positive messages from parents who have begun using childcare again. These have been done in video form and are being widely shared in the Autumn Of 2021

www.nottinghamshire.gov.uk/care/early-years-and-childcare/help-with-childcare





www.nottinghamshire.gov.uk/care/early-years-and-childcare/help-with-childcare

11. Conclusions, Actions and recommendations

In order to fulfil the duties placed on us as a Local Authority there are a number of considerations for the forthcoming year which are reflected in the Early Childhood Services Delivery Plan. The following actions and recommendations for Nottinghamshire County Council Early Childhood Services are summarised below:

Childcare Supply

As noted, there is no concern about the supply of childcare across the County with an increasing number of vacancies apparent. However, this presents a further challenge to ensure that Providers, particularly in areas of disadvantage, do not close, leaving those **most vulnerable children** without access to Early Education. We will aim to:

- Target support for providers working in areas of high levels of disadvantage and where vulnerable children would be adversely affected if there were no provision available.
- Offer additional support for settings who are working with an ever increasing number of children with high level needs and ensure they access appropriate supplementary funding to support those children.

Demand for Childcare

As we have described above, for a number of reasons, there are less Families taking up their Early Years Education Entitlements. We will aim to:

- Support the Early Years Sector to encourage families "Back into Childcare" and promote the take up of childcare as a choice that benefits the child's development
 - Revisit the 2 year old campaign and resources
 - Continue to work with Corporate Communications to develop Notts Help Yourself and Social Media posts.
 - Engage fully with Children's Centre teams to provide a brokerage role to encourage and enable families to access their childcare entitlements.

Sustainability:

We have found, through consultation with the sector, continued meetings with the Early Years Consultation Group and our day to day contacts with Providers, that sustainability is the biggest challenge facing the Early Years Sector in the years ahead. This is reflected in national research

which suggest that the Childcare Sector is in a precarious situation at the moment as we emerge from the pandemic and settings struggle to recruit quality staff. We will aim to:

- Provide additional and targeted support for providers who need to change their operating models to accommodate changing parents' needs, such as more parents working from home, in order to remain viable
- Continue to link with the Life Chances Partnership and the Council's Economic Regeneration Team to explore how Business Support can be provided, and to highlight the challenges faced by the Early Years Sector with District and Borough Councils and partners.
- Work with the Council's Education, Learning and Skills Team to define whether Early Years provision is required in cases of new Schools opening and to consider what provision is already available in those communities so that oversupply does not put high quality established Private Voluntary and Independent Early Years providers out of business.
- Work with prospective new providers to ensure that we do not exacerbate the oversupply in some areas of the County.

Useful Reading and Resources:

The Coram Family and Childcare Survey 2021 ([available here](#)) recently carried out their annual childcare survey which showed that childcare fees have risen by an average of 4% in the last year.

Research by the Education Policy Institute and NDNA (The Covid Pandemic and Early Years Workforce, March 2021 ([available here](#))) suggests that around 7% of the National Early Years workforce left the sector voluntarily in Autumn 2020, and around 4% of the workforce have been made redundant.

Ofsted issued a briefing in Autumn 2020 ([available here](#)) which reported on children's development following the first National Lockdown.

Research published by department for Education ([Attendance in education and early years settings during the coronavirus](#) (COVID-19) outbreak. Sept 21) stated that there are approximately 76% of the usual daily numbers of Early Years Children attending Early years provision.

Coram Family and Childcare and the Nuffield Foundation recently conducted a series of interviews with 122 Local Authorities across the country to explore their views on the impact of the Pandemic on the Early Years Sector: They found that "Demand for parent-paid hours fell substantially during the first lockdown and stayed significantly below usual levels even after restrictions changed in June 2020 due to the shift to home working and parents reducing or stopping work temporarily" [Covid and Childcare: The Role of Local Authorities](#)