

Report for: 9th March 2021 Cabinet Meeting

Title: Annual Childcare Sufficiency Report

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Ward(s) affected: All

Report for Key/

Non Key Decision: Non-Key decision

1. Describe the issue under consideration

- 1.1 The Childcare Act 2006 places a duty on the Council to ensure there is enough childcare within its area for working parents. Local authorities are required by legislation to 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).
- 1.2 Section 6 of the Childcare Act 2006 and statutory guidance states that there should be an annual report 'to elected council members on how they are meeting their duty to secure sufficient childcare, and make this report available and accessible to parents' (Department for Education 2018). This report has been prepared to meet the statutory requirement on the Council.
- 1.3 This Annual Childcare Sufficiency Report includes data and observations collected in 2020. Specific reference will be made to how the local authority is ensuring there is sufficient childcare available for all children with special educational needs and disabilities, children from families in receipt of Universal Credit, children with parents who work irregular hours, children aged two, three and four taking up funded early education places, school age children and children needing holiday care. The report considers the affordability, accessibility, and quality of provision and how any gaps in childcare provision will be addressed. In meeting this statutory requirement this report incorporates the outcome of a stocktake of childcare in the borough in light of the COVID-19 pandemic.

2. Cabinet Member Introduction

- 2.1 I am pleased to introduce this report which sets out in some detail the current landscape for childcare in Haringey in the context both of Covid-19 and of wider patterns of take up and demand. We are aware of the massive impact of the pandemic on childcare provision and I want to emphasise the massive impact of the pandemic and the huge contribution childcare providers across all settings have made over the past months in keeping families safe and well and I would like to thank them here.

2.2 The availability of high quality, affordable and accessible childcare is fundamental to our aims as an authority to address inequalities and to create a fairer borough. The benefits of childcare touch children as stable and happy early years will last well into adulthood, touch parents as they are able to take up work, education or training and touch wider society as local employment thrives when good childcare is in place.

2.3 We will focus on the actions outlined in this report and continue to work closely with the early years sector to ensure that they are support to respond to identified needs going forward.

3. Recommendations

3.1 Cabinet is asked to note the 2020 Annual Childcare Sufficiency Report.

4. Reasons for decision

4.1 The reason for the recommendation is that a decision to approve the proposed Annual Childcare Sufficiency Report 2020 (Appendix 1), will ensure that the Council is fulfilling its statutory duty, under the Childcare Act 2006.

4.2 In addition, the Annual Childcare Sufficiency Report will provide an updated representation of Haringey's childcare market, enabling the Council to develop childcare plans to support the market and maximise childcare participation in the future.

5. Alternative options considered

5.1 The requirement to complete an Annual Childcare Sufficiency Report is part of the statutory requirement placed on the Council by the Childcare Act 2006.

6. Background information

6.1 National Policy Context

6.1.1 The Childcare Act 2006 gives the local authority a key role in shaping the childcare market for children aged 0-14 (or up to 18 for disabled children).

The early education and childcare statutory guidance for local authorities¹ sets out the statutory responsibilities on the council to manage the childcare market and deliver the Dedicated Schools Grant funding for early education to childcare providers. It is a requirement that all local authorities retain an overview of the sufficiency of childcare in their area and address issues pertaining to accessibility. The statutory childcare landscape encompasses the delivery of free early education places for 2, 3 and 4 year olds and additional funding arrangements for children with special educational needs and disabilities and from disadvantaged backgrounds. In addition to this, there is a statutory role for the Council in ensuring there are sufficient childcare places available in the area for 0-14 year olds (or up to 18 years old for children with special educational needs and disabilities). It should be noted that sufficiency can be met through a

¹ Early education and childcare statutory guidance for local authorities – June 2018

wide variety of provision, including all types of schools, pre-schools, day nurseries, holiday clubs, breakfast clubs, after school clubs and childminders.

- 6.1.2 Research shows that early education outcomes are linked to achieving higher GCSE grades² in later life. Central to any drive to improve access to high quality childcare, is to reduce barriers to access and ensure that all children and young people in Haringey are able to experience the benefits, regardless of circumstance or background and to achieve their potential. Access to early education supports children to develop their social, emotional and cognitive skills they need to prepare for primary school and beyond. Early education can help parents balance work and family responsibilities and better their economic stability. Sufficiency is met through a variety of providers that includes all types of schools, pre-schools, day nurseries, holiday clubs, breakfast clubs, after school clubs, childminders.

