

**Stockton-on-Tees**

**Childcare Sufficiency Assessment**

**July 2021**

**hempsall's**

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## 1 Introduction

The Childcare Act (2006) required local authorities in England to ensure a sufficiency of childcare for working parents, parents studying or training, and for disabled children. Local authorities have a duty to produce an annual assessment of sufficiency under section 6 of the act. The annual sufficiency report should focus upon the availability and sufficiency of childcare in the area. This information should be made available to parents and elected members.

To meet section 6 duties local authorities need to collect and publish information on the supply of provision and demand for childcare in their area. Statutory guidance provides clear indication of what must be included in the annual review, and what should be included.

Section 7 of the act required local authorities to secure prescribed early years provision free of charge. This provision is for children aged two, three- and four-years of age. Two-year-old children whose families meet eligibility criteria are legally entitled to free early years provision, and all three- and four-year-olds.

With the COVID-19 pandemic, childcare sufficiency assessment needs to be considered from a different perspective and context. As supply and need and demand has experienced significant shifts and changes during this period. The impact of the pandemic in the short-, medium- and long-terms needs to be carefully and regularly considered.

1.2 Childcare Sufficiency Assessment during COVID-19  
Stockton-on-Tees Council commissioned Hempsall's to support a Childcare Sufficiency Assessment report (CSA), with a specific focus on how COVID-19 had impacted on the childcare market and to support the local authority to consider COVID-19 recovery planning requirements.

### 1.2.1 Key elements

Hempsall's support contained the following elements:

- Desk research – to establish populations and trends and the local economy to provide a context for the CSA.
- An assessment of the supply of early years and childcare provision across the borough, to provide an overview of capacity and type of provision to act as a baseline for future supply trend analysis (summer term 2021).
- A snapshot survey of all registered early years and childcare providers to assess the impact of COVID-19 on the market (May/June 2021).
- Analysis of take-up of the early years entitlements to establish trends and take-up patterns (as at January 2020 – latest data).
- Consultation with local employers to consider the implications of COVID-19 for the local employment market. Specifically, how need and demand for childcare might have changed, or be changing, as a result of changes to employment levels (decreasing or increasing unemployment), the type of work available and working patterns (May 2021).
- Consultation with a parent reference group to discuss how childcare needs may have changed due to the impact of COVID-19 (May 2021).
- Findings and recommendations based on an assessment of risk (July 2021).

## 2 Childcare sufficiency risk assessment

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. Demand remained lower than previous levels (year-on-year) throughout the remainder of the year and into spring term 2021. The number of childcare settings remained relatively unchanged. The focus in the current environment (coming out of national COVID-19 restrictions in July 2021) is on assessing the potential risks to the early years and childcare market, the support that has been put in place by Stockton-on-Tees and identifying strategies to manage the childcare market moving forwards.

### 2.1 Background

As England entered lockdown on 23 March 2020, in response to the COVID-19 pandemic, the childcare market (along with all elements of daily life in the UK) entered new and uncharted territory. This meant the local authority needed to consider the childcare market and how it changed the way it assessed that market, at least in the short- to medium-terms.

Childcare settings (and schools) were instructed to close their doors to all but vulnerable children and children of critical workers, with immediate effect. This coincided with the introduction of Government financial support schemes which meant many parents were placed on the Coronavirus Job Retention Scheme (furloughed). Where possible, people worked from home, this immediately reduced the need for childcare for many families. Childcare settings were able to take advantage of Government financial support, and many chose to close or furlough staff in response to dramatically reduced demand for childcare. Many childminders (and others self-employed and working in the sector) were able to access the Self-Employed Income Support Scheme (SEISS) to at least partially if not fully offset lost income if they did not care for critical workers' children or had to shield for their own or family members' health.

The local authority were tasked with ensuring all eligible children of keyworkers etc.<sup>1</sup> were able to access a childcare place. As many settings closed their doors for the duration of lockdown this meant supporting families to move children to settings that remained open. The local authority managed the turmoil and supported families, children and childcare settings through the very difficult early days of lockdown and as the country started to come out of initial lockdown and into the next phase. Childcare settings were encouraged to re-open to all children from 1 June 2020. However, demand for childcare was reported to be low and this lower level of demand for some childcare settings continued throughout autumn 2020. The Government continued to fund early years settings based on 2019 levels of take-up, which offered a degree of financial security for settings offering Government funded early years provision.

A four-week second national lockdown was in place in November 2020 with childcare settings and schools allowed to remain open. However, people were told to remain at home unless they had a specific reason to leave, such as work which could not be done from home, and/or education. A third national lockdown came into force in January 2021 when all primary and secondary schools moved to remote learning for most pupils from 5 January 2021 and 'stay at home' rules were reintroduced across the country. Childcare settings were allowed to remain open.

The Government extended financial support (e.g. furlough and SEISS) and many workers continued to work from home. Demand for early years and childcare in spring term 2021 continued to be lower than previously. The Government supported early years settings by funding based on the number of children on roll, not necessarily in attendance. This again supported early years settings with funded children on roll, but settings relying in full or in part on paid-for places, may have been more negatively impacted.

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<sup>1</sup> Eligible children included those considered vulnerable e.g. assessed as being in need under section 17 of the Children Act (1989), those with an Education and Health Care plan and others identified as vulnerable by educational providers or local authorities. Critical workers included: people working in health and social care; education and childcare; key public services; local and national government; food and other necessary goods; public safety and national security; transport; utilities, communication and financial services.

## 2.2 Supporting the sector during lockdown and recovery

Since the start of the COVID-19 pandemic, Stockton-on-Tees Council's Family Information Service and early years team have offered support and guidance to all early years and childcare settings.

This included:

- Continuation of free entitlement funding during the first lockdown period (spring 2020).
- Early years top-up funding in the autumn term 2020.
- Access to briefings, guidance and information from the LA.
- Regular support from the Families Information Service (FIS).
- Regular support from the Early Years Team.
- Email updates from the LA.
- Stockton Sustainability Grant.

Provider audit responses showed that the support provided by Stockton-on-Tees had been very well-received.

## 2.3 Childcare sufficiency in the context of COVID-19

The short-term impact of COVID-19 was to limit access to childcare to relatively small numbers of children (vulnerable and critical worker children) between 23 March and 1 June 2020. After which, settings in England were encouraged to re-open their doors to all children. Demand for childcare did not recover to pre COVID-19 levels from 1 June and remained depressed into the autumn 2020 and spring 2021 terms.

The continuation of early years funding, alongside the other Government measures introduced to support businesses (furloughing, SEISS, Bounce Back Loans and business rates relief, for example) will have provided early years settings with some cushion against the full impact of COVID-19 on demand for their services.



### 2.3.1 Sufficiency Risk Analysis

Prior to lockdown (based on spring 2018 national data), the childcare sector received just over a quarter of its income from free entitlement (public) funding for children aged two, three- and-four. On average, including fees paid on behalf of school-aged children, parents' fees accounted for 64% of income. These averages concealed a considerable amount of variation across different age groups and different provider types (Institute of Fiscal Studies<sup>2</sup>). During lockdown, and throughout autumn 2020, settings offering the early years entitlements were to a large degree, protected by the Government's commitment to continue funding at 'expected' levels.

However, the Institute of Fiscal Studies (IFS) report identified only around 1 in 10 childcare settings for pre-school aged children are exclusively publicly funded. The range of other Government support was instrumental in supporting most settings from March 2020 and into the spring term 2021. The extent and purpose to which childcare providers have accessed and used Government financial support can be regarded as a risk factor for financial sustainability. If childcare providers have used reserves or non-Government loans, for example, they may be in a more difficult financial situation now than if they had accessed all possible Government financial support.

### 2.3.2 Short- to medium-term risk mitigation strategies

These are principally based around supporting providers to develop their business planning, including understanding the dynamics of the market and marketing and promotion. On the demand side, strategies would include increasing demand by addressing parental anxieties, promoting the benefits of formal childcare to children and supporting affordability.

In England (based on current guidance) COVID-19 restrictions will be lifted in July 2021, which should see the gradual return to more normal life through the remainder of 2021.

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<sup>2</sup> Institute of Fiscal Studies (IFS) 'Challenges for the childcare market: implications of COVID-19, September 2020 <https://www.ifs.org.uk/publications/14990>

### 2.3.3 In the longer term

The implications of financial support being rolled back need to be considered, along with the impact of a longer period of current demand levels and supply issues, or a worsening economic climate.

If demand for early years and childcare remains low, providers will have few options available including:

- Increasing fees and charges.
- Changing delivery models (fewer hours/less flexibility/fewer places etc.).
- Changing the mix between funded and fee-paying places.
- Closure.

Settings in areas of deprivation may not be in a position to increase income from paid-for childcare or increase fees and charges.

If SEND and wider support services have not been able to deliver direct services via settings due to COVID-19 restrictions, this might have created a backlog or an increase in the levels of support children with additional needs need moving forward.

Providers have had to change the way they engage with parents and carers – for example, meeting new parents virtually (online) rather than showing them around the provision, or putting restrictions on parents spending time at the setting during initial settling in periods. This may have impacted on relationships between provider and parents.

Any of these could impact on the LAs sufficiency duties and may impact differently in areas of affluence and deprivation.

### 2.3.4 Other sufficiency considerations

With the roll back of Government financial support, commentators forecast increasing levels of unemployment. Higher levels of unemployment and increased and continued working from home will persist to impact upon demand for childcare, slowing any recovery or return to pre COVID-19 conditions in the sector. As at September 2020, the unemployment rate in

Stockton-on-Tees was 6.1% (compared to a national average of 4.2%) and it is possible this will rise.

### 3 Key findings from the childcare sufficiency assessment

#### 3.1 Population

The overall population in Stockton-on-Tees is forecast to grow from 194,000 people to 213,600 by 2032, creating significant needs for housing and community facilities. The child population in Stockton-on-Tees is forecast to decrease by 5.9% between 2019 and 2026. This decrease is forecasted to impact on the 0–9-year-old population and reflects a decline in the birth rate.

The highest number of children aged 0-14 years old live in the wards of Ingleby Barwick East, Ingleby Barwick West and Mandale and Victoria. Together these three wards account for 7,590 children aged 0-14 years, 20% of total.

The forecast decrease in the child population may be offset by new homes developments and should be monitored as it may impact on demand for childcare over the next few years.

The Local Plan (adopted 2019) outlined the housing requirement for 10,150 new homes over the plan period, with delivery of 720 (net) new dwellings per year 2017/18 to 2021/22 and 655 (net) new dwellings per year 2022/23 to 2031/32.

#### 3.2 Capacity of the early years and childcare market

There are a total of 8,217 places on the compulsory and voluntary childcare registers. The majority of these places (3,673, 45%) are in maintained nurseries, with 29% (2,412 places) available in day nurseries. There is a good range of provision across the borough, offering parents and carers choice. The termly sufficiency audit (Stockton-on-Tees Family Information Service, summer term 2021) identified vacancies equating to a third of registered capacity, with the highest number of vacancies recorded in day nursery and out of school provision.

The majority of registered childcare providers are rated as Good or Better by Ofsted and this has been increasing year by year. Focusing on settings delivering the early years entitlements, quality has increased from 94% judged Good or Outstanding in 2016, to 97%

in 2020. As a comparison, across England, 91% of early years settings were judged Good or Outstanding in 2016 and 96% in 2020.

### 3.3 Demand for childcare

Stockton-on-Tees has historically achieved a higher take-up of funded early years entitlements (the targeted two-year-old early years entitlement and universal early years entitlement for all three- and four-year-olds). 87% of eligible two-year-olds and 99% of three- and four-year-olds were funded in 2020.

As would be anticipated during the COVID-19 pandemic, the percentage of children accessing their early years funded entitlement decreased since January 2020. These decreases are reflected in regional and national take-up.

In January 2021, Stockton-on-Tees funded 614 two-year-olds and 4,572 three-and-four-year-olds. This equated to 74% of eligible two-year-olds and 98% of three-and-four-year-olds.

Provider audit responses identified a mixed levels of demand for the early years entitlements. Generally, there has been an increase in parents choosing to use only one setting for their 30 hours childcare. This may be as a result of COVID-19 protective measures or reflect parental anxiety in using more than one setting. In terms of overall demand for the early years entitlements some settings experienced increased demand, whilst others (in particular childminders) reported a decrease in demand.

The provider audit identified overall demand for paid for childcare had decreased since the start of the pandemic. However, this was not uniform across all settings. There was a marked decrease in demand for paid for places (31% overall reporting a decrease), impacting most highly on childminders, day nurseries and pre-schools.

Demand for wrap-around provision has decreased across all types of settings (except schools which do not generally offer this type of provision). For one in 10 respondents (11%), demand for wrap-around was reported to have increased.

A high proportion of settings, and in particular childminders, reported parents wanting fewer hours or shorter days.

