



CHILDCARE SUFFICIENCY ASSESSMENT 2017

ANNUAL REPORT TO ELECTED COUNCIL MEMBERS

Childcare Strategy Service

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(Contributions from Childcare Strategy Service, Family Information Service, and Early Years Learning and Welfare Service)

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SECTION 1: INTRODUCTION AND BACKGROUND

The annual report updates members on how City of York Council is meeting its statutory duty to secure sufficient childcare for children aged 0-14 (and up to 18 for disabled children).

Statutory Basis

Under the Childcare Act 2006 local authorities are required to 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. Local authorities are responsible for determining the appropriate level of detail in their report, geographical division and date of publication. However, the report should include:

- a specific reference to how they are ensuring there is sufficient childcare available to meet the needs of: disabled children; children from families in receipt of the childcare element of Working Tax Credit or Universal Credit; children aged two, three and four taking up early education places; school age children; and children needing holiday care;
- information about the supply and demand of childcare for particular age ranges of children, and the affordability, accessibility and quality of provision; and
- details of how any gaps in childcare provision will be addressed.

Securing sufficient childcare does not mean that the Local Authority provides childcare itself (although they may do in certain circumstances). The Local Authority role is one of market facilitation.

Please note that the annual report replaces the duty on local authorities to prepare an assessment of the sufficiency of the provision of childcare in their areas at least every three years.

York's Childcare Market

A strong childcare market is critical to the success of York's local economy by improving outcomes for young children and for parents to go out to work or participate in education and training.

The constant changing level, nature and quality of provision in the City means it is often a difficult market to predict in terms of gaps and over-provision and how well

this matches families needs: the provision can look very different within a short period of time.

It is important to note how fine a balance it is between providing choice for families and sustainability of childcare providers. Proposed, new and expanding childcare providers should undertake relevant market research to avoid the potential for low take up of places therefore reducing the risk of closure. All potential childcare providers who contact the Family Information Service about setting up new childcare provision are given information on potential gaps in the city and are advised to assess levels of demand.

Over the last few years there has been a faster pace of change in the childcare market and at times childcare sufficiency has changed dramatically within a few weeks. The Local Authority now has a more responsive model to provide a more effective and accurate picture of the childcare market www.york.org.uk/childcaresufficiency. A new Childcare Sufficiency Tool is also now being used to clearly identify any pressure points across the city.

The Childcare Strategy Service and the Early Learning and Welfare Team take a strategic early intervention/preventative approach to providing support to childcare providers so that they are high quality and financially viable to remain open to provide places to help the local authority meets its statutory childcare sufficiency duty.

Market Facilitation

There are a number of ways that the Childcare Strategy Service works to meet any gaps in childcare demand, including, but not limited to;

- Market forces where childcare providers are active themselves in identifying demand and seek to set up new provision
- Supporting childcare providers through advice and guidance to remain financially viable so that they remain open
- Direct stimulus where there is active encouragement of new providers to the market (or existing providers to expand) in targeted areas and this can include recruitment of childminders.
- Maintaining a diversity of supply of childcare, so that parents have a choice about where to find childcare, including free entitlement, and the diverse needs of all children.
- Ensuring a cost effective and sustainable market which efficiently meets the needs of families
- Offering fair, equitable and transparent support to childcare providers.

- Linking with planning and contributing to the planning consultation process so that we are aware of applications for new provision/expansion and are able to advise as to whether there is known demand within an area.

Therefore, in most cases additional capacity is created through a combination of commercial market forces and stimulation and support led by Childcare Strategy which can sometimes involve a commissioning process for the delivery of new childcare.

York's award winning Shared Foundation Partnerships, where early education childcare providers and schools work closely together, are encouraged to assess childcare sufficiency at a local level. They may do this through regular parental questionnaires and for example waiting lists to understand any levels of demand from families.

Ensuring Sufficient Childcare

The local authority does this in a number of ways through its sufficiency assessment model;

- Identifies triggers that instigate an analysis where there is an awareness emerging of a sufficiency issue such as anecdotal information, concerns about quality of provision, annual childcare audit and national legislation.
- Gathering of existing local intelligence, making future predictions and horizon scanning to drill down and give the most up to date picture of a local area.
- Assessment of the level of risk to the statutory duty.
- Finally, developing an agreed Action Plan to respond to key findings and highlight areas that City of York Council and its partners should focus on to secure sufficient childcare. The Action Plan is monitored by the Childcare Sufficiency Task Group. The Action Plan can be viewed at www.york.org.uk/childcaresufficiency.

