



18 September 2017

Agenda Item: 9

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

NOTTINGHAMSHIRE CHILDCARE SUFFICIENCY ASSESSMENT 2017

Purpose of the Report

1. To inform the Committee of the key findings and recommendations of the 2017 Childcare Sufficiency Assessment.
2. To seek approval of the recommendations of the Nottinghamshire Childcare Sufficiency Assessment 2017.

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.
5. The 2017 Childcare Sufficiency report is available as a background paper.

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) Nottinghamshire County Council survey with early years providers in July 2017.
 - b) Review of information held by Capita systems, including a new online Self-update data system, headcount and take-up data systems.
 - c) Review of information held by the Families Information Service about current levels of childcare provision across Nottinghamshire
 - d) On-line parent/carer survey which engaged 858 parents and carers.

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 amongst 0-4 year olds in Broxtowe (9.4% increase) and Gedling (8% increase).
9. There continues to be 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 (DLA) and in 2017 this had increased to 7,000. Funding received from the Department of Education for 2017-18 to support children accessing their early years entitlement suggests there are currently 300 three and four year olds eligible for DLA.
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. Whilst economic activity is in line with the region and country as a whole, just over a third of employee jobs are part-time which may limit the take up of additional childcare by working parents and/or require childcare to be flexible to meet particular patterns of work.
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 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.

Current provision

14. 75% of primary schools provide childcare for 3 and 4 year olds, with 4% providing places for eligible 2 year olds; providing in total 11,015 places for children eligible for free childcare.

15. Private, Voluntary and Independent (PVI) childcare providers made available 12,767 funded childcare places in total.
16. There has been a decrease in childminding provision operating in Nottinghamshire with 737 registered childminders in 2016, compared to 673 in 2017. Childminders however provide 4,165 childcare places across Nottinghamshire.

Quality of Provision

17. As at 31 July 2017, 11% of early years provision in Nottinghamshire was rated 'Outstanding' by Ofsted and 75% 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'.

Parent concerns and priorities regarding provision

18. Findings from the parent/carer survey identified that parents are most likely to use family members for childcare, followed by day nurseries and before and after school provision.
19. 83% of parents found it easy to find a suitable childcare provider, with 85% able to access childcare on days and at times needed. 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 employment patterns. Parents would also prefer to use childcare closer to home (65%) with only 15% choosing childcare close to, or on route to, work and 16% close to school.
20. The survey included 67 children with a disability or special educational needs. 64% of parents of children with SEND said it was easy to find childcare for their child and 67% were able to access childcare at suitable times.
21. Of those families that completed the survey, 41% work full time over 30 hours each week, 33% work part time over 16 hours each week and 6% work part time less than 15 hours per week. 95% of families either definitely will or are likely to take up the 30 hours free childcare, citing the reduction in the cost of the household childcare budget as the main reason for taking part. 63 families stated that they would increase their hours of work or look for additional work if their child could use 30 hours free childcare.

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 3,013 eligible two year olds from low income families and 18,882 three and four year olds that have a statutory eligibility for the early years entitlement. Take-up is 76% for two year olds and 100% for three and four year olds

¹ Ofsted Data View:

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

(July 2017). Nottinghamshire's take up of free childcare by eligible two year olds is just above the national take up of 71% (DfE January 2017).

23. There is wide local variation for take up of free childcare by eligible two year olds. In Rushcliffe nearly 86% of eligible two year olds took up their free 15 hours, compared with 66% in Bassetlaw (July 2017).
24. Since 1st September 2017, most working parents of 3 and 4 year olds are entitled to an additional 15 hours of funded childcare a week, resulting in most 3 and 4 year olds now being eligible for 30 hours per week. During the summer, there has been substantial media coverage regarding challenges with the national application process, resulting in many parents not being able to confirm their eligibility code which should be validated by a childcare provider. Despite glitches in the national application process, across Nottinghamshire 3,829 parents have received their eligibility code and 79% of which have been validated by a local childcare provider (national snapshot 30.08.2017). Nottinghamshire is currently ranked 8th in a list of all local authorities for parents who have received their code and had their code validated.
25. Much of the recent media coverage has focused on the concerns raised by the early years sector nationally which states that the funding made available is insufficient. A recent survey with Nottinghamshire providers found that 77% were offering 30 hours, 12% were undecided and 11% are not offering extended childcare (40% response rate of all local early years providers). A recent national survey found that 38% do not believe their business would be sustainable in 12 months' time and 52% said they will increase charges for products such as children's meals, nappies and trips (PSLA 2017). This is somewhat reflected in Nottinghamshire, however providers feel more optimistic because local funding rates are higher than the national average, stemming from a decision to retain less funding centrally, ensuring funding goes to the frontline.
26. Further information about the new childcare entitlements is available at: www.nottinghamshire.gov.uk/care/early-years-and-childcare/free-childcare/30-hours-free-childcare-for-three-and-four-year-olds