#### 3.4 Adapting to changes in demand

The COVID-19 pandemic has impacted on settings' partnerships with other agencies. And interactions with children and parents and carers. There has also been an impact on staff development.

Just over a third of all provider audit respondents (38%, 49 settings) reported they had made changes to their provision since the start of the pandemic. Out of school provision and school nurseries were less likely to have changed their provision.

There was no overall pattern reported in terms of changes that had been made since COVID-19. Some settings reported having increased their fees, whilst similar numbers had decreased fees. Similarly, some settings reduced their capacity in terms of places, hours or days offered, whilst others had increased capacity.

The relatively low percentage of respondents that had changed their provision, when considering the changes in demand previously reported, may reflect how quickly settings are able to adapt to changes in demand.

Providers reported having made staff redundant during the pandemic (with numbers equating to around 2% of the permanent workforce). Staff recruitment and retention were identified as areas of concern for some (predominantly day nursery/pre-school) settings, with over a third of settings reporting the access to, or the cost of, training, was of concern.

#### 3.5 The views of employers and parents

Consultations with employers and a group of parent/carers reported positive experiences of childcare throughout the pandemic. Where potential gaps in provision were identified, these were around out of normal office hours (to support shift workers) and for school-aged children. The consultations identified an opportunity to disseminate information around available childcare and support for families to meet the costs of childcare, more widely.

### 3.6 Financial stability

Given lower levels of demand, and increased costs associated with delivery during the pandemic (for example, PPE and other protective measures), it is unsurprising over a quarter of settings reported current income was insufficient to meet costs (28% of provider audit respondents). Related issues of income levels and low levels of demand were reported as causing the highest degree of concern. However, 42% of audit respondents were confident or very confident in their setting's financial sustainability in the next six to 12 months.

Where settings had a healthy financial position at the start of the pandemic, and where they had taken the opportunity to access Government financial support (rather than use held reserves), the assessment found it more likely they will be financial sustainable in 2021. Where settings have not accessed Government financial support and/or relied on held reserves to support their business throughout lockdown and recovery, there was concern they would not be in such a healthy financial position moving forwards.

Across all respondents, a third (34%) had cash reserves at the time of the audit and across all respondents, 59% had accessed at least one form of financial support.

Demand for paid for hours has decreased in many settings since the start of COVID-19. Where settings have a relatively high percentage of income from paid for hours, they may be more financially vulnerable as the pandemic continues to impact and if the trend to lower levels of demand for paid for hours continues. Settings that derive income from early years funding were protected to an extent across summer and autumn terms 2020 and spring term 2021 as the Government continued to fund on expected levels or numbers on roll and not on actual attendance.

Based on audit responses, childminders have a lower percentage of overall income derived from early years funding, as does out of school provision.

### 3.7 Holiday Activities and Food (HAF)

In 2021, a £220m programme was being rolled out nationwide in all 151 English local authority areas. The Holiday Activities and Food programme (HAF) aims to offer valuable support to families on lower incomes, through access to rewarding activities alongside healthy meals.

The policy aims that there should be free holiday clubs available for school-aged children eligible for benefits-related Free School Meals (FSM). It is not expected that all eligible children will attend. LAs are also encouraged to make provision available for non-eligible children who are able to pay.

Activities should include provision across a range of outdoor and indoor sport, physical activities, arts and crafts, games and play, food learning and cooking, and trips etc.

Expected outcomes for children and families:

- Eat more healthily in the school holidays.
- To be more active in the school holidays.
- To take part in engaging and enriching activities to support the development of resilience, character and wellbeing along with wider educational attainment.
- To be safe and not socially isolated.
- To have greater knowledge of health and nutrition.
- To be more engaged with school and other local services.

Government grant funding covers coordination and provision of free holiday places for six weeks a year: four weeks in the summer, one week at Easter (2021) and one week at Christmas.

The Council is offering a programme of activities for children and young people aged 5-16 years old across Stockton-on-Tees including those with additional needs and SEND over the six weeks summer holidays. 4,000 places will be available for those who are in receipt of benefits-related free school meals and they will be eligible for four hours of activities a day for four weeks of the summer holidays including a nutritious meal. There is a wide range of



activities on offer including sports, dancing, cooking, swimming, ice skating, high wire activity course, visits to the seaside and farms delivered by partners across the Borough to offer children and young people some fantastic opportunities and experiences. This builds on the success of previous projects such as the Holiday Enrichment programme but through the national pilot and DfE funding we are able to offer a much bigger programme of activity this summer.

3.8 Recommended actions – a risk assessment approach (July 2021)

Risk	Impact on the market	Recommended actions
<p>Levels of demand for early years and childcare provision may be slow to recover.</p> <p>Settings may not be financially sustainable in the short to medium term. This may impact differently in different areas and different types of provision.</p>	<p>Early years and childcare settings will face sustainability pressures as demand remains low or reduces further as a result of continuing COVID-19 infection rates and local and regional responses.</p> <p>Some settings or setting types, or geographical areas may be more vulnerable to changes in demand or as a result of a drop in income throughout the pandemic</p>	<ol style="list-style-type: none"> <li>1. Continue to work with childcare settings to support their understanding of market changes and to signpost to business support.</li> <li>2. Robust communication to support demand – promoting the benefits of early years and childcare to children and not just to support parents that are working. Promote widely including through childcare providers, schools and employers.</li> <li>3. Widely promote other Government support to help meet the costs of childcare (e.g. Tax Free Childcare/Universal Credit) including with Jobcentre Plus, debt counselling services, childcare providers etc.</li> <li>4. Continue to assess the market termly to monitor any changes to current capacity, either by geography or type of provision.</li> </ol>
<p>Parents/carers may be looking for different patterns of childcare which reflect changed or changing working practices.</p>	<p>Settings may need to adapt their provision to meet changing patterns of demand. This could include more flexible offers to cater for parents working a hybrid home/office model.</p>	<ol style="list-style-type: none"> <li>1. As above: Continue to work with childcare settings to support their understanding of market changes and to signpost to business support.</li> <li>2. Maintain contact with key employers (e.g. the NHS and local authority) and key stakeholders (e.g. Jobcentre Plus) to understand how employment patterns may be changing, to support settings to understand potential changes in demand.</li> </ol>

<p>Childminders are more likely (based on provider audit data) to be experiencing a decrease in demand for both early years and childcare provision.</p> <p>Childminders may also be more at risk from financial sustainability pressures.</p>	<p>There may be a decrease in the number of childminders in the area, if demand continues to be low and/or finances remain under pressure.</p>	<ol style="list-style-type: none"> <li>1. Keep wards where childminders predominate in terms of available provision (e.g. Billingham North, Billingham West and Grangefield) under review as any decrease in childminding provision might result in a sufficiency gap.</li> <li>2. Continue to promote childminding to parents and carers looking for early years and childcare provision.</li> <li>3. Ensure childminders are aware of the support for the cost of childcare and can include this information in their communication and marketing.</li> </ol>
<p>Employers and parent/carers may not be fully aware of the childcare available in Stockton-on-Tees, or the financial support available to help meet the costs of childcare.</p>	<p>A lack of information may result in parents/carers not taking up formal childcare.</p>	<ol style="list-style-type: none"> <li>1. Promote the FIS widely.</li> <li>2. Promote Government support available to meet the costs of childcare widely) including with Jobcentre Plus, debt counselling services, childcare providers etc.</li> </ol>
<p>A lower proportion of children accessing the early years entitlements, and reported reduced interaction with children, may impact on children's development.</p>	<p>Children not accessing their early years entitlements (and in particular, the two-year-old entitlement) may not achieve the same level of development (for example, in terms of readiness for school) as previous cohorts. This may impact in the medium to longer term as these children transition to school.</p>	<ol style="list-style-type: none"> <li>1. Whilst take-up of the funded early years entitlements has decreased in Stockton-on-Tees, the LA is maintaining a higher percentage take-up than found nationally. Consider a direct marketing approach to eligible families to support take-up of the two-year-old entitlement in particular, and work with settings to ensure capacity to accommodate increased take-up.</li> </ol>
<p>There is potential for increased level of unemployment in the medium (and possibly longer) term</p>	<p>Demand for childcare will remain low (or potentially decrease further).</p>	<ol style="list-style-type: none"> <li>1. Adopt a proactive approach by pre-empting, preventing or proactively supporting managed closures.</li> <li>2. Audit the market to establish where there is an over-supply of provision that could absorb any localised closures.</li> </ol>

	<p>The short-term impact may be providers increasing fees and/or changing how they offer childcare (e.g. shorter or fewer days, fewer places) in an attempt to shore up income.</p>	<ol style="list-style-type: none"> <li>3. Consider financial support for settings that are otherwise viable, or that service areas of deprivation or other policy priorities (including where new housing and employment opportunities are scheduled).</li> <li>4. Continue to monitor demand patterns and work with key partners (e.g. Jobcentre Plus) to understand how the local employment market is impacted or showing signs of recovery.</li> </ol>
<p>Depending on the time it takes for the market to recover, and/or changes in demand that reflect new working patterns, there is a risk the childcare market could be destabilised, which may result in parents being unable to find suitable childcare to meet their needs.</p> <p>Destabilisation can be as a result of an unequal balance between supply and demand, or by actions taken in one sector impacting on other sectors.</p>	<p>The LA sufficiency duty would be at risk.</p> <p>There is potential for challenge if the sufficiency duty is not met.</p> <p>Decisions regarding changes to delivery models made by maintained settings may impact negatively on the PVI sector, including on out of school provision for school-aged children</p>	<ol style="list-style-type: none"> <li>1. Re-assess risk on a termly basis until the market stabilises.</li> <li>2. Ensure robust and readily accessible information about the market is gathered and assessed to support a fast response to emerging situations and to respond to any challenges.</li> <li>3. Ensure early years and childcare is recognised as a priority area to support not only the sufficiency duty, children’s development and outcomes but also economic recovery.</li> <li>4. Support the maintained sector to consider the impact of their decisions on the wider childcare market, and the LAs sufficiency duty.</li> <li>5. Monitor and record all childcare enquiries, especially where they relate to a potential lack of provision. Work with key partners (e.g. Jobcentre Plus) to assess any unmet demand for childcare to support parents to work or to train for work.</li> </ol>

<p>The ambitious new home development targets may offset the forecasted decline in the child population. There may be increased demand for early years and childcare in areas where new home development is focussed.</p>	<p>New home development may result in increased demand. There may be a need to plan to increase capacity to meet emerging demand and/or protect existing settings to ensure they are available as demand increases.</p>	<ol style="list-style-type: none"><li>1. Work with planning and schools place planning to identify areas where the child population is forecasted to increase as a result of new homes development.</li><li>2. Ensure plans for any new home developments take into account the potential for increased demand for early years and childcare provision (all ages).</li><li>3. Work with planning to secure S106 contributions where increased demand cannot be met with existing capacity.</li></ol>
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#### 4 Stockton-on-Tees in context

Located in the centre of the Tees Valley in the North East of England, Stockton-on-Tees is a Borough of contrasts with a mixture of busy town centres, urban residential areas, rural villages and environmental assets. The population of the Borough is expected to grow from 194,000 people to 213,600 people by 2032 creating significant needs for housing and community facilities.

Stockton-on-Tees forms a vital part of the wider Tees Valley economy, which has a successful history of working in partnership to create the best conditions for economic growth. The Tees Valley covers the five Local Authority areas of Darlington, Hartlepool, Middlesbrough, Redcar & Cleveland and Stockton-on-Tees. The Tees Valley is a functional economic area that is distinct in terms of business composition, industry focus, growth sectors, assets and infrastructure from that of the wider geography. However, Stockton-on-Tees Borough is a significant economic area in its own right including a number of strong business locations and distinct settlements.

Source: Stockton-On-Tees Borough Council Local Plan (adopted January 2019).

##### 4.1 Population

The Office for National Statistics (ONS) population estimate for Stockton-on-Tees in mid-2019 was 197,348, an increase of 5,748 since the 2011 Census (3%). ONS 2018-based population projections estimate the population as a whole will increase to around 200,277 by 2026.

The ONS 2018-based population projections estimate the child population will decrease by 5.9% between 2019 and 2026. The decrease in the child population is forecasted for children aged 0-9 years old, and reflects a declining birth rate.

**Child population estimates**

Age range	2019	2026	% change
0-4 years	11,414	10,150	-10.1
5-9 years	13,079	11,525	-11.9
10-14 years	12,581	13,195	+4.9
Overall	37,074	34,870	- 5.9%

Source: ONS 2018 sub-national population projections.

The forecast decrease in the child population may be offset by new homes developments (see section 4.3), but should be monitored as it may impact on demand for childcare over the next few years.