Priority Sufficiency Assessment 30 Hours Childcare

It should be noted that as York has been an Early Implementer for 30 Hours Childcare the capacity of the Childcare Service has been prioritised on supporting the market and carrying out specific sufficiency assessments to ensure that providers could meet demand from parents for this significant new entitlement from September 2016, a year earlier than national roll out.

The work carried out included;

- Parental Surveys to understand demand for 30 Hours Places
- Parental Surveys to understand the potential supply of 30 Hours Places
- Business Readiness Survey and Action Plan

- Out of School baseline survey and feasibility study to add flexibility to the market.

Prior to early implementation there were also significant discussions that took place between the LA, Department for Education and providers to secure a higher hourly rate of £4.00 (previously £3.38) as well as consultation and implementation of a new funding formula from April 17 which gave an hourly rate £4.00 with 0.40p deprivation based on a child's postcode.

The ongoing financial viability of provision is a challenge as providers continue to facing rising costs and therefore a review of future funding is a key issue providers are raising with national government with a specific focus on the ability to charge for extras. Cost pressures can include;

- National Living Wage
- Minimum Wage
- Auto-enrolment Pension Contributions
- Utilities
- Business Rates

SECTION 2: CURRENT MARKET PROVISION

Current Providers and Places

There are now **325** childcare providers in York offering approx **6,689** places. The childcare market in York is made up of different types of provision as shown in the table below.

Provider Type	Number of providers	Registered places	Net change since 31 st December (providers)	Average operating period (years)
Childminder	149	753	-10	6.00
Creche	1	56	0	3.89
Day Nursery	41	1968	-1	10.19
Holiday Scheme	23	648	0	4.04
Independent School Nursery Class	5	174	0	
Nursery Schools And Classes	20	923	0	6.03
Out of School	50	1315	1	3.56
Pre-School Playgroup	36	852	-2	4.03
Grand Total	325	6689	-12	6.41

Source: CYC Tribal Records Report Manager 2017

The table below shows the number of new providers by type over the last year. As the number of new providers is relatively low much of the expansion of places across the City to meet any increased demand has probably arisen from existing providers offering additional places. Over the next year systems will be refined to capture data on new places offered by existing providers.

Childcare provider type	Number registered since 1st Jan 2017
Childminder	6
Home Childcarers Or Nanny Agencies	2
Day Nurseries	2
Pre-School Playgroups	1

Source: CYC FIS Ofsted/Tribal feed

A recent Ofsted Report (Childcare Providers and Inspections March 17) highlights the impact of 30 Hours Childcare early implementation on the childcare market:

Since September 2016, the 30 hours free childcare scheme has been piloted in 8 local authorities (LAs). Seven of these have been funded for a proportion of children who are eligible for the 30 hours offer, while York has been funded for all of their eligible children.

To consider the effect of the pilot on the supply of childcare places, they looked at all providers in the pilot area who were inspected between September 2016 and March 2017. There was an increase in childcare places at providers who had been inspected in 7 of the 8 pilot LAs. Inspected providers saw an average increase in places of 6%. By comparison, across England, childcare places have increased by 1% within the same time period.

Interestingly, York – the only LA which was funded for all eligible children – had the highest proportional increase in places, at 14%. This suggests that providers in the pilot areas may have increased their supply of places as a result of the 30 hours pilot.

This demonstrates the flexibility and resilience of the York childcare market to respond to unmet demand despite current costs pressures although a national funding review is needed to address ongoing financial viability.

The report also highlights that nationally there is a downward trend of childminders. In York this has been minimal as the LA prioritises effective recruitment and support recognising the additional capacity and flexibility that childminders bring to the market. Government have also recognised how key childminders are to the success of 30 Hours nationally and have awarded national contracts to PACEY, their sector organisation, to raise the profile of childminding and to offer business support.

It should be noted that York has been the first local authority in the country to trial the use of Out of School Clubs to deliver 30 Hours places. Six out of school clubs have been involved in delivering a small number of places and a feasibility study has been carried out on its impact for providers and families [Out of school Clubs 30 hours report](#)

Take Up of Early Education Entitlements

Two Year Olds

Ensuring a greater take up of two year old places continues to be a high priority working closely with Local Area Teams and the 0-5 Healthy Child Service to encourage disadvantaged families to access their entitlement. It should be noted that the annual average for York is currently 74% as the national data below is collected before the CYC local headcount figures are finalised. It should be acknowledged that some families choose not to take up their entitlement.

