



**Nottinghamshire
County Council**

**Childcare Sufficiency Assessment 2020
The Impact of Covid-19 on the Early
Years and Childcare Sector in
Nottinghamshire**

**Early Childhood Services
Children and Families Department
September 2020**

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An update to the CSA published in September 2019, including a report on the impact of the Covid-19 between March and July 2020

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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.

Between March 2020 and July 2020, when the United Kingdom was Locked Down due to the Covid-19 Pandemic, this duty on the Local Authority changed focus as Schools and Childcare Providers were ordered to close to all children with the exception of those from Key Worker families and those children who were deemed to be the Most Vulnerable.

This year, the Sufficiency Assessment will take a different form, as we explore the impact of the Lockdown and Recovery periods on the sector.

Covering

- Numbers of settings who remained open during the Lockdown and Recovery periods.
- How many children were in attendance during the Lockdown and Recovery periods.
- Additional childcare provided.
- How Local Authority funding for Early Years Places was used.
- Main effects on business sustainability of Covid-19 during the rest of 2020 and beyond.
- How parents/families appear to be feeling in terms of their child(ren) coming back to their settings.
- What types of support was and will be most welcome/needed from the Local Authority.
- Experiences of the Business Interruption Loan Scheme, the Coronavirus Job Retention Scheme and support measures for the self-employed childcare professionals.

Methodology

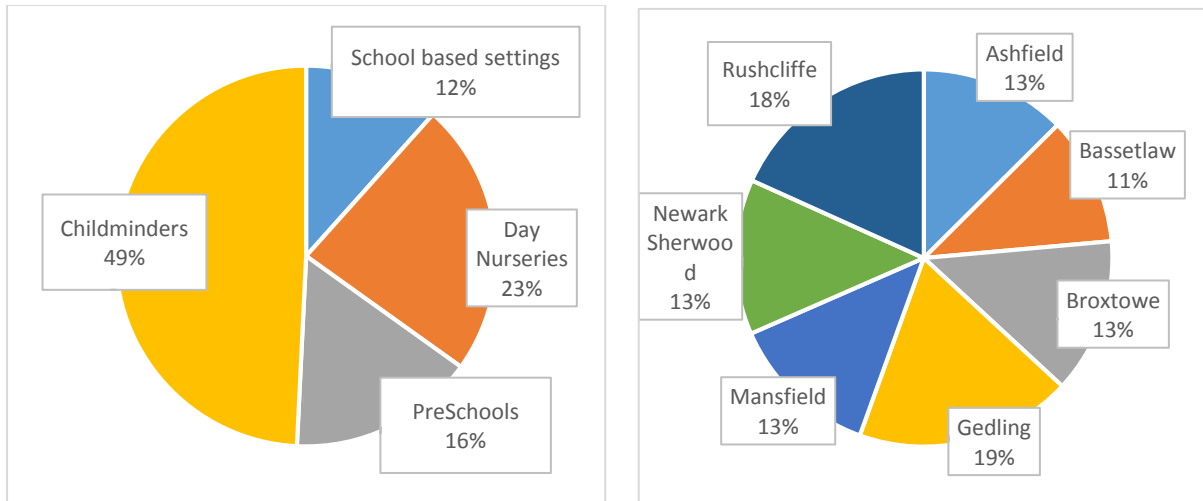
Definition: Included in the description of Childcare and Early Years Providers / Settings are Day Nurseries, Pre-schools, Childminders and Schools offering Early Years provision for children under Statutory School age.

Information was collected from

- Spring Term Self Update from Providers (Baseline as the Summer Self Update did not take place as the numbers would have been skewed by the Covid-19 Pandemic).
- Covid 19 enquiries log from dedicated email address.
- Early Years Consultation group online meetings.
- Contact with provision through the Early Childhood Services team.
- Information on Tracking Vulnerable Children.

- Weekly online submission from providers (for reporting to Department for Education Statistics weekly).
- Online survey of providers.
- Telephone survey of parents.
- One to one discussions with providers about their experiences.

During the report we will make reference to the feedback from our Providers. We received 258 (24%) responses to our request for information broken down by district and Sector below.



2. National Context

Full Lockdown period : 20th March to 31st May 2020 (hereafter referred to as “Lockdown”)

On March 18th, the Government announced that from Friday 20th March, all schools and childcare providers would remain closed until further notice except for children of key / critical workers and vulnerable children, as part of the country’s ongoing response to Covid-19.

Vulnerable children were initially described as:

- Children with and Education Health and Care Plan (EHCP)
- Children known to social care

On 15th May, guidance was updated to include “otherwise vulnerable children” – described as those who had been assessed as otherwise vulnerable by educational providers or local authorities, and who could therefore benefit from continued attendance.

Parents who were Key / Critical Workers were initially broadly described as

- NHS Staff
- Police
- Those providing support for the vulnerable
- Social workers
- Probation Officers
- Teachers and Schools Staff
- Delivery Drivers

Recovery and Re-opening period 1st June onwards (hereafter referred to as “Recovery”)

On 12th May, Government announced that Early Years Settings and schools could open to more children from 1st June, within certain guidelines.

Settings were encouraged to welcome back as many children as possible, following guidance on Implementing Protective Measures. This included taking children in to smaller, consistent bubbles and “prioritising vulnerable children and children of critical workers, then 3 and 4-year olds, in particular those who will be transitioning to reception in September.” The guidance recognised that not all children would be able to safely return and suggested settings undertake a risk assessment and where necessary “cap” the numbers of children in attendance.

From 20th July, early years settings were no longer required to keep children in small, consistent groups within settings, but should still consider how they can minimise mixing within the setting. For example, where they use different rooms for different age groups, keeping those groups apart as much as possible. In addition, parents and carers were encouraged to minimise the number of settings their child attended during the week.

3. Local Context

Early Childhood Services communicated with Early Years providers throughout the Pandemic on a regular basis. Very early on in the Lockdown period, Early Childhood Services made a decision to base all advice and guidance to the sector in accordance with Government Directives.

- Covid 19 bulletins began on 17th March and communicated latest Government guidelines to the sector, and supported providers to implement them locally. Guidelines were from Central government, Public Health, Nottinghamshire County Council and Partner Professional organisations. Between 17th March and 31st July 49 bulletins were issued by email and using the Early years Portal. 95% of our survey respondents said they agreed / strongly agreed that they were useful.
- Early Childhood Services launched a new, dedicated Covid 19 email address on 26th March to deal with specific enquiries related to the Pandemic. Over 2,200 enquiries have been responded to, from providers, parents and professionals. 129 respondents to our survey had used this email address and 72% of them said they received a response in a timely manner.
- The Early Years Quality and Attainment team had regular, weekly contact with all our providers, including Childminders and paid particular attention to the whereabouts of the most vulnerable children – some of whom were still attending and some of whom were not. 83% of our survey respondents said they agreed / strongly agreed that the support they received from our team met their expectations.
- Early Childhood Services produced newsletters for Parents (based on Government Guidelines) as well as specific Bulletins for providers about the Furlough Scheme, Safeguarding, Transition, Outdoor Play, Childminder Specific and Business Support.

87% of our survey respondents said they agreed / strongly agreed that they were useful.

4. Childcare Supply

There are 1,138 Ofsted Registered Early Years Providers, including Private, Voluntary and Independent (PVI) Settings and schools (June 20) delivering Childcare and Early Education across Nottinghamshire. Of those, 995 are registered to deliver funded places for 2, 3 and 4 year olds.

In the Spring term Self Update from all the above providers, they were reporting a total of 2,867 x 15 hour vacancies across the County. The Self Update was not conducted in the Summer term.

- 276 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 586 registered Childminders in Nottinghamshire, of whom 462 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 182 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 82 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.

