

Childcare Sufficiency Assessment 2022 A report on the Early Years and Childcare Sector in Nottinghamshire

Early Childhood Services

Children and Families Department

September 2022

Contents

4	1 - 1	
1	Intro	duction
1 .	1111111	1111.111111

- 2. National and Local Context
- 3. Child population
- 4. Childcare Provision
- 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 11 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 2022 report will focus largely on the sustainability of the Early Years and Childcare sector in Nottinghamshire 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
- Main effects on business sustainability and therefore future availability of places
- How Nottinghamshire's population is changing and the likely future demand for places

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 2022 Term Self Update from Providers delivering Funded places.
- Early Years Consultation group meetings.
- Contact with provision through the Early Childhood Services team.
- Information on Tracking Vulnerable Children.
- Information and Support for Parents.
- Families Information Survey, January 2021.
- Data on numbers of children attending a setting and those vulnerable children in receipt of supplementary funding to support them.

2. National and local Context

National Context

Looking back over the past few years the Early Years and Childcare Sector has operated in a number of different ways depending on the course of the Covid Pandemic and Government advice. Many providers still apply some of the restrictions such as limiting parents/carers entering the premises, keeping children in small groups as much as possible, and tightening up on hygiene and cleaning measures.

There is a shortage, nationally of qualified practitioners working in the Early Years Sector. More people are leaving the sector than are joining and this is impacting on the availability of provision. A report published by Ofsted in July 2022¹ states that "The majority of providers have struggled to recruit staff who are well qualified. Many report difficulties in retaining staff and say this is due to the low pay they offer in comparison with other work available."

Local Context

In Nottinghamshire, we are aware that providers have altered their operating models to meet the ever changing needs of parents who want to use Childcare places, and this has meant that some settings cannot offer the number or flexibility of places as they may have done pre-2020. There are more parents/carers working from home with different working patterns and therefore their childcare needs are changing.

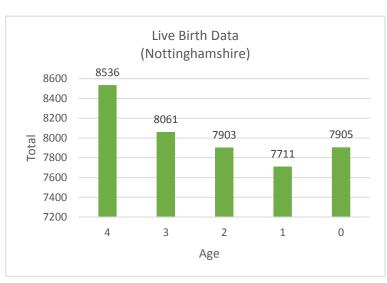
Nottinghamshire is also seeing a reflection of the National shortage of trained, qualified, and experienced staff. They are struggling additionally with the higher running costs associated with pension contributions and the National minimum wage increase.

3. Childcare Population

According to the Office of National Statistics, the live birth data for the past 5 years in Nottinghamshire is as follows (The latest being 2021 shown aged zero below).

In previous years we have reported a continued drop in the number of children in Nottinghamshire, however, in 2021 there was a slight increase of 2.5% in the number of births.

<u>Births in England and Wales:</u> <u>summary tables - Office for</u> National Statistics (ons.gov.uk)



¹ Education recovery in early years providers: summer 2022 - GOV.UK (www.gov.uk)

4. Childcare Provision

In June 2022, there were 1,003 (compared to 1,082 in 2021) Ofsted Registered Early Years Providers, including Private, Voluntary, and Independent (PVI) Settings and schools delivering Childcare and Early Education across Nottinghamshire. Of those, 937 (93.4%) are registered to deliver funded places for 2, 3 and 4 year olds (compared to 90% in 2021).

- 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 437 Ofsted registered **Childminders** in Nottinghamshire most of which are registered to care for children from six weeks to eight years, and 367 (84%) are registered to deliver funded Places for 2,3 and 4 year olds.
- In addition to Ofsted registered childminders, there are now also 46 childminders registered with Childminding Agencies, 38 of these childminders (83%) are registered to deliver funded places.
- Day Nursery settings provide care for children from six weeks to school age. There are 173
 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 76 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 62 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.

The Number of Providers

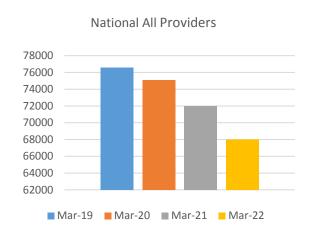
Overall, the number of settings in Nottinghamshire had been largely static for a number of years, hovering around the 1,000 mark. However, in the last four years there has been an overall net decrease in PVI providers of 16%, (9% in the last year). This has largely been driven by the a decrease in childminder numbers.