A recent Provider Survey sets out that the vast majority of providers (82%) have not seen and/or do not foresee an impact on other places offered due to the introduction of 30 Hours however there were a small number of providers, across all sector types, who did feel that the 30 hours had or would impact on places offered to other age groups. This is to be investigated further to determine potential sufficiency impacts at a local level and ensure that any potential negative impact on places for funded 2 year old children is minimized to ensure all eligible 2 year olds are able to access a high quality funded place.

The DWP provides details on eligible two year olds via a 'S2S' form. The S2S data shows a gradual decrease in numbers nationally which may relate to changes in the universal entitlement and or a decrease in the birth rate. This is currently being looked at nationally by the DfE to understand if any threshold limits for eligibility have been affected.

Statistic	England	Yorkshire and Humber	York
Percentage of 2-year-old children benefitting from funded early education place - 2017	71%	73%	(360) 71%
Percentage of 2-year-old children benefitting from funded early education place - 2016	68%	71%	72%
Percentage of 2-year-old children benefitting from funded early education place - 2015	58%	65%	65%

Source: DfE National Statistics – Education Provision: children under 5 years of age, January 2017

Three and Four Year Olds

York has a high percentage of take up and this may be related to the fact that the city is an importer of children. There are no national data sources available to LAs to understand the total number of eligible children within a LA area although we know 100% of three and four year olds take up their places within the private, voluntary and independent sectors.

Statistic	England	Yorkshire and Humber	York
Percentage of 3 and 4-year-old children benefitting from funded early education place	94.5%	97%	(4230) 100%

Source: DfE National Statistics – Education Provision: children under 5 years of age, January 2017

30 Hours of Childcare for Eligible Three and Four Year Olds

York has been the lead early implementer for this new government policy and has piloted early delivery from September 2016 ready for full national rollout in 2017.

Delivery in York has had a very strong start and exceeded the DfE estimates over the whole early implementation period.

Term	DfE estimated number of eligible parents	Eligible Parents taking up the extended entitlement	%
Autumn Term 16	1,480	1, 176	79%
Spring Term 17	1,480	1,568	106%
Summer Term 17	1,480	1,894	127.9%

Source: CYC termly headcount returns

There is a nationwide concern regarding the impact of 30 hours on vulnerable children who may not be eligible for the extended entitlement and hence we need to ensure that there is a focus on diminishing the difference for our most disadvantaged children.

Geographical Gaps

The LA is continually developing more robust and efficient systems to capture intelligence to inform childcare sufficiency. A new Childcare Sufficiency Tool (developed by Sheffield LA as part of their Early Innovation work) assesses the current number of children eligible for funded places residing in each super output area of York. The tool requires further entries relating to migration and provider vacancies specific to those super output areas rather than at city-wide level to further

drill down and give a more accurate picture of pressure points across the city. Shared Foundation Partnerships are also being encouraged to assess and respond to unmet demand in local areas as appropriate.

Due to the LAs unique position of piloting the 30 hours extended entitlement for working families across the whole LA area York now has a full year of data to enter into the childcare sufficiency tool. This allows us to gather a robust picture of sufficiency across the city. The only caveat to the current sufficiency picture is that it does not currently capture inward migration to the LA of out of area children taking up places at York based childcare provision and parents travelling into the city for work, education or training.

The following table presents projected demand for places based on a 15 hour place take-up (known as a part time equivalent or PTE) and matches it with the current city-wide capacity to supply those PTE places (known as PTE capacity). Taking a real-time summer 2017 term delivery of 5,093 PTE places as market capacity we can gauge the projected level of supply and demand for the upcoming year. Due to current limitations in data collection inward migration is not included in the table but is a priority follow-up exercise. The indicative rates of Extended Entitlement take-up are based on the previous year's termly take-up rate.

As expected, the amount of PTE places required increases term on term resulting in the summer term 2018 projection showing a surplus of 453 PTE places available. However if the net migration figures shows positive inward migration this could result in the local authority heading for pressure points in relation to sufficient childcare across the city. The calculation of net migration as a final sufficiency indicator is a crucial next step to the overall sufficiency calculation. Up to date and historical localised regular GP registration data would also support strategic childcare sufficiency planning.