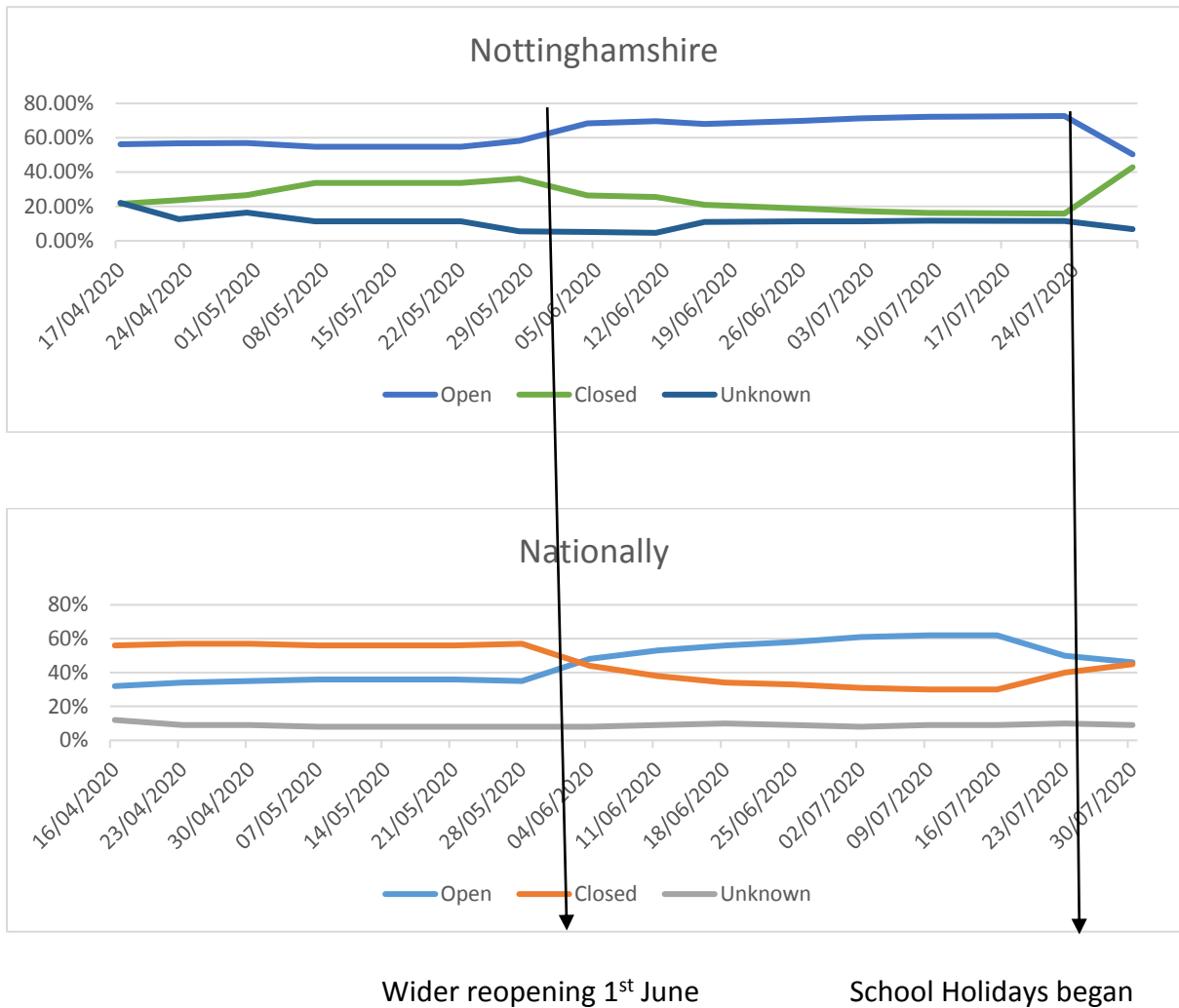
During the Lockdown, and in to the Recovery periods, Nottinghamshire maintained a healthy percentage of settings open and able to care for children.

Supply during Lockdown:

Between 56% and 58% of all Early Years settings remained open to children of critical workers and vulnerable children during the initial Lock Down months of April and May. Nationally 32 % to 35% remained open.

Supply during Recovery:

Following the Government's advice that settings could open for more children from 1st June there was a steady increase in the number of settings re-opening, from 56% to 73% by the end of the Summer term. Nationally this was between 48% and 50%.

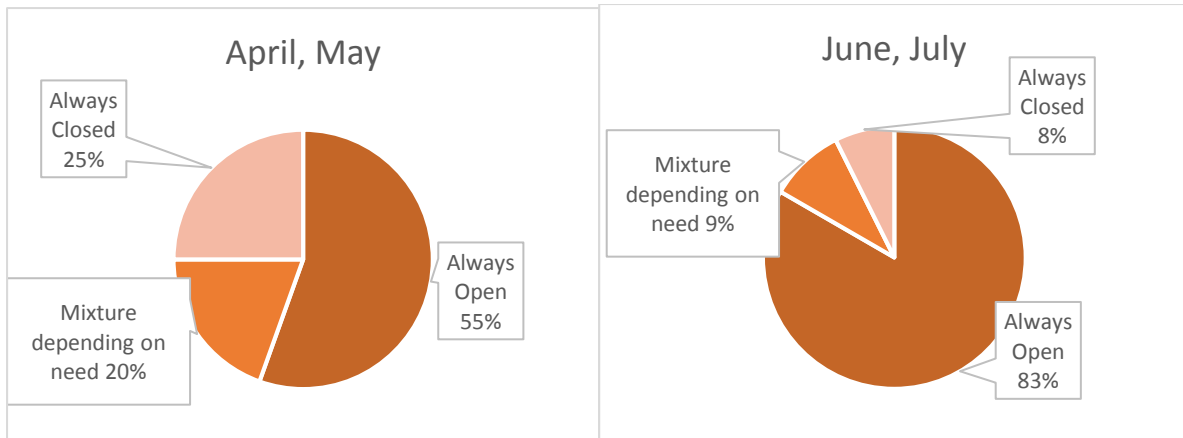


Reasons for temporary closure

Some settings remained temporarily closed throughout the Lock Down and Recovery periods because

- There was no demand from parents for them to open
- They were themselves shielding or had vulnerable family members
- They operated out of a community building which was closed
- A number of multiple site settings amalgamated – closing one setting and caring for all their children at another

The 258 settings who took part in our survey were asked about their open / closed status during the Lockdown and Recovery periods.

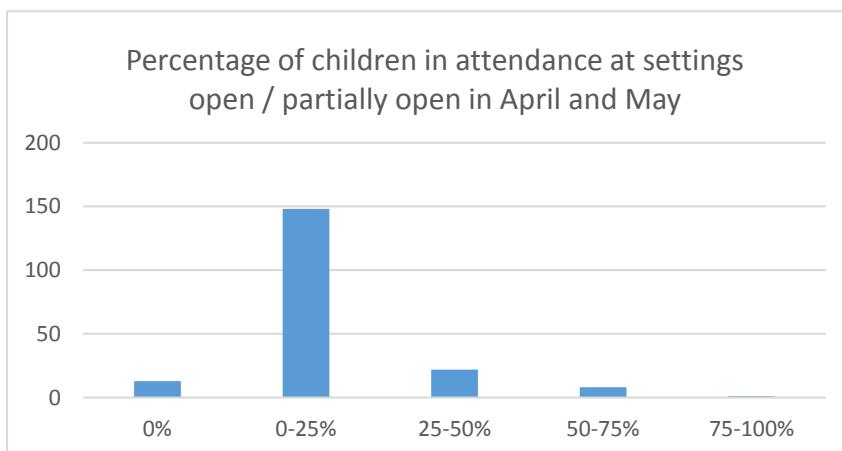


5. Demand

Demand during Lockdown and Recovery:

On March 18th, the Government announced that from Friday 20th March, all schools and childcare providers would remain closed until further notice except for children of key / critical workers and vulnerable children, as part of the country's ongoing response to Covid-19.

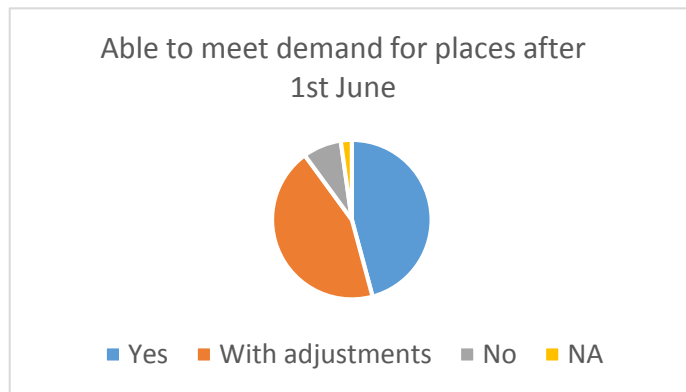
In the initial weeks, we estimate approximately 1,500 (8%) children were using an Early Years place. (NB Online submission and reporting did not start until week 3 of Lockdown). This compares to a usual take up of about 20,000 children.