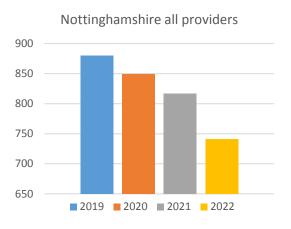
- There have been 103 Childminder resignations in the last year, but only 32 new registrations.
- There have been 11 new Group Based (Nursery or Preschool) registrations, and 16 closures.

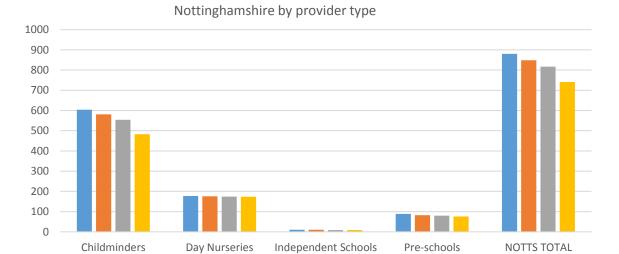
According to a recent Government report², this shows a larger decrease than the national picture, Ofsted stating that there has been an 11.2% decrease in the number of providers in the last three years. (5.6% in the last year.)

² Main findings: childcare providers and inspections as at 31 March 2022 - GOV.UK (www.gov.uk)

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







■ 2019 **■** 2020 **■** 2021 **■** 2022

Number of Providers in Nottinghamshire by Provider Type:

Private, Voluntary and Independent Sector	2019	2020	2021	2022	+/-	% change 2019 to 2022
Childminders	604	581	554	483	-121	-20%
Day Nurseries	177	176	174	173	-4	-2.2%
Independent Schools	10	10	9	9	-1	-10.0%
Pre-schools	89	82	80	76	-13	-14.6%
NOTTS TOTAL	880	849	817	741	-139	-15.8%

Schools

There has been an increase over the last four 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 72% are now delivering up to 30 hours of funded Early Education and Childcare.

	2019	2020	2021	2022	+/-	% change
Schools funded to deliver Extended (30 hours) offer	117	130	146	155	+38	+32.5%

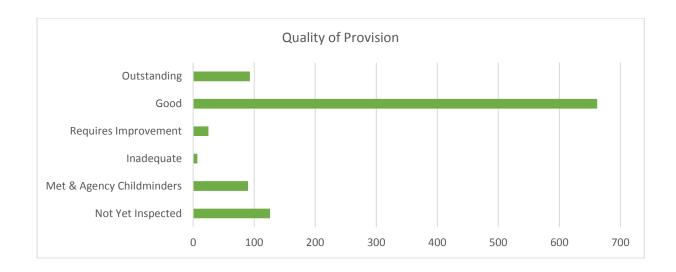
Quality of provision

Below is a table showing the number of settings rated by Ofsted as Outstanding, Good, Requires Improvement or Inadequate.

Ofsted Grading	Outstanding	Good	Requires Improvement	Inadequate	Met & Agency Childminders	Not Yet Inspected	TOTAL
Academy School	8	43	3	1	0	43	98
Childminder	18	317	3	1	85	59	483
Day Nursery	42	100	3	3	3	22	174
Independent School	2	7	0	0	0	0	9
Maintained School	16	133	14	0	1	0	166
Pre-school	7	62	2	2	1	2	80
TOTAL	93	662	25	7	90	126	1003

86% of the inspected provision in Nottinghamshire is classed as Good or Outstanding, with a further 10% judged as having Met ³ all requirements for registration. Under 3% of providers are judged as Requiring improvement, with under 1% judged as Inadequate, 13% of provision is yet to be inspected.

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



Nottinghamshire continues to have a high number and on par with National figures, of settings who are rated as Outstanding or Good. However, in the last year there has been a decrease in the number of Outstanding settings in the County.

