



Haringey Council

Report for:	Cabinet	Item Number :	
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Title:	Childcare Sufficiency Assessment and Action Plan 2011-14
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Report Authorised by:	Libby Blake Director of Children & Young People's Service	<i>Libby Blake</i> 8/12/11
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Lead Officer:	Ros Cooke, Head of Early Years
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Ward(s) affected: All	Report for Key/Non Key Decisions: Key
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1. Describe the issue under consideration

- 1.1 The purpose of this report is for Cabinet to note the key findings of the Council's 2011 Childcare Sufficiency Assessment (CSA) and to agree the key priorities to be addressed in the subsequent CSA Action Plan 2011-14 and related childcare priorities.
- 1.2 A description of the work on the development of other linked Early Years priorities is included in this report to provide a complete picture of the programme being undertaken to facilitate the provision of sufficient, sustainable high quality for childcare in Haringey.

2. Cabinet Member introduction

- 2.1. Without good affordable childcare many parents who want to work are unable to do so. Changes in benefit and tax credits, pressure on local authority budgets, increasing unemployment and outward migration from Central London all impact on the demand for and affordability of childcare. Parents with disabled children face particular difficulties. This plan aims to address these gaps in provision.

3. Recommendations

- 3.1. That Members note the key findings from the 2011 Childcare Sufficiency Assessment
- 3.2. That Members agree the key priorities to be addressed in the subsequent CSA Action Plan 2011-14
- 3.3. That Members note and agree the related childcare priorities.

4. Other options considered

- 4.1. No other options were considered as the priorities identified are part of the statutory duties of the Council under the Childcare Act 2006.

5. Background information

- 5.1. Under the Childcare Act 2006, local authorities have a duty to secure sufficient childcare to enable parents to work, or to undertake education and training leading to work. A core element of this duty is to complete a Childcare Sufficiency Assessment every three years which assesses the supply of, and demand for, childcare in the local authority and identifies any gaps in provision. In producing the assessment, local authorities must comply with the Childcare Assessments Regulations 2007, and have regard to the statutory guidance 'Securing Sufficient Childcare' (published March 2010).
- 5.2. The first assessment was published in April 2008 and a Childcare Sufficiency Action Plan was produced. The second assessment was published in April 2011 and the Action Plan is attached as Appendix 1.
- 5.3. The sufficiency assessment is the first step towards the Council meeting its statutory duty of securing sufficient high quality childcare in the local area to meet the needs of working parents and parents undertaking education or training leading to work. It is an analysis of the local childcare market looking at the supply and demand for childcare which enables the Council to identify gaps and to plan the action needed to meet the duty to secure sufficient childcare.

- 5.4. The assessment is based on quantitative data from the Family Information Service relating to the supply of childcare, and consultation with parents and carers, childcare providers, and children and young people.
- 5.5. A range of initiatives are underway which clearly link with the provision of sufficient, sustainable childcare in Haringey and are informed by the Sufficiency Assessment. These include the review of free full time nursery class places, the implementation of the Haringey early years single funding formula, and the increase and further development of work on Local Authority childcare fees.
- 5.6. This report sets out the key findings of the 2011 Childcare Sufficiency Assessment, the gaps identified, the current context of local government budget reductions and the links with other work on fees and free full time places in early years.
- 5.7. The key findings of the 2011 CSA are:
- I. The supply of childcare for children under 5 years old varies across the Borough in terms of the number of places available, the quality, and the pattern of types of childcare available. There are childcare places currently not used across all types of settings, particularly amongst childminders. Within the east of the Borough data indicated that childcare settings in the private, voluntary and independent (PVI) and maintained sectors generally had vacancies, whilst in the west of the Borough, PVI and maintained provision was full.
 - II. At the time of the assessment there would appear to be a good supply of breakfast and after school provision available across the Borough. However there were areas of high demand and other areas where settings had vacancies.
 - III. Parents indicated that they were satisfied with the childcare they currently had in place. Respondents felt that the quality of childcare their children received is high and well located. The majority of respondents did not feel that there was a good choice of or access to holiday play schemes. The feeling of the majority of respondents was that their childcare costs were unreasonable.
 - IV. The CSA indicated that the greatest need for future childcare in both a year and three years time is for before and after school services. However with the building of a considerable amount of new family dwellings and the known influx of families to the Borough we anticipate that there will be an increased demand for all types of childcare, particularly in the east of the Borough.
 - V. Parents of disabled children and children with special educational needs felt that there was insufficient appropriate after school care and would like to make more use of after school provision. The majority of parents expressed the view that they would like their children to attend childcare settings in the holidays and after school where there are pre-established relationships between the staff and child.
- 5.8. The gap analysis carried out as part of the CSA identified gaps with regard to age,