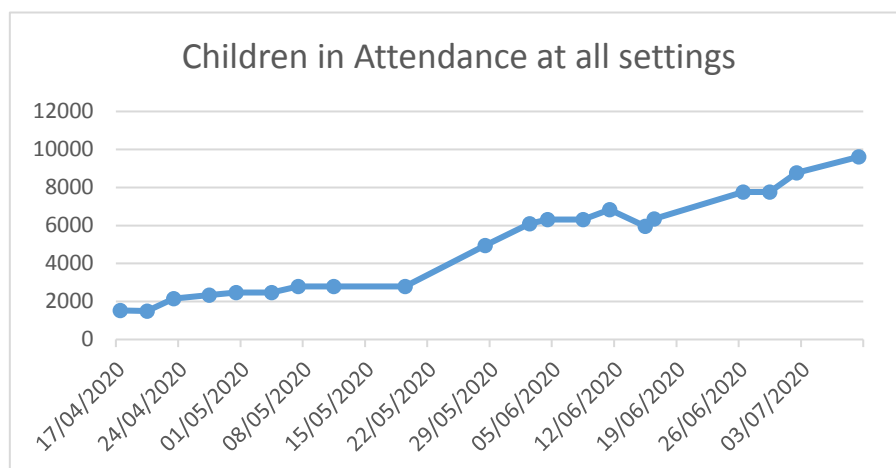
Of the settings that responded to our survey, most of them reported less than a quarter of their usual attendees were coming to the setting during the initial Lockdown period, with many reporting single figures.

Early Years Settings and schools were advised that they could open to more children from 1st June, 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.

Of the responses to the survey, the majority (90%) of providers said they could meet demand for the number of children returning, most of them having to make adjustments to their operating model to do so.

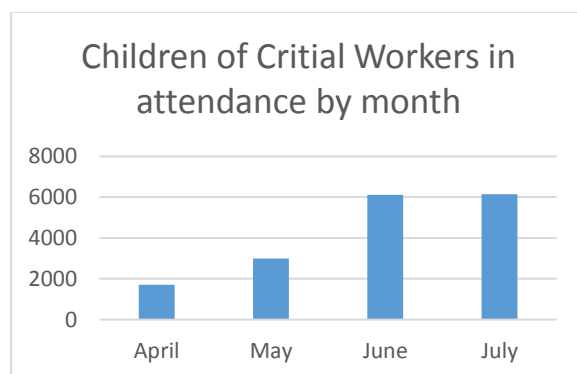
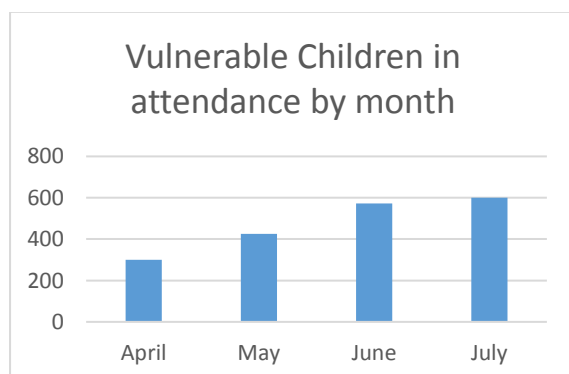


As of 20th July, Early Years Provision was able to welcome back more children as the restriction on bubbles was relaxed and new Protective Measures were introduced. As the table above describes, by the end of the Summer term, we estimate that over 10,000 children were back at their usual setting. Not all settings were able to re-open for the reasons stated above, and in some areas, demand for places was higher than others.



As described above the numbers of children in attendance continued to rise between initial Lockdown and the end of the Summer term.

Below shows the number of children estimated to be in attendance in each of the categories collected using our online submission for the Department for Education weekly returns.



6. Impact on Attendance for Funded Children and Vulnerable Children

Many pre-school aged children are eligible for 570 hours of funded Childcare and Early Education per year, (equivalent to 15 hours a week for 38 weeks of the year). This includes:

- The most disadvantaged 2 year-olds,
- All 3 and 4 year-olds.

In addition, children of working parents meeting certain criteria¹ are eligible for 30 hours childcare per week equating to 1,140 hours per year.(Extended Entitlement)

The detail below shows how parents are using Childcare entitlements and how well they have been accessed across the districts during lockdown and recovery, with comparisons to the take up in 2019-20 terms

2 year olds

The table below shows take up rates for the most disadvantaged 2 year olds by district.

We are comparing the take up of places in the Spring Term (January to March) with the Summer term (April to July). NB These figures are for Children registered to take up a place and NOT those actually in attendance.

District (nos. of children attending at providers in these districts)	November 2019 DWP list population	Spring Take up 2020	% take up by district	March 2020 DWP list population	Summer Take up 2020	% take up by district	% down: Spring to Summer 2020
Ashfield	500	366	73%	536	336	63%	-11%
Bassetlaw	384	258	67%	419	233	56%	-12%
Broxtowe	263	227	86%	272	213	78%	-8%
Gedling	339	284	84%	341	249	73%	-11%
Mansfield	470	351	75%	440	299	68%	-7%
Newark and Sherwood	376	285	76%	370	257	69%	-6%
Rushcliffe	169	172	102%	170	155	91%	-11%
Totals	2501	1943		2548	1742		
% take up		77.7%			68%		-9.7%

as at 14/04/2020

as at 28/07/2020

¹ Parent, and any partner, must each expect to earn (on average) at least £120 a week (equal to 16 hours at the National Minimum or Living Wage) but not more than £100,000 per year.

There was an average 10% decrease in children registered to take up their place in the Summer term compared to the Spring Term. A significant proportion of the 2 year old take up usually occurs later in the Summer term and that hasn't happened this year as most children did not actually attend any provision between April and July.

During the initial Lockdown period, children eligible for 2 year old funding were not specifically included in the list of vulnerable children provided by Government: "Eligible 2-year olds are low income families who may be struggling during this pandemic. However, these 2-year olds not been identified as a 'vulnerable' group unless they also fall into the categories listed above [Known to Social Care or Children with an EHCP]."

However, Nottinghamshire County Council recommended that settings use their discretion about providing places for these children and should consider supporting 2-year olds, not only in the categories above, but also where a setting had safeguarding concerns.

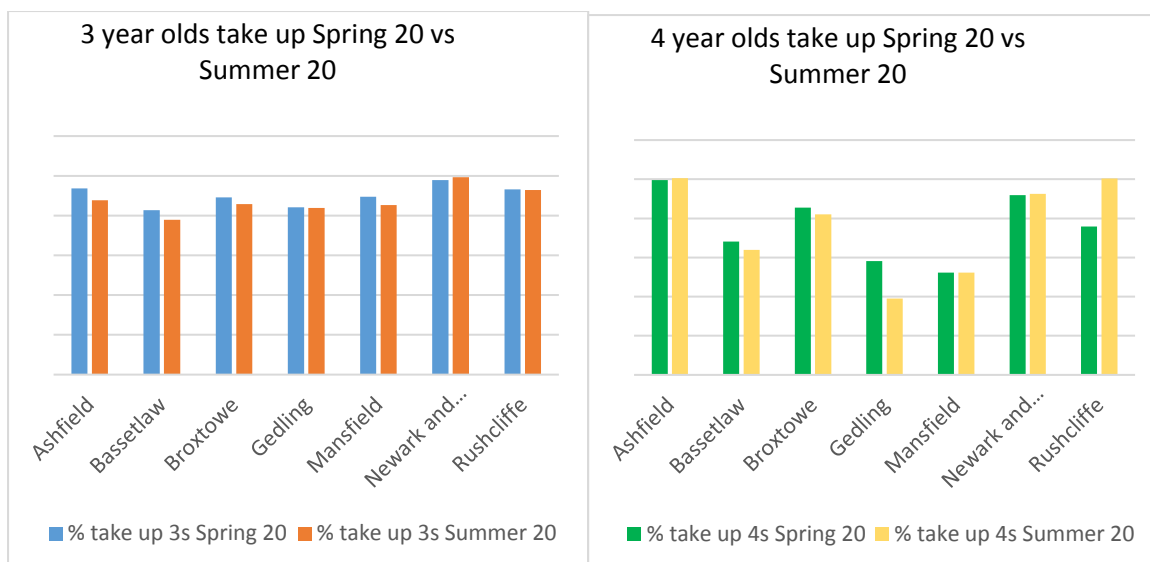
On 19th April, the Government introduced an update to this guidance which now included "children and young people who are otherwise vulnerable". This allowed providers to provide care for more eligible 2-year olds. There is more information below about the take up of places by other vulnerable children further on in this report.