6.2 Local Context

- 6.2.1 Childcare plays a fundamental role in meeting a range of key council objectives, and particularly in:

- Improving outcomes for all children – making sure gaps in attainment, access, and outcomes for the most disadvantaged groups of children are minimised
- Making available affordable and accessible childcare – supporting employment and pathways into employment for all residents
- Creating community capacity – growing community wealth through a localised offer meeting a range of local needs
- Building inclusive neighbourhoods – offering children and families with emerging developmental, disability and special educational needs support and respite

- 6.2.2 The current pandemic, with consequent lockdowns, wide-ranging restrictions and on-going deliberations about access to early education and childcare, have only served to highlight the fundamental role early education and childcare play in the development of happy, healthy children, in improving prospects for working parents and carers and in nurturing the ability for communities and society to function well collectively, both socially and economically.

- 6.2.3 Haringey has a population of 51,588 0 to 14 year olds³, representing 19% of the resident population with the highest number of resident children living in the north east of the borough. The total number of children and young people with a statement or education and health care plan has increased to 2,317 (11.3% increase from 2019). The number of children with Autistic Spectrum Disorder had shown the highest increase in numbers with the highest prevalence rates recorded in the East of the borough.

- 6.2.4 Haringey has a strong and diverse mix of childcare providers, provision is made up of: around 20% of settings are private (for-profit) providers, around 3% are voluntary (not-for-profit) providers, 12% are school-based (mainly maintained) providers and 42% are childminders. In addition to this there is a mix of

² Institute of research, effective pre-school, primary and secondary education project

³ Source: office of national statistics 2017

provision for children over 5 years old with 24% of providers delivering out of school provision, breakfast, after school and holiday clubs. There is a total of 446 early years and childcare settings, an increase of 56 between 2019 and 2020, delivering 12,348 childcare places.

- 6.2.5 The impacts of the Covid-19 pandemic have been felt throughout the childcare sector, nationally, regionally and locally. Nationally, only 32% of early years settings were open as at mid-April 2020, caring for 65,000 children. By the start of July, 61% of settings were open caring for 382,000 children. By mid-September 2020, 74% of settings were open, caring for 619,000 children⁴. Levels of attendance had not reached 2019 levels nationally. The Government continued to fund early years settings from March 2020 through to the end of December 2020 'as if COVID-19 had not happened' and agreed to fund places that were in settings that were fully open for the period from January 2021 to March 2021. This means that the majority of settings offering early years entitlement places (funded places) will have been funded against participation for autumn 2019 levels for autumn term 2020. This continuation of early years funding, alongside the other measures introduced to support businesses, will have provided early years settings with some cushion against the full impact of COVID-19 on demand for their services.
- 6.2.6 The Government also introduced a range of financial support packages to support all businesses during lockdown and recovery. These were in addition to Government support specifically for the childcare sector where public funding for the early years free entitlements was continued. Locally, the Council sought to ensure that all early years settings were able to access the nationally available support packages through promoting the opportunities and targeting information. The range of financial support schemes include:
- Self-employment Income Support Scheme (SEISS)
 - Coronavirus Job Retention Scheme (Furlough)
 - Small business grant scheme
 - Small business rate relief
 - Bounce Back Loans
- 6.2.7 Autumn term 2020 provider returns show sufficient availability of two-, three- and four-year old places. Mapping of out of school services, provider and parent feedback suggests, however, that there is demand for out of school provision which has not been met, particularly for 5 to 11 year olds and for children with Special Educational Needs and or Disabilities (SEND).
- 6.2.8 Whilst the short-term impact of COVID-19 was to limit access to childcare to relatively small numbers of children (vulnerable and key worker children) between 23 March and 1 June 2020, settings in England were encouraged to re-open their doors to all children from 1 June 2020. In June 2020 66% of providers in Haringey were open for children of key workers and vulnerable children. By the beginning of October this had risen to 92%. The impact of COVID-19 has made the assessment of the supply and demand for childcare

⁴ Attendance in early education settings during the coronavirus (COVID-10), DfE <https://explore-education-statistics.service.gov.uk/find-statistics/attendance-in-education-and-early-years-settings-during-the-coronavirus-COVID-19-outbreak>

more difficult as there have been many changes to family circumstances and a large increase in Universal Credit claims affecting the affordability of childcare for many households.