The data in the table above is taken from 2018-based population projections. The ONS population estimate for the child population (0-14 years) in mid-2019 was slightly higher at 37,123. The highest number of children aged 0-14 years old live in the wards of Ingleby Barwick East, Ingleby Barwick West and Mandale and Victoria. Together these three wards account for 7,590 children aged 0-14 years, 20% of total.

**Child population estimates at ward level**

Ward	Age range					All ages 0-14
	0 to 1	2	3 to 4	5 to 10	11 to 14	
Billingham Central	187	97	203	686	391	1,564
Billingham East	190	113	228	727	421	1,679
Billingham North	147	85	157	500	382	1,271
Billingham South	129	69	149	593	382	1,322
Billingham West	68	40	82	270	190	650
Bishopsgarth and Elm Tree	113	61	118	406	244	942
Eaglescliffe	188	106	234	809	560	1,897
Fairfield	76	61	104	323	199	763
Grangefield	99	47	135	493	352	1,126
Hardwick and Salters Lane	254	133	282	838	431	1,938
Hartburn	95	53	119	422	267	956
Ingleby Barwick East	202	114	238	1,013	626	2,193
Ingleby Barwick West	268	177	384	1,250	866	2,945
Mandale and Victoria	355	160	357	980	600	2,452
Newtown	169	101	210	714	427	1,621
Northern Parishes	70	41	93	276	250	730
Norton North	145	73	165	487	319	1,189
Norton South	157	76	151	474	311	1,169
Norton West	96	59	114	371	229	869
Parkfield and Oxbridge	309	154	275	766	450	1,954
Roseworth	197	111	219	704	422	1,653
Stainsby Hill	131	64	134	504	326	1,159
Stockton Town Centre	222	107	192	519	319	1,359
Village	155	94	186	630	334	1,399
Western Parishes	58	27	62	239	173	559
Yarm	200	114	254	679	515	1,762
Overall	4,280	2,339	4,845	15,673	9,986	37,123

Source: ONS mid-2019 population estimates



## **Ethnicity**

As at the 2011 Census the population of Stockton-on-Tees was predominantly White British (93.4%). The largest Black, Asian and Minority Ethnic group (BAME) is Pakistani or British Pakistani (source: Stockton-on-Tees Borough Profile 2019).

### 4.2 The economy in Stockton-on-Tees

The Office for National Statistics publishes local labour market profiles for all local authority areas in Great Britain. Available data (as at April 2021) is for the period October 2019 to September 2020, so will not fully reflect the impact the COVID-19 pandemic will have had on the economy. This data is useful to review Stockton-on-Tees' labour market alongside the North East region and national picture, but new data will be required to support an assessment of the impact of COVID-19 on the local economy, and how that might in turn impact on parental need and demand for childcare as the country comes out of the national lockdown in April/May 2021.

#### 4.2.1 Economic activity

Economic activity refers to the number or percentage of people of working age who are either in employment or who are unemployed. Economic inactivity refers to people (of working age) that are neither in employment nor unemployed (for example, those looking after a home, or retired).

Economic activity rates in Stockton-on-Tees (79.5%) are higher than the Tees Valley (74.9%), as well as being higher than both the North East (76.4%) and Great Britain (79.1%).

In December 2020 around 5,800 people were unemployed in Stockton-on-Tees. As a proportion of the economically active population at (6.0%), this figure is the same as for the Tees Valley, higher than the equivalent for Great Britain (4.6%) while being slightly lower than for the North East figure (6.4%)

The percentage of workless households is considerably higher in the North East compared to Great Britain as a whole

**Economic activity rates December 2020**

	<b>Stockton-on-Tees</b>	<b>Tees Valley</b>	<b>North East</b>	<b>Great Britain</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
All people:				
Economically active	97,600 (79.5)	314,800 (74.9%)	1,280,000 (76.4%)	33,817,000 (78.7%)
In employment	91,900 (74.8%)	295,900 (70.4%)	1,206,000 (72.0%)	32,180,000 (74.8%)
Employees	79,600 (65.2%)	261,300 (62.5%)	63.6%	65.2%
Self employed	11,300 (8.9%)	32,900 (7.6%)	(7.7%)	(9.9%)
Unemployed	5,800 (6.0%)	18,900 (6.0%)	(6.4%)	(4.6%)

Source: ONS annual population survey (NOMIS) – year ending December 2020

#### 4.2.2 Out of work benefits

Under Universal Credit (UC) a broader spectrum of claimants is required to look for work than under Job Seekers Allowance (JSA). The claimant count in as at February 2021 (not seasonally adjusted) was 6.9% in Stockton-on-Tees compared to 7.2% in the North East and 6.5% across Great Britain.

#### Workless Households

In the year January – December 2019, 13,200 households on Stockton-on-Tees were workless – 21.1% of total (this figure only includes households that have at least one person aged 16-64). This compares to 21.1% in the North East region and 13.9% nationally (source: NOMIS).

#### 4.2.3 Economic inactivity

Economic inactivity rates in Stockton-on-Tees are in line with the national and lower than the region as a whole. There are higher proportions of economically inactive residents in Stockton-on-Tees wanting a job:

**Economic inactivity rates October 2019 to September 2020**

	<b>Stockton-on-Tees</b>	<b>North East</b>	<b>Great Britain</b>
	<b>%</b>	<b>%</b>	<b>%</b>
All people: economically inactive	21.1	23.7	21.0
Wanting a job	34.0	24.9	21.7
Not wanting a job	66.0	75.1	78.3

Source: Office for National Statistics annual population survey (NOMIS)

#### 4.2.4 Industry

Manufacturing is an important contributor to the economy; according to the Office for National Statistics (ONS) business register and employment survey 2019, it accounts for around 13% of employee jobs. Construction is another important sector, accounting for around 7% of employee jobs with both sectors accounting for a higher proportion of employee jobs than national and regional averages.

**Employee jobs (2019)**

Employee jobs by industry	Stockton-on- Tees (Employee Jobs)	% of employee jobs		
		Stockton-on- Tees	North East	Great Britain
Mining and quarrying	150	0.2	0.1	0.2
Manufacturing	11,000	12.9	10.1	8.0
Electricity, gas, steam and air conditioning supply	250	0.3	1.0	0.4
Water supply	500	0.6	0.6	0.7
Construction	6,000	7.1	4.5	4.9
Wholesale and retail trade; repair of motor vehicles and motorcycles	13,000	15.3	14.5	15.0
Transportation and storage	4,500	5.3	4.6	4.9
Accommodation and food service activities	5,000	5.9	7.5	7.7
Information and communication	2,250	2.6	3.1	4.3
Financial and insurance activities	2,500	2.9	2.3	3.5
Real estate activities	1,250	1.5	1.8	1.7
Professional, scientific and technical activities	7,000	8.2	6.0	8.8
Administrative and support service activities	7,000	8.2	7.7	8.9
Public administration and defence; compulsory social security	4,000	4.7	6.5	4.4
Education	7,000	8.2	9.3	8.7
Human health and social work activities	11,000	12.9	16.0	13.1
Arts, entertainment and recreation	1,750	2.1	2.4	2.5
Other service activities	1,250	1.5	1.9	2.0

Source: Office for National Statistics business register and employment survey

68.2% of employee jobs in Stockton-on-Tees are full-time compared to 66.1% in the North East and 67.8 in Great Britain as a whole (employee jobs 2019).

#### 4.2.5 Earnings by residence

Median gross weekly and hourly pay for employees living in Stockton-on-Tees is higher than across the North East and 5% lower than GB:

#### Earnings by residence (2020)

	<b>Stockton-on-Tees</b>	<b>North East</b>	<b>Great Britain</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Gross weekly pay, full-time workers	558.6	523.5	587.1
Hourly pay excluding overtime, full-time workers	14.28	13.66	15.18

Source: Office for National Statistics annual survey of hours and earnings – resident analysis. Median earnings in pounds for employees living in the area. Data as reported.

The median earnings by places of work (2020) shows employees working in Stockton-on-Tees earning (on average) a lower rate of pay compared to earnings by residence.

This could suggest a proportion of the borough's residents travel outside of the immediate area for work.

#### Earnings by place of work (2020)

	<b>Stockton-on-Tees</b>	<b>North East</b>	<b>Great Britain</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Gross weekly pay, full-time workers	537.3	521.4	586.7
Hourly pay excluding overtime, full-time workers	14.17	13.63	15.17

Source: Office for National Statistics annual survey of hours and earnings – resident analysis. Median earnings in pounds for employees working in the area. Data as reported.

#### 4.3 New homes developments

The Local Plan (adopted 2019) outlines the housing requirement for 10,150 new homes over the plan period, with delivery of 720 (net) new dwellings per year 2017/18 to 2021/22 and 655 (net) new dwellings per year 2022/23 to 2031/32.

To deliver the housing requirement and to maintain a rolling five-year supply of deliverable housing land, the Council have allocated sites in the Local Plan. Residential development is proposed for the following main sites:

- Regenerated River Tees Corridor (approximately 906 dwellings).
- Eaglescliffe (approximately 1,224 dwellings).
- Ingleby Barwick (approximately 1,961 dwellings).
- Stockton (approximately 1,001 dwellings).
- Thornaby (approximately 45 dwellings).
- Yarm (approximately 1,441 dwellings).
- Wynyard (approximately 544 dwellings).
- Village sites (approximately 473 dwellings).

Source: Stockton-on-Tees Borough council Local Plan (January 2019).

#### 4.4 Deprivation

The Indices of Multiple Deprivation (IMD) rank each small area in England from most deprived to least deprived. This gives a comparative measure of relative deprivation based on seven domains: income; employment; education; health; crime; barriers to housing services and living environment.

Of the 317 local authority areas in 2019, Stockton-on-Tees ranked 113<sup>th</sup> most deprived based on average rank of lower super output areas (LSOAs). In 2015 the Borough's average rank was 126<sup>th</sup>, so Stockton-on-Tees has become relatively more deprived on this measure. The Borough ranks 39<sup>th</sup> out of 317 districts in terms of the proportion of LSOAs within the national most deprived 10%<sup>3</sup>.

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<sup>3</sup> <https://teesvalley-ca.gov.uk/wp-content/uploads/2020/03/Tees-Valley-Economic-Assessment-2019.pdf>

## 5.0 Overview of the childcare market

### 5.1 The supply of childcare

#### Registered childcare

Data has been supplied by the Local Authority's Families Information Service (FIS) and is reported in the Childcare Sufficiency Assessment Termly Update Summer 2021. There are a total of 8,217 places on the compulsory and voluntary childcare registers. The majority of these places (3,673, 45%) are in maintained nurseries, with 29% (2,412 places) available in day nurseries.

81% of registered places are available for children aged 0-5 years old.

#### Number of registered childcare places in Stockton

Type of provision	Number of registered childcare places						% all places	Number of providers
	0-1 years	2 years	3-4 years	5-7 years	8+ years	Total places		
Childminding	151	171	162	442	208	<b>1134</b>	13.8	143
Day Nursery	529	758	859	195	71	<b>2412</b>	29.4	43
Out of School Care	0	0	147	395	234	<b>776</b>	9.4	26
Pre-school / Playgroup	6	107	109	0	0	<b>222</b>	2.7	7
Maintained Nursery	0	136	3537	0	0	<b>3673</b>	44.7	60
Totals by age range	686	1172	4814	1032	513	<b>8217</b>		
% of all registered places	8.3	14.3	58.6	12.6	6.2			
<b>Total registered places 0-5 years = 6,672 (81.2% of total places)</b>								

Source: Stockton-on-Tees Borough Council FIS July 2021

## 5.1.1 Geographical distribution of childcare places and vacancy levels

There is a good range of provision across Stockton-on-Tees.

The following table details the number of childcare places and the number of vacancies, by type of childcare provider, based on local authority ward areas. This places data does not include provision available in maintained nurseries. There were vacancies in each ward in summer term 2021 (albeit in low numbers in some wards). Historically, summer term has the lowest level of vacancies ahead of the autumn school intake. The level of vacancies recorded reinforces the suggestion the current challenge is not around sufficiency of provision, but around sustainability of provision.