3 and 4 year olds

The tables below show take up rates for 3 and 4 year olds by district.

We are comparing the take up of places in the Spring Term (January to March) with the Summer term (April to July). NB These figures are for Children registered to take up a place and NOT those actually in attendance.

District Name	% take up 3s Spring 20	% take up 4s Spring 20	% take up 3s Summer 20	% take up 4s Summer 20
Ashfield	93.66%	99.88%	87.67%	100.13%
Bassetlaw	82.71%	92.04%	77.92%	90.96%
Broxtowe	89.11%	96.37%	85.77%	95.51%
Gedling	84.16%	89.52%	83.86%	84.75%
Mansfield	89.45%	88.06%	85.38%	88.06%
Newark and Sherwood	97.92%	97.98%	99.31%	98.14%
Rushcliffe	93.22%	93.95%	92.91%	100.08%
County average	90.03%	93.97%	87.55%	93.95%



There was an average 2.5% decrease in 3 year old children, and 1% decrease in 4 year old children registered to take up their place in the Summer term compared to the Spring term.

However, more significantly there was a decrease of 15.3% in numbers of parents applying for a new place in the Summer term for their three year old – i.e. a new Nursery starter after Easter. This compares to an average drop of 1.2% in the same period last year. Some of this can be partially attributed to the falling birth rate (see later chapters). But we can also surmise from this that parents did not take up a place this Summer because their child was not vulnerable, they were not a Key Worker, or they decided to keep the child at home for one more term due to the Public Health messages issued during the Pandemic.

	SUMMER 18	SUMMER 19	SUMMER 20	SUMMER 18 to SUMMER 19	SUMMER 19 to SUMMER 20
Newly Funded 3YO's	2,250	2,223	1,882	-1.20%	-15.34%

Extended entitlement

Take up of the extended childcare offer has remained successful 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 has reduced slightly for the summer term 2020, during the covid-19 pandemic, reducing to 92.80% of children accessing their extended hours. There is little significant variance in this take up as it is anticipated that most of the parents classed as Critical / key workers would be eligible for the extended entitlement.

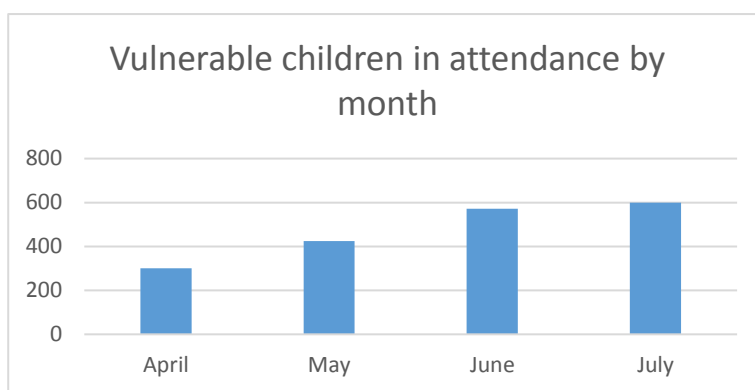
Proportions of Children Funded Extended Entitlement at Each Provider Type					
Provider Type	AUT17 to SPR19	SUM19	AUT19	SPR20	SUM20
Childminder	8%	8%	9%	6%	7%
PVI	64%	63%	61%	64%	65%
School	28%	29%	31%	30%	29%

Vulnerable Children

Vulnerable children and young people for the purposes of continued attendance during the Covid-19 outbreak were defined as those across all year groups who:

- were assessed as being in need under section 17 of the Children Act 1989, including children and young people who have a child in need plan, a child protection plan or who are a looked-after child
- had an education, health and care (EHC) plan and it is determined, following risk assessment, that their needs can be as safely or more safely met in the educational environment
- were assessed as otherwise vulnerable by educational providers

Numbers of vulnerable children in attendance were low at the beginning of Lockdown, but as settings were able to identify those who were classed as “otherwise vulnerable” numbers began to rise and continued to do so until the end of the Summer term. Providers worked hard to encourage these children back to their provision as soon as they could.



Keeping in touch with the most vulnerable children.

Providers across Nottinghamshire continued to provide activities for children at home, including home play packs and using Social media to keep in touch with families.

The Early Childhood Services Quality and Attainment team made weekly contacts with all providers with a particular focus on tracking the most vulnerable children. Alongside the providers, they monitored the attendance of those children and had regular contact with Social Care, Schools and families Specialist Support, Speech and Language teams and other professionals. This was tracked and monitored centrally, and risk assessments were carried out by providers when children weren't attending.

In the Summer break, Nottinghamshire County Council provided funding for the most vulnerable children who were due to make the transition to School to attend Summer activities.

Supplementary Funding – impact on take up and access for Vulnerable Children

As mentioned previously in this report, many children were not able to take up a new funded place in the Summer term of 2020 and this is reflected in the figures below.

Early Years Inclusion Funding

This fund is available for children identified as having emerging, targeted and higher level needs.

Age	Number of Children		AUTUMN 19	SPRING 20	SUMMER 20	Total
2yrs	12	Nottinghamshire Total 2019 -2020	95	119	151	365
3yrs	64					
4yrs	81	Nottinghamshire total 2018-19 (for comparison)	82	96	119	297
5yrs	9					

During Lockdown and Recovery, Inclusion supplement continued to be paid alongside Early Years Entitlements in order to support settings to remain open for the most vulnerable children.

Each term shows a slight increase on the payments for last academic year. This is attributed to a change in the criteria to include funding to support transition, and increased practitioner confidence in early identification of need.

Deprivation Fund

Numbers of children identified as Child in Need or on a Child Protection Plan in receipt of a termly Deprivation Fund payment in Academic Year 2019-2020.

Academic Year	Child in Need			Child Protection Plan			Eligible 2YOs and 2,3,4 year olds Looked After
	AUT19	SPR20	SUM20	AUT19	SPR120	SUM20	
Notts County Total 2019 - 2020*	99	121	177	58	90	144	27**
Notts County Total 2018 - 2019* (For comparison)	AUT18	SPR19	SUM19	AUT18	SPR19	SUM19	
	89	145	206	54	79	109	N/A

During Lockdown and Recovery, the Deprivation Fund Payment was not withdrawn. This is a yearly payment to enable Providers to participate in meetings and additional work associated with caring for the children known to Social Care. In summer 2020, eligibility criteria for payment from the Deprivation Fund was extended to eligible funded 2 year olds with CIN, CPP or LAC status. This has meant the number of children receiving the Deprivation Fund has increased by 5% for the academic year 2019/2020, compared with 2018/2019.

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

*** Newly eligible children in SUM20 include 17 x 3&4 YO's and 10 x funded 2YO's*

Early Years Pupil Premium

Numbers of Children receiving Early Years Pupil Premium (**Economic Factor**,) in Academic Year 2019 - 2020

	Autumn 19	Spring 20	Summer 20
Notts total 2019-20	1,244	1,656	2,237
Notts total 2018-19 (for comparison)	Autumn 18	Spring 19	Summer 19
	1,221	1,708	2,150

* 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

	Autumn 19	Spring 20	Summer 20
Notts Total 2019-2020	21	29	32
Notts Total 2018-2019 (for comparison)	Autumn 18	Spring 19	Summer 19
	15	22	26

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

The average across 3 terms for all EYPP groups is 1,739 up from average of 1,714 last year. During Lockdown and Recovery, EYPP continued to be paid alongside Early Years Entitlements in order to support settings to remain open for the most vulnerable children.