		PROJECTED DEMAND										MARKET GROWTH	
Local Authority / City wide	Projected Term	Universal Entitlement - Eligible Population for Projected Term	Rate of Universal Entitlement Take-up (Baseline Term)	Likely Universal Entitlement Take-up number	HMRC - Rate of Families in Work	Universal Entitlement – Eligible Children from Working Families	Census - Rate of Eligible Working Families	Extended Entitlement - Eligible Population	Indicative rate of Take-up for Extended Entitlement	Likely Extended Entitlement Take-up number	Anticipated Demand for Universal Entitlement & Extended Entitlement	PTE Capacity	Total demand minus PTE Capacity (15 hr place availability)
	Autumn 2017	2054	87.39%	1777	89.82%	1810	80.70%	1455	80.82%	1176	2953	5093	2140
	Spring 2018	2722	84.16%	2252	89.82%	2403	80.70%	1935	80.83%	1564	3816	5093	1277
	Summer 2018	3185	87.26%	2745	89.82%	2815	80.70%	2267	83.55%	1894	4639	5093	453

From our intelligence we know that a geographical areas where there is still pressure for after school provision is predominately Micklegate although some additional places have been created recently to alleviate this issue. There are other pressure points where provision may be currently full and these will be pinpointed to see if this could be an ongoing issue once migratory data is added to the sufficiency tool.

There are also a number of Section 106 developments that require early years and childcare places to be created once plans are more fully in place.

Some families have reported that accessing before or after school provision can be challenging. It should be noted that when exploring levels of demand by school attended levels of demand exist but may not be at a level where by an out of school club could be sustained.

Families are supported to access childcare through a childcare brokerage scheme offered by Family Information Service. This support has meant that families who have had more complex family/work arrangements have been able to access their entitlement.

Due to changing legislation the offer from providers is constantly changing and one of the challenges will be to ensure that patterns of flexibly and affordable childcare

match the needs of parents. The LA will undertake termly parental surveys to gauge current and future childcare needs.

We also continue to work alongside other colleagues in the local authority to respond on potential housing developments in a similar way to School Place Planning, as the need for childcare places should be taken into account in the same way.

SECTION 3: AFFORDABILITY

2017 Childcare Costs

The table below shows average childcare costs in York compared to regional and national averages¹ (Childcare Costs Survey 2017, Family and Childcare Trust)

- Childcare costs in York still remain below the national average.
- Day nursery costs are 10% lower than the average for England.
- Childminder costs are 13% lower than the average for England.

Area	Nursery 25 hours (under 2)	Nursery 25 hours (2 and over)	Childminder 25 hours (under 2)	Childminder 25 hours (2 and over)	After-school club 15 hours	Childminder after-school pick up
York	£104.09		£96.41		£40.94	£57.85
Yorkshire and Humberside	£101.50	£95.35	£100.02	£99.01	£50.30	£65.33
England regional average	£117.43	£113.43	£110.68	£110.11	£52.80	£68.12

The DfE have set out in Operational Guidance that all parents should have the same rights to access a free entitlement place, regardless of whether they choose to pay for additional hours of provision, additional activities or meals. New DfE Operational

¹ Childcare Costs Survey 2017, Family and Childcare Trust

Guidance sets out that parents can expect to pay for any meals offered by providers alongside their free entitlement. They can also expect to pay for other consumables or additional activities offered by the provider. Where parents choose to purchase additional hours of provision, consumables or additional activities, this is a private matter between the provider and the parent. However, providers much offer alternative options for parents. During the period of early implementation many parents have paid for additional activities or meals and there is currently no evidence to show that parents consider this to be unreasonable. As the market matures and adjusts to demand for 30 Hours, when new parents choose provision they may opt for early entitlement places with providers where there is no expectation of an additional charge.

The recent 30 Hours York Case Study [York Final EI Evaluation report](#) shows that just over half of the parents in the survey said they had slightly more money to spend, a third said they had much more money to spend while a smaller number said it made no difference to their family circumstances.

