

AGENDA ITEM

REPORT TO CABINET

17 OCTOBER 2024

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET INFORMATION ITEM

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

CHILDCARE SUFFICIENCY ASSESSMENT 2024

Summary

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

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

Recommended that the report be noted.

Detail

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

- should encourage schools in their area to offer out-of-hours childcare from 8.00am until 6.00pm and in school holidays,
 - should encourage existing providers to expand their provision and new providers to enter the local childcare market; and
 - should encourage providers to take sustainable business approach to planning and signpost providers to resources to support them.
3. The Local Authority is required by legislation to maintain a service that provides information, to parents and prospective parents on the provision of childcare in their area, as listed in Schedule 1 of the Childcare Act 2006 and from 1st September 2017 publish this information electronically on the local authority website and update it at a minimum termly on 1st January, 1st April, and 1st September ensuring parents are aware of:
 - Early education places for children from 9 months to four year olds;
 - The option to continue to take up their child's 15 hour early education place until their child reaches compulsory school age;
 - How to identify high quality provision in their area.
 4. The Childcare Sufficiency Assessment provides information on how the Local authority is meeting its legal duty as detailed earlier in this report.
 5. Take-up of universal 3 & 4 year places continues to be high at 104.2% take-up, which is higher than the national average of 94.9%. 4yr old take-up is 105.5% and 3 year old take-up is 102.9%, as per figures from the January 2024 census collection.
 6. Take-up of 30 hour funded childcare places for working parents of 3 & 4 year olds is 1636 which is a slight decrease of 3.59% (61 places), compared to summer 2023 data.
 7. Take-up of the new 15 hours funded childcare places for working parents of 2 year olds is 850 places for the summer term.
 8. The table on page 17 of the assessment shows the take-up at a ward level for 30 hour funded places and 15 hour funded places for working parents by provider type.
 9. Stockton continues to maintain a high percentage take-up of 15 hour funded places for 2 year olds where parents are on certain government benefits (86.94%), although this is a decrease of 8.4% on the previous year.
 10. To be noted the number of children eligible for 2yr olds is provided by the Department for Work and Pensions and doesn't include any on-line eligibility applications received by Stockton.
 11. In some cases, the percentage take-up up of 2 year places by ward can be over 100%, this is due to parents accessing childcare outside of the ward area where they reside, as parents may travel to access a childcare provider of choice if in a different ward area.
 12. At the time of writing the report there were 955 recorded vacancies in registered provision for children aged 0-4 years old. Vacancies are monitored on a termly basis to ensure there are sufficient places available for parents. If there was a significant reduction in places steps would be taken to ensure parents had access to alternative places near to either their place of work or home.
 13. When new providers enter the market, the assessment is used to inform them of any gaps in childcare at a ward level basis. If there was a need, the authority would work with providers to offer additional places by either increasing number of places or opening new provision.

14. Childcare costs in Stockton are lower than regional and national charges. A full-time place for a child in a nursery averages £257.15 per week in Stockton, regional £268.22 and national 290.77. A full-time place with a childminder in Stockton is £159.61, regionally £236.06 and nationally £254.12.
15. Funded childcare places for working parents are available for children aged from 2 to 4 years old. 15 hours for 2 year olds and 30 hours for children aged 3 or 4 years old.
16. From September 2024 15 hour funded places will be available to working parents with children aged 9-23 months. At the time of writing this report 814 applications had been made to HMRC for the new funded childcare. A further 323 applications had been made for 2 year 15 hour funded places.
17. Parents on certain government benefits, are eligible for 15 hours funded childcare for 2 year olds if they meet the eligibility criteria.
18. Tax Free Childcare is available to offset the cost of childcare for working parents with children aged 0-11, this is a government subsidy of up to £2,000 a year for each child or up to £4,000 a year for each child if they are disabled.
19. Stockton has a good range of quality childcare across the borough with 100% of group settings rated good or outstanding, as of July 2024. However, the percentage rated good or outstanding for all providers, including childminders is 84.7% which is lower than the national percentage (98%) and regional percentage (98%) as of March 2024.
20. The number of nurseries, pre-school, and out of school settings remains relatively unchanged but there continues to be a reduction in the number of registered childminders with a decrease of 10 in the last year equating to a loss of 84 childcare places, this may impact the sufficiency of places available to meet the needs of parents/carers.
21. Roll out of the new entitlements for working parents has commenced. 15 hours funded childcare became available to eligible working parents of two year olds as of April 2024, and parents of children aged nine months up to two years will become eligible from September 2024. The full 30 hours funded childcare will be available from September 2025.
22. The Government has uplifted the hourly funding rate paid to providers, to deliver the funded hours offers in England, helping providers to manage cost pressures. The Government provided £204 million in 2023-24, paid from September 2023, and £288 million in 2024-25.
23. Local authorities have received capital funding towards the cost of creating additional early years places to meet demand for the new entitlements. Funding has been awarded to 17 childminders, 10 private nurseries and 2 schools. This is creating an additional 206 childcare places for children aged 9 months to 2 years old which will be available from the autumn term.
24. The balance of the capital funding for early years places will be used to increase places in identified hotspots across the borough.
25. Local authorities have also been funded to increase the supply of wraparound care, so that parents of primary school age children can access childcare between 8am and 6pm – tackling the barriers to working caused by limited availability of wraparound care.
26. 14 schools and 1 childcare provider have been awarded funding to either create or expand wraparound provision from September 2024.

27. Work will continue in the autumn term to encourage more schools or childcare providers to create or expand their wraparound provision as per the approved delivery plan submitted to DfE.

Strategic Priorities

28. To ensure there are sufficient early years funded places available across the borough, closely monitoring demand in the ward areas identified as hot spots.
29. Further development of wraparound childcare places as approved in the DfE delivery plan.
30. Continue to promote early years funded places to working parents and parents on certain government benefits, and ensure parents are aware of the Families Information Service to support them in finding childcare to meet theirs and their child's needs, including providing advice on funded childcare and/or childcare benefits available to them.
31. Undertake a detailed analysis of the supply of early years and wraparound childcare provision for children with SEND and other vulnerable groups, understanding the needs of parents, and the issues childcare providers have in offering places to these groups.

Consultation and Engagement

32. Consultation has been undertaken with parents/carers and childcare providers to inform the sufficiency assessment.
33. Providers were surveyed in February 2024 to gather information on their current demand for childcare and insight on their future sustainability and barriers to delivering on the expansion to childcare. This survey had a total of 83 responses.
34. Parents/carers were surveyed in April 2024 to gather information on demand for wraparound childcare, and any barriers to them taking up wraparound childcare. This survey had a total of 949 responses.

Next Steps

35. The sufficiency assessment will be placed on the Stockton Information Directory once it has been through the Cabinet process, so it is available for parents/carers, childcare providers, and employers.
36. Work will continue to assess sufficiency of places to ensure that parents/carers are able to access an early years funded place or a wraparound childcare place.
37. Further work to be undertaken on meeting the needs of vulnerable groups to ensure they can access high quality, affordable childcare.
38. Work with childcare providers and schools to either expand or create places in areas of where there is high demand.

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