Disability Access Fund

Numbers of children accessing Disability Access Fund (for children on Disability Living Allowance) in Academic Year 2019-2020 by district.

	Autumn 19	Spring 20	Summer 20	Total
Notts Total 2019-2020	42	32	13	87
Notts Total 2018-2019 (For comparison)	Autumn 18	Spring 19	Summer 19	Total
	40	33	26	99

Notably the numbers taking up a new entitlement in the summer term 2020 dropped by 50% compared to Summer 2019. This was because children were not attending any provision, and there were no new eligible children starting nursery. In addition, Parents are required to submit evidence of their DLA entitlement which they may not have had access to during Lockdown.

7. Funding

Agreed Early Years Entitlement Funding rates for 2020 - 2021

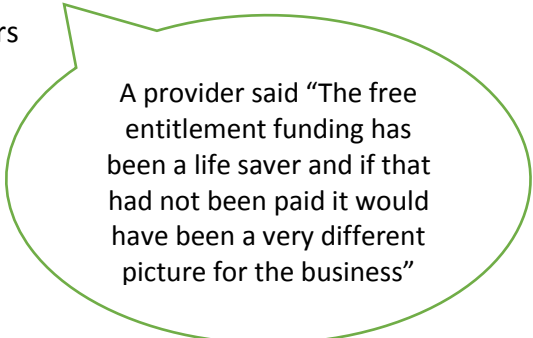
Central government increased base rates by 8p per hour for all age groups, and following local consultation this year's funding rates reflect an additional 10p per hour increase in the hourly rate for 3 and 4 year olds for financial year 2020-21

- Eligible 2 years olds in all settings £5.31 per hour
- Eligible 3 and 4 year olds in all settings £4.35 per hour

In addition

- Providers who had funded children in 2019-2020 received a one-off uplift in the hourly rate of 10p. This payment was made on Monday 23rd March.
- We paid the full summer term payment in April rather than in two parts. 81% of our survey respondents said they agreed / strongly agreed that this was helpful.

On 17th March, we confirmed to the sector that all Early Years Funding would remain in place should a setting have to close due to Covid-19 as announced by DfE the same day. Included in this was the supplementary funding described above to allow the most vulnerable children to continue attending.



A provider said "The free entitlement funding has been a life saver and if that had not been paid it would have been a very different picture for the business"

Funding during Lockdown period

As expected, a number of settings were forced to close entirely during the Lockdown period. We anticipated therefore that there would be some children who need to move from one setting to another during this time, in order to maintain provision for the most vulnerable children, or children of key / critical workers. We also knew that there were *vacant* spaces where a child was not attending. In line with Government guidance we asked if settings had spare capacity to take additional children, then unoccupied funded places were re-allocated to children from other closed settings. This ensured that funding which had already been issued to the sector was allowing all children who needed a place, to find one. According to our on-line submission from providers, there were approximately 130 children accommodated in this way.

Funding during Recovery Period

On 1st June the Government announced that Early Years settings could welcome back all children, within certain restrictions. Because of those restrictions, some settings had to "cap" the numbers of children attending, and some parents were left without childcare when they were expected to return to work. New guidance gave us the opportunity to "redistribute" funding in exceptional circumstances, where there were no vacant funded spaces available.

Funding for Holiday cover

School / Setting holidays are a time when working parents often have to take leave or rely on Grandparents and Family members to cover their childcare needs. During the period of the Covid-19 pandemic, many Critical Workers were faced with complications over the holidays, as they could no longer rely on their usual back-up arrangements.

In order to support Critical Workers, Nottinghamshire County Council made the decision to extend the Early Years Entitlement Funding to cover the Easter and May Half term breaks, when Early Years Entitlement funding does not usually apply. This was to support those Critical workers who remained at work during Lockdown, and the most vulnerable children.

Over the Summer Holidays, we made funding available to support the most vulnerable children who were about to make the transition to school. Funding was available for children to continue their attendance at the setting or to return to the setting to have support with social and emotional preparation for school.

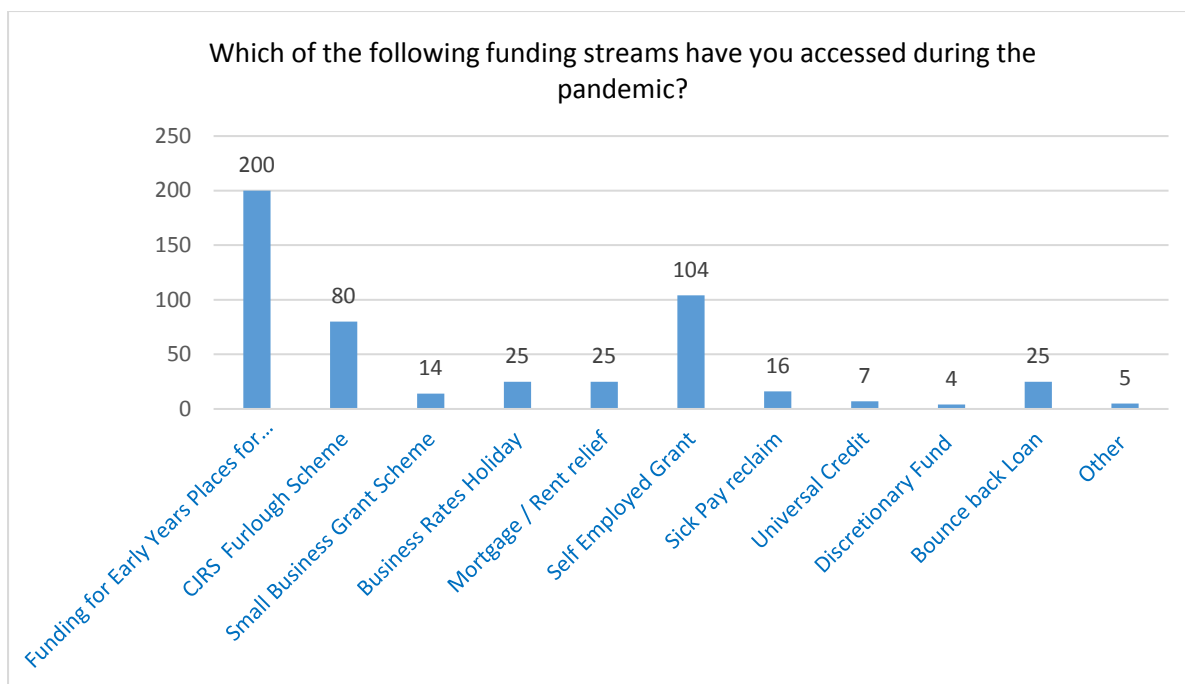
The table below shows how many children and families were supported to remain in their setting over the periods not usually covered by Early Years entitlements.

EASTER 2020 (Three weeks)						
Settings Funded	Children using places	Children of Critical workers	Vulnerable children	Children in alternative childcare	Number of hours provided	Cost to LA
143	416	370	46	35	22,000	£85,500
MAY HALF TERM (One week)						
Settings Funded	Children using places	Children of Critical workers	Vulnerable children	Children in alternative childcare	Number of hours provided	Cost to LA
139	600	525	75	40	11,900	£47,000
SUMMER HOLIDAYS (Five Weeks) Vulnerable Children only						
Settings Funded	Children using sessions	Children of Critical workers	Vulnerable children	Children in alternative childcare	Number of hours provided	Cost to LA
18	36		36			£9,500

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.

Out of the 258 responses only 17 Schools and 6 Childminders had not accessed one of the additional funding streams with the Coronavirus Job Retention Scheme and the Self employment Grant being the most frequently accessed. 58 settings (Schools and Childminders) did not access any Early Years Funding.



Providers' experiences of using the Grant Funding Streams

We asked some providers across the county to tell us about their experiences of using the assistance available to them Nationally.

A Childminder told us about the **Self Employment Grant**. "It was fairly easy to apply and only took 3 or 4 days until I received the money. The scheme has enabled me to maintain an income."

A Private Day Nursery told us that the Borough Council **Discretionary Grant Fund** "provided vital support in terms of cashflow and have helped to relieve some of the financial pressures of the last 6 months". "The Discretionary Grant payment was paid directly without the need to apply."

