

# **Section Two**

## **Childcare Sufficiency Assessment**

Background Information and Overview

## Statutory Requirement

The Local Authority has a statutory duty under Sections 6 and 7 of the Childcare Act 2006 and 2016 to ensure that sufficient childcare places are available across the district to enable parents to work, or undertake education or training leading to work, as far as is reasonably practicable to do so.

The Childcare Act 2006 can be found at the following:

[http://www.legislation.gov.uk/ukpga/2006/21/pdfs/ukpga\\_20060021\\_en.pdf](http://www.legislation.gov.uk/ukpga/2006/21/pdfs/ukpga_20060021_en.pdf)

The Childcare Act 2016 requires local authorities to secure 30 hours free childcare for working parents of three and four year old children. The Childcare Act 2016 can be found at the following:

[http://www.legislation.gov.uk/ukpga/2016/5/pdfs/ukpga\\_20160005\\_en.pdf](http://www.legislation.gov.uk/ukpga/2016/5/pdfs/ukpga_20160005_en.pdf)

The Department for Education has produced statutory guidance for local authorities which came into effect from September 2017. This covers both Childcare Act 2006 and Childcare Act 2016.

The new guidance states that local authorities are required by legislation to:

- secure free 15 hour EYFE places for eligible two year olds
- secure free 15 hour EYFE places (universal entitlement) for all three and four year olds
- secure free 30 hour EYFE places (extended entitlement) for three and four year olds of working parents
- secure sufficient childcare, so far as is reasonably practicable, for working parents, or parents who are studying or training for employment, for children aged 0-14 (or up to 18 for disabled children)
- report annually to elected council members on how they are meeting their duty to secure sufficient childcare, and make this report available and accessible to parents
- ensure parents and prospective parents can access online, or are provided with, comprehensive and up to date information about childcare and early education, including free places in their area

A copy of this guidance can be found on GOV.UK by following this link:

<https://www.gov.uk/government/publications/early-education-and-childcare--2>

## Wakefield Childcare Sufficiency Assessment

Local authorities are required by legislation to report annually to council members on how they are meeting their duty to secure sufficient childcare and make this report available and accessible to parents.

In light of the global pandemic, Wakefield Council's Childcare Sufficiency Assessment (CSA) in 2020 will take a different format to previous years. Using the take-up data (demand), usually collected in the spring term as a basis as forecasting forward, would seriously skew the figures due to the closure of many settings during lockdown and the market conditions associated with re-opening. Therefore, the information presented provides a brief overview of the state of the current market and considers the short term position rather than forecasting up to 2025 as would normally happen.

The data presented will cover the following:

- Childcare Quality
- Childcare Cost
- Types of childcare and the number of places available across a limited number of age ranges
- Early Years Free Entitlement (EYFE) Take -up

It is hoped that in future years that the CSA will revert to its previous format.

### Types of Childcare

The childcare market is made up of a variety of childcare providers to meet the needs of parents. The information contained in the CSA is based on information gathered from providers who operate for over two hours and are registered and inspected by Ofsted and operate within the Early Years Foundation Stage (EYFS) Statutory framework. The different types of childcare are described in the glossary in Section One. It should be noted that some holiday clubs, depending on their offer, no longer need to be registered with Ofsted these are not included in the data but may support parents to work.

### Cost of Childcare

The Childcare Survey 2020 carried out by the Family and Childcare Trust found that the average cost of a part-time (25 hours) nursery place for a child under two was £135 per week across England. The cost of an equivalent place in Wakefield is £119.52 per week, which is about 11% lower than the national average but 4.6% higher than 2019. The average cost in England for a part-time (25 hours) childminder place for a child under two is £119.83 this figure is £101 in Wakefield. The cost of childcare in Wakefield compares very favourably to the national average. This is important for local families as:

*‘Childcare provision is a crucial part of a modern state’s infrastructure. It enables parents to work, improves children’s outcomes and helps narrow the gap between disadvantaged children and their more affluent peers.’*

### The Supply of Childcare

Childcare providers in Wakefield operate in a regulated free market, where market demands dictate the number of providers within the district. A number of barriers could prevent a provider from expanding or entering the market, such as the local availability of qualified nursery staff, the availability of suitable premises; and the accessibility of capital and support from the Local Authority.