Childcare Sufficiency Assessment recommendations

27. 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.	Improve data returns from early years providers across Nottinghamshire to ensure that future childcare sufficiency assessments, understand demand and supply.	Fully implement and review the new self-update tool to improve information collection from all registered early years providers in Nottinghamshire. Providers will be asked to submit information more frequently to ensure information is current and accurate service information can be promoted to parents. Council to request data regarding waiting lists to help further understand local demand.
B.	Work with early years providers to establish additional childcare	The Council will share data with early years providers on a frequent basis so that they have a greater understanding of

	Recommendation	Local Response
	provision in areas of greatest need.	<p>the needs and demands of parents within their localities.</p> <p>Complete the construction of two new early years settings on school sites in Ashfield and Gedling with Arc Partnership by April 2018.</p> <p>Invite early years providers to tender to use Council properties (including Children Centres) to provide childcare in areas with poor levels of childcare sufficiency.</p> <p>Make best use of any early years capital funding to help create additional childcare places where required.</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.</p> <p>Children Centres to continue to be commissioned to work with childcare providers to help improve take-up rates for eligible 2 year olds.</p> <p>Ensure parents know where and how to access childcare provision through the Families Information Service and Notts Help Yourself website.</p>
D.	To increase the sufficiency of 30 hours funded early years places, in response to demand from parents.	Work with early years providers who are undecided or reluctant to offer 30 hours places for eligible 3 and 4 year olds. These settings will be offered business sustainability interventions to reduce anxieties about funding levels.
E.	Encourage schools to lower their age range to include 2, 3 and 4 year olds in areas with poor childcare sufficiency levels.	Publish the refreshed Early Years Guidance for schools and provide regular briefings for schools and governing bodies.
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>Monitor take up rates for 3 and 4 year olds eligible for an additional 15 hours per week childcare.</p> <p>Review funding levels and continue regular communication with the early years sector to encourage more to offer the extended childcare offer.</p> <p>Continue to engage parents and carers in regular consultation activities.</p>
G.	Encourage increased provision of childcare during the school holidays, breakfast clubs and after school clubs.	<p>Provide guidance for schools establishing their own out of school provision.</p> <p>Advertise opportunities to provide wrap around care and holiday provision to the sector.</p>
H.	Increase the number of early years settings that are assessed as Good or Outstanding by Ofsted.	Continue to provide support to early years providers through graduated support, training and guidance. With additional targeting of settings identified as 'Inadequate' or 'Requires Improvement' by Ofsted.
I.	Increase the provision of flexible childcare that meets the needs of working parents.	Further promote partnership working across early years providers to provide flexible models of childcare for parents and children. This could include schools working with local childminders or nurseries.

	Recommendation	Local Response
J.	Continue to implement, monitor and review the revised Early Years national Funding Formula which includes supplementary funding for children with disabilities annually.	<p>Review the childcare available for families with disabled children and the support to help with these childcare costs including establishing and monitoring a new Inclusion Fund.</p> <p>Monitor the use and impact of the Early Years Pupil Premium through the implementation of the new early years tracker which assesses the development of children.</p> <p>Promote the use of 30 hours childcare and the use of tax free childcare accounts to make childcare more affordable.</p>

Other Options Considered

28. No other options have been considered.

Reasons for Recommendations

29. 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.
30. 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

31. 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

32. Additional childcare places are required to meet Nottinghamshire's childcare sufficiency needs requiring capital investment to extend or create provision. Nottinghamshire has been successful in securing DfE capital funding for two projects and the Council provided 25% match funding as required by the DfE; both projects in total will cost £1,604,547.

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) notes the findings of the 2017 Childcare Sufficiency Assessment.
- 2) approves the recommendations of the Nottinghamshire Childcare Sufficiency Assessment 2017.

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For any enquiries about this report please contact:

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Constitutional Comments (LM 31/08/17)

35. The Children and Young People's Committee is the appropriate body to consider the contents of the report.

Financial Comments (SAS 04/09/17)

36. The financial implications of the report are contained within paragraph 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.

Nottinghamshire Childcare Sufficiency Assessment 2017 www.nottshelpyourself.org.uk

Electoral Division(s) and Member(s) Affected

All.

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