**Registered places and vacancies as at summer term 2021**

Ward	Number of registered childcare places					Number of Vacant Places
	Child-minding	Day Nursery	Out of School Care	Pre-School Playgroup	Total Places	
Billingham Central	15	0	0	32	47	20
Billingham East	23	169	25	0	217	116
Billingham North	39	0	0	0	39	3
Billingham South	16	103	44	0	163	70
Billingham West	75	0	0	20	95	18
Bishopsgarth & Elm Tree	45	60	0	0	105	55
Eaglescliffe	89	86	96	18	289	109
Fairfield	24	79	0	0	103	34
Grangefield	78	0	0	0	78	10
Hardwick	20	56	0	0	76	3
Hartburn	43	188	157	0	388	104
Ingleby East	138	34	64	0	236	71
Ingleby West	142	104	130	48	424	62
Mandale & Victoria	6	166	0	0	172	107
Newtown	20	179	18	0	217	73
Northern Parishes	0	156	0	0	156	52



Ward	Number of registered childcare places					Number of Vacant Places
	Child-minding	Day Nursery	Out of School Care	Pre-School Playgroup	Total Places	
Norton North	42	32	0	0	74	25
Norton South	37	92	32	0	161	50
Norton West	58	0	32	0	90	45
Parkfield & Oxbridge	32	304	16	0	352	40
Roseworth	15	72	0	0	87	37
Stainsby Hill	32	170	0	38	240	121
Stockton Town Centre	16	67	10	0	93	69
Village	38	189	34	0	261	138
Western Parishes	9	0	32	0	41	30
Yarm	82	106	86	66	340	92

Source: Stockton-on-Tees Borough Council FIS July 2021

#### 5.1.2 Vacancies by age range of child

Vacancies are calculated against registered places. A large number of settings are likely to operate fewer places than they are registered for. For example, a childminder may be registered for six children but could choose to care for no more than four. The FIS had records of 1,554 vacancies in registered provision as at July 2021. This represents 34% of total places.

The majority of recorded vacancies were in day nursery and out of school provision (accounting for 59% and 20% respectively of all vacancies). The highest number of vacancies was for children aged three and four years old (323 vacancies, 20.8% of total).

#### Vacancies by age range and type of provision

Age range (years)	Number of vacancies by type of provision				
	Childminding	Day Nursery	Out of school care	Pre-school Playgroup	Total
0 - 1	52	175	0	2	229
2	45	270	0	23	338
3 - 4	39	323	46	20	428
5 - 7	84	99	182	0	365
8 -17	62	44	88	0	194
<b>Total</b>	<b>282</b>	<b>911</b>	<b>316</b>	<b>45</b>	<b>1554</b>

Source: Stockton-on-Tees Borough Council FIS July 2021

## 5.2 Charges

The FIS hold detailed information on charges for individual settings, across several different charging patterns. Below are the average charges by setting type. For further information on an individual providers charges please visit to the [www.stocktoninformationdirectory.org](http://www.stocktoninformationdirectory.org)

### Fees charged

Charging period	Day Nursery	Childminder	Pre-School playgroup	Out of School Club	School Breakfast Club	School After School Club
Per hour	£6.74	£4.28	£5.19	£5.32		
Per session / half day	£30.41	£15.67	£13.50	£12.81	£2.05	£4.94
Per day	£43.41	£34.38	£29.62	£29.38		
Per week	£191.88	£155.54	£77.85	£90.00		

Source: Stockton-on-Tees BC FIS July 2021

## 5.3 Opening times

As with charges there is considerable variation in opening times, both within and between different types of provision. Childminders offer childcare early in the morning (from 6.00am) until late in the evening (up to around 10pm), occasional overnight care and at weekends, including Sundays.

Opening/ Closing time	Nurseries	Childminders	Playgroup	Open all day Out of School	Breakfast Clubs	After school Clubs	Holiday Clubs
06:00 – 22:00							
07:00 - 18:00	12	18		6			
07:30 – 17:30		29					
07:30 – 18:00	19	20	2				9
08:00 – 17:30		17					
07:30 - 09:00					4		
09:00 – 15:30			2				
15:00 - 18:00						3	

Source: FIS July 2021

One nursery and three childminders open on Saturdays and two childminders on a Sunday - information regarding opening times is not available for all providers.

#### 5.4 Quality of registered provision

The majority of childcare provision in Stockton-on-Tees is good and this trend is improving year on year. Support and challenge is given to settings and childminders that are less than good in order to improve provision and Ofsted ratings.

#### Ofsted inspection outcomes

Ofsted Inspection Outcomes	Outstanding	Good	Requiring Improvement	Inadequate	Met	Met (with actions)	No action (CM Agency Support Visit)	Not Met (with Actions)	No. Awaiting Inspection
	number (%)	number (%)	number (%)	number (%)	number (%)	number (%)	number (%)	number (%)	number (%)
Childminders	18 (13%)	91 (67%)	1 (7%)	0 (0%)	13 (10%)	0 (0%)	0 (0%)	0 (0%)	12 (9%)
Group settings	10 (18%)	31 (55%)	1 (2%)	0 (0%)	2 (4%)	0 (0%)	0 (0%)	0 (0%)	12 (21%)
<b>Total</b>	<b>28 (15%)</b>	<b>122 (63%)</b>	<b>2 (1%)</b>	<b>0 (0%)</b>	<b>15 (8%)</b>	<b>0 (0%)</b>	<b>0 (0%)</b>	<b>0 (0%)</b>	<b>24 (13%)</b>

Source: FIS – July 2021. Base: childminders: 135; group settings 56. Overall: 191. Percentages rounded.

#### 5.5 Take-up of the early years entitlements

All three- and four-year-olds and two-year-olds meeting eligibility criteria are entitled to up to 15 hours a week, or 570 hours a year of free early years entitlement. Eligibility for the two-year-old entitlements is largely (but not exclusively) based on children living in workless families or working families with a low household income. These entitlements are referred to as funded entitlements.

From September 2017, eligible families with a three- and four-year-old became entitled to 30 hours childcare. 30 hours childcare is an extended early years entitlement which includes the 15 hours universal early years entitlement and an additional 15 hours (per

week up to a maximum of 38 weeks, or 570 hours stretched across more weeks of the year). Eligibility for 30 hours childcare is based on both parents working in a couple household, and a single parent working in a lone-parent household, with minimum and maximum income thresholds applied.

#### 5.5.1 Take-up of the early years funded entitlements 2018-2020

Stockton-on-Tees has consistently delivered a high proportion of eligible children accessing a funded place.

A high percentage of eligible two-year-olds, relative to the North East region and England as a whole, took up their early years entitlement in Stockton-on-Tees in 2020. Take-up of the universal entitlement for all three- and four-year-olds is higher than the regional and national averages.

#### Take-up of the early years funded entitlements 2018-2020

	% of eligible, or all children taking up their funded entitlement in the relevant year		
	Stockton-on-Tees	North East	England
2-year-olds			
2020	87%	83%	69%
2019	79%	82%	68%
2018	82%	84%	72%
3- and 4-year-olds			
2020	99%	98%	93%
2019	99%	98%	93%
2018	100%	98%	94%

Source: Provision for children under 5, DfE, January 2020 released June 2020

A high percentage of funded two-year-olds access their entitlement in PVI settings – 85.4% with around 7% accessing the entitlement with childminders and in nursery classes in primary schools.

The proportion of funded three- and four-year-olds accessing their entitlement in the PVI sector decreases markedly as a high proportion access their entitlement in the maintained sector.

This indicates children leaving PVI settings as they become eligible for the three- and four-year-old entitlement. Nursery provision in schools tends to be term-time only and often offered as sessional (rather than full day) provision. This may limit flexibility in terms of hours available for working parents. A relatively high proportion of children benefitting from the extended entitlement were in PVI settings and with childminders. This suggests parents are splitting the combined universal and extended hours across two (or more) settings. This may be as a result of a lack of flexibility in the maintained sector.

It will be important to assess how the COVID-19 pandemic has impacted on patterns of take-up. Whilst it is likely percentage take-up overall will be lower during the pandemic, it may be the case that more children accessed their entitlements in the PVI sector and this may change how parents access their entitlements moving forwards.

Settings delivering the early years entitlements during the COVID-19 pandemic were to an extent protected as the Government continued to pay for funded children regardless of whether they actually accessed a place (see section xx for details). As data shows the majority of three- and four-year-olds accessed their universal entitlement in the maintained sector, this may mean PVI and childminding settings were more financially vulnerable (without the safety net of continued Government early years funding).

The following table shows percentage take-up of the early years entitlements in PVI settings, with childminders and in maintained nursery schools and classes as at January 2021. A small number of children will have accessed their entitlements in another type of provision. Data for January 2021 was released in June 2021 and is discussed in the next section of this report.

**Take-up of the early years entitlements January 2020**

	% of children benefitting from funded early years entitlement by type of provider - % of all benefitting (number)			
	PVI	Childminding	Nursery class in primary school	All provision*
<b>2-year-old funded</b>	85.4% (619)	7.6% (55)	7.0% (51)	725
<b>3- and 4-year-old funded</b>	19.4% (621)	1.2% (37)	76.1% (2,440)	3,206
<b>Extended entitlement</b>	59.9% (702)	13.9% (163)	26.1% (306)	1,172

Source: Provision for Children under 5, DfE, January 2020 released June 2020

\* excludes 4 year olds in infant classes in primary schools

**5.5.2 Take-up of the early years entitlements 2021**

Data showing take-up of the funded early years entitlements as at January 2021 was released in July 2021.

In January 2021, Stockton-on-Tees funded 614 two-year-olds and 4,572 three-and-four-year-olds. This equated to 74% of eligible two-year-olds and 98% of three-and-four-year-olds.

As would be anticipated during the COVID-19 pandemic, the percentage of children accessing their early years funded entitlement had decreased since January 2020. During the first lockdown, childcare provision closed to all bar children of key workers, and subsequent lockdowns and localised restrictions impacted on demand for childcare across the country.

Stockton-on-Tees, in keeping with the North East region maintained a higher percentage of funded children than England as a whole.

**Take-up of the funded early years entitlements January 2021**

	% of eligible, or all children taking up their funded entitlement in 2021		
	Stockton-on-Tees	North East	England
<b>2-year-olds</b>			
<b>2021</b>	74%	75%	62%
<b>2020</b>	87%	83%	69%
<b>3- and 4-year-olds</b>			
<b>2021</b>	98%	95%	88%
<b>2020</b>	99%	98%	93%

Source: Provision for Children under 5, DfE, January 2020 released July 2021

As at January 2021 there were 1,104 children benefitting from the extended entitlement (30 hours childcare) and by July 2021 this had increased to 1,362.

The following table shows percentage take-up of the early years entitlements in PVI settings, with childminders and in maintained nursery schools and classes as at January 2020. A small number of children will have accessed their entitlements in another type of provision.

Comparing January 2021 to January 2020 take-up of 30 hours childcare has increased considerably in maintained nurseries (from 26.1% in 2020 to 40.1% in 2021). Take-up of 30 hours childcare decreased in both PVI and childminding settings.

In contrast, take-up of the universal entitlement decreased in maintained nurseries (from 76.1% to 70.0%), increasing slightly in childminding settings.

A higher proportion of funded two-year-olds accessed their entitlement in the maintained sector (10.1% compared to 7.0%) with slightly lower take-up in PVI settings (82.6% compared to 85.4%).

**Take-up of the early years entitlements by type of provision January 2021**

	<b>% of children benefitting from funded early years entitlement by type of provider - % of all benefitting (number)</b>			
	<b>PVI</b>	<b>Childminding</b>	<b>Nursery class in primary school</b>	<b>All provision*</b>
<b>2-year-old funded</b>	82.6% (507)	7.3% (45)	10.1% (62)	614
<b>3- and 4-year-old funded</b>	18.9% (613)	2.1% (68)	70.0% (2,261)	3,229
<b>Extended entitlement</b>	47.4% (523)	12.5% (138)	40.1% (443)	1,104

Source: Provision for Children under 5, DfE, January 2020 released July 2021

The tables below represent the take-up in Stockton as at the end of the summer term 2021

**No. of 2 year olds taking up a free early education place by type of provider**

<b>Type of provider</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
PVI	554	722	785	760	681	656	604
Maintained nursery	24	95	48	65	82	86	87
Special schools	0	0	0	0	0	0	0
Childminders	17	35	44	43	56	61	43
<b>Total</b>	<b>595</b>	<b>852</b>	<b>877</b>	<b>868</b>	<b>819</b>	<b>803</b>	<b>734</b>
<b>Percentage take-up</b>	<b>58%</b>	<b>78%</b>	<b>93%</b>	<b>94%</b>	<b>93%</b>	<b>98%</b>	<b>87%</b>

Source: Stockton-on-Tees Borough Council FIS July 2021

**Number of 2 year old children accessing a free early education place by ward**

<b>Ward</b>	<b>No. of 2yr olds accessing a place</b>	<b>No. of eligible 2y olds as per DWP</b>	<b>Percentage take-up</b>
Billingham Central	32	46	69.57%
Billingham East	53	57	92.98%
Billingham North	17	13	130.77%
Billingham South	33	38	86.84%
Billingham West	1	4	25%
Bishopsgarth & Elm Tree	13	13	100%
Eaglescliffe	12	19	63.16%