### Early Years Funded Entitlement (EYFE)

The foundation years (pregnancy to age five) are critical to children's life chances. Most children who are developing well at the end of their foundation years go on to exceed expectations in reading and maths at the end of Key Stage 1. However, if their attainment falls behind in the foundation years, children are less likely to achieve well throughout school; children in the lowest achieving 20% at age five are six times more likely to be in the lowest 20% when they are 7 years old. The EYFE provides access to 15 hours in term time or 570 hours annually for eligible two year olds and all three and four year olds. An additional 15 hours can be claimed by eligible working parents for their three and four year olds – this is known as 30 Hours free childcare (Extended Entitlement).

### Two Year Olds

An entitlement for eligible two year olds to access free early education is targeted at the 20% most disadvantaged parents and those who have an annual household income below £15,400. EYFE places for two year olds are provided at settings or with childminders graded by Ofsted as ‘Good’ or above.

### Universal and Extended Entitlement for Three and Four Year Olds

All three and four year olds are entitled to 15 hours of EYFE, this is known as the Universal Entitlement. Through the Childcare Act 2016 the Government committed to giving families, where parents meet the eligibility criteria, an entitlement to 30 hours of free childcare (Extended Entitlement), over 38 weeks (or the equivalent number of hours across more weeks per year), for

their three and four year olds. Additional free childcare will help families by reducing the cost of childcare and will support parents into work or to work more hours, should they wish to do so.

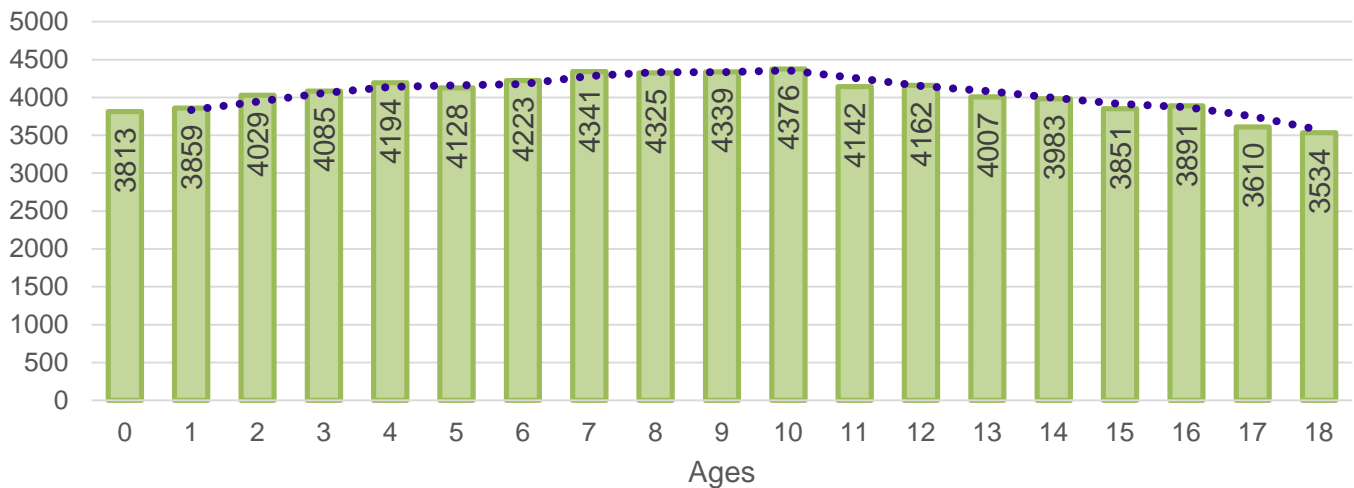
### **Childcare for Disabled Children within Wakefield District**

Childcare for children with a disability is provided by the childcare market across the district. Early childcare inclusion funding is available for children above the age of three who have a My Support Plan prior to getting an Education Health Care Plan (EHCP). The child is funded through the EHCP once this is in place.

This funding has now been extended to support two year olds who are eligible for the funded entitlement and whose needs are identified as significantly below what would be expected at the age of two.

School age children who have an EHCP in school can access additional support through the Childcare Inclusion Funding to enable them to take up an out of school and/or holiday club place to enable their parents to work.

Whilst there is provision across the district for children with SEND it is becoming more difficult to find places particularly where the child has more complex needs. There is also a difficulty in attracting childcare provider's into concentrating on this particular market. Whilst the Families Information team will broker childcare places for parents with children with additional needs and work with the Council's Inclusion Teams to find appropriate provision. Occasionally it may be necessary for the Council to apply the reasonably practicable rule.

**Wakefield District Children by Age Group (76,892):****Wakefield District Ofsted Judgements**

The below table shows the Ofsted judgements in the private, voluntary and childminding sectors\* as at September 2020. Childminders belonging to the Childminder Agency are reported as 'Effective' none, as yet have been graded by the Agency.