There are a number of possible reasons for this:

- Many of Nottinghamshire's Outstanding settings were inspected at the beginning of the last Ofsted "cycle" and have therefore not been inspected for 7 years.
- A number of Childminders who were previously registered with Ofsted and were Outstanding, are now registered with a Childminding Agency.
- The Changes to the Early Years Foundations Stage implemented as the providers continued to manage the Pandemic, have placed additional challenges on provision in reaching Outstanding judgements. This is borne out by National Findings in a recent report⁴ which states that Nationally their findings are:
 - The challenges in recruiting and retaining staff are having a negative impact on how a provider can plan, both for children's learning opportunities and financially.
 - Children's speech and language delays have not always been identified as early as they could have been, and most providers have struggled to access the support that they need from speech and language therapists.
 - Not all staff and providers have had access to training. Most providers are choosing to continue with online staff training, which was introduced during the pandemic. However, some staff say that they are not picking up the content as well as with face-to-face training, especially in relation to safeguarding scenarios.
 - Most Early Years providers have maintained restrictions on parents or carers entering buildings. Parents not entering providers' premises has affected parent partnerships. Restrictions on parents entering buildings create barriers between parents and staff.
 - Routine local authority visits have continued but at a reduced rate. This means that advice and information that are usually shared and promoted at these visits have also reduced.

8

⁴ Education recovery in early years providers: summer 2022 - GOV.UK (www.gov.uk)

5. District Sufficiency Assessments

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

Below shows the number of reported vacancies for funded children across Nottinghamshire,

continuing a year on year increase in unfilled places.

2018	2019	2020	2021	2022
CSA	CSA	CSA	CSA	CSA
2,200	2,500	2,800	6,200	6,435



This rise in the numbers of vacant places being reported across the PVI providers in the county could be attributed to a number of factors

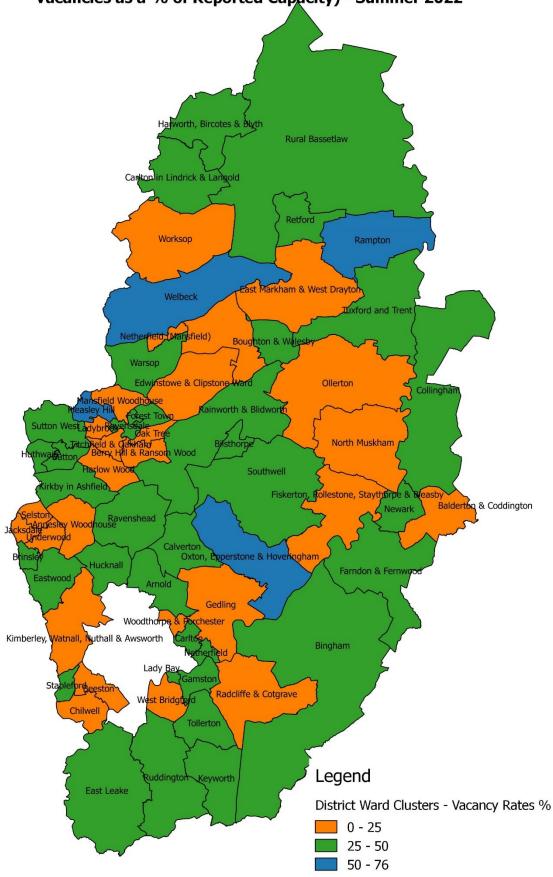
- Providers are more accurate with their reporting and data entries on the Self-Update.
- The birth rate in Nottinghamshire has dropped in the last few years, although this is now showing a slight increase for 2021 as described in Section 3.
- There's been an increase in the number of Schools based provision offering Extended (30) Hours.
- New Schools opening all have Early Years provision run by the school.
- Parents working patterns and their demand for childcare continue to change with more parents being able to work from home.
- Recruitment and retention of staff sometimes means that providers have to limit the number of children they can accept.

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 | be between 25% and | be up to 25% of | be no vacant places |
| available places that | 50% of available | available places that | |
| remain vacant | places that remain | remain vacant | |
| | vacant | | |

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. Three of the four areas are the same as in 2021, however Pleasley Hill Ward is a new "blue" area and Farndon & Fernwood Ward has moved to "green" from 2021 (both of these areas are on the county border with other Local Authorities).

Nottinghamshire - District Ward Clusters and Vacancy Rates % (Reported Vacancies as a % of Reported Capacity) - Summer 2022



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 aged 2 and under.