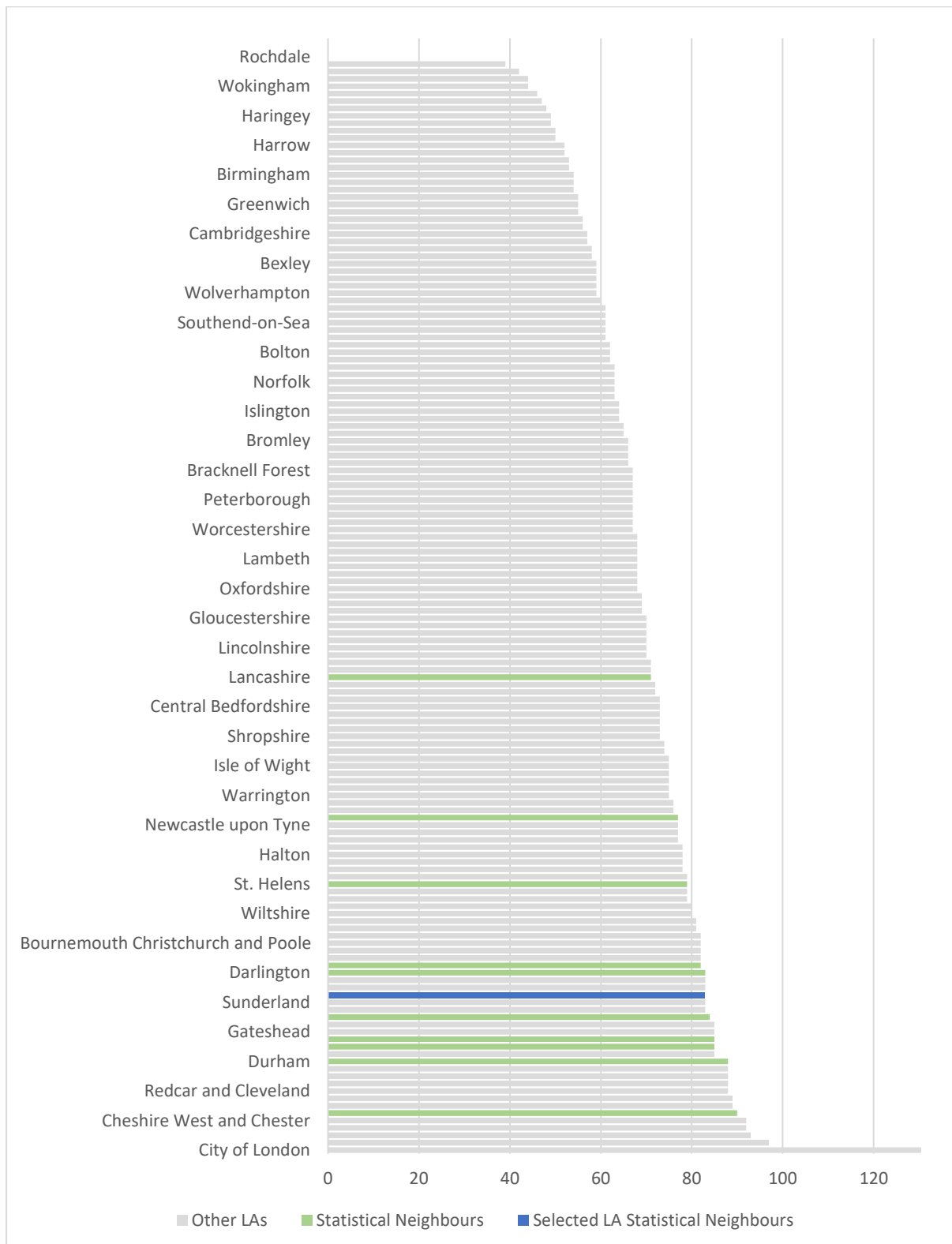
Ward	No. of 2yr olds accessing a place	No. of eligible 2y olds as per DWP	Percentage take-up
Fairfield	8	7	114.29%
Grangefield	5	9	55.56%
Hardwick & Salters	60	76	78.95%
Hartburn	9	8	112.50%
Ingleby Barwick East	15	15	100%
Ingleby Barwick West	16	20	80%
Mandale & Victoria	84	82	102.44%
Newtown	47	60	78.33%
Northern Parishes	6	7	85.71%
Norton North	44	54	81.48%
Norton South	24	25	96%
Norton West	8	8	100%
Parkfield & Oxbridge	45	58	77.59%
Roseworth	49	62	79.03%
Stainsby Hill	33	29	113.79%
Stockton Town Centre	55	70	78.57%
Village	27	27	100%
Western Parishes	8	14	57.14%
Yarm	20	18	111.11%
Out of area	10		
<b>Total</b>	<b>734</b>	<b>839</b>	<b>87.49%</b>

Source Stockton-on Tees Borough Council FIS July 2021

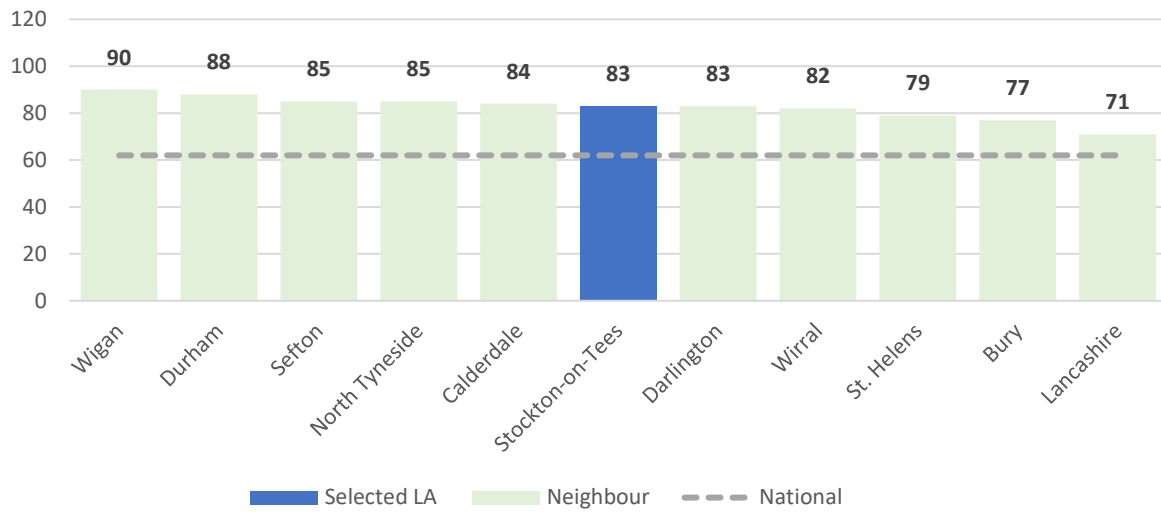
The four tables below are from the DfE voluntary return for 2 year funded place take-up that LA's submit on a termly basis. The tables compare take-up at a national, regional, and statistical neighbour level.

Publication: Provision for Children Under 5 2021		Survey - Summer 2021			
National 2021	Stockton-on-Tees	Stockton-on-Tees	National Rank	Statistical Neighbour Rank	Region Rank
62%	74%	83%	20	6	8

**The percentage of eligible two-year-olds benefitting from funded early education places, compared with the 10 nearest statistical neighbours and all other local authorities**

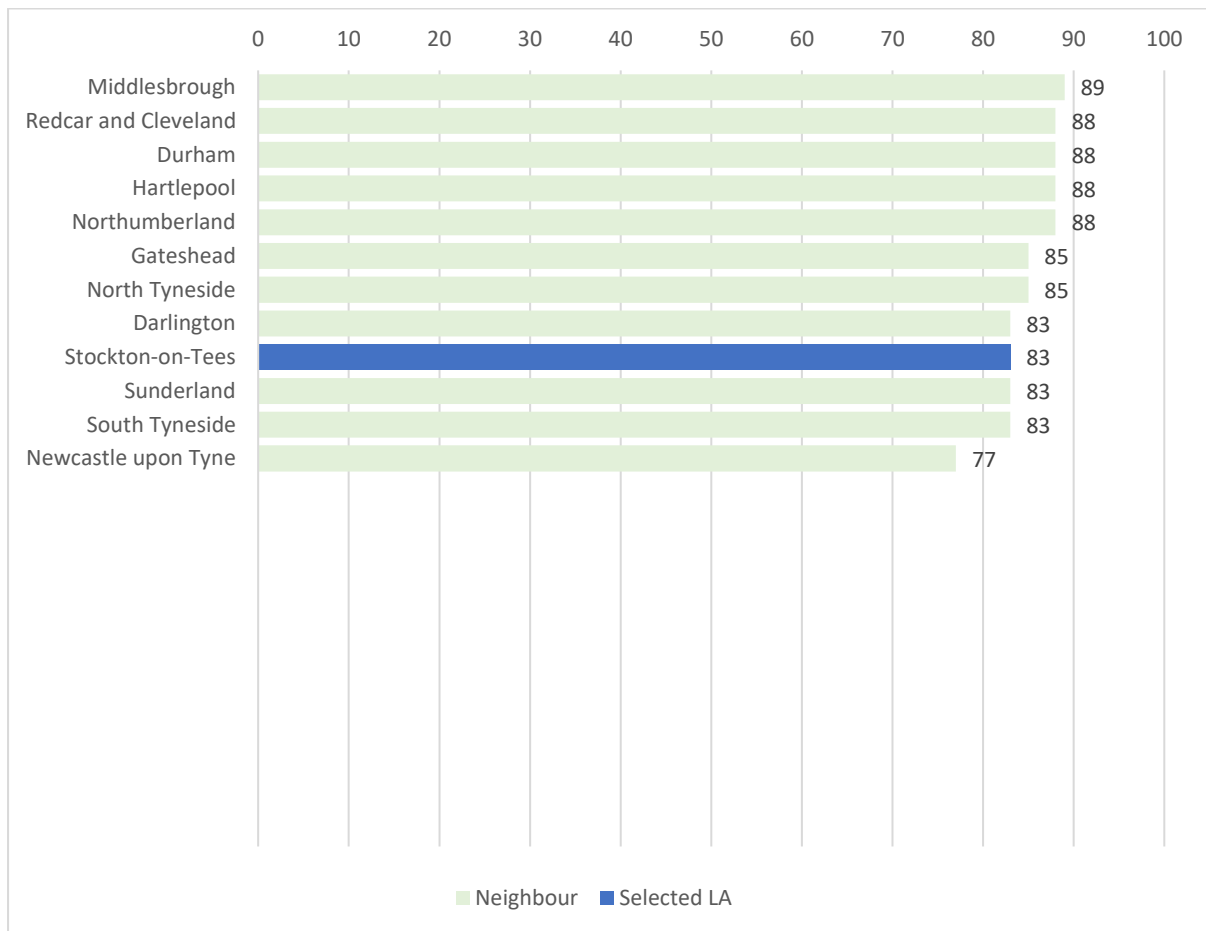


**The percentage of eligible two-year-olds benefitting from funded early education places, compared with the 10 nearest statistical neighbours.**



Source DfE Summer 2021 Two-Year-Old Take Up Operational Survey Data

**The percentage of two-year-olds benefitting from funded early education compared with other local authorities in North East**



Source DfE Summer 2021 Two-Year-Old Take Up Operational Survey Data

**No. of 3 & 4 year olds taking up universal funded early education places by type of provider**

Type of provider	No. of children 2018	No. of children 2019	No. of children 2020	No. of children 2021
PVI	492	584	621	613
Childminders	0	34	37	68
Independent schools	139	103	100	103
Maintained nursery	4347	3998	3993	3784
State Funded Secondary Schools	0	91*	0	0
Special schools	16	7	8	4
<b>Total</b>	<b>4994</b>	<b>4817</b>	<b>4751</b>	<b>4572</b>

Source: DfE 'Provision for Children under 5 years of age in England: January 2021' published 1 July 2021 (Table 2LA) \* Includes maintained secondary schools, secondary converter academies, secondary sponsor-led academies, secondary free schools and city technology colleges

**No. of 3 & 4 year olds taking up a 30 hour free childcare place by provider type**

Type of provider	No. of children
PVI	665
Childminders	168
Independent schools	0
Maintained nursery	529
Special schools	0
<b>Total</b>	<b>1362</b>

Source Stockton-on Tees Borough Council FIS July 2021

**30 hour places - take-up at ward level**

Ward	Take-up of places
Billingham Central	45
Billingham East	84
Billingham North	4
Billingham South	38
Billingham West	65
Bishopsgarth and Elm Tree	74
Eaglescliffe	78
Fairfield	49
Grangefield	9
Hardwick & Salters Lane	32
Hartburn	82
Ingleby Barwick East	59
Ingleby Barwick West	128
Mandale and Victoria	50
Newtown	42
Northern Parishes	97
Norton North	29
Norton South	39

Ward	Take-up of places
Norton West	30
Parkfield and Oxbridge	72
Roseworth	23
Stainsby Hill	68
Stockton Town Centre	10
Village	38
Western Parishes	24
Yarm	93
<b>Total</b>	<b>1362</b>

Source Stockton-on Tees Borough Council FIS July 2021

### Disability Access Fund

The disability access fund is available for childcare providers to claim for a child attending their setting who is attracting disability living allowance. It was introduced in April 2017 and is for children who are claiming universal 3 and 4 year old early years funding.