Type	Initial Inspections	Effective / Met	Inadequate / Not Met with Actions	Requires Improvement	Good	Outstanding
Home Based	29	30	1	2	175	25
Group Based	7	N/A	N/A	1	58	6
Out of School (incl. Holiday Club)	6	3	N/A	0	84	9

\* The Ofsted judgements for the school sector are not included.

**Wakefield District Childcare Costs**

Provider Type	Average Costs		Difference 2019 to 2020
	2019	2020	
Home Based	£4.00	£4.05	£0.05
Group Based Full Day 0-U2	£43.85	£46.16	£2.31
Group Based Full Day 2-U3	£42.76	£44.86	£2.10
Group Based Full Day 3+	£41.86	£44.48	£2.62
Group Based 25 hours 0-U2	£113.98	£119.52	£5.54
Group Based 25 hours 2-U3	£110.85	£112.14	£1.29
Group Based 25 hours 3+	£110.14	£111.20	£1.06

Whilst average childcare costs in Wakefield are lower than those nationally, there have been some significant increases in childcare charges again in 2020, particularly in group based provision.

The concern is that parents will see higher increases in charges in 2021 as the day care sectors tries to maintain it sustainability in light of the pandemic. Whilst Government support has been welcomed on 2020 the sector has suffered from a number of years of underfunding.

## Wakefield District Childcare Places for 0 to 11

Type of Provision	Number of Providers			Number of Places		
	2019	2020	+ / -	2019	2020	+ / -
0-5 Group Based Term Time	68	66	-2	3252	3093	-159
0-5 Home Based Term Time	229	211	-18	929	892	-37
2 -U5 Funded in Schools (incl. Independent Schools)	102	102	0	5774	5770	-4
5-11 Group & Home Based Breakfast Clubs	281	218	-63	4708	3202	-1506
5-11 Group Based & Home Afterschool Clubs	241	195	-46	2602	1992	-610
5- 11 Group & Home Based Holiday Clubs	Difficult to quantify childminders have in the main operated during the holidays however many holiday clubs had limited numbers of children to make operating viable in 2020.					

The above table highlights the difference in number of providers and places from 2019 to 2020. Three providers closed with one opening in August 2020 - the loss of one provider in the South Elmsall and South Kirkby ward may have implications for 2 year old places in the area however, the effects of the other closures have not caused a gap in provision so far.

The concern is that again in 2020, 18 childminders have resigned their registration and we are aware of a further 12 who are not minding and intend to resign shortly. There are potentially six working through the registration process but this can take up to 12 weeks once proposed with Ofsted so leavers are not being replaced with new childminders.

The other significant change in 2020 due to Covid is the significant reduction of before and after school places across both the maintained and private sector which is due to a number of factors:

- parents working from home and therefore not needing additional care
- unemployment / furlough reducing numbers attending therefore making operating unsustainable
- shortage of space in schools due to change of use because of Covid
- staff shortages due to Covid or taking on additional duties to support school's operationally.

The economy will be the main factor in establishing whether out of school provision remains sustainable in the future. We are not yet in a position to determine if any gaps in provision will remain in the future. Previous experience tells us that out of school provision suffers in times of recession and that, coupled with the impact of working from home, may mean the loss of a number of out of school providers across both the private and public sector.

## Staff

Recruitment of staff is also of concern and many settings are struggling to find suitably qualified staff or where they have qualifications, applicants do not seem to be at a level expected by the settings. This impacts on the number of places offered as well as the quality of the provision which ultimately affects the Council as it works to raise outcomes for children.

## Early Year Free Entitlement Take Up of Provision for Two, Three and Four Year Olds

The below table includes data based on spring term 2020 numbers.

	Places*	Qualifying Children	Child Take-Up of EYFE	Vacant Places	Take Up by Sector		
					Maintained	PVIC	Total
Two Year Olds	1378	1502	1172	206	125	1047	1172
Universal	8038	5441	5559	284	3835	1724	5559
Extended		-	2195		541	1654	2195

\* Reported places across the maintained and private funded providers. \*\* Most of the vacancies are Universal and are mainly offered by the school sector.

### Two Year Old Eligibility and Take Up

The below table highlights how the number of eligible parents has increased by 143 in autumn 2020 which is due to the economic downturn caused by the pandemic as well as births continuing to decrease in this year group of children.