6.2.9 The pandemic has highlighted key areas of risk in the childcare market and actions addressing this will be incorporated into the Childcare Sufficiency Assessment Action Plan highlighting the priorities for 2020/2021. Some of the issues reported within the childcare sector are:

- A decrease in demand in paid for childcare owing to changing working environments/situations
- Concerns, fears or worries amongst some parents about their child/children taking up a childcare place when risk of transmission and infection remains high
- Concerns from providers about their economic stability due to the decrease in demand across the borough, and more acutely in some wards
- The impacts for childcare businesses when the Government furlough scheme comes to an end – both for their own workforces and for parents who may no longer be in work
- Higher proportion of families claiming Universal Credit and able only to take up funded entitlement hours
- The overall decrease in population across London during the course of the pandemic, currently standing at approximately 700,000 households

6.3 Review of Haringey's Childcare Sufficiency Action Plan 2019-2020

6.3.1 Haringey's Childcare Sufficiency Action Plan 2019-2022⁵ was published and approved by Members in 2019 and assists Haringey in its duty to manage the childcare market. The Action Plan is focused on contributing to improvements in outcomes for children and young people and families. The Action Plan highlights key strands of work to improve the access to and quality of childcare in Haringey. Below is set out a summary of key actions to date:

- Continued promotion of entitlements and better collaborative working with key partners and parents, including the creation of free entitlement videos in five different community languages
- Recruitment and training of parent champion volunteers
- Data mapping of out of school and holiday providers
- Implementation of termly out of school forum meetings focusing on capacity and demand for childcare places
- Termly monitoring of sufficiency and data analysis
- Regular workshops with providers with a focus on sustainability,
- Market engagement event aimed at out of school childcare and respite for children with SEND
- The opening of a culturally appropriate setting to provide childcare places for Orthodox Jewish families

6.4 Annual Childcare Sufficiency Report 2020

6.4.1 The Annual Childcare Sufficiency Report covers a 12 month period to November 2020 covering the Council's statutory requirement to report to elected council members on how Haringey is meeting their duty to secure sufficient childcare (see Appendix 1). It also allows for key information relating to the impact of coronavirus on childcare sufficiency to be included.

6.4.2 A stocktake report has been compiled using held data and intelligence that sets out the current market position. Outcomes of the Childcare Sufficiency Assessment stocktake will form part of the revised Childcare Sufficiency Assessment actions for 2020/2021. A summary of the barriers affecting childcare are detailed in the report below:

- Families that have lost their jobs and moved onto Universal Credit (UC) may have been using childcare when they worked. Funding for a two-year-old place will replace some, or all, of the hours that they previously paid for.
- Early years provider survey reported that 56% of providers rely on income from early years funding. A reduction in Autumn Term 2020 participation numbers and reports that parents require fewer hours of paid fee time has raised concerns regarding business sustainability.
- Providers are adding additional extra charges when offering a free place. Affordability of childcare for some parents with low income is an issue*.
- Perceived lack of out of school provision for children with SEND, that which existed was described as sometimes too expensive and/or not compatible with parents' working hours.
- Providers reported an increase of children being identified with SEND

*The Council is exploring contributing to the cost of lunches for families who are struggling to afford them and deterred from taking up a free childcare place. Children from low income families receive funding for free school meals but there is no support for children under 5 years.

6.4.3 The Annual Childcare Sufficiency Report has highlighted some key areas of focus for 2021, which have now been added into a single action plan to ensure there is sufficient, high quality and accessible childcare in Haringey:

- Increase the take up of the two year old funding
- Increase the take up of the 3 and 4 year old early education funding
- Work with providers that are most at risk due to falling numbers
- Consider financial support for settings that serve areas of deprivation and policy priorities and where there is clearly a sufficiency need
- Social media marketing strategies to increase participation of childcare and monitor impact
- Ensure key partners are involved in supporting childcare sufficiency
- Create out of school provision, weekend and holiday care to meet the gap for 5 to 8 year children with special educational needs.
- Regular updates for Job Centre Plus staff supporting families to access work and training opportunities through childcare
- Create provision for 5 to 11 year olds where there is a clear demand and shortage of places across the borough.

7 Contribution to strategic outcomes

7.1 The Childcare Sufficiency Action plan contribution to the delivery of the Haringey Borough Plan (2019-23) and notably Priority 2, 'a Haringey where strong families, strong networks and strong communities nurture all residents to live well and achieve their potential' and where three identified outcomes are:

- **Outcome 4**

Best Start in Life: the first few years of every child's life will give them the long-term foundations to thrive

- **Outcome 5**

Happy Childhood: all children across the borough will be happy and healthy as they grow up, feeling safe and secure in their family and in our community

- **Outcome 6**

Every young person, whatever their background, has a pathway to success for the future

8. Statutory Officer comments

8.1 Legal

8.1.1 Under Section 6 of the Childcare Act 2006 (Duty to secure sufficient childcare for working parents) the Council is under a duty to 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). In determining whether the provision of childcare is sufficient to meet these requirements, the Council – (a) must have regard to the needs of parents in their area for – (i) the provision of childcare in respect of which the child care element of working tax credit is payable, (ii) the provision of childcare in respect of which an amount in respect of childcare costs may be included under section 12 of the Welfare Reform Act 2012 in the calculation of an award of universal credit, and (iii) the provision of childcare which is suitable for disabled children, and (b) may have regard to any childcare which they expect to be available outside their area.