543 providers (over half) provided a response to this question, less than half of them indicated that they currently have vacancies for this age group, but with these vacancies being spread evenly amongst the districts, this demonstrates 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	101 (39%)	114 (44%)	46 (17%)
Day Nursery	103 (76%)	27 (20%)	6 (4%)
Pre-school	33 (56%)	19 (32%)	7 (12%)
School	7 (8%)	9 (10%)	71 (82%)
TOTAL	244 (45%)	169 (31%)	130 (24%)

	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	31	22	22
Bassetlaw	26	21	21
Broxtowe	33	20	13
Gedling	41	34	26
Mansfield	37	15	20
Newark & Sherwood	34	27	17
Rushcliffe	42	30	11
NOTTS TOTAL	244	169	130

Demand for childcare and take up rates

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

From 1st September 2022 there is an added criteria applied allowing 2 year olds from families with no recourse to public funds which may affect the numbers of children who are eligible in the future. Families entering the UK on the Homes for Ukraine Scheme or those from Afghanistan and Hong Kong have recourse to public funds and therefore can apply under the usual financial criteria.

Numbers of eligible children are identified though 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 2022 and Summer 2022 - numbers of children attending by location of provider

District (nos. of							% increase in
children		Numbers			Numbers		summer
attending at		taking up		March	taking up	% take	from
providers in	Nov 2021	Spring	% take up	2022DWP	Summer	up by	spring
these districts)	DWP list	2022	by district	list	2022	district	2021
Ashfield	512	412	80%	490	393	80%	0%
Bassetlaw	354	254	72%	351	255	73%	1%
Broxtowe	264	222	84%	252	236	94%	10%
Gedling	300	271	90%	283	264	93%	3%
Mansfield	398	316	79%	389	296	76%	-3%
Newark &							
Sherwood	348	288	83%	347	290	84%	1%
Rushcliffe	169	187	111%	179	183	102%	-11%
Totals	2345	1950		2291	1917		
% take up		83%			84%		
		31/03/22			03/08/22		



The numbers of 2 year old children taking up their funded entitlements has continued to increase since the last CSA and is has now plateaued to an average of 83% for the academic year 2021-2. At the end of Spring 2022, Nottinghamshire was ranked highest in the East Midlands region for take up of 2 year old places, and fourth compared to our Statistical Neighbours.

Going forward, the lists that DWP send to Local Authorities so that they can contact parent/carers inviting them to apply for places, will include email addresses and phone numbers. The list will also have a longer 'expiry date'. This will potentially have a greater impact in increasing our take up,

because we will be able to communicate with parents about the entitlement by electronic means, with more follow up opportunities, rather than the current method of sending a paper letter through the post.

In order to ensure all children who are eligible for a place, our Children's Centre Service follows up on any family where they have applied for a place but haven't taken it up. In the Summer term, 74 parents were contacted and their reasons for not accessing their entitlement were given as follows.

- Waiting for a place in their preferred setting (25)
- Place is confirmed for the future term (16)
- Parent feels the child is too young to attend nursery yet (22)
- Didn't realise they were entitled to a place (11)

In many cases where a parent is choosing not to take up a place the Children's Centre Service continues to engage with them through their Menu of Interventions

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 2020 population estimates and therefore is a snapshot and does not take into account a fluctuation in population.

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	1,398	1314	1230	1364	87.98%	103.81%
Bassetlaw	1,161	1204	1059	1214	91.21%	100.83%
Broxtowe	1,066	1096	907	1014	85.08%	92.52%
Gedling	1,137	1177	1061	1122	93.32%	95.33%
Mansfield	1,146	1232	1092	1237	95.29%	100.41%
Newark and Sherwood	1,141	1224	1100	1222	96.41%	99.84%
Rushcliffe	1,102	1199	1104	1264	100.18%	105.42%
			7553	8437		
Out of county resident			559	519		
Grand Total	8,151	8446	8112	8956		
Sources:			Overall %	take up for		
ONS Mid year population esti				lent children	93%	100%
Summer Term 2022 Headcou	nt Data – Univers	al hours (2)	county resid	- Cili Cililaren		
				6 take up ut of county children	100%	106%

Extended entitlement (30 hours)

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 £152 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 continues to improve, 95.5% of children with an eligible 30 hours code accessed their extended hours in Nottinghamshire this Summer term, up from 94% for the same period last year.

6. Vulnerable Children

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. In Autumn of 2022, Early Childhood Services is consulting with the Sector about refocussing some of our Supplementary Funding to better support a wider group of children with special educational needs and disabilities.

