

Report subject	Childcare Sufficiency Assessment 2023-24
Meeting date	7 February 2024
Status	Public Report
Executive summary	<p>The Council has a statutory duty to provide working families of children aged 0-14 (18 with SEND) enough childcare places in its area, where reasonably practicable. Each year Research and Children's Services colleagues assess the position of the market, providing parent's, councillors, schools and private business ward level information as a planning tool to support access or expansion of places where needed, while highlighting areas of concern for the year ahead.</p> <p>The content of the assessment concludes that the Council is meeting its statutory duties. It is also important to highlight that, at the time of writing, the quality of our providers stands at 98.5% good or outstanding (compared to 96.5% in England).</p> <p>The Government has announced the largest ever expansion of childcare entitlements, through two ambitious childcare programmes to support working families with implementation commences April 2024. The information and data provided through the Childcare Sufficiency Assessment is vital to support council officers to manage a significant increase in demand over the coming years, as well as supporting private businesses seeking to enter the market and help the Council fulfil its statutory duties. The Council has received notification of DfE Delivery Support funding and capital funding to support the expansion of places for early years and primary aged wraparound care.</p> <p>In addition to a briefing paper (appendix 1) the high level data that helped form our 2023 assessment is accessible here.</p>
Recommendations	<p>It is RECOMMENDED that Cabinet:</p> <p>Approve the content of the review and the priorities (areas of concern) as set out in the Childcare Sufficiency Assessment 2023 Briefing Paper.</p>
Reason for	To fulfil the Council's statutory duty to annually assess its childcare

recommendations	market.
Portfolio Holder(s):	Councillor Richard Burton, Children and Young People
Corporate Director	Cathi Hadley, Corporate Director for Children's Services
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Wards	Council-wide
Classification	For Recommendation

Background

1. Local Authorities are required to report to elected council members on how they are meeting the duty to secure sufficient childcare before making the assessment available and accessible to parents, schools and businesses.
2. The annual review has proved to be a useful planning tool for Children's Services and potential new providers have given feedback that the data within the assessment has been invaluable in helping them to plan for sustainable new business.
3. Local Authorities are required by legislation to: Secure sufficient childcare, so far as is reasonably practicable, for working parents, or parents who are studying or training for employment, for children aged 0-14 (or up to 18 for disabled children). There is also a duty to ensure enough government funded early education places are available for all 3 and 4 year olds and eligible 2 year olds. This legislation will be expanded in 2024 to include working families of 2 year olds and 9 month old children.

The annual sufficiency assessment

4. Local Authorities are required by statutory guidance to determine the appropriate level of detail in their assessment (including geographical division and date of publication). The information in the assessment is organised to match ward level data.
5. The assessment has been designed so that it can be reviewed and updated to inform the planning and development of early years services and to help existing and new providers to plan for expansion or new provision, which will be vital as extended government entitlements are introduced from 2024.
6. Several factors have been considered within this review including:
 - The state of the local childcare market/supply and demand
 - The state of the labour market