Childcare Business Sustainability

National Living Wage

Childcare providers continue to feedback through their membership bodies that rising staff costs are causing financial sustainability difficulties. The nature of the service provided by the childcare sector means that staff costs often make up 70 – 80% of overall expenditure. The introduction of 30 hours free childcare for working parents further limits childcare providers' ability to directly alter fee levels due to government buying more hours at the local fixed rate, currently £4.00 per hour for 3 and 4 yr olds in York plus a deprivation supplement and/or pupil premium where applicable. Further, government has indicated there will be no review of the funded rates until at least 2020, whilst there are plans to increase national living wage and national minimum wage annually.

The National Living Wage rate from 1st April 2017 is set at £7.50 per hour for staff aged 25 and over, a rise of 30p per hour from the 2016 rate. Details of rising minimum wage levels are contained in the table below:

Minimum wage rates

Year	25 and over	21 to 24	18 to 20	Under 18	Apprentice
2017	£7.50	£7.05	£5.60	£4.05	£3.50
2016	£7.20	£6.95	£5.55	£4.00	£3.40

Research undertaken by the National Day Nurseries Association (NDNA) has estimated that childcare provider payrolls have been pushed up by 10% since April 2016 and this could reach an increase of up to 35% from 2020. Clearly childcare

providers will require support to review their businesses in relation to the introduction and continued rollout of the 30 hours free childcare for working parents particularly in relation to addressing the rapidly increasing staff costs.

Auto-enrolment pensions continue to be rolled out, now across small and micro-businesses. The amount employers must contribute to the pension scheme is determined by the scheme's rules. However, automatic enrolment schemes specify there are minimum contributions employers and employees must pay.

The minimum contributions payable into staff pension schemes are shown in the table below – currently a total contribution of 2% with at least a 1% employer contribution. Minimum contribution levels are being increased gradually over time.

Auto-enrolment pensions – contribution rates

Date	Employer minimum contribution	Total minimum contribution
Employer's staging date to 05/04/18	1%	2% (including 1% staff contribution)
06/04/18 — 05/04/19	2%	5% (including 3% staff contribution)
06/04/19 onwards	3%	8% (including 5% staff contribution)

Business Rates

Business rates are linked to the “Rateable Value” of premises, i.e. the premises open market rental value, based on an estimate by the Valuation Office Agency (VOA). Overall, rateable values of day nursery premises in York have increased due to the 2017 Business Rates Revaluation conducted by the VOA, however many day nursery premises also benefit from some form of business rate relief.

The government has introduced changes to small business rate relief from April 2017. Small business rate relief has been doubled from 50% to 100% permanently and increases have been made to the relief thresholds. From April 2017:

- businesses with a property with a rateable value of £12,000 and below will receive 100% relief
- businesses with a property with a rateable value between £12,000 and £15,000 will receive relief on a sliding scale
- the threshold for the standard business rates multiplier will increase to a rateable value of £51,000 (from £18,000)

Impact on “day nursery and premises” businesses in York (40 registered)

- Number of “day nursery & premises” businesses with rateable value of £12,000 or under: 13
- Number of “day nursery & premises” businesses with a rateable value between £12,001 - £15,000: 3

- Number of “day nursery & premises” businesses with a rateable value of between £15,001 - £51,000 benefitting from standard business rates multiplier rather than higher: 22
- Number of “day nursery & premises” businesses with rateable value of above £51,000: 2

York Summary

- 13/40 (32.5%) benefit from small business rate relief and receive 100% relief
- 6/40 (15%) already benefit from some form of mandatory charity or other discretionary rate relief
- 3/40 (7.5%) benefit from relief on a sliding scale between 0% – 100% (some of these also fall within the mandatory charity or discretionary rate relief category)
- 22/40 (55%) are eligible for the standard business rates multiplier
- 2/40 (5%) will pay business rates at the higher multiplier rate (RV of over £51,000)

SECTION 4 : ACCESSIBILITY & QUALITY

Accessibility

Over the years efforts have been made to improve the capacity of the childcare market to support children with disabilities and additional needs. Many improvements were achieved through a previous successful Disabled Children’s Access to Childcare (DCATCH) programme which focussed on out of school clubs promoting a proactive approach to inclusion. Although the programme is no longer funded the good practice has continued improving availability and quality of childcare for disabled children remains a high priority. The support has taken many forms including training, resources and developing information available to families. This also includes the Inclusion Standards Framework which is a tool to support practitioners in out of school clubs to self evaluate inclusive practice and achieve an Inclusion Gold Award.