Supplementary Funding take up

Inclusion Funding	13% of providers
Disability Access Fund for Children on Disability Living Allowance	15% of providers
Deprivation Fund for 2, 3 and 4 year olds known to Social Care	39% of providers
Early Years Pupil Premium	69% of providers
Do not receive any supplementary funding	25% of providers

82% 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
2yrs	9
3yrs	83
4yrs	94
5yrs	8

	AUTUMN 21	SPRING 22	SUMMER 22
Nottinghamshire Total 2021-2022	111	140	194
	Autumn	Spring	Summer
2020-2021 (for comparison)	94	122	176
2019-2020 (for comparison)	95	119	149

Numbers of children accessing the Early Years Inclusion Funding has risen by 10% since Summer 2021. 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. There has been a 700% increase in the numbers of children under five with an Education Health Care Plan attending PVI settings, from an estimate of 2 in 2019 to 28 in 2022.

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

District / Academic Year	Cl	nild in Need	d	Child	Protection	Plan
District	AUT21	SPR22	SUM22	AUT21	SPR22	SUM22
Ashfield	37	48	64	18	24	28
Bassetlaw	13	26	33	16	18	17
Broxtowe	17	26	37	10	8	5
Gedling	27	35	41	12	13	16
Mansfield	24	34	44	29	37	41
Newark	20	20	26	16	22	31
Rushcliffe	9	9	13	7	5	5
Notts County Total 2022	147	198	258	108	122	143
Notts County Total 2021 for comparison	AUT20	SPR21	SUM21	AUT20	SPR21	SUM21
	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

The numbers of children identified as CPP have increased slightly from last year but not significantly. However, there is a bigger increase (between 32-36%) in children identified as CIN from last year to this.

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 2021-2022 by district (total number of children funded was 2733).

District	Autumn 21	Spring 22	Summer 22
Ashfield	343	441	554
Bassetlaw	234	309	393
Broxtowe	144	194	247
Gedling	169	229	277
Mansfield	287	365	453
Newark	257	318	408
Rushcliffe	115	158	198
Out of county	76	79	113
Notts total 2021-22	1625	2093	2643
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.

48 Children received Early Years Pupil Premium (*Children Looked After*) in Academic Year 2019-2020 by district. This figure includes Children Looked After, previously Looked After and Adopted.

	AUTUMN 21	SPRING 22	SUMMER 22
Notts Total 2021-2022	23	29	41
	AUTUMN 20	SPRING 21	SUMMER 21
Notts Total 2020-2021 for comparison	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.

Numbers of children accessing Disability Access Fund (DAF) (for children on Disability Living Allowance) in Academic Year 2021-2022 by district.

District	AUTUMN 21	SPRING 22	SUMMER 22	Total
Ashfield	3	3	6	12
Bassetlaw	2	2	5	9
Broxtowe	3	4	6	13
Gedling	5	3	5	13
Mansfield	4	2	2	8
Newark	5	9	4	18
Rushcliffe	5	3	7	15
Notts Total 2022	27	26	35	88
	AUTUMN 20	SPRING 21	SUMMER 21	Total
Notts Total 20-				
21 for	41	32	30	103
comparison				

The numbers of children accessing DAF has dropped since last year, although there has been an increase in the last term.

7. 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	2022/23
Early Years Base Rate:	Hourly Rate		
Eligible 2 year olds School & PVI settings	£5.31	£5.39	£5.60
Eligible 3 and 4 year olds in PVI settings	£4.35 (£4.25 + temporary 10p uplift for one year *)	£4.31	£4.48

^{*} 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.

Funding supplements:			
Early Years Pupil Premium for 3 and 4 year olds	£0.53	£0.53	£0.60
LAC Early Years Pupil Premium (all ages)	£0.53	£0.53	£0.60
Deprivation 3 & 4 year olds eligible for EYPP	£0.10 per hour	£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	£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	£406 per annum for monthly CIN/CPP & LAC Meetings
Early Years Inclusion Fund (PVI settings)	£245,000	£245,000	£345,000
Disability Access Fund (DAF)	£615 per annum	£615 per annum	£800 per annum

East Midlands Average Hourly Rates paid for 2,3 and 4 year olds

(Information as of August 2022) NB: Not all Authorities have yet made a return.