- The quality and capacity of childcare providers
 - The number of funded early education places required for 2, 3 and 4 year olds
 - The number of school aged children
 - The needs of disabled children
 - The number of eligible children receiving 2 year old funded early education
 - The demand for school holiday care for children
 - The demand for 30 hours extended entitlement for eligible 3 and 4 year olds
7. Overall, BCP Council is meeting its statutory duty to ensure there are enough suitable early education and childcare places available. There is a good choice of childcare facilities available to families delivered through the private, voluntary, independent and schools' sector across the conurbation. The take up rate of funded early education for disadvantaged 2 year olds is a point of success at **93%**, ranking the Council 1st regionally and 9th nationally. We have also improved our Early Years Pupil Premium take-up to 15%, reaching our most disadvantaged 3 and 4 year olds (there are no published statistics to measure EYPP performance, however).
8. Developments since 2022-23:
- At the time of writing the assessment, there were a total of 307 childcare providers in the BCP Council area, offering a maximum of 7,792 places. This is a fall of 13 providers overall since summer 2022, 12 of which were childminders.
 - While several group providers closed, other providers were supported by Children's Services, where possible, in acquiring those sites to protect availability of those places for their community.
 - New group provision has opened in Creekmoor, Christchurch Town and Kinson, supplying a combined 98 new early years places.
 - In summer 2023, 441 children were recorded as receiving additional SEND Support. This is an increase of 15.7% in the last 12 months. A total of 7,097 primary and secondary school children received SEN support, 419 extra children than in January 2022 (6.3%).
 - The latest occupancy figures show occupancy rates at childminders was 90%, PVI settings was 89% and school nursery settings was 86%.
 - Overall, the number of registered out-of-school provision has increased by 7 in the last 12 months (after falling by 10 in 2021-2022).
9. Areas of concern for the coming year 2024-25:
- **Childminders:** Nationally childminder numbers have halved in the past 10 years, from 55,300 in 2013 to 27,000 in 2023, with a similar proportionate change locally. An ageing cohort of childminders and a falling number of providers registering with Ofsted mean that the childminding profession is not being replenished at a sufficient rate to sustain itself. Childminders are only one part of the sector, but they give parents choice and flexibility. Their current contribution and that towards the governments expanded childcare and wraparound offer will prove invaluable. There are wards that have very few registered childminders, and one with none. The council is undergoing a recruitment campaign promoting the childminding profession in collaboration

with professional partners including the DWP/Jobcentre Plus, importantly highlighting areas that are showing low registrations including Kinson, Boscombe West, Boscombe East & Pokesdown, Parkstone, Bournemouth Central and Canford Cliffs.

- **Day nurseries and preschools:** Retention of our existing providers carries even greater weight with the new expanded entitlements from 2024. The council has worked with several providers during 2023 to ensure that those who are wishing to close are signposted to providers seeking new or further premises, protecting the childcare places and staff and will continue to do so to ensure statutory duties are met. Nationally and locally childcare providers are suffering from a lack of qualified staff, and many are caring for fewer children than their premises could actually accommodate. DfE will launch a recruitment campaign in spring 2024 and locally we will work with professional partners including the DWP/Jobcentre Plus. If providers cannot staff their businesses, this impacts on the number of childcare places available for working families.
- **Bearwood and Merley:** This is an area with major housing developments and a critical concern for sufficiency of childcare places during the development phase. Specifically, Merley will not be able to support working parents with all year-round care, as things stand, and developer contributions should be sought, as part of an infrastructure package, to mitigate the additional early years children that the current proposed developments will bring. With consideration to the government expanded entitlements officers have linked with colleagues with planning development and Community Infrastructure Levy responsibilities.
- **Boscombe West:** We find that few Boscombe West families stay within their ward for 2,3- and 4-year-old funded childcare, which is likely due to an ongoing lack of provision in the area. It is considered an area of concern, with an estimated 549 resident 0–4-year-old children, and only one childminder and no preschool provision. The Council is undergoing a childminder recruitment campaign early in 2024, and we'll proactively approach schools in the area make them aware of this gap in the market and invite current providers to consider expansion.
- **Expanded Entitlements from 2024:** In April 2024 the government is expanding the current funded entitlement childcare offer to support working parents and those training for employment. This means a brand new entitlement for some 2 year olds and, from September 2024 some 9 month old children.

New statutory guidance will be published on 1 January 2024. The following table shows the existing and forthcoming entitlements and a timeline. All entitlements are based on a 38 week year:

	9 month old (working)	2 year old (working)	2 year old (disadvantaged)	3&4 year old (all)	3&4 year old (working)
Currently	-	-	15hrs	15hrs	30hrs
April 2024	-	15hrs	15hrs	15hrs	30hrs
Sept 2024	15hrs	15hrs	15hrs	15hrs	30hrs
Sept 2025	30hrs	30hrs	15hrs	15hrs	30hrs

Children's Services are working with local intelligence and that provided by the DfE regarding the impact of the new entitlements on places available in the conurbation. We anticipate the need for provider expansion, an increase in funding and recruitment drives, or there is likely to be a sufficiency gap for both age groups when the entitlement is further expanded to 30hrs from September 2025. Capital funding has been made available to support council's meet their statutory duties.