The research into the effectiveness of the Early Years Inclusion Fund has shown the positive benefits that this scheme has generated for 2, 3 and 4 year olds. The Early Years Inclusion Fund gives additional funding to support two, three and four year olds with disabilities or additional needs who are accessing a free early education and childcare place. The Early Years Inclusion Fund has been increased by a further 20k to a total of £120k to meet potential rising demand for 30 Hours. A review of take up and impact of the Inclusion Fund will be monitored to ensure that it is used in the most effective way and that it has supported eligible 3 and 4 year olds to access support if appropriate. As part of the review out of school clubs consideration will be given to whether they should be able to apply to the Inclusion Fund to enable children with complex needs to access after school and holiday clubs. A very small minority of children who have high level complex needs want to access holiday care.

At times, even though reasonable adjustments are in place mainstream provision is unable to meet their needs appropriately.

Nationally parents and carers of disabled children and young people have said they find it harder to access suitable childcare however York would appear not to share this ongoing challenge. However, a very small number of parents/carers of disabled children indicated in a parental consultation that they feel they are unable to use childcare because of their child's condition. This has and is being addressed through close work with settings, York Parent & Carer Forum and promoting the Inclusion Standards Framework with Out of School Clubs. This has enabled the majority of parents/carers to find appropriate childcare provision and we know this because there is no evidence held by the LA identifying insufficient places for SEND.

It is still early days for understanding the accessibility of 30 Hours places by SEND children and further work will be carried out to gain a greater understanding of any potential barriers and explore solutions if necessary which may include initiatives such as promotion of Inclusion Standards for the early years.

Quality

The early years and childcare sector are encouraged to improve the quality of their provision through the advice, support and challenge that is provided by the Childcare Strategy Service in the case of out of school clubs and the Early Years Learning and Welfare Team for all other early years' provision. The Ofsted judgments for 'good' and 'outstanding' early years and out of school provision remains above national average (97 % and 87% respectively). We also know from data that a greater percentage of 2, 3 & 4 year olds are accessing their funded places in 'good' or 'outstanding' provision compared to the rest of the country.

Statistic	England		Yorkshire & Humber		York	
	2 yr olds	3 & 4	2 yr olds	3 & 4	2 yr olds	3 & 4
Percentage of 2, 3 & 4 year olds in 'good' or 'outstanding' provision.	97%	92%	96%	91%	97%	96%

Source DfE National Statistics – Education Provision: Children under 5 years of age, January 2017

There will be a continued focus on support and challenge to ensure that there are enough high quality early education places across the market for young children, including eligible two year olds. As many families are using more than one provider

there will be a greater emphasis on continuity of care, good and healthy attachments and effective transitional arrangements.

Section 5: Other Considerations

- It is important for providers to be able to recruit and retain high quality staff to sustain the universal entitlement as well as meeting demand for the additional hours. The LA will therefore explore any issues around recruitment, retention and CPD with providers and work with partners to baseline the current workforce as well as develop a local strategy bearing in mind the direction of travel set down in the DfE Early Years Workforce Strategy.
- Once pressure points are pin-pointed, facilitation of the market in a careful considered way to bring additional capacity to the market such as targeted recruitment of childminders, use of providers on non-domestic premises, expansion of existing provision, new provision and school delivery. Consider the use of capital funding sources that may support expansion of the market where there is evidenced need.
- Working closely with schools in a changing landscape and where they are considering delivery of places for young children support them to be mindful of the impact on the LAs statutory duty to provide sufficient childcare. A schools event held earlier in the year has emphasised schools working in partnership to deliver 30 Hours.
- The increase of local and national nursery chains in York does give the opportunity for greater investment and expansion bringing more capacity and choice to the market. Whilst this is welcome the LA is mindful that this could present a risk to the statutory Childcare Sufficiency duty if a chain were to experience issues that impact on its sustainability. The LA will continue to monitor the growth of chains, update the LA Risk Register and mitigate via Annual Conversations between the LA and business owners of chains.
- In some areas of city for example Micklegate there is a real shortage of suitable premises. Close working with other partners such as the council's Asset and Property Management Team and Make it York is essential to find possible solutions.
- Schools sometimes decide to end lease arrangements with providers who are located on their school sites and this can impact on the local authorities statutory childcare sufficiency duty especially if no alternative arrangements or premises can be found.
- Increasing the robustness of occupancy/vacancy/demand data capture and local intelligence as well as further refinement of the childcare sufficiency tool to better inform future Childcare Sufficiency Assessments.
- A review of future national funding arrangements in three years time is important to address further costs pressures for providers to sustain the delivery of sufficient childcare places.

