

CHILDCARE SUFFICIENCY ASSESSMENT ANNUAL REPORT

Report of Deputy Director & Head of Inclusion and Learning (Interim)

Please note that the following recommendations are subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council's Constitution) before taking effect.

Recommendation

That Cabinet agree the Childcare Sufficiency Assessment Annual Report and to publish it on the Council's website.

1. Introduction

- 1.1 Local Authorities as set out in Section 6 (1) of the Childcare Act 2006 have a statutory duty to secure sufficient, accessible, affordable, high quality early years and childcare places so far as is reasonably practicable. Childcare and early years education should be available to support children's learning and development and enable parents to seek work, or remain in work, or undertake education or training to assist them into work.
- 1.2 The guidance issued to Local authorities states that an annual report is made to elected Members on how the authority is meeting its duty. The guidance sets out that the Annual Childcare Sufficiency report should include:
 - a specific reference to how local authorities ensure there is sufficient childcare available to meet the needs of:
 - children with special educational needs and disabilities
 - children from families in receipt of the childcare element of Working Tax Credit or Universal Credit,
 - children with parents who work irregular hours,
 - children taking up free early education and childcare places,
 - school age children, and
 - children needing holiday care
 - information on the current and projected supply and demand of childcare for particular age ranges of children, and the affordability, accessibility and quality of provision.
 - details of how any gaps in childcare provision will be addressed.
- 1.3 The childcare sufficiency duty covers children aged 0-14-year-olds (or up to 18 years old for disabled children). This provision is paid for by parents if it is outside of the funded entitlements for children under five that are mentioned below.

Early years places for under-five-year-olds

- 1.4 Since April 2024, working parents of two-year-olds have been able to access up to 570 hours of funded childcare a year and all three and four-year-olds are funded through the Dedicated Schools Grant to access 570 hours of education and care a year (equivalent of 15 hours a week term time [38 weeks]). Eligible working parents of three and four-year-olds can already get up to 1140 hours (30 hours over 38 weeks) a year of funded childcare.
- 1.5 New funding will increase the number of two-year-olds and babies requiring places. From September 2025, eligible working parents, with children from 9 months to starting school will be able to access up to 1140 hours of funded childcare a year.
- 1.6 Childcare Expansion Capital Grant funding is available to increase the number of places for babies and two-year-olds. The grant is specifically to support the delivery and sufficiency of places to meet the expected increased demand brought about as a result of the new funding for working parents. A small proportion of this grant can be used to create before and after school childcare places for primary school aged children.
- 1.7 Department for Education launched the School Based Nursery Capital Grants in October 2024. This is a one-time grant available for eligible state-funded primary-phase schools. Schools can bid for up to £150,000 of funding to use for capital expenditure to:
 - convert spare space within school buildings into a new nursery
 - expand an existing nursery

Wraparound places for primary school aged children.

- 1.8 The Department for Education (DfE) expects that by September 2026, all parents with 5 – 11-year-old children will be able to access wraparound care before and after school. Wraparound childcare extends the school day, to enable parents to return to work or training. It must start from 8.00 am and continue until at least 6.00pm, five days a week, during term time (unless local evidence can prove a need for alternative hours).
- 1.9 The Council has been awarded funding by the DfE to support the development of new places for children in reception to year six. The funding is provided as a grant to support providers with the costs of setting up and creating a “surplus” of places to provide for the growing need for childcare. It is expected that parents will pay for this childcare.
- 1.10 The government plans to have free 30 minute breakfast clubs in every primary school in England. This plan is part of a broader vision to support families and improve educational outcomes. From November 2024, schools can apply to the Department of Education to become one of 750 early adopters in the government’s free breakfast club roll out, with clubs to launch from April 2025.

2. Proposal

- 2.1 The 2023/24 Childcare Sufficiency Annual Report is provided in the appendix to this report and covers the period July 2023 to August 2024.
- 2.2 Sufficiency across Devon is met through a variety of providers that includes all types of schools, pre-schools, day nurseries, holiday clubs, breakfast clubs, after school clubs, and childminders. These provisions are within the private, voluntary, independent, maintained and academy sectors.
- 2.3 The Early Years and Childcare Service determine there to be sufficient early years and childcare provision in almost all areas of Devon for two, three and four year olds to access their entitlement to early education during term times. However, there are very few parents who require childcare during term times only and therefore there is a need for more all-year-round provision.
- 2.4 Due to the roll out of the new entitlements for working parents to access early years and childcare from the term following their child turning nine months, there is a need for more all-year-round places for under-three-year-olds for September 2025 across Devon. There is also a need for more holiday provision for primary school aged children.
- 2.5 Whilst the delivery support grant created 694 new places for under three-year-olds we have identified Childcare Sufficiency Hot Spots where we are concerned about sufficiency and which are detailed in the full report.
- 2.6 The service is pro-actively responding to developing more childcare provision in these areas, including by:
 - Childminder recruitment campaigns in Hot spot areas.
 - Targeting the Childcare Expansion Capital Grant Funding.
 - Encouraging and supporting providers to open earlier, close later, open for more weeks, increase the number of places offered, and extend the age range of the children they work with.
 - Targeting Early Years and Wraparound Expansion revenue funding.
 - Support with recruitment of staff.
 - Work with local councillors to identify opportunities and solutions.
 - Identify premises from where childcare could operate; this includes looking at DCC buildings within the area.
 - Progress is monitored through termly reports to Early Years Leadership team and Annual Sufficiency Return to Department for Education.
- 2.7 A summary of the other key findings set out in the Sufficiency Annual Report July 2023 – August is provided below:

- The population of under-five-year-olds has decreased by 2.1% (730 children) which was similar to the decrease seen in 2023 with a decrease of 2.1% (751 children).
- More early years and childcare providers closed than opened between July 2023 and August 2024, with net decreases being seen within out of school clubs, holiday clubs and childminders.
- The voluntary sector continues to be in decline whilst the private sector and school run providers continue to increase.
- Ofsted report the percentage of registered providers in Devon graded as good or outstanding at their most recent inspection has increased from 97.6% in March 2023 to 98.5% in March 2024 and is higher than the Southwest (97.8%) and national (97.5%) level.
- The percentage of two-year olds taking up a funded place remains high, increasing from 85.7% in 2023 to 87.4% in 2024.
- The percentage of three and four year-olds taking up a funded place is 95.8% which remains higher than the national average of 92%.
- Children accessing their full universal entitlement (570 hours) and those taking up the working parent's entitlement (1140 hours) has also increased.
- Funded two-year-olds were eligible to receive Early Years Pupil Premium (EYPP) for the first time this summer. The proportion of three- and four-year-olds in receipt of EYPP has continued to increase.
- There were 1527 two, three and four-year-olds receiving Individual Inclusion Funding to support settings to meet their needs.
- 204 children have been funded through the Disability Access Fund for early years providers to support children in receipt of Disability Living Allowance.
- The Early Years and Childcare Service has partnered with Learn Devon to offer the NCFE CACHE Level 2 qualification for Early Years Practitioners. We have seconded a member of the team to Learn Devon to be the lead for the delivery of the Level 2 qualification and they are supported by our advisory team in the delivery and assessment.

2.8 Nationally and in Devon, it is a challenge to recruit suitably qualified and experienced early years and childcare staff. This is particularly the case for staff with full and relevant NVQ3 qualifications that can be counted within ratios. Some settings have reported increased running costs due to reliance on agency or bank staff.

2.9 To support the recruitment and retention of staff within the sector the following activities have been undertaken:

- Early Years and Childcare Team and Learn Devon partnered up to offer level two qualification for childcare professionals.
- A recruit press campaign has been run with new webpages on the Council's website and a yearlong social media campaign introduced.
- A video advert on YouTube to generate awareness and interest has been created.

- Worked with Job Centre Plus to promote childcare as a career has continued.
- Liaison with secondary schools and colleges and attending careers fairs.
- Promoted childminder start up grants.
- Offered childminding courses.
- Working with other providers of childcare to support them to market and promote their offer.
- Promoted apprenticeships: [Early Years Educator \(apprenticeships.gov.uk\)](https://www.apprenticeships.gov.uk)
- Subsidised the cost of training and professional development opportunities.

2.10 This year saw the launch of the new Provider Self Update (which replaced the Annual Survey of providers) and the new Find Childcare in Devon website (that replaced Pinpoint). Due to technical difficulties and delays, as well as day to day pressures on childcare providers the response rate has been slow.

2.11 In addition to recruitment pressures and rising costs, the key findings from the Provider Self Update were:

3. Next Steps

3.1 The Service is taking a number of steps to improve and secure sufficient, accessible, affordable, high quality early years and childcare places. The key actions are provided below. Work including the draft Early Years Strategy is underway to monitor and measure progress against these actions:

3.2 Sufficiency of places:

- Promote DfE funding streams: School Based Nurseries, Breakfast clubs, Childminder Start up Grants, Childcare Expansion Capital Grant, particularly in areas where provision is most needed.
- Identify schools where there is surplus capacity that could be used for nursery provision.
- Enable the Childrens Centre buildings, that will not be needed for Family Hubs, to be used to accommodate childcare provision all year round.
- Identify suitable premises from where childcare could operate.