8.1.2 The Department for Education has issued statutory guidance to local authorities titled 'Early Education and Childcare' (June 2018) which the Council is obliged to have regard to. The guidance provides a list of matters that local authorities should take into account to secure sufficient child care places. They include the following:

- a) 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;
- b) the state of the local labour market including the sufficiency of the local childcare workforce;
- c) the quality and capacity of childcare providers and childminders registered with a childminder agency, including their funding, staff, premises, experience and expertise;
- d) should encourage schools in their area to offer childcare from 8.00am until 6.00pm and in school holidays;
- e) should encourage existing providers to expand their provision and new providers to enter the local childcare market if needed.

f) should encourage providers to take a sustainable business approach to planning and signpost providers to resources to support them.

8.1.3 The guidance further provides for annual report to elected members on how the duty to secure sufficient childcare is being met. The report should include:

- a) a specific reference to how they are ensuring 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 aged two, three and four taking up free places; school age children; and children needing holiday care;
- b) information about the current and projected supply and demand of childcare for particular age ranges of children, and the affordability, accessibility and quality of provision; and
- c) details of how any gaps in childcare provision will be addressed.

8.2 Finance

8.2.1 This report is for noting by Cabinet and does not contain any financial implications.

8.3 Strategic Procurement

8.3.1 The contents of the report are noted. Strategic Procurement will support commissioning with market development and tender activities when appropriate.

8.4 Equalities

8.4.1 The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

8.4.2 Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act

8.4.3 Advance equality of opportunity between people who share those protected characteristics and people who do not

8.4.4 Foster good relations between people who share those characteristics and people who do not.

8.4.5 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

8.4.6 This paper asks Cabinet to note the 2020 Annual Childcare Sufficiency Report. The requirement to complete an Annual Childcare Sufficiency Report is part of the statutory requirement placed on the Council by the Childcare Act 2006.

- 8.4.7 As of 2020, the total number of children and young people with a Statement or Education Health and Care Plan in Haringey increased by 11.3% from 2,082 (in 2019) to 2,317 (2020). There is a high incidence of children and young people with Autistic Spectrum Disorder in Haringey, with the highest prevalence rates recorded in the East of the borough, particularly within Black and Asian minority backgrounds. We know that East of the borough continues to have a significantly higher rate of income deprived families than the west.
- 8.4.8 The Council's Childcare Sufficiency Report identified a number of areas which are set to be addressed through the single action plan. This includes the need to raise awareness and understanding amongst residents of the available support, to increase the accessibility of childcare, which is particularly pertinent for families in the East of the Borough. The action plan will address the need for greater access to childcare for children and young people with SEND or disabilities to ensure equality and inclusion. By delivering services for children with SEND, it will help to address inequalities in access to childcare places and ensure there is sufficient provision for these families. Further to this, the Childcare Sufficiency Action plan will address the need to create out of school provision, weekend, and holiday care to meet the gap for 5-to-11-year children with special educational needs.
- 8.4.9 It is recognised that the impacts of the COVID-19 pandemic have been felt throughout the childcare sector and in turn childcare provisions, as nationally less early years settings are open and levels of attendance in early years settings have not reached 2019 levels. The impact of COVID-19 on family circumstances and a large increase in Universal Credit claims have affected the affordability of childcare for many households. Therefore, it is expected that the Childcare Sufficiency Action plan will work to overcome barriers faced by low income households in accessing childcare provision.
- 8.4.10 The Childcare Act 2006 places a duty on local authorities to make sure that there are enough childcare places within its locality for working parents or for parents who are studying or training for employment, for children aged 0 to 14 (or up to 18 for children with disabilities and/or additional needs). It will support the Council to meet its equalities duties and address any gaps in provision through the Childcare Sufficiency Action plan.
- 8.4.11 Providing good quality childcare is an important part of the Council's equalities agenda, with positive implications for children and young people, parents, especially single mothers, and children and young people with disabilities. The Annual Report describes the existing provision across Haringey, and through the action plan sets out how the Council will seek to improve access and uptake of childcare provision. Due regard has been shown to equalities issues through the report, notably the advancement of equality of opportunity.

9 Use of Appendices

Appendix 1: Childcare Sufficiency Report 2020