- **Section 6: Priorities**

Priorities for childcare sufficiency are;

- continuing to be ensuring greater take up of early education places by eligible two year olds
- improving access and provision for children with SEND.
- Diminishing the difference for our most disadvantaged children as there is a nationwide concern regarding the impact of 30 hours on children who are only eligible for 15 hours early education.
- Re-focussing the work of the team in further developing the sufficiency model and tool and to take into account building developments, demographics and economic profiles.

Section 7: Conclusion

Overall there is currently sufficient affordable, accessible and high quality childcare to meet demand from families with children aged 0-14 (and up to 18 for disabled children) and to meet the new extended entitlement. However provision is now at full capacity in most areas of the city especially during the Summer Term and with a shortage of premises in some areas solutions can be challenging. There are potential investors interested in the York childcare market showing that there is still some confidence about developing new places where premises can be found. Some additional capacity to meet future increases in demand will required and where the LA has influence this would need be carried out carefully so as not to risk existing places already being delivered by high quality providers. The LA may also carry out targeted childminder recruitment and encourage existing provision to expand.

Building on strong relationships between the local authority , providers and other partners is fundamentally important in the ongoing effective delivery of the Childcare Sufficiency duty. A review of the Childcare Strategy Service and the Early Learning and Welfare Service is currently underway and by establishing one new and integrated service there will be an improved approach to risk assessment and proactive approach to supporting providers as there will be greater opportunities to share live local intelligence in a more timely and effective way and build on what works well in supporting all types of providers and encouraging expansion where appropriate. The proposed new Early Years and Childcare Service will be able to work in a seamless way to support all aspects of childcare sufficiency including the priorities set out in this assessment.

Section 8: Recommendations

- Implement the Childcare Sufficiency Action Plan (Section 9) to respond to findings and new priorities raised in the Childcare Sufficiency Assessment 2017.
- Review membership and remit of the Childcare Sufficiency Task Group to implement the Childcare Sufficiency Action Plan.
- Update of the Council Risk Register to reflect current or emerging findings.
- Share this report with Asset and Property Management Services to make links with a wider CYC Asset Review.
- Share this report with School Place Planning Services to facilitate understanding about demand for both early years and childcare and school places as well as identifying solutions that are aligned effectively between the different sectors.
- Develop a further report once geographical gaps are clearly identified setting out possible solutions to be explored.

Section 9:

Action Plan 2017 - 2018

	Objective	Action	Impact	Deadline for Completion	Lead Responsibility
1a	Strategy & Governance	Re-establish Childcare Sufficiency Task Group. Review membership and Terms of Reference.	Overview and monitoring of Childcare Sufficiency Assessment recommendations.	Jan 18 and termly meetings	Childcare Strategy
1b		Explore issues around recruitment, retention and CPD with providers and work with partners to baseline the current workforce and develop a local strategy.	Working towards high quality workforce.	Sept 18 and ongoing	Childcare Strategy/WDU
1c		Monitor the growth of chains, update the LA Risk Register and mitigate via Annual Conversations between the LA and business owners of chains. Update the LA Risk Register to reflect current or emerging findings.	Risks identified and mitigated to ensure the LA meets its statutory childcare sufficiency duties.	April 18 and ongoing Ongoing	Childcare Strategy/EYSAs
1d		Refocus the work of the Childcare Strategy Team in further developing the sufficiency model and tool to take into account housing developments, demographics, economic profiles and provider occupancy data.	Timely, relevant and accurate data available strategically plan and effectively respond to ad hoc requests.	April 18	Childcare Strategy
1e		Review communications with parents and providers about early years and childcare sufficiency and early education entitlements.	Clear and transparent communications that are understood by parents and providers.	April 18 and ongoing	Childcare Strategy/FIS
2a	Current Market Provision	Refining systems to capture data on new places offered by existing providers.	Gaps identified and fed into Sufficiency Tool	Ongoing	Childcare Strategy
2b		Minimize impact of 30 Hours Childcare on two year old places and other age groups.	Families can access high quality places to	Ongoing	Childcare Strategy /