Disability Access Fund	2017/18	2018/19	2019/20	2020/21
No. of children benefitting	30	30	30	26

Source Stockton-on Tees Borough Council FIS July 2021

### Early Years Pupil Premium

Early years pupil premium was introduced in April 2015 and is an extra amount of funding providers receive to help them support their most disadvantaged children. Children qualify if they are 3 or 4 years old, are receiving government-funded early education, and their parents receive benefits used to access eligibility for free school meals.

Early Years Pupil Premium	Sum 2017	Sum 2018	Sum 2019	Sum 2020	Sum 2021
No. of children	647	689	697	541	694

#### 5.5.3 Quality in early years

Ofsted Data View<sup>4</sup> shows performance over time in terms of Ofsted inspection outcomes, at a national, regional and local level. Data is snapshot – as at 31<sup>st</sup> August in a given year.

Quality in early years provision has been increasing – from 94% judged Good or Outstanding in 2016 to 97% in 2020. As a comparison, across England, 91% of early years settings were judged Good or Outstanding in 2016 and 96% in 2020.

<sup>4</sup> <https://public.tableau.com/profile/ofsted#!/vizhome/Dataview/Viewregionalperformancevertime>

**Quality in early years settings in Stockton-on-Tees – 2016 to 2020**

Year	Percentage of early years settings achieving:			
	Outstanding	Good	Requires Improvement	Inadequate
2020	18%	79%	3%	0%
2019	20%	77%	3%	1%
2018	19%	79%	2%	0%
2017	16%	80%	4%	0%
2016	13%	81%	6%	0%

Source: Ofsted Data View

**6 Provider audit**

All registered early years and childcare settings (including schools with nursery provision) were invited to participate in an online survey in May 2021.

The aim of the survey was to establish the impact of COVID-19 on registered childcare provision in Stockton in terms of demand, and to identify how settings have responded. The survey also explored the extent to which settings have accessed financial support and what further support might be needed.

**6.1 Response rates**

A total of 129 settings completed the online survey, half of all registered providers. This included 84% of day nursery provision, over half (57%) of playgroups, 63% of stand-alone out of school provision and 41% of childminders.

**Response rates**

Type of provision	Number in Stockton	Number responding	% response rate
Childminding	142	58	41%
Day nursery	45	38	84%
Pre-school/playgroup	7	4	57%
Out of school*	8	5	63%
School	60	23	38%
Overall*	262	129	49%

\* There are 19 nursery providers that offer out of school as part of their delivery model; there are eight 'stand-alone' out of school providers. Source: Stockton-on-Tees

In total, 19 respondents offered out of school provision; the age range of children catered for was between 0 (birth) and 15 years old.

Respondents were registered for 3,504 places and reported using 77% of those (2,703 places). The proportion of places used was lowest in out of school provision (at 48%) and highest in pre-school provision (99%).

#### **Number of registered places compared to the number of places being used**

<b>Type of provision</b>	<b>Number of places on Ofsted registration (or PAN)</b>	<b>Number of places currently using</b>	<b>%</b>
Childminder	337	263	78%
Day nursery	1,991	1,543	77%
Out of school	198	95	48%
Pre-school/playgroup	102	101	99%
School*	876	701	80%
Overall	3,504	2,703	77%

Base: all respondents adjusted for non-responses

\*school includes independent school

#### 6.2 Demand since the start of the pandemic

Respondents were asked if parental demand for their setting had changed since the start of the pandemic. Responses identified a mixed picture.

Whilst demand was reported as 'about the same' by 25% of respondents, 55% reported it had decreased, either slightly or a lot. Around 20% of respondents reported an increase in demand, predominantly in day nursery provision.

**Changes in demand since the start of the pandemic**

Has demand changed?	% of respondents (number)					
	Childminder	Day nursery	Pre-school	Out of school	School nursery	Overall
About the same	26% (15)	11% (4)	33% (1)	0% (0)	44% (11)	25% (31)
Decreased a lot	36% (21)	17% (6)	0% (0)	80% (4)	24% (6)	29% (37)
Decreased slightly	29% (17)	29% (10)	33% (1)	20% (1)	16% (4)	26% (33)
Increased slightly	5% (3)	20% (7)	0% (0)	0% (0)	16% (4)	11% (14)
Increased a lot	3% (2)	23% (8)	33% (1)	0% (0)	0% (0)	9% (11)

Base: all respondents 126, percentages rounded.

Given response rates, all data from this point combines day nursery and pre-school/playgroup responses. Please note: the number of stand-alone out of school settings results in a low base.

Where respondents reported a change in demand, they were asked how that demand had changed. Responses show a mixed picture.

### 6.3 Where demand has changed – how?

#### 6.3.1 Demand for the early years entitlements.

Responses identify demand for the early years entitlements being experienced differently in different types of setting. There has been an increase in parents choosing to use only one setting for their 30-hours childcare. This may be as a result of COVID-19 protective measures, or reflect parental anxiety in using more than one setting.

Only day nursery/pre-school provision reported an increase in demand for the two-year-old early years entitlement; however, for some day nurseries/pre-schools, demand had decreased.



Childminders in particular tended to report decreased levels of demand across the early years entitlements, with a number of schools benefitting from increased demand for 30-hours childcare and decreased demand for the universal early years entitlement for three- and four-year-olds.

### Demand for the early years entitlements

	% of respondents (number)				
	Childminder	Day nursery/pre-school	Out of school	School nursery	Overall
Increased demand for 2-year-old places (funded)	0% (0)	24% (9)	0% (0)	0% (0)	9% (9)
Decreased demand for 2-year-old places (funded)	25% (12)	19% (7)	0% (0)	0% (0)	18% (19)
Increased demand for 30-hours childcare	4% (2)	19% (7)	0% (0)	36% (5)	13% (14)
Decreased demand for 30-hours childcare	31% (15)	27% (10)	20% (1)	21% (3)	28% (29)
Parents choosing to use only one site for their 30-hours childcare	23% (11)	38% (14)	0% (0)	43% (6)	30% (31)
Increased demand for the universal entitlement for 3- and 4-year-olds	2% (1)	16% (6)	0% (0)	7% (1)	8% (8)
Decreased demand for the universal entitlement for 3- and 4-year-olds	19% (9)	14% (5)	0% (0)	29% (4)	17% (18)

Base: all respondents 105. Percentages rounded. Multiple responses

#### 6.3.2 Paid for places, wrap-around and hours

The general trend was for decreased demand for paid for hours and wrap-around care, and parents wanting fewer hours or shorter days.

There was a marked decrease in demand for paid for places (31% overall reporting a decrease), impacting most highly on childminders, day nurseries and pre-schools. However,

findings once again support a mixed picture of demand both between different types of settings, and same-type settings. A third of day nurseries/pre-schools (32%) reported an increase in demand for paid for places.

Demand for wrap-around provision has decreased across all types of settings (except schools which do not generally offer this type of provision). For one in ten respondents (11%), demand for wrap-around was reported to have increased.

A high proportion of settings, and in particular childminders, reported parents wanting fewer hours or shorter days:

#### Wrap-around care, paid for provision and hours

	% of respondents (number)				
	Childminder	Day nursery/pre-school	Out of school	School nursery	Overall
Decreased demand for wrap-around care	63% (30)	30% (11)	60% (3)	0% (0)	42% (44)
Increased demand for wrap-around care	8% (4)	19% (7)	0% (0)	7% (1)	11% (12)
Increased demand for paid for hours	2% (1)	32% (12)	0% (0)	7% (1)	13% (14)
Decreased demand for paid for hours	35% (17)	35% (13)	20% (1)	14% (2)	31% (33)
Parents want fewer hours of shorter days	46% (22)	38% (14)	20% (1)	0% (0)	35% (37)
Less demand for paid for hours	35% (17)	35% (13)	20% (1)	14% (2)	31% (33)
Increased demand for paid for hours	2% (1)	32% (12)	0% (0)	7% (1)	13% (14)

Base: 105. Percentages rounded. Multiple responses

### 6.3.3 Demand for SEN provision and other changes in demand

Overall, 10% of respondents reported an increase in demand for SEN provision, which included one in five (22%) day nursery/pre-school respondents.

A small number of respondents reported other changes in demand, including parents choosing to keep their children at home and parents working from home.

#### SEN provision and other changes in demand

	% of respondents (number)				
	Childminder	Day nursery/pre-school	Out of school	School nursery	Overall
Increased demand for SEN provision	0% (0)	22% (8)	0% (0)	14% (2)	10% (10)
Decreased demand for SEN provision	0% (0)	5% (2)	0% (0)	0% (0)	2% (2)
Other*	2% (1)	3% (1)	20% (1)	7% (1)	4% (4)

Base: 105. Percentages rounded. Multiple responses

### 6.4 Unmet demand

Settings were asked if there was any demand they could not meet – 9% overall (11 settings) indicated this was the case. Respondents identified unmet demand, shown verbatim below:

#### Identified unmet demand – verbatim comments

Type of provision	Unmet demand
Childminder	A lot of parents are wanting one day per week but a different day each week which is hard to accommodate if there's a few of them as sometimes they all want the same day
Childminder	Yes, I have been unable to accommodate the enquiries I have received recently
Childminder	Parents are struggling to find wraparound care
Childminder	Yes, other school collections (mostly Crooksbarrow)
Childminder	Cannot do pickups from school
Childminder	New starters - babies
Day nursery	Yes-we are unable to meet the need for SEN provision due to the high number of children already in the setting with an additional need who require support.

Type of provision	Unmet demand
Day nursery	New Nursery
Pre-school/playgroup	For some sessions and times, yes
Pre-school/playgroup	I've had enquiries from parents for a two-year-old year private paying morning places which I cannot accommodate until September.
School nursery class	We don't offer 30 hr provision

### 6.5 Changes to delivery models

Respondents were asked how they had changed their provision since COVID-19. Just over a third of all respondents (38%, 49 settings) reported they had made changes to their provision since the start of the pandemic.

Out of school provision and school nurseries were less likely to have changed their provision.

### The proportion of respondents changing their provision since COVID-19

	Childminding	Day nursery/pre-school	Out of school	School nursery	Overall
% (and number) of respondents	41% (24)	36% (15)	0% (0)	22% (5)	38% (49)

Base: all respondents, 129. Percentages rounded.

There was no overall pattern reported in terms of changes that had been made since COVID-19. Some settings reported having increased their fees, whilst similar numbers had decreased fees. Similarly, some settings reduced their capacity in terms of places, hours or days offered, whilst others had increased capacity.

The relatively low percentage of respondents that had changed their provision, when considering the changes in demand previously reported, may reflect how quickly settings could adapt to changes in demand.

**Changes to delivery models – all respondents**

<b>Changes made:</b>	<b>% respondents (number)</b>
Fewer hours	16% (8)
Fewer places	16% (8)
Shorter days	14% (7)
Fewer days	10% (5)
Fewer weeks a year	8% (4)
More places	8% (4)
More hours	12% (6)
Longer days	14% (7)
More days	2% (1)
More weeks of the year	6% (3)
Reduced fees	12% (6)
Increased fees	14% (7)
Other changes	24% (12)

Base: all respondents 49. Percentages rounded. Multiple choices.

Other changes to provision since COVID-19 are reported verbatim below:

Type of provision	Other changes made
Childminder	Shielding
Childminder	I have made changes to the space available to children.
Childminder	Reduced number of schools we collect from
Childminder	Due to me having chemotherapy I am not allowed to care for children for infection
Day nursery	Due to bubbles had to relocate the nursery, making physical space smaller so can only take in 26 not the 39 so had to employ staff and open an afternoon nursery.
Day nursery	No registration fee to try increase children's numbers.
Day nursery	New Nursery.
Day nursery	We froze our annual price increase.
Day nursery	Delayed our annual fee increase.
School nursery class	Although we have never offered wraparound care for our younger children, we did ask the onsite private provider to avoid offering wraparound unless they could demonstrate that they could prevent mixing between children from separate bubbles. This has led to a reduction in the wraparound care available to parents at the moment.
School nursery class	Reduced alternatives. Used to be AMs/PMs, 1st half of week/2nd half of week and now we only offer AMs/PMs
School nursery class	Provided 30 hours from September 2020

## 6.6 Staffing

Respondents were asked to provide some information about their staffing levels, and if staff had been furloughed or made redundant.

Collectively, respondents had 1,028 permanent staff in their employ at the time of the audit.

A small percentage of settings reported having staff furloughed (5%), and there were around 19 people affected (2% of the total number of staff permanently employed).

10% of respondents (11 settings) had made staff redundant since the start of COVID-19.

The number of staff made redundant (24) equated to around 2% of the permanent workforce.