Ward	Number Eligible	Take Up Autumn 2019	% Take Up *	Number Eligible	Take-Up Autumn 2020	% Take-Up *	% Change in Eligibility
Ackworth	47	41	87%	52	34	65%	11%
Airedale	112	85	76%	123	87	71%	10%
Altofts & Whitwood	58	53	91%	73	46	63%	26%
Castleford Central	64	51	80%	59	44	75%	-8%
Crofton, Ryhill & Walton	55	38	69%	50	49	98%	-9%
Featherstone	96	72	75%	99	64	65%	3%
Hemsworth	74	61	82%	91	65	71%	23%
Horbury & South Ossett	46	41	89%	45	29	64%	-2%
Knottingley	85	55	65%	81	42	52%	-5%
Normanton	59	55	93%	86	56	65%	46%
Ossett	29	29	100%	68	47	69%	134%
Pontefract North	73	65	89%	69	52	75%	-5%
Pontefract South	58	46	79%	56	43	77%	-3%
South Elmsall & South Kirkby	94	92	98%	124	86	69%	32%
Stanley & Outwood East	37	27	73%	36	30	83%	-3%
Wakefield East	124	102	82%	114	75	66%	-8%
Wakefield North	91	75	82%	88	61	69%	-3%
Wakefield Rural	37	36	97%	45	29	64%	22%
Wakefield South	69	57	83%	72	38	53%	4%
Wakefield West	99	89	90%	92	68	74%	-7%
Wrenthorpe & Outwood	30	27	90%	51	32	63%	70%
Out of Area	25	23	92%	31	30	97%	
	<b>1462</b>	<b>1220</b>	<b>83.4%</b>	<b>1605</b>	<b>1107</b>	<b>69%</b>	

\*Red highlights those wards where the % take-up is below the district average for the term

Numbers of children eligible for the offer have increased in 12 wards in 2020 with the 4 wards highlighted in yellow showing increases of over 20 children, with the Ossett and Wrenthorpe wards showing the highest increase. This is significant as both these wards are in the more affluent areas of the district and have had a greater percentage of parents accessing 30 hours for three and four year olds in previous years. There are sufficient places for two year olds in these wards, but the data



reflects the economic position in these areas. South Elmsall and South Kirkby is of greater concern with vacancies in this ward being lower than the children eligible with this forecast to continue in future terms. Airedale, Featherstone and Knottingley continue to be highlighted as requiring places for two year olds.

In light of the pandemic comparison data for this year is not detailed as this will be skewed due to lockdowns and parents keeping their children at home although settings were open in the autumn term 2020. This is reflected in the data above which clearly shows take-up of 69% which is 14% lower than autumn 2019 and 9% lower than Wakefield's average of 78% last year.

### Three and Four Year Old Take Up for Universal Entitlement

In autumn 2020, take-up was 95.75% which is a slight drop on autumn 2019 when take-up was 97% this is above the national average of 94%. Again, the pandemic has impacted on take-up in terms of parents being nervous about their children returning to setting. No wards stand out as having a significant drop in take-up however, Normanton and Pontefract South dropped below 90% which will be monitored in future terms. There are sufficient universal places for three and four year olds.

### Three and Four Year Old Take Up for Extended Entitlement

The extended entitlement started in September 2017 and take-up has steadily increased from 32% in 2017 to 39% in spring 2020 prior to lockdown. In the autumn term 2020, take-up dropped by 4%, clearly as a result of the economic pressures of the pandemic. All early providers were open in the autumn term therefore, it can be assumed that parents would take-up the extended entitlement if they were working as they would need childcare.

Again, it is difficult to predict what the implications are for take-up in Spring 2021 as we move into a further lockdown, critical workers will require the funded entitlement with many needing 30 hours however again take-up will be determined by parental choice and need and their economic position.

Across the district there are sufficient extended entitlement places however here there are gaps, Pontefract North and Wakefield South. These gaps are small and can be covered with surplus places in nearby wards, similarly if parents are not working they will not be eligible for the extended entitlement so the number of places required will reduce.

### Sustainability

It is important to ensure there are sufficient childcare places once the economy starts to grow and the country moves into more normal times. Parents cannot work without childcare and the sector needs to be ready to fulfil this need when it arises.

A number of early year providers have expressed their concern regarding their sustainability due to the pandemic and funding issues in previous years. Any further closures will have a detrimental effect on the childcare market in Wakefield, whilst some wards have an oversupply of places this is not excessive and is unlikely to cover any losses if closures were experienced.

Childcare provision cannot be opened quickly as Ofsted registration can take up to 26 weeks therefore, it is essential that any potential losses in the number of places provided are monitored and/or prevented where they can be. As economic conditions improve housing expansions within the district are likely to increase or restart this will also support the need for places.