- 2 year olds £5.49
- 3 and 4 year olds universal entitlement £4.47

	3 and 4 YO Funding Rate 1/4/2022	2YO Funding Rate 1/4/2022
Derby City	£4.54	£5.57
Lincolnshire	£4.20	£5.23
Nottingham City	£4.76	£5.47
Nottinghamshire	£4.48	£5.60
Rutland	£4.38	£5.57

Average	£4.47	£5.49
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Tax Free Childcare

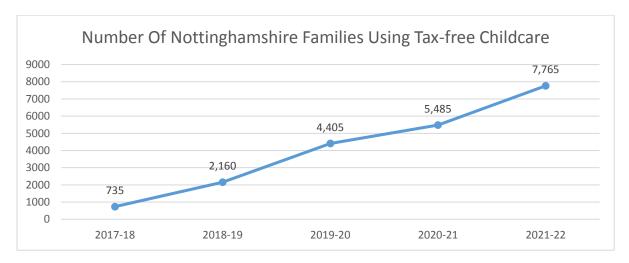
Tax Free Childcare is for families with children under 12, a Tax-Free Childcare account can be worth up to £2,000 per year per child towards registered childcare, such as before and after school clubs, holiday clubs, childminders, nurseries, and pre-schools. This increases to £4,000 per year for children with Special Educational Needs and Disabilities (SEND) and goes up to the age of 17.

If parents are eligible, they set up an online childcare account for their child. For every £8 they pay into this account, the government will pay in £2 to use to pay the childcare provider.

To be eligible both parents must be in employment, or one parent in a single-parent household, and be earning at least the National Minimum Wage for 16 hours per week on average and under £100,000 per year. This includes being self-employed, on maternity or parental leave, on sick leave or annual leave.

https://www.gov.uk/apply-for-tax-free-childcare

Take up of this offer is low Nationally, and also in Nottinghamshire. However, since its introduction in 2017, there has been a steady increase following increased National and local promotion.



In the coming year we will be exploring how we can encourage parents to use a Tax Free Childcare account to support them with childcare costs.

8. Sustainability

Despite our findings that Nottinghamshire's supply of childcare remains stable and sufficient, we are hearing from our Early Years 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.

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 recent drop in the birth rate.
- Settings are struggling to recruit to vacant posts which impacts on the numbers of children
 they can admit. Some Early Years Private, Voluntary, and independent childcare settings are
 closing (parts of) their provision because they do not have sufficient staff. There are also less
 new childminders starting up than the numbers leaving the sector.
- Businesses continue to operate in the wake of additional financial pressures following the Coronavirus Pandemic, with debts accrued and loans to be repaid and tax on Self Employment Support Scheme and other grants.
- Cost of living increases, for example, energy costs, food costs, travel costs and businesses not being eligible for the energy price cap in the long term.

Some of the ways we know that settings are challenged by the factors above:

- They tell us through regular communications through our Consultation Group and Provider Networks
- Settings asking for up-front payments of the entitlement funding
- A few settings have told us they are limiting numbers (and therefore income) due a shortage of staff
- Landlords are charging more rent because their costs are going up
- Numbers of providers decreasing (Particularly Childminders and come smaller providers)
- Some small nurseries have been taken over by large chains when they are struggling. Larger
 organisations have more sustainable business models and economies of scale to mitigate
 against some of the challenges above

Early Childhood Services and partners have been trying to support the sector going forward.

Work in Early Learning and Childcare Campaign

The findings from the 2021 CSA and the national context evidence that there is a shortage, nationally of qualified practitioners working in the Early Years Sector. These combined confirm that many settings are struggling to recruit and retain their Early Years workforce. In response to this and hearing the same concerns echoed from our Early Years Consultation Group representatives, we as a Local Authority wanted to support the sector and providers with issues they face regarding recruitment and retention and so we started to create a working in early learning and childcare campaign.

Purpose of the campaign

To raise the profile of careers in the Early Years sector and to encourage adults and young people to consider a career working in early years/early childhood services.

To create a suite of resources that can be used on a variety of platforms that can be shared with partner organisations and Early Years providers to share including leaflets, social media images and content, roller banners to be used at career fairs and events and updated Notts Help Yourself webpages, making it clearer to find out about working in the sector, adding lots of videos to encourage people to consider working in Early Years as a rewarding career.

Working in Childcare | Notts Help Yourself



9. Information and support for Parents and Families

As well as Early Childhood Services own 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 <u>Families Information Service</u> (FIS) fulfils 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, including activities to do at home and in the community, guidance on parenting challenges, child development, healthy lifestyles, volunteering, returning to work.

The Families Information Service Facebook page shares key messages about finding childcare, the different types of childcare funding and how to apply. Boosted Facebook posts are used to reach the wider Nottinghamshire community with childcare messages, each month there is a targeted Facebook post about either 2-year funding, 30 hours funding, tax-free childcare, DAF Funding, looking for childcare.