3.3 Take up of the funded entitlements:

- Monitor the take up of funded places and hours by children with SEND and follow up where children are not accessing a place and where children are not accessing the full entitlement hours. This will be used to inform a review of Individual Inclusion Funding as well as ensuring accessibility, inclusion, and sufficiency.
- Work with colleagues across Children's Services to support the take up of targeted two-year-old places and hours and ensure that Children in Care, Children who were previously in Care and Children in Need are supported to access places and funding to improve their life chances.
- Monitor the take up of the current entitlements and the new entitlements and ensure that there is sufficient childcare and early education to meet the demand of parents for children from 9 months to the start of reception from September 2025.

3.4 Engaging with parents:

- Provide information to parents on the support that is available to help them with childcare costs and explain what charges made by providers, are acceptable.
- Work with providers to build greater flexibility and affordability into their provision for parents, especially where provision is open all-year-round but does not enable parents to stretch the funded entitlements.
- Continue to survey parents regularly to gain a greater insight into the demand for childcare and strive for a greater response from families with children under five.

3.5 Quality of provision:

- Monitor the quality of provision
- Support settings to sustain their quality or improve where Ofsted have judged them as requiring improvement or inadequate through [Early Years ONE Devon](#).
- Provide a range of professional development opportunities to ensure settings meet the statutory duties including those related to safeguarding and develop their skills and knowledge in providing high quality inclusive practice for all children.

3.6 Recruitment and retention of staff within the sector:

- Promote recruitment and retention campaigns, nationally and locally.
- Continue to work in partnership with the Performance and Partnerships Directorate and [Learn Devon](#) to deliver early years qualifications and prioritise [Bootcamps - Train 4 Tomorrow](#) funding to deliver play work training for those entering the sector.
- Encourage childminding as a career, especially in rural areas, by promoting the new DfE flexibilities to support childminders in joining and remaining in the profession.

3.7 Performance and Management Information:

- Increase the completion of the Provider Self Update and improve accuracy of data.
- Continue to monitor the Provider Self Update submissions to support our understanding of where provision is offered, identify where there are gaps and provide support to develop provision in these areas.
- Further develop the Find Childcare in Devon website to support parents to find childcare.
- Provide quarterly performance and progress updates as part of the Directorate's performance and improvement targets.

4. Options / Alternatives

- 4.1 Presenting the Annual Childcare Sufficiency Report is a statutory requirement and no alternatives were considered therefore.

5. Consultations / Representations / Technical Data

- 5.1 Data is collated from a number of sources to support the information provided and are referenced in the report.

6. Strategic Plan

- 6.1 The proposal supports the Council's Strategic Plan 2021 – 2025 and the priority to be ambitious for children and young people by support children and families through securing sufficient, accessible, affordable, high quality early years and childcare places across the county.
- 6.2 It also supports sustainable economic recovery by providing parents with opportunities to work, train or learn to secure a job, and for businesses to secure a workforce.
- 6.3 This work contributes to tackling poverty and inequality and improving health and wellbeing, by seeking sufficient quality childcare and early years provision for all communities, and supports addressing health, poverty and inequalities by supporting parents be able to secure work, education or training. In the same way, this work contributes to supporting safe, connected and resilience communities.

7. Financial Considerations

- 7.1 There are no financial considerations arising from this recommendation.
- 7.2 The assessment report details the leverage of national funding opportunities to support the Council to deliver its statutory duty and how future government funding will support the roll out of the new entitlements, the increase in the hourly funding rates and the funding to implement the school wraparound programme and school-based nurseries.

8. Legal Considerations

- 8.1 There are no considerations arising from this recommendation.

9. Environmental Impact Considerations (Including Climate Change, Sustainability and Socio-economic)

- 9.1 Improve outcomes for disadvantaged children and support parents back into work or training and expansions of childcare creates more employment opportunities.

10. Equality Considerations

- 10.1 It is recognised that we need to continue improvements in how we analyse our data to ensure the service meets the needs of all communities in Devon including those with protected characteristics. This work is planned and will be reflected in the 2024-25 assessment. For example, the data on children claiming entitlement funding via the 'no recourse to public funds' routes will be included in the 2024-25 assessment. The childcare sufficiency assessment team is actively working to obtain and verify this information.

SEND and Disability access fund information is provided on pages 40 to 43 of the assessment (appendix 1). Early years diversity profiles are published here: [Service Data - Equality, Diversity and Inclusion](#).

11. Risk Management Considerations

11.1 There are no significant risks involved with the recommendation in this report.

12. Summary / Conclusions / Reasons for Recommendations

12.1 This report provides a summary of the annual Childcare Sufficiency Assessment. It sets out the current key findings, that are detailed in the appendix to this report, the use and leverage of national funding the steps being taken to retain and recruit a qualified workforce and the next steps proposed to maintain and meet the Council's statutory duty to secure sufficient, accessible, affordable, high quality early years and childcare places so far as is reasonably practicable.

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Electoral Divisions: All

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