

Meeting:	Cabinet
Meeting date:	21 January 2016
Title of report:	Childcare sufficiency report
Report by:	Early years policy and strategy manager

Classification

Open

Key Decision

This is not a key decision.

Wards Affected

Countywide

Purpose

To approve the childcare sufficiency report for 2016–2019

Recommendations

That

- **Cabinet approve the childcare sufficiency report for 2016-2019.**

Alternative options

1. There are no alternative options due to this being a statutory requirement. We have a duty to support parents to access employment and training and ensure there is sufficient, flexible childcare across the county to enable them to do this.

Key considerations

2. Having high quality and accessible childcare supports parents to take part in the local economy and contributes to a key aim of the council in terms of economic improvement and growth.
3. A range of early years outcomes have been identified through the Herefordshire Children and Young People's plan. These include increasing the number of children

that are ready for school, improving their health and expanding the number of free pre-school places in line with the national agenda.

4. The Childcare Act 2006 and the statutory guidance '[Early Education and Childcare Guidance for local authorities](#)' require councils to assess the sufficiency of childcare in their local area. The aim of this report is to show how Herefordshire Council is assessing and promoting sufficiency of childcare (refer to the legal implications section)
5. As a result of the findings within the childcare sufficiency assessment Herefordshire Council has identified the following high level actions to be completed to assist towards improving child care sufficiency across Herefordshire.
 - Support for parents in rural areas particularly via the childminding community and aimed at 0-2 year olds and holiday provision
 - Support schools where they have no breakfast and after school provision to consider offering this where there is demand
 - Support all early years providers to deliver flexible 2,3 and 4 year old free nursery education funded places
 - Support early year's providers where appropriate to develop their business and expand in identified areas where there is limited provision and or they are full to capacity eg Ledbury, Ross-on-Wye and Bromyard, to enable more flexible childcare delivery and support for the proposed government extension to deliver 30 hours nursery education funding in the future
 - Support development of expansion across all areas based on proposed housing developments
 - Carry out a more "drilled down" analysis of the childcare needs specifically for parents of children with complex needs and special needs that may be a barrier in enabling them to access employment or training.
 - Support the childcare market to expand where it is feasible and demand dictates to offer holiday playscheme provision
6. The report assesses the availability and attributes of childcare in Herefordshire and makes judgements about whether there is sufficient childcare available to enable parents to work or take up training opportunities which lead to work. It makes judgements and recommendations about areas that need to be developed including places for 2, 3 and 4 year olds. The childcare sufficiency assessment describes the supply of childcare across Herefordshire and compares this to the demand for childcare from parents and carers. This process helps to identify any gaps in the childcare market and makes recommendations for appropriate remedial action.
7. The childcare sufficiency statement and actions will support the local economy and labour market by ensuring there is sufficient childcare places across Herefordshire for working parents wishing to access training and employment. It will support all 3 and 4 year olds to access 15 hours per week of free early education (through the Nursery Education Funding - NEF) and all identified disadvantaged two year olds to take up 15 hours per week of early education.
8. In order to support any increase for additional childcare places in areas of demand, there may be an opportunity to utilise some existing community children's centre

buildings to procure nursery provision, where it is deemed to be in short supply. This would support our development to increase the number of childcare places offered to meet future demands and generate an income for the council by charging rent, potential business rates and spreading the running costs of council maintained buildings.

Community impact

9. The core strategy is a key document in the local plan, which provides the strategic planning framework for the county's future development needs up to 2031. This has been considered in relation to the content within this report around potential new housing developments. The actions proposed support the main objectives within the CYPP and forms one of the main priority areas of early years. Childcare sufficiency and the delivery of nursery education funding is one of the main priority areas within early years.
10. In order to inform this childcare sufficiency report the views of parents and their childcare needs were gained across Herefordshire. This was carried out through an online questionnaire marketed at all early years providers, schools, childminders and children with disability organisations. Paper copies of the questionnaire were also distributed to all eight children's centres across Herefordshire. It was also advertised through social media and Herefordshire early educators facebook page. The survey ran from 13 April to 22 May 2015.

Equality duty

11. Many of the families seeking childcare will have "protected characteristics". Early years providers support families with their children's childcare and educational development. The childcare sufficiency survey highlights gaps in certain types of childcare and also in some of the rurally isolated areas of the county, which the recommendations and action plan will attempt to address. Free nursery education funded places for 2 year olds are aimed at families who are in receipt of certain benefits. Childcare providers across Herefordshire support children with disabilities/special educational needs in a mainstream environment, where the parent requests this and work with families to meet the individual needs of children.