An FIS Instagram is being launched Sep/Oct 2022 to reach out to a younger demographic

<u>Notts Help Yourself</u> is a countywide directory and information website which provides a range of information for parents including childcare provision, wrap around care and holiday clubs.

The information from the FIS database populates the website www.nottshelpyourself.org.uk enabling parents to search for childcare in their local area. Childcare providers can self-update their information on the website to ensure parents are getting the most up to date information about their service.

Families Information Service Customer Survey 2022 Findings

- There was a 30% increase in the number of families who had heard of Notts Help Yourself since 2021 survey.
- There was a 28% increase in the number of families who would recommend FIS to family or friends
- There were 94 responses to the survey, this was down compared to last year which had 205 responses.
- 14% of parents/carers who responded had children with SEN or a disability.

What do parents and carers want?

- More advertising, a stimulating, engaging website with more detail, photos, and video clips.
- Need more information about out of hours childcare (evenings and weekends).
- Training and webinars accessible to parents/carer.
- Information and support about teenagers' safety, mental health.

What are the top 10 things people want more posts about?

- Family friendly places to visit in the community
- Parenting advice such as sleep and toileting
- Family friendly services
- Managing children's behaviour
- Information about getting ready for nursery/school
- Family health
- Speech, language, and communication
- Childcare such as free entitlements and types of provision
- Home learning activities
- Emotional and mental health for the family

12. 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.

- We will continue to monitor the number of settings limiting the flexibility of places because of the challenges stated above through Provider Support meetings.
- We will continue 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 through Provider Support meetings.
- We will 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. We will launch a Supplementary Funding review in Autumn 2022 to seek views of the sector with regard to refocussing this funding to enable more, younger children to benefit from additional funding.
- We will work closely with schools who want to lower their age range (to secure future numbers) to ensure there is no oversupply. This includes supporting new schools struggling to fill Early Years places.

Demand for Childcare

- We will embark on a partnership approach to increasing the parental take up of Tax Free childcare accounts through publicity materials made available to Providers, the Best Start Partnership and organisations working with families including targeting families who may be struggling financially.
- We will aim to increase the number of parents taking up their entitlements through a new process for targeting families with two year olds, via Text and Email (Autumn 2022).
- We will continue to develop our messages through targeted Facebook posts and increase the use of Instagram and Twitter through Notts Help Yourself.
- We engage fully with Children's Centre Service teams to provide a brokerage role to encourage and enable families to access their childcare entitlements.

Quality of Childcare

- We will develop our face to face training offer. Whilst we continue to offer some virtual
 opportunities, we recognise the importance of face to face training and networks to support
 quality practice development.
- Our Quality and Attainment team will continue to increase the number of visits to providers, and we will act on the findings of the National Ofsted report to support providers to maintain their Good and Outstanding judgments (See Section 4, Page 8).

Sustainability of Provision

We know that, for the Early Years Sector, their biggest concern is sustainability in the years ahead.

- We will continue to link with the Life Chances for Children and Families 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.
- We will work with prospective new providers (including Schools) to ensure that we do not exacerbate the oversupply in some areas of the County.
- We will embark on a Nottinghamshire wide recruitment campaign, working with Best Start partners. This will include
 - Involvement in an East Midlands Regional promotional video about working in Early Years
 - Setting up a multi-agency approach to promotion of working in Early Years, Health, Social Work and Education
 - Work with our Economic Regeneration partners, Schools and Further Education partners to increase the numbers of opportunities for young people to see Early Years work as a career of choice
 - ➤ ECS representatives will attend careers hub meetings and connect with colleagues who work collaboratively with schools and colleges to improve employment outcomes for young people.

Funding

- We want to increase childcare affordability through an increased take up of Tax Free Childcare:
 - Social Media / Awareness raising campaign through Notts Help Yourself, Families
 Information Service and the Children's Centre Service
 - Work with Providers to spread the messages about take up through their regular communications, through Parental information and on invoices.
- We will implement the changes to Supplementary funding following the consultation to allow providers to access additional funding for children with the most complex needs and therefore allow more access for Children with Special Educational Needs and Disabilities.

Useful Reading and Resources:

The Coram Family and Childcare Survey 2022 (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.

The Early Years Reputation Report 2022 (<u>available here</u>) **The state of respect** It has found that 95% of staff don't feel respected by politicians and 69%, by society at large.