However, another Day Nursery, in a different district, said: "We were **not eligible** for any of the discretionary grant funding- In the first round we had to evidence 80% loss and 2nd round has to evidence 60% loss. Due to still being paid free entitlement funding could not evidence this amount of loss."

And in a third district, the provider said " it was long winded- I was refused the first round- I sent a begging letter and then I was successful. I needed accountant figures- it was a detailed application process- I didn't match the criteria -it wasn't easy"

NB: The Discretionary Grants were distributed by District or Borough Councils. Each of them applied their own criteria and their own guidance and application process.

A Day Nursery and Out of School Club told us: "We were able to keep staff being paid for 8 weeks but then would have had to make redundancies. The **CJRS (Furlough)** scheme along with the free entitlement funding enabled staff to continue to be employed and for the settings to continue to operate/ survive" About the Furlough Scheme, the provider told us that the "process was easier because he worked through it all with his accountant. It would have been difficult if accountant had not been so knowledgeable"

Another provider, a Preschool, told us that the **CJRS Furlough Scheme** “does not easily fit the EY sector and the initial guidance from DfE and HMRC gave different interpretations. It’s particularly complex if you have staff on a number of work patterns, and the accountant that does all the tax and payroll is a big help navigating the figures and the system”

A Preschool said they applied for **no support** in the end: “we initially tried for the CJRS-prepared staff, letters, accountants got everything in place. Then the guidance changed and were not entitled to very much as a high percentage of the children are funded” {public funds} “With the cost of paying the accountant, the wages top up and the complicated process made the pre-school take the decision that they would not apply”

A Day Nursery said they had applied for a **Bounce Back Loan** and told us “It’s a bit of a safety net but also places more financial pressure of loan to be repaid”

8. Information and support for parents

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. During the Covid-19 Pandemic, Provider submissions were fed in to the data base to ensure that parents looking for Childcare had the most up to date information.
- 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. In addition, during the Lockdown and Recovery periods, there was a focus on making sure the Home Learning tile was populated to enable parents and carers to access resources to help their child play and learn at home.
- We have produced five Fact Sheets for parents based on a summary of Government and Public Health guidance that have been distributed through our providers.
- As previously mentioned, parents were able to contact us through the Covid 19 email when they were struggling to find childcare when their usual setting was closed. Around 80 parents contacted us, and our Early Years Project Officers were able to signpost them to provision in their area that was open, either through the Families Information Service or by acting in a brokerage role to identify suitable provision. Some examples are below:

Query: I'm contacting you as I was informed by my son's nursery [which has closed] that I'm eligible to send him to nursery in the local area could you contact me so I can gain a placement.

Response: ECS spoke with another childcare provider regarding a childcare place for the child for 2 days per weeks starting as soon as possible, The setting confirmed that she will be able to accommodate a place for the child and we have confirmed that he meets the vulnerable child criteria.

Query: Both my wife and I are keyworkers - pharmacists working for NHS. Our daughter is normally cared for by my mother when we are both at work Thursday, and then on Friday my daughter goes to nursery. Nursery have advised they will no longer open on Friday. Is my mother still allowed to do look after her? We do not live at the same address. Otherwise one of us will be unable to work

Response: ECS made contact with parent re local provision and guidance on Grandparent caring for the child. ECS contacted the local school who agreed for Child to start for two days per week.

We also worked closely with colleagues from other services to support the most vulnerable children to find appropriate childcare.

Case Study: Assisting a Vulnerable Child to find a Childcare Place

A 3 year old child who was on a child protection plan was due to take up their place up at a school after the Easter Holidays, however due to Covid-19 and conducting the associated risk assessments the school were unable to offer the place to the child.

The Social worker contacted ECS for support. The child's family did not have any access to transport and the Government advice was not to use public transport unless essential. After discussions with the social worker, early years settings and a detailed postcode search the only childcare place that was available to the child was a 45 minute walk away from their home. The family would also need to drop off and collect the older sibling at school which was in the opposite direction to the setting. It was agreed that ECS would be able to support the family with the transport costs so that a taxi service could be provided to enable the family to access the childcare place.

The taxi service was funded through the Early Years Deprivation Fund, after the place and taxi had been finalised the social workers response was 'Thank you so much for this I appreciate it and I know the family do too'.

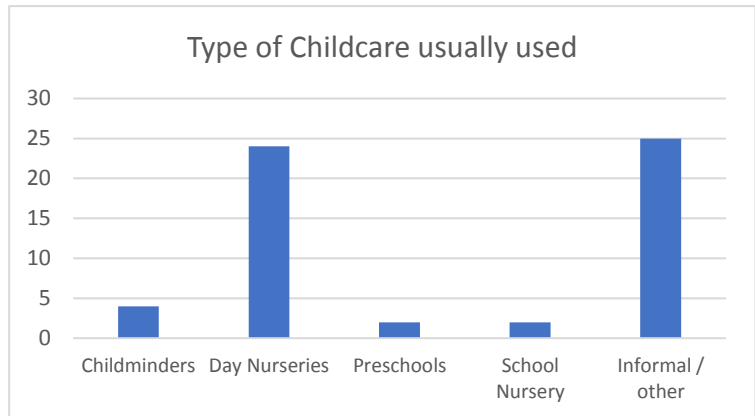
Parental confidence

Our Children's Centre team asked 57 parents to identify how they had used childcare during the Lockdown and Recovery periods and to find out how they felt about returning to Childcare in the Autumn terms. This was done by direct contact through a structured conversation.

Of the parents we spoke to, many of them usually used informal and family childcare.

25% of the parents we spoke to were critical workers

22% had children who were classed as a Vulnerable Child.



Only 7% of the group used childcare during the Lockdown period between April and May. This rose to 22% in the recovery period June and July.

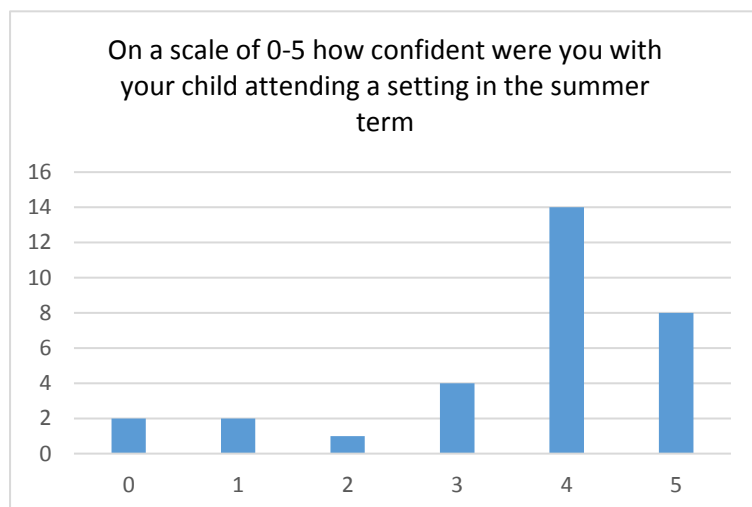
The reasons given for not attending broadly broke down in to

- Not confident to
- Not eligible to (not a critical worker or had a vulnerable child)
- Provider was closed
- Parent or family member was shielding

“It was recommended to stay at home if you could and Dad was not able to work so there was not a need to send him”

“My Husband was on furlough. And it didn't feel safe

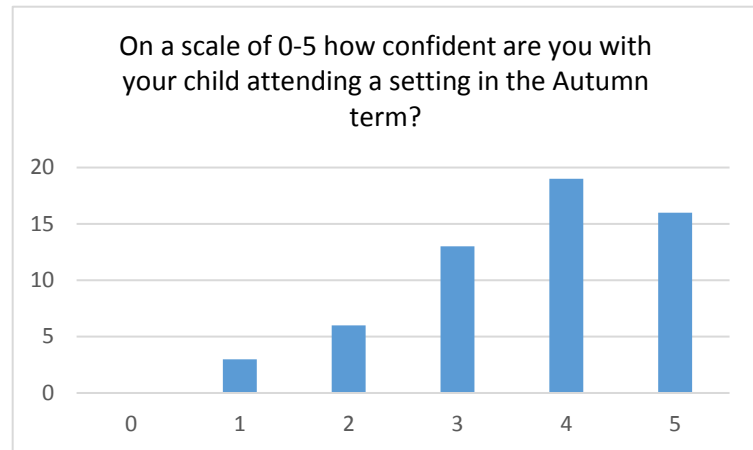
We asked parents about their confidence levels during the **Lockdown and Recovery** Periods.