Financial implications

12. The Dedicated Schools Grant (DSG) fund early years and the 3 and 4 year old free entitlement, this is paid by the Department for Education (DFE) according to the number of children taking up the offer. Two year old funding is set nationally by the DFE and given to local councils for the roll out of this programme. Approximately £5 million per year is received for 3 and 4 year olds (£3,454 per pupil x 1,475 pupils) and an additional £1,712 per 2 year olds.
13. The School Finance (England) Regulations 2012 (S.I.2012/335) set out how local councils must operate their Early Years Single Funding Formula (EYSFF). The regulations require that a local council must consult its schools forum and decide upon the funding formula which informs the hourly rate paid to all providers (Local Authority Nurseries and Private/Voluntary Sector Providers).
14. The schools forum set the hourly rate for 3 and 4 years olds at £3.20 (plus an extra 26p per child for disadvantaged postcodes). A lump sum of £50 per week is paid pro-rata for providers with less than 100 hours. This is slightly lower than our statistical neighbours. The 2 year old funded rate of £4.85 is set nationally by the DFE.

Further information on the subject of this report is available from
Julia Stephens early years policy and strategy manager (jstephens@herefordshire.gov.uk)

15. The proposed introduction of the increase to 30 hours of free nursery education funding per week for families with 3 and 4 year olds from September 2016, will result in a review nationally of the funding /grant provided to local councils through the dedicated schools grant. This can only be implemented using the limited capacity that is available.

Legal implications

16. The Childcare Act 2006 and the statutory guidance '[Early Education and Childcare Guidance for local authorities](#)' requires local councils to assess the sufficiency of childcare in their local area.
17. To secure sufficient childcare places, the local council should:
 - Take into account what is 'reasonably practicable' when assessing what sufficient childcare means in their area and:
 - The state of the local childcare market; including the demand for specific types of providers within particular localities along with the quantity and type of supply that currently exists;
 - The state of the labour market
 - The quality and capacity of childcare providers and childminders registered with an appropriate agency, including their funding, staff, premises, experience and expertise
 - Encourage schools in their area to offer out of hours childcare from 8am to 6pm
 - Encourage existing providers to expand their provision and new providers to enter the local childcare market
 - Report annually to councillors on how the council is meeting its duty to secure sufficient childcare, and make this report available and accessible to parents.

Risk management

18. The risks of not agreeing to the proposed actions would result in insufficient childcare places to meet parental demands. This would impact on parents ability to access training and employment opportunities and to get parents back into work.
19. A lack of childcare places would impact on families ability to take up the 2 year old funding and the universal offer of free 15 hours per week early education for 3 and 4 year olds.
20. These risks are mitigated by supporting all childcare providers to meet parental childcare demands through flexible opening hours, affordable childcare costs, capacity/expansion and high quality provision. By addressing identified gaps in provision the council can support market development to ensure the supply of childcare available meets parental demand.
21. There is no identified financial resource to undertake market development, so there is limited capacity to support childcare providers/childminders to expand their provision.

Consultees

Parent survey

22. There were a total of 131 responses to the survey, of which 86 (66%) were submitted online and 45 (34%) were completed paper copies. The views of consultees have been analysed against the data and current childcare provision and have contributed to the final recommendations.
23. The childcare provision in Herefordshire survey sought the views and experiences from parents seeking childcare in Herefordshire in order to help identify any gaps or issues and where the council could reasonably improve this support.
24. An online questionnaire was produced and published on the council's website. Paper copies were also distributed to all children's centres across the county to be made available to service users.
25. Promotion and advertising of the childcare survey was carried out through all schools, early years providers, childminders, Herefordshire Carers Support, Crossroads Care, Marches Family Network and special schools. It was also advertised through social media and the Herefordshire early educators Facebook page. The survey ran from 13 April to 22 May.

Childcare providers survey

26. All registered childcare providers in Herefordshire (including full day, sessional, breakfast, after school and holiday play schemes) were asked to complete an online questionnaire published on the council's website. The audit period ran from 1 May to 30 June and the data obtained from the 87 respondents completed the assessment. 101 Ofsted registered childminders were assessed separately and the results are included in this report.

Appendices

Appendix 1 Childcare Sufficiency Executive Summary 2016 - 2019

Appendix 2 Childcare Sufficiency Full Report 2016 - 2019

Background papers

- None identified.