

**AGENDA ITEM**

**REPORT TO CABINET**

**18 NOVEMBER 2021**

**REPORT OF CORPORATE  
MANAGEMENT TEAM**

**CABINET INFORMATION ITEM**

**Lead Cabinet Member - Children and Young People - Councillor Lisa Evans**

**CHILDCARE SUFFICIENCY ASSESSMENT 2021**

**Summary**

This report outlines how the Local Authority (LA) is meeting its duty to secure sufficient childcare and includes information about the supply of and demand for childcare, details on any gaps in provision and an action plan on how they will be addressed.

The Childcare Act 2006 and 2016 and the associated statutory guidance for local authorities on Early Education and Childcare – June 2018, requires Stockton-on-Tees Borough Council (the Local Authority) to secure sufficient childcare, as far as is reasonably practicable and within available resources, for working parents, or parents who are studying or training for employment, for children aged 0 – 14 (or up to 18 for disabled children). Local authorities are also required to report annually to elected council members on how they are meeting this duty.

**Recommended that the report be noted.**

**Detail**

1. The Childcare Act 2006 and 2016 and the associated statutory guidance for local authorities on Early Education and Childcare – June 2018, requires Stockton-on-Tees Borough Council (the Local Authority) to secure sufficient childcare, as far as is reasonably practicable and within available resources, for working parents, or parents who are studying or training for employment, for children aged 0 – 14 (or up to 18 for disabled children).
2. To secure sufficient childcare places, local authorities should take into account:
  - what is 'reasonably practicable' when assessing what sufficient childcare means for their area,
  - the state of the local childcare market, including the demand for specific types of providers, in a particular locality and the amount and type of supply that currently exists,
  - the state of the labour market including the sufficiency of the local childcare workforce,
  - the quality and capacity of childcare providers and childminders registered with a childminder agency, including their funding, staff, premises, experience and expertise,

- should encourage schools in their area to offer out-of-hours childcare from 8.00am until 6.00pm and in school holidays,
  - should encourage existing providers to expand their provision and new providers to enter the local childcare market; and
  - should encourage providers to take sustainable business approach to planning and signpost providers to resources to support them.
3. The Local Authority is required by legislation to maintain a service that provides information, to parents and prospective parents on the provision of childcare in their area, as listed in Schedule 1 of the Childcare Act 2006 and from 1<sup>st</sup> September 2017 publish this information electronically on the local authority website and update it at a minimum termly on 1<sup>st</sup> January, 1<sup>st</sup> April, and 1<sup>st</sup> September ensuring parents are aware of:
    - Early education places for two, three and four year olds;
    - The option to continue to take up their child's 15 hour early education place until their child reaches compulsory school age;
    - How to identify high quality provision in their area.
  4. The Childcare Sufficiency Assessment provides information on how the Local authority is meeting its legal duty as detailed earlier in this report.
  5. Take-up of universal 3 & 4 year places continues to be high with 98% take-up, which is slightly down on the previous year (99%) and 30 hour free childcare places for working parents of 3 & 4 year olds is down by 2.35% from the previous year, although take-up of places in maintained nursery classes has increased.
  6. Stockton continues to maintain a high percentage take-up of 2 year funded places (87%), although there has been a slight drop on previous years due to Covid-19. This is still above the national average of 69% and regional average of 73%. The table on page 40 of the assessment shows the take-up at a ward level basis. To be noted the number of children eligible is provided by the Department for Work and Pensions which doesn't include any on-line eligibility applications received by Stockton.
  7. Reports on 2 year old take-up are issued by the DfE on a termly basis, based on data submitted to DfE by LAs at mid-point in a term. As per the summer term report Stockton-on-Tees is ranked nationally 20 out of 151 LAs.
  8. Stockton, in keeping with the North East region maintained a higher percentage of funded children than England as a whole.
  9. At the time of writing the report there were 1,554 recorded vacancies in registered provision. Vacancies are monitored on a termly basis to ensure there are sufficient places available for parents. If there was a significant reduction in places steps would be taken to ensure parents had access to alternative places in close proximity to either work or home. When new providers enter the market, the assessment is used to inform them of any gaps in childcare at a ward level basis. Also, if there was a need, the authority would work with providers to offer additional places by either increasing number of places or opening new provision.
  10. In some cases, the percentage take-up up of childcare by ward can be over 100%, this is due to parents accessing childcare outside of the ward area where they reside, as generally parents will travel to access a childcare provider of choice if in a different ward area, or to access a childcare provider who is close to or enroute to work premises.

11. Childcare costs in Stockton are lower than regional and national charges. A full-time place in a nursery averages £191.88 per week in Stockton, regional £227.29 and national 258.08. A full-time place with a childminder is £155.54, regional £209.40 and national £230.03.
12. Funded childcare places are available for children aged 2, 3 & 4 years old and Tax Free Childcare is available to offset the cost of childcare for children aged 0-12, this is a government subsidy of 20% off the full cost of childcare.
13. Stockton has a good range of quality childcare across the borough with the majority (98%) of provision rated good or outstanding, which is higher than the national percentage (97%) and regional percentage (97%) as of March 2021.
14. **Impact of Covid-19 on the childcare sector**  
Sufficiency of childcare has not been an issue in the current environment as demand for childcare decreased from the start of the national COVID-19 lockdown in March 2020.
15. The number of childcare settings remains relatively unchanged although there have been 4 nursery closures since the start of the pandemic, however, two of these were planned prior to the pandemic and five new nurseries have opened during the pandemic. There has also been an overall reduction of 13 registered childminders and four out of school clubs (OOS) have closed, with one new club opening.
16. The council has provided a range of support to the sector during the pandemic, with support from the Families Information Service and the Early years Team as well as protected early years funding for the sector. The council also established a sustainability grant which has enabled settings and childminders to remain open until demand for places increased to sustainable levels.
17. A risk assessment approach has been the basis to develop this year's childcare sufficiency assessment action plan (page 18), which has been based on the level of risk and impact on the childcare market going forward.
18. Demand for early years and childcare remains low for some settings and providers will need to review their business models to meet a changing market where parents may require a more flexible offer due to changes in employment and employers offering flexible homeworking arrangements.

### **Consultation and Engagement**

19. Consultation has been undertaken with parents/carers, childcare providers and employers to inform the sufficiency assessment.

### **Next Steps**

20. The sufficiency assessment will be placed on the Stockton Information Directory once it has been through the Cabinet process so it is available for parents/carers, childcare providers and employers to read.

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