Those who did not consider using childcare or did not attend childcare in the Summer terms did not score this category. Only 31 parents responded to this question.

We asked the same question about confidence levels about using childcare in the **Autumn term**.

All the participants scored their confidence rating about taking children back to Childcare in the Autumn term. Generally, confidence levels are much higher, and we asked parents to give us their reasons for their scores.



Those that were not confident gave a broad response but generally said that they were not confident in understanding the government guidance and also feared a “second spike” in some form.

- Fear of Covid 19 numbers rising
- Fear of another spike during autumn and winter
- Mixed messages about children getting Covid 19 (Media and Government)
- Confused with Government guidance
- Concerns about people not following guidance such as wearing masks

“Our family will be attending 5 different schools, plus the older children will be in a bubble of 300.”

However, a significant proportion said they were confident about returning to Childcare in the Autumn term.

- Confident in the way this has been managed
- Generally confident with government guidance now
- Trusts the nursery
- Implementing the guidance is good at the Day Nursery
- Not overly worried any more

“I am pleased with my child care and have no worries.”

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.

“ An amazing welcome back for my daughter post COVID-19.

All the staff have adapted beautifully, they are happy, positive, encouraging and make everything feel as normal as possible for the little ones.

My daughter can't wait to get there each morning. Don't be afraid to send your children back, nursery have got it covered.

”

“ Seeing Rosie's face of pure delight when we went back to nursery for the first time, I knew we had made the right decision in starting back.

I didn't even get a backwards glance goodbye!

You run a fantastic nursery, thank you for all you have done to make this as easy as possible.

Amy (Rosie's mum)

”

9. Sustainability

All of our Private, Voluntary and Independent (PVI) provision relies on income from Early Years funding as well as fees paid by parents.

Early Years Funding during Lockdown and Recovery

As previously mentioned, providers who had funded children in 2019-2020 were due to receive an uplift in the hourly rate of 10p. This payment was made on Monday 23rd March. We paid the full summer term payment in April rather than in two parts in order to support providers' cash flow in the early days of the Lockdown period.

On 17th March, we confirmed to the sector that all Early Years Funding would remain in place should a setting have to close due to Covid-19 as announced by DfE the same day. On 1st June the revised guidance gave us the opportunity to “redistribute” funding in exceptional circumstances.

For Autumn 2020, Guidance that Government issued on 20th July suggested that Local Authorities could pay providers based on their Head Count from Autumn 2019, to take in to account any loss of anticipated take up this coming term.

“The intention is to fund on the basis of ‘as if autumn term 2020 were happening normally’. In order to do this, local authorities might, for example, use the numbers of children in places in the previous autumn to inform funding levels this autumn.”

Approximately two thirds of Nottinghamshire providers have been paid based on Autumn 2019 headcount hours because their numbers attending in Autumn 2020 are significantly lower. We have paid 80% upfront with the remaining balancing payment due in December, again, to support Cashflow.

Fees and Parent Paid Income

The majority of PVI providers have a reliance on fee-paying parents, particularly Day Nurseries and Childminders who care for children not always in the Early Years Funding age brackets (i.e. babies under two and before and after school care). Nationally, according to the Institute of Fiscal Studies² parent fees account for an average of 64% of income for each setting.

Each provision has its own fee structure and contract with parents so, when families stopped attending, the providers were faced with difficult decisions about whether to make a charge, if any to those parents. Because there are so many variables in providers' policies, this is impossible to measure.

However, we have anecdotal evidence that there were a number of approaches to charging:

- Some provision continued to charge parents in full for their place
- Some provision charged a "retainer"
- Some provision charged a percentage of the fee (usually based on percentage not claimed for Furloughed staff or through the Self Employment grant)
- Some provision did not charge at all
- Most providers worked on a case by case basis to ensure parents were treated fairly, whilst balancing the need to sustain the provision for the future

A provider's approach to this was dependent on a number of factors.

- Whether they remained open or closed
- Numbers of children in attendance, Critical workers and Fee-paying families.
- Running costs of the building / overheads for the business
- Staffing costs and contracts (some on zero hours / casual contracts)
- Percentage of claims made as above, through Furlough or Self-employment grant

One Pre-School told us "For the first 6 weeks of lockdown, we gave the parents a choice, some paid the full amount, others paid 50%, others paid nothing. For the last 7 weeks of lockdown we didn't charge parents any fees at all."

Another said, "No charges were made, but we still had to pay rent to the community hall."

A Childminder said, "One family paid voluntary half of their fees, but I didn't ask them to."

One Nursery said, "Payment of fees by families whose children were unable to attend was discretionary. Any fees (partial or otherwise) that were paid were then credited to future attendance at the nursery."

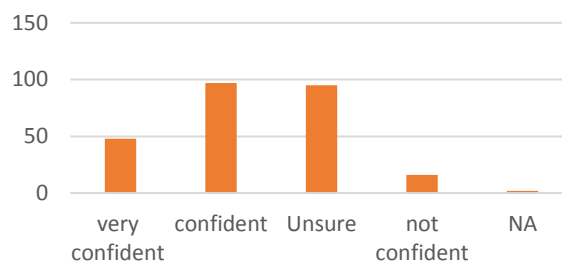
² IFS: Challenges for the childcare market: the implications of COVID-19 for childcare providers in England. September 2020

Sustainability in the months ahead

We asked providers to tell us about their confidence about sustainability in the months ahead. 36% said they were unsure and commented this depended on take up in forthcoming months. 37% said they were confident with 18% saying they were very confident.

At the moment I can't see past December, I'm just trying to get to that point.

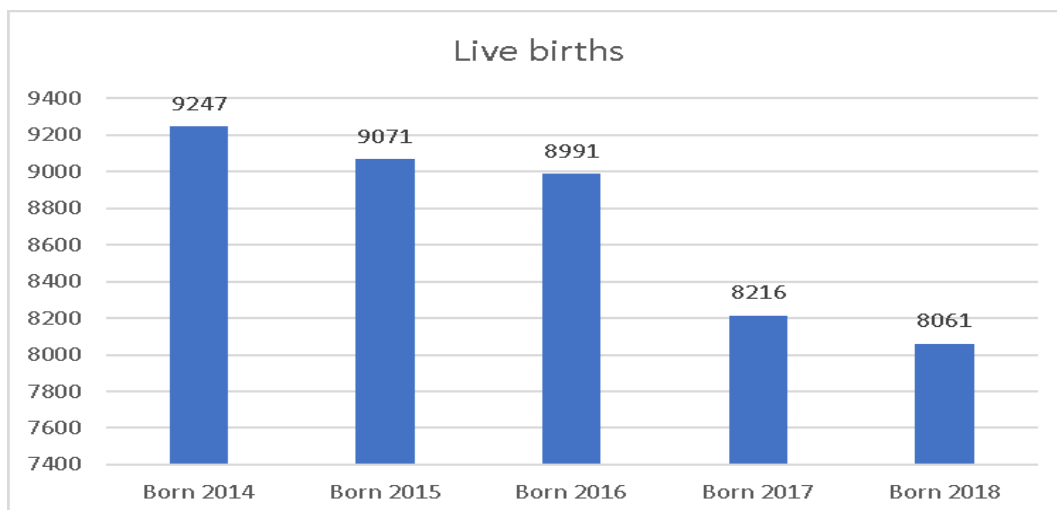
How would you describe your confidence about your sustainability going forward, for example by the end of the Autumn term?