	Objective	Action	Impact	Deadline for Completion	Lead Responsibility
			improve outcomes for children.		EYSAs
2c		Support high take up of places by eligible two year olds and that they have access to 'good' and 'outstanding' settings.	To ensure all eligible children are offered and encouraged to take up a place to improve outcomes for young children and so parents can take up work/training and become eligible for 30 Hours childcare when their child turns 3.	Ongoing	Childcare Strategy/LATs/EYSAs
3a	Geographical Gaps	Finalise development of the Childcare Sufficiency Tool including migratory data & GP registration data. Further develop FIS sufficiency log to capture data on pressure points via parental information.	Tool working effectively and gaps clearly identified.	Jan 18	Childcare Strategy
3b		Develop Tribal database to capture robust occupancy/vacancy data on a termly basis.	Relevant accurate data fed into sufficiency tool.	Termly	Childcare Strategy
3c		Further encourage Shared Foundation Partnerships to consider sufficiency at their termly meetings to identify and meet unmet local demand	Local solutions to meet parental demand	Ongoing	Childcare Strategy/EYSAs
3d		Pin point pressure points in the city and develop solutions such as targeted childminder recruitment, childminders working on non-domestic premises, expansion of existing provision or highlighting new business opportunities.	Gaps identified, solutions developed. Pressure points addressed..	Ongoing	Childcare Strategy / EYSAs
3e		Link with School Places Planning team to obtain data and overview of basic needs assessment for childcare across the city.	Assess impact on demand for places at a local level.	Ongoing	Childcare Strategy/Early Learning & Welfare

	Objective	Action	Impact	Deadline for Completion	Lead Responsibility
		Maintain overview of S106 developments as they relate to childcare sufficiency. Continue to give a view to local planners on planning applications received for to create new or expand existing provision. This to be in line with the Draft Local Plan.	Gaps identified and addressed..		
3f		Undertake termly parental surveys to gauge current and future childcare needs in terms of flexibility and affordability.	Understanding of parental demand to identify pressure points.	Termly	Childcare Strategy / FIS
3g		Explore funding sources to address gaps pinpointed by the sufficiency tool where capital expansion is a solution to meet demand.	Sources identified that create additional places to meet demand.	April 18	Childcare Strategy/School Place Planning
3h		Close working with other partners such as the Council's Asset and Property Management Team and Make it York to find joint solutions on issues such as identifying suitable premises that could be developed for childcare.	Premises identified that create additional places to meet demand.	Ongoing	Childcare strategy
4a	Business Sustainability	Continue to promote a clear business offer that signposts to sector support and is in line with national developments.	Providers seek appropriate and timely support to remain financially viable and sustainable.	Ongoing	Childcare Strategy
5a	Accessibility & Quality	Ensure that there are sufficient high quality places for all children and that 100% of two year olds are in 'good' and 'outstanding' settings.	To ensure all eligible children are offered and encouraged to take up a place to improve outcomes for young children and so parents can take up work/training and become eligible for 30	Ongoing	Childcare Strategy/EYSAs

	Objective	Action	Impact	Deadline for Completion	Lead Responsibility
			Hours childcare when their child turns 3.		
5b		Diminish the difference for our most disadvantaged children and for those who are only eligible for 15 Hours early education rather than 30 Hours.	Gap diminishes to improve outcomes for disadvantaged children.	Ongoing	EYSAs
5c		Review of take up and impact of the effectiveness of the Early Years Inclusion Fund. Consideration of Out of School Clubs to be able to apply. To include Early Years Pupil Premium, Disability Access Fund and Deprivation Funding.	Fund accessed appropriately and effectively supports eligible children.	April 18	Childcare Strategy/EY Specialist Support
5d		Gain a greater understanding of potential barriers to accessing 30 Hours places by SEND children and explore solutions such as promotion of Inclusion Standards for Early Years.	Potential barriers addressed and more SEND children accessing 30 Hrs places.	Sept 18	Childcare Strategy/EY Specialist Support
5e		Give greater emphasis to continuity of care, good and healthy attachments and effective transitional arrangements.	Improved outcomes for young children.	Ongoing	Childcare Strategy/EYSAs
5f		Develop and promote the York Childcare Finder with Shared Foundation Partnerships to increase parents access to information about available childcare.	Improved accessibility of up to date local childcare information (availability, prices etc) for parents.	April 18	Childcare Strategy / FIS