- **Wraparound Provision:** The government has an ambition that the parents of all primary aged children have access to a wraparound place by 2026. Unlike with early years, these places are parent funded (some with the help of Universal Credit and Tax-Free Childcare). BCP Council is at a good starting point for this new ambition with almost all schools having access to wraparound care, but work is needed to ensure there is sufficient capacity and that each offer is 8-6pm. Over the next two years, with the use of the DfE's Wraparound Care Programme Delivery Fund, the council will be working with all schools and private providers to ensure that a term-time 8am to 6pm offer is in place or accessible at every primary school. Capital Funding from the DfE will also be available to enable this and BCP will be engaging with schools and providers to understand barriers to expansion.

10. The childcare sector has had a difficult time since the pandemic. Their funding rate has been low and their ability to recruit and retain staff on a wage commensurate with the responsibility of educating children is therefore impacted. As places have slowly fallen this has, to date, been mitigated by a falling birthrate. Changes in the governments childcare ambition though is expected to bring some challenges in 2024, 2025 and beyond as the Council aims to fulfil its duty to provide its residents enough places. Government have substantially increased the funding rate for 2 year olds and provided a generous hourly rate for 9 month old children, however the funding rate for 3 and 4 year olds (where children are universally entitled) remains a sticking point.

11. Councillors should be aware that the childcare sector may seek support for planning applications or leasing of council owned property. We are currently liaising with colleagues from planning, the Community Infrastructure Levy and Transformation (Children's) and Children's Services Property Group.

Options Appraisal

12. None

Recommendation

13. That Cabinet approve the content of the review and the priorities (areas of concern) as set out in the Childcare Sufficiency Assessment 2023 Briefing Paper.

Summary of financial implications

14. The government funded expanded entitlements for early years children will save BCP Council parents several thousand pounds per year, per eligible child and those savings may in fact feed back into the local economy. However, we should be mindful that this change may have a financial impact on existing provision as

many of eligible parents will move from paying privately at a provider's own set rate, to receiving funded entitlement at a local authority rate. The council has been informed of a DfE capital funding award, along with terms and conditions of spend. This funding will need to be carefully targeted to areas of need.

Summary of legal implications

15. The Local Authority has a duty to secure sufficient childcare for working parents, parents who are studying or training for employment, for children aged 0-14 (or up to 18 for disabled children) (Childcare Act 2006). This annual review and reporting on the local picture enables us fulfil this requirement.

Summary of human resources implications

16. None

Summary of sustainability impact

17. None

Summary of public health implications

18. None

Summary of equality implications

19. Through this assessment the Council are providing private businesses the tools and publicly available datasets to determine where they might choose to expand or create new provision. As Children's Services is not directly involved with private business decisions and that childcare funding for families follows DfE led criteria (no discretion), an EIA has not been created.

Summary of risk assessment

20. The Council need to work proactively to ensure that parent demand in both early years and school aged wraparound is met by private business and school provision. With demand unmet parents may not be able to work or work the hours that they would like. All ages and groups are important, but Children's Services will be emphasising the needs of disadvantaged 2 year olds and children with SEND when working with providers on expansion.

Background papers

21. This report is produced using the Childcare Sufficiency Assessment 2023 Briefing Paper, which is attached as an appendix, and will be freely available online on conclusion of this process. The source data (an interactive PowerBI) cannot be formed as an appendix, but is available [here](#), and will be publicly available and advertised online in due course.

Appendices

Appendix 1: Childcare Sufficiency Assessment 2023 Briefing Paper