As demonstrated in previous sections there are further challenges

- Autumn is always a term when there are less children – as large cohorts of children start school. Most providers rely on their Summer term income to see them through the quieter term, but as stated above, the summer term income for the majority of settings was drastically affected.
- Traditionally, the Summer term is when provision (particularly Preschools and Charity run organisations) hold fundraising activity to boost reserves and provide for additional activities across the year
- Parents are not all confident about using childcare and the numbers of children taking up their funded entitlements has dropped significantly. We anticipate on early findings that there are 10% less Children in Early Years provision in the Autumn term compared to Autumn 2019.
- The number of Schools registering to provide Early Years provision for children aged 3 and 4 continues to rise, impacting on the market share for PVI providers
- In Summer Term 2019 we reported that there were 2,500 x 15 hour places for 2,3 and 4 year olds vacant across the county. In Spring term 2020 there were already over 2,800 x 15 hour places for 2,3 and 4 year olds vacant across the county.
- According to the Office of national Statistics, nationally and reflected across Nottinghamshire, the birth rate continues to drop³

³ ONS Crown Copyright Reserved [13 February 2020]



Permanent Closures:

The Pandemic has left the Early Years Sector nationally in a precarious position. A National survey conducted by the Early Years Alliance⁴ in July 2020 found that 69% of providers were expecting to operate at a loss over the next six months, while 25% of respondents felt that it was 'somewhat unlikely' or 'very unlikely' that they would be operating in 12 months' time.

In Nottinghamshire 11 Early Years providers (5 Preschools, 1 Day Nursery, 1 Out of School club and 4 childminders) have ceased delivering childcare since March 2020. Not all the closures are attributed entirely to the Covid-19 Pandemic, but it has had an impact on settings who were already financially vulnerable. There are examples below:

Pre-School: The setting was already struggling in terms of sustainability. The situation around COVID 19 has now made it impossible to carry on. Numbers are extremely low with only 3 children on the waiting list for October half term.

Day Nursery: The provider's bills for pensions, insurance, wages have gone up considerably. In September they have just 6 children who need a place (15 hours funding only). They will have no funds to pay the staff after the end of September. The children usually leave to go to school nursery at the age of 3 and rarely take their 3 or 4 year entitlement at the setting. They reopened fully on the 1st June 2020 after having closed from 25th March 2020. They were unable to apply for the CJRS scheme or Furlough staff as the less than 5% of their funding came from parents paying for their child's place.

⁴ THE FORGOTTEN SECTOR. The financial impact of coronavirus on early years providers in England. June 2020

Pre School: The setting was struggling financially and had recruitment issues. Numbers are low for September. They stayed partially open during lockdown. There's not enough money to employ staff even if projected child numbers increase.

Childminder: Her own daughters health reasons, so does not want to take additional risks with Covid19. Being closed during lockdown was very difficult with no income. She has lost business due to parents home working, and the additional cost of PPE and Insurance was too high compared to income.

Particularly concerning, and as Covid-19 has highlighted, is that those settings in the most disadvantaged areas usually have a high proportion of vulnerable children accessing provision and less fee paying parents.

Of the 11 providers who have closed, 6 are in communities where there are high levels of disadvantage and higher than average numbers of children identified as vulnerable, for example, eligible 2 year olds. In addition to those who have closed, there are concerns around 8 further providers who are struggling to sustain their business in disadvantaged communities.

10. Conclusions

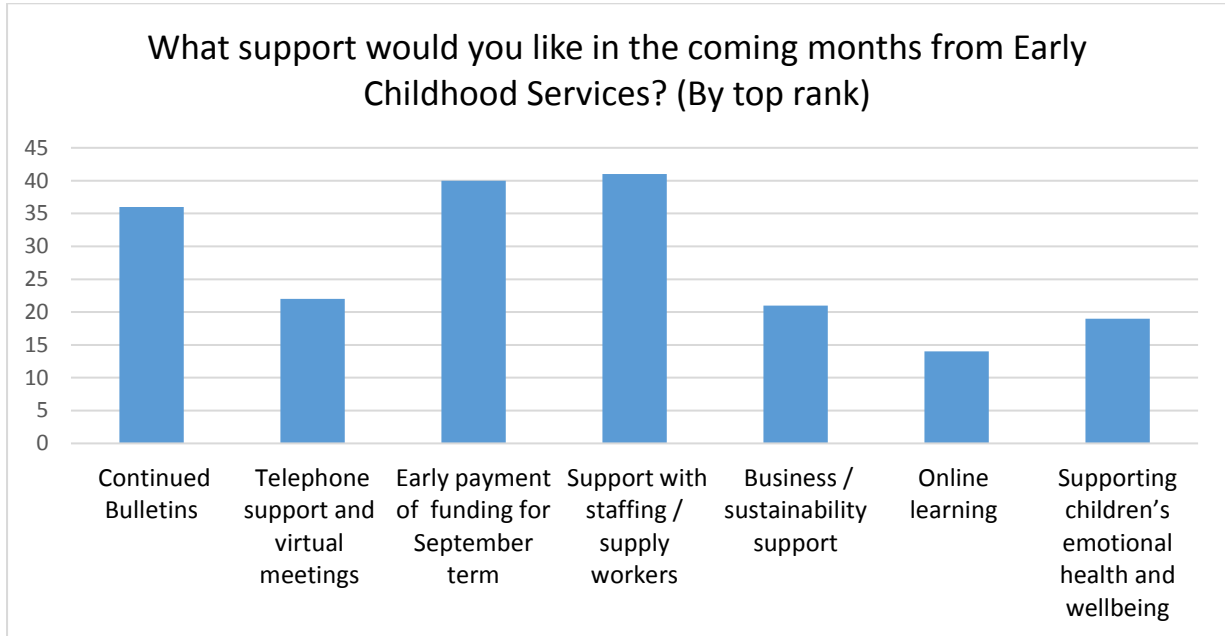
The main body of this report is based on findings from the Summer term 2020. All the evidence was collected during the summer months and relates to the period between the beginning of April and the end of July.

On the surface in Nottinghamshire, the picture has been positive with a sufficient supply of Childcare, higher than national average take up and fewer settings closing as compared to national estimates.

However, the rise in infection rates and further restrictions imposed on the County in the coming months are expected to have a significant impact. It is important for the Council to continue engagement with the Early Years Sector to best understand and monitor the impact on their sustainability and the attainment levels of young children.

11. Actions and recommendations

We asked our providers what they needed from early Childhood Services and the Local Authority in the coming months.



Early Childhood Services (ECS) continues to support the Early Years Sector in the ongoing and ever changing circumstances surrounding the Covid-19 Pandemic.

ECS continues to produce weekly Bulletins for the Early Years Sector and respond to request for information for Parents and Families. The ECS Early Years Quality and Attainment team continues to have regular conversations with settings until such time as face to face visits can recommence. In the Autumn term, we have increased the number of “virtual” meetings with the providers to focus our offer of support to those most in need. A series of online briefings and training courses are being offered in the absence of face to face training opportunities. <https://www.nottinghamshire.gov.uk/care/early-years-and-childcare/childcare-providers/early-years-education-and-childcare-training>

What else we need to do:

Supply

- Carry out further analysis of the sufficiency of Early Years provision across all areas of the county considering:
 - The continued drop in the birth rate
 - The over-supply in some areas demonstrating over 2,800 spare places for 2,3 and 4 years olds reported in the Spring Term.
- 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
- Continue to monitor the attendance of the most vulnerable children using tools developed and enhanced during the Lockdown and recovery periods

Sustainability

- Support the Early Years Sector to encourage families “Back in to 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 NHY and Social Media posts.
 - Engage fully with Children’s Centre teams to provide a brokerage role.
- 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 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.
- Explore how Nottinghamshire County Council can continue to fulfil the duty to provide sufficient childcare places for the most disadvantaged communities through negotiation with colleagues in Place to scope incentives for Early years Providers operating in our buildings . In many of these areas, Nottinghamshire County Council have commissioned Early Years providers to operate out of Council run properties to support us to fulfil that duty.

Funding

- Early Years Funding for the Autumn term has been paid 80% up front and in line with Government guidance, was based on the head count from 2019 or 2020 whichever was the highest. Analyse and plan for the expected reduction in Early Years Entitlement funding paid to providers in the Spring term, when Government Guidance states that funding reverts back to being paid on actual numbers in attendance (and we anticipate this to be around 10% less)
- Continue to link with the Life Chances Partnership and Local Authority Economic Regeneration teams, to explore and promote what further external, local or national business grants may be available.

Childcare Sufficiency Assessment 2021

- Carry out a full and comprehensive CSA in 2021 in line with usual actions
- Carry our detailed consultation with parents on using Childcare and Early Education provision