Across all respondents, four (4%) were considering future redundancies and a further 9% (9 settings) were possibly considering future redundancies.

Respondents were asked the extent to which they had any concerns around staff recruitment, retention or training. Just over a third of respondents (37%) agreed or strongly agreed access to, or the cost of, training was a concern. Staff recruitment was also reported as a concern (overall 33% agreed or strongly agreed), and this was a particular concern for day nursery/pre-school respondents where 66% agreed staff recruitment was a concern. Staff retention was also a concern for some.

### Issues around staffing causing concern

	% (and number):				
	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree
Staff retention	37% (39)	14% (15)	30% (32)	13% (14)	5% (5)
Staff recruitment	24% (25)	10% (10)	33% (35)	23% (24)	10% (11)
Training – access to or costs of	21% (23)	12% (13)	29% (31)	22% (24)	15% (16)

Base: all respondents, 105. Percentages rounded.

## 6.4 Finances

### 6.4.1 Percentage of income derived from funded hours

Demand for paid for hours has decreased in many settings since the start of COVID-19.

Where settings have a relatively high percentage of income from paid for hours, they may be more financially vulnerable as the pandemic continues to impact and if the trend to lower levels of demand for paid for hours continues. Settings that derive income from early years funding were protected to an extent across summer and autumn terms 2020 and spring term 2021 as the Government continued to fund on expected levels or numbers on roll and not on actual attendance.

Respondents were asked what the split was between funded and paid for hours income.

Responses showed childminders and out of school settings have a higher reliance on paid-for hours.

Across all respondents the average split was 53% funded and 47% paid for hours, but this masks considerable variation.

**Estimated % of income derived from early years funding and from fees.**

	Childminding	Day nursery/pre-school	Out of school	School nursery	Overall
Early years funding	44%	58%	34%	98%	53%
Paid for fees	56%	42%	66%	2%	47%

Base: all respondents, 103. Percentages rounded.

6.4.2 Held financial reserves

Where settings had a healthy financial position at the start of the pandemic, and where they had taken the opportunity to access Government financial support (rather than use held reserves), it is more likely they will be financial sustainable in 2021. Where settings have not accessed Government financial support and/or relied on held reserves to support their business throughout lockdown and recovery, there is concern they would not be in such a healthy financial position moving forwards.

Across all respondents, a third (34%) had cash reserves at the time of the audit.



**Cash reserves**

	<b>Childminding</b>	<b>Day nursery/pre-school</b>	<b>Out of school</b>	<b>School nursery</b>	<b>Overall</b>
% (and number) of respondents with cash reserves	27% (15)	43% (15)	40% (2)	38% (5)	34% (37)
% (and number) of respondents unsure	5% (3)	26% (9)	0% (0)	38% (5)	16% (17)
% (and number) of respondents without cash reserves	37 (67%)	31% (11)	60% (3)	23% (3)	50% (54)

Base: all respondents 108. Percentages rounded.

Respondents were asked for an estimate of how many months operating costs they had in reserve. The purpose of collating the data was to support an assessment of the financial health of the childcare market in Stockton-on-Tees.

Not all respondents chose to provide an estimate, as this information can be regarded as sensitive or confidential. Based on information shared:

**Estimated number of months operating costs in reserve (all respondents)**

<b>Less than 1 month</b>	<b>1 month</b>	<b>2 months</b>	<b>3 months</b>	<b>6 months – 12 months</b>	<b>Other*</b>
3% (1)	33% (10)	37% (11)	10% (3)	10% (3)	7% (2)

Base: all respondents with a cash reserve, 30. Percentages rounded.

\*Other includes: I have a business loan; I have the COVID loan.

### 6.4.3 Current income

Respondents were asked to describe current income into their business. A majority of respondents (60%) reported projected income is enough to meet costs with a small percentage anticipating a profit, and just over a quarter (28%) reported projected income is insufficient to meet costs.

#### Current income projections

	Type of provision				
	Childminding	Day nursery/pre-school	Out of school	School nursery	Overall
Projected income is insufficient to meet costs	22% (12)	26% (9)	80% (4)	38% (5)	28% (30)
Projected income is sufficient to meet costs	67% (37)	59% (20)	20% (1)	46% (6)	60% (64)
Projected income will exceed costs	11% (6)	15% (5)	0% (0)	15% (2)	12% (13)

Base: all respondents, 107. Percentages rounded.

### 6.4.4 Sustainability and resilience

Respondents were asked to indicate the extent to which issues were of concern, from a range of options. The related issues of income levels and low levels of demand were causing the greatest levels of concern:

**Issues causing concern – all respondents**

	<b>% (and number):</b>				
	<b>Strongly disagree</b>	<b>Disagree</b>	<b>Neither agree nor disagree</b>	<b>Agree</b>	<b>Strongly agree</b>
Income levels	6% (6)	17% (18)	24% (25)	37% (38)	16% (16)
Cashflow	7% (7)	21% (21)	33% (33)	28% (27)	11% (11)
Expenditure exceeding income	7% (7)	27% (27)	30% (30)	28% (28)	8% (8)
Financial sustainability or resilience	8% (8)	18% (18)	36% (35)	31% (30)	7% (7)
High levels of demand (which I cannot fulfil)	27% (26)	24% (23)	34% (33)	13% (12)	2% (2)
Low levels of demand	12% (12)	13% (13)	31% (31)	29% (29)	16% (16)

Base: all respondents. Percentages rounded.

#### 6.4.5 Confidence in financial sustainability in the next 6 to 12 months

Respondents were asked how confident they were in their setting's financial sustainability in the next 6 to 12 months. Overall, 42% reported being confident or very confident, albeit 17% reported they lacked confidence in the financial sustainability. A quarter of school nursery respondents (25%) lacked confidence.

**Confidence in financial sustainability over the next 6 to 12 months**

	<b>% of respondents (number) reporting being:</b>				
	<b>Very confident</b>	<b>Confident</b>	<b>Neither confident nor unconfident</b>	<b>Unconfident</b>	<b>Very unconfident</b>
Childminder	9% (5)	26% (15)	50% (29)	9% (5)	7% (4)
Day nursery/pre-school	21% (7)	41% (14)	26% (9)	6% (2)	6% (2)
Out of school	0% (0)	20% (1)	40% (2)	20% (1)	20% (1)
School nursery	25% (3)	17% (2)	33% (4)	8% (1)	17% (2)
Overall	13% (14)	29% (32)	40% (44)	8% (9)	9% (10)

Base: all respondents. Percentages rounded.

#### 6.4.6 Access to financial support

The Government introduced a range of financial support packages to support all businesses during lockdown and recovery. These were in addition to Government support specifically for the childcare sector where public funding for the early years free entitlements. The range of financial support schemes included:

- Small Business Rates Relief
- Small Business Grant Funding
- Coronavirus Job-Retention Scheme (staff furlough scheme)
- Business Interruption Loan Scheme
- Self-Employment Income Support Scheme (SEISS)
- Bounce Back Loan Scheme
- Stockton Sustainability Grant
- LA Discretionary Grant (Additional Resources Grant)

The extent to which early years and childcare settings have applied, and been successful, for these support measures will probably impact on their business health through 2021.

Some of the Government financial support (e.g. Bounce Back Loans) are subject to repayment, and if demand for childcare remains low at the time repayments are due, this could put some additional pressure on some settings.

Support was targeted differently. For example, the SEISS supported (and continues to support) people that are self-employed (in most cases this relates to childminders), whereas furlough was introduced to support employees and so relates to businesses that employ staff (e.g. group childcare settings).

Respondents were asked if they had applied for any of the schemes listed above, and including local authority discretionary funding.

Across all respondents, 59% had accessed at least one form of financial support, including:

- 76% of childminders (predominantly SEISS).
- 60% of day nurseries and pre-school settings (predominantly making use of furlough and the small business rates relief).
- 100% of out of school settings (note small base)- predominantly the small business grant funding and furlough.
- 9% of school nurseries (predominantly accessing furlough).

Four out of ten settings responding (41%) had not accessed any form of the identified support, which may be of concern.

**Percentage of respondents taking advantage of financial support**

	<b>% (and number) :</b>				
	<b>Childminder</b>	<b>Day nursery/pre-school</b>	<b>Out of school</b>	<b>School nursery</b>	<b>Overall</b>
Small Business Rates Relief	0% (0)	40% (17)	0% (0)	4% (1)	14% (18)
Small Business Grant Funding	0% (0)	14% (6)	60% (3)	4% (1)	8% (10)
Coronavirus Job-Retention Scheme (Furlough)	7% (4)	48% (20)	80% (4)	4% (1)	22% (29)
Business Interruption Loan Scheme	0% (0)	12% (5)	0% (0)	0% (0)	4% (5)
Self-Employment Income Support Scheme (SEISS)	71% (41)	7% (3)	20% (1)	0% (0)	35% (45)
Bounce Back Loan Scheme	7% (4)	12% (5)	40% (2)	0% (0)	9% (11)
Stockton Sustainability Grant	5% (3)	5% (2)	40% (2)	4% (1)	6% (8)
LA Discretionary Grant (Additional Resources Grant)	0% (0)	2% (1)	0% (0)	0% (0)	0.8% (1)

Base: all respondents, 129. Percentages rounded. Multiple responses.

Respondents were asked where they had accessed any of the identified financial support, the extent to which it had worked for them.

**The extent to which accessed financial support had worked – all respondents**

	Small Business Rate Relief	Small Business Grant	Coronavirus Job-Retention Scheme (Furlough)	Business Interruption Loan Scheme	Self-Employment Income Support Scheme (SEISS)	Bounce Back Loan Scheme	Stockton Sustainability Grant	LA Discretionary Funding
Not useful at all	5% (1)	8% (1)	0% (0)	11% (1)	0% (0)	0% (0)	0% (0)	0% (0)
Of limited use	0% (0)	8% (1)	0% (0)	0% (0)	3% (1)	0% (0)	11% (1)	0% (0)
Neither useful nor not useful	5% (1)	15% (2)	0% (0)	0% (0)	0% (0)	9% (1)	0% (0)	0% (0)
Useful	42% (8)	15% (2)	24% (6)	33% (3)	22% (8)	18% (2)	22% (2)	66% (2)
Very useful	47% (9)	54% (7)	76% (19)	56% (5)	75% (27)	73% (8)	67% (6)	33% (1)

Base: all respondents accessing support and responding to the question. Percentages rounded. Multiple responses

### 6.5 Local authority support

Stockton-on-Tees provided a range of support for childcare settings throughout the pandemic. This included:

- Continuation of free entitlement funding during the first lockdown period (spring 2020)
- Early years top-up funding in the autumn term 2020
- Access to briefings, guidance and information from the LA
- Regular support from the Families Information Service (FIS)
- Regular support from the Early years Team
- Email updates from the LA
- Accessing information, advice and guidance via the practitioner's area of the Stockton Information Directory

Respondents were asked if they had used local authority support.

The vast majority of respondents (81%) indicated they had accessed at least one type of local authority support. This percentage may be higher – where a respondent did not provide an answer (17 cases) it was assumed they had not accessed support; however, this may not be the case. Only 7 respondents (5%) indicated definitively they had not accessed local authority support.

### Access to support

Type of provision	Type of support - % accessing						
	Free entitlement funding spring 2020	Early years top-up funding autumn 2020	Briefings, guidance and information from the LA	Regular support from the FIS	Regular support from the Early Years Team	Email updates from the LA	Accessing information, advice and guidance via the Directory
Childminder	60% (31)	32% (16)	49% (23)	65% (32)	51% (24)	01% (43)	47% (22)
Day nursery/pre-school	86% (25)	63% (17)	82% (23)	89% (25)	51% (23)	97% (28)	61% (17)
Out of school	40% (2)	60% (3)	60% (3)	60% (3)	60% (3)	60% (3)	60% (3)
School nursery	65% (15)	65% (15)	88% (21)	73% (16)	71% (17)	83% (20)	57% (13)
<b>Overall</b>	67% (73)	49% (51)	69% (70)	75% (76)	66% (67)	91% (94)	54% (55)

Base: all respondents. Percentages rounded.

Respondents were also asked the extent to which the support had worked on a scale of 1 (not useful) to 5 (very useful). For respondents accessing support, the support was well-received, with average ratings in all cases being between 4 and 5:



### The extent to which support worked

	Free entitlement funding spring 2020	Early years top-up funding autumn 2020	Briefings, guidance and information from the LA	Regular support from the FIS	Regular support from the Early Years Team	Email updates from the LA	Accessing information, advice and guidance via the Directory
<b>Average ratings – all respondents accessing support</b>	4.63	4.58	4.11	4.33	4.15	4.41	4.11

Base: all respondents accessing local authority support

#### 6.5.1 Childcare training

Respondents were asked if they had accessed any of the local authority childcare training listed. This included:

- Exploring the Early Years Inspection Handbook 2019
- Updating Safeguarding Knowledge
- Manager's network meeting
- Childminder network meeting

### Access to childcare training

Type of provision	Type of support - % accessing			
	Exploring the Early Years Inspection Handbook 2019	Updating safeguarding knowledge	Manager's network meeting	Childminder network meeting
Childminder	22% (11)	37% (19)	N/A	20% (10)
Day nursery/pre-school	52% (17)	38% (13)	18% (53)	N/A
Out of school	40% (2)	75% (3)	75% (3)	N/A
School nursery	30% (6)	20% (4)	19% (4)	N/A
<b>Overall</b>	33% (36)	36% (39)	23% (25)	9% (10)

Base: all respondents. Percentages rounded.

Respondents were also asked the extent to which the training had worked on a scale of 1 (not useful) to 5 (very useful). For respondents accessing training, the training was well-received, with the majority of average ratings in all cases being between 4 and 5:

### The extent to which support worked

	Exploring the Early Years Inspection Handbook 2019	Updating safeguarding knowledge	Manager's network meeting	Childminder network meeting
<b>Average ratings – all respondents accessing support</b>	4.48	4.33	4.22	3.57

Base: all respondents accessing childcare training. Percentages rounded

#### 6.5.2 School training

Respondents were asked if they had accessed any of the local authority school training listed. This included:

- Early Years Matters
- Assessment and moderation partnerships
- ICAN Early Talk
- Early years workshop programme

Schools attending training provided an average satisfaction rating of between 4 and 5, on a scale of 1 to 5 (where 5 is very useful).

### Access to school training and ratings

	% (and number) of school respondents accessing/average ratings			
	Early Years Matters	Assessment and Moderation Partnerships	ICAN Early Talk	Early years workshop programme
Access	95%	82%	20%	35%
Average rating	4.38	4.14	4.00	4.00

Base: all school respondents. Percentages rounded.

Respondents were asked if there was any additional support or training that would help with on-going recovery. Responses are shown in the appendices.

### 6.6 Feedback on overall service

Respondents were asked to rate the overall service received from the Family Information Service (FIS) team, and the Early Years Team/Education Improvement Service. Ratings were between 1 (very poor) and 10 (excellent). The overall services received were rated as good/very good – scoring an average of 8.18 for the FIS and 7.92 for the Early Years Team/Education Improvement Service.

**Overall service ratings**

Service	Average ratings – type of provision				
	Childminder	Day nursery/pre-school	Out of school	School	Overall
FIS	7.8	8.64	8.6	8.21	8.18
Early Years Team/Education Improvement Service	7.26	8.31	9.2	8.46	7.92

Base: all respondents. Percentages rounded.

### 6.7 Impact of COVID-19.

Respondents were asked if they felt COVID-19 had impacted on provision in relation to a number of areas. Two-thirds of respondents (66%) reported COVID-19 had impacted on partnerships with other agencies and 62% on resources or activities available for children. Just over half of all respondents (52%) reported COVID-19 had limited their interaction with parents and 44% reported reduced time with children. Just over a third (38%) reported an impact on staff development.

**Impact of COVID-19 on provision**

Issue	% (and number) of all respondents:				
	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Staff development	8% (9)	30% (34)	27% (30)	20% (23)	15% (17)
Limited interaction with parents	13% (16)	39% (47)	12% (14)	20% (24)	19% (22)
Reduced time with children	18% (21)	26% (30)	13% (15)	24% (28)	19% (22)
Impacted partnerships with other agencies	19% (23)	47% (55)	18% (21)	8% (10)	8% (9)
Impacted on resources	28% (33)	34% (41)	9% (11)	19% (23)	9% (11)

Base: all respondents. Percentages rounded.

Respondents were invited to comment on the impact of COVID-19 on provision; 16% (21 respondents) chose to do so. Comments speak to the impact on children in terms of socialisation and development, as well as the impact on the setting and on the workforce.

Comments are reported verbatim in the appendices.

#### 6.8 Additional comments around future business plans

Respondents were asked if they had any additional comments about their future business plans. Comments are reported verbatim below.

**Additional comments about future business plans**

<b>Type of setting</b>	<b>Any other comments around future business plans.</b>
Childminder	I believe that childcare demand will rise over the next year.
Childminder	Hopefully will be returning in September as all parents are waiting on my return
Childminder	Hoping to work again September?
Childminder	I will have to consider a new career as I don't earn enough as a childminder
Childminder	As long as I can stay well, I will keep childminding
Childminder	I think retirement is looming within the next year or two.
Day nursery	The funding in the summer term last year based on prior data was extremely helpful
Day nursery	Yes - planning application for private outdoor enclosed space
Day nursery	To develop our website to promote our business
Day nursery	To maintain current levels of service.
Day nursery	We have recently taken over a larger room at Elmwood to meet demand. We are also looking at providing more specialist provision
Out of school provider	I am wanting to complete my training as a coach so I can support families in the community
Out of school provider	Wanting to open back fully to meet the needs of our community
Pre-school/playgroup	To try and keep going and keep up the hard work for the children in our care
School nursery class	Once Covid restrictions are relaxed, we would be very interested in providing wraparound care for children in Reception to Y6. Any advice on ratios needed when running wraparound clubs for EYFS children would be welcomed! Ideally, we would also want to expand our nursery provision so that we could offer 30 hours to parents. At the moment we do not have enough room to do this.

## 7 Consultations with local employers and parent/carers – key findings

### Sample group

One to one interviews took place with two individuals representing two large, statutory employers; the NHS and Local Authority. A further one to one interview took place with Jobcentre Plus (JCP) to understand the implications for job seekers and a focus group with four parents who currently access formal childcare provision was also carried out.

### Key findings

- All of the participants had a largely positive experience of childcare throughout the pandemic and did not perceive any shortage in provision generally.
- None of the parent participants had changed work patterns or experienced furlough throughout covid and both employers reported no change across their workforce. JCP also reported low levels of furlough for the customers they had supported through covid but commented that the true extent of redundancy is not yet known as many staff may still be on furlough. A high number of new applicants for benefits was experienced at the beginning of the pandemic but these have now returned to normal levels.
- The perception of all participants was that childcare is not sufficient for out of hours shift patterns and this presents the greatest barrier at two key points: When returning to work after a first child and when the child starts school.
- Information is being provided about childcare by the employers and JCP on a sporadic basis but there isn't a specific strategy in place to disseminate information. The comments made by parent participants about childcare for school age children suggests that there is a lack of understanding of childcare options and help with childcare costs for this age group.
- The parent participants highlighted concerns around settling in periods which could have useful insights for provider practice; careful consideration should be given to settling children coming into childcare for the first time who may have had limited external experiences other than that of immediate family members.

- The isolation of children by bubbles was the greatest concern for both employers and parent participants throughout the pandemic, with many staff being unable to continue working from home due to the nature of their work.
- There were no reports of perceived changes to the future nature or patterns of work for any of the participants involved.



## Appendices

One Provider audit comments on the impact of COVID-19

Two Provider audit additional training or support comments

**Appendix one Comments on the impact of COVID-19**

<b>Type of provision</b>	<b>Comment</b>
Childminder	The children have become unsettled as used to being with parents. A couple of mine have also gone back over in their development.
Childminder	Obviously, the children haven't been able to socialise out of the setting, which has been difficult for some children. I used to run a childminder group which has been stopped due to covid. I have had to close on two separate occasions due to covid been brought into my setting and wasn't given any financial support. Also, I wasn't eligible to apply for any of the grants due to starting my business in Feb 2019.
Childminder	Face to face training as learning isn't easy for me, to learn and understand what is required of me.
Childminder	Children missed out on interacting with other children in the wider community at activities / centres which were closed. As a childminder it was a very lonely period during the first lockdown, not able to meet with fellow minders, visit other settings or work in partnership with other agencies, face to face.
Childminder	Long term effects on the children
Childminder	Accessing community activities/resources (something I feel is important for childminders). Being able to link with other childminders has been negatively affected. Prospective parents not being able to visit my setting I feel has negatively affected places being took up.
Childminder	It's been quite a lonely job as a childminder and not mixing with others such as outings and playgroups etc
Childminder	We have used the opportunities to our advantage and not let it get us down so we adapted learning opportunities
Childminder	Toddler/Activity groups have been missed for the social interaction, but I can't see how this would be able to be changed if we had to lockdown in the future.
Childminder	Not being able to gain support in the form of groups for children has been a nightmare.

Day nursery	With children not being able to come in due to a number of lockdowns and parents' anxiety, we have therefore missed out on time we would have spent in the setting with the children. Not all of our parents have access to the internet or computers, so online working with children and trying to keep up to date with parents was often difficult at times. We have not been able to fully link with other professionals due to them not being allowed on site or complete home visits, so children have fallen behind in areas where this need was missed during the pandemic. Furloughing staff meant they were not able to complete necessary training required as they were unable to work and other staff who had to remain at work had to increase their working hours to accommodate the staff that were not able to work and needed to isolate/furlough.
Day nursery	I feel the impact from the lack of effective partnerships work with other agencies such as speech and health has had an impact on the children. We have struggled to gain the vital support and information needed from these agencies in a timely manner
Day nursery	Some children not coming at all.
Day nursery	Children with SEN needs have had little contact with outside agencies with little support for nurseries.
Day nursery	Safeguarding concerns are higher than ever and it has been difficult speaking to parents as they cannot come into Nursery as much as they did.
Day nursery	Children's development coming into nursery, staff well-being, confidence in future, huge cleaning costs
Day nursery	Lack of interaction from HV has led to lots of children falling under the radar
Out of school provider	We contact parent with much more regular emails keeping them updated, miss having chat with parents.
Pre-school/playgroup	I feel accessing additional services has been extremely hard and at times very frustrating.

<p>Pre-school/playgroup</p>	<p>We are noticing particularly with children that are just starting with us that there has been an impact on their PSE development. There is little support to help with this as we do not have the finances to provide one to one support. It does feel a little unfair that schools have had money thrown at them to catch children up where as early years as always have been overlooked. We have also had serious issues with health visitors overriding our judgements where we feel children require additional support. On two occasions they have made us look unprofessional to parents due to this overriding of our concerns. We are not treated with any respect by them and it is extremely frustrating. I know we are not the only setting that has had this problem, and it really needs addressing.</p>
<p>School nursery class</p>	<p>Language and Communication of the children in our catchment has been disadvantaged</p>

**Appendix two Additional training or support for on-going recovery – verbatim responses**

<b>Type of provision</b>	<b>Training or support to help on-going recovery</b>
Childminder	More funding and free courses
Childminder	Changes to EYFS 2021
Childminder	Funding rates are too low and that's mainly the people who are accessing childcare. Income is dropping constantly once they switch to 30 hours. Also, they only come term time so only getting paid 39 weeks instead of 52
Childminder	More support
Childminder	Any easy to access, free online training.
Childminder	Face to face training
Childminder	For me personally a home visit to get me back up to date with any changes
Childminder	Proactive support from the team
Childminder	Home visit when I start working again
Childminder	Accessing groups in the community - a concern having only one mindee regarding social interaction with peers. Developing a business/marketing.
Childminder	First aid
Childminder	How to use the portal and other computer systems as I'm not very good with them. Staff at FI are not very helpful on the phone with these issues. It's as if I should know everything
Childminder	More inspection guidance, online training.
Childminder	SENCO support was needed and I felt very alone despite asking for help.
Day nursery	To keep us updated with any changes in legislation or funding requirements.
Day nursery	Help with costs for mandatory training e.g. first aid
Day nursery	Refreshing and updating staff knowledge under the new EYFS framework and SEND training as this has recently changed for applying for One Point and EHCPs.

Day nursery	New development matters and financial training on different funding available e.g. EPP DAF
Day nursery	Safeguarding, more training on the new EYFS
Day nursery	Mental Health support
Day nursery	The changes to EYFS, SEND, Maths and English, - not via zoom
Day nursery	First aid training/refresher courses for staff
Out of school provider	Having school outside area funded, outside aquiline the to encourage children outside for well-being and mental health
Out of school provider	Resources to encourage new customers
Pre-school/playgroup	New EYFS for staff, business and financial and SEND training such as THRIVE, speech and behaviour.
Pre-school/playgroup	Free training especially new EYFS
Pre-school/playgroup	I did feel the need to send an email last year regarding the lack of contact from the early years team which has since improved. My booked numbers are currently low for September with the bookings being mainly private. This is due to the school not being able to have open evenings and us not being able to organise open days in holidays due to the school site being closed. There is little the LA can do about this but it is worrying. Some sort of funding to help with low numbers would help but I appreciate this is out of the local council's hands.
School nursery class	Additional funding to increase staffing
School nursery class	More finance to support lower standards of children entering EY
School nursery class	Support in meeting the needs of the new curriculum and assessment in EY