type of childcare, geography, and specific need;

- I. Availability of childcare for children under 5 – there is evidence of over provision of childminding places across the borough, while parents have indicated a future demand for more provision of free 15 hour nursery places known as the Early Years Free Entitlement (EYFE) and nursery places for children under 3.
- II. Availability of childcare for children over 5 – local factors such as the increase in new homes and migration of families into the Borough indicate a rising need for school places and subsequent before and after school childcare. This is particularly so in the Tottenham and Wood Green areas.
- III. Affordability – parents said that childcare costs are high. In the East of the Borough they indicated a need for more affordable childcare for those families on low incomes, particularly for childcare for children under 3.
- IV. Specific needs gaps – parents of children with a disability or special educational need indicated that there was insufficient appropriate after school care

5.9 Six priority areas for action were identified through analysis of the childcare sufficiency assessment and with due regard to our Statutory Duties under the Childcare Act 2006. We considered the gaps in provision and variation in take up across the borough and what further work will be needed to ensure we understand the reasons behind this. We also looked at what the Local Authority can do to enable the market to better match the needs of parents, concentrating on those areas where our actions will have greatest impact. Following this, the childcare sufficiency action plan was developed in consultation with stakeholders and partners to outline the detailed actions to address the priorities from the CSA.

- 5.9.1 The introduction of the Early Years Single Funding Formula has impacted on some private, voluntary and independent providers' ability to continue to offer the EYFE for 3 & 4 year olds. A direct result of this has been that a few providers have left the scheme affecting the provision of free places in some areas.
- 5.9.2 The Government have indicated that in future schools will be able to charge parents for any nursery provision over and above the Early Years Free Entitlement for 3&4 year old (EYFE), which has not been possible previously. Work is taking place to plan for the expansion of part time nursery places and create guidance for schools who wish to charge fees for the additional hours.
- 5.9.3 There are also a number of changes to housing benefits and tax credits planned over the next 3 years:
 - A reduction in childcare tax credit of 10% from April 2011.
 - Parents will be able to claim up to 70% of their childcare cost, based on a maximum childcare cost of £175 per week for one child and up to £300 per week for two or more children. However payments to families earning over

£40,000 per year will be reduced. The recent increase to Haringey Local Authority childcare fees means that the cost of a place for children under 3 is more than £175 per week.

- The baby element of Child Tax credit has been removed
- A cap on housing benefits is likely to increase the outward migration of families from Central London boroughs to Outer London boroughs such as Haringey, which would increase the demand for childcare provision, conversely the loss of public sector jobs may reduce the demand for childcare provision.

5.9.4 The impact of delivering the saving required by Council's Local Government budget reductions has been:

- An increase in childcare fees for children under 3 in children's centre childcare provision from September 2011 to align the cost of provision and income and the reduction in subsidy for childcare to children's centres. Further work is being undertaken to review the impact of the rise in fees on families ability to take up of places.
- Reductions in sustainability grant funding to voluntary and community sector organisations
- The cessation of Council managed delivery of after school and holiday childcare. However transition funding was provided to schools for 2011-12 to support the continued delivery and sustainability of after school and holiday provision.

5.10 A review of children's centre childcare places will be undertaken in December 2011 to monitor the take up of places since the introduction of the increase to fees. Initial feedback would seem to show a fall in take up during the first term after the fee rise with the risk that nurseries will fail to meet their income targets. Further work is taking place to relate fees charged to family income. Alongside this, work is also taking place to:

5.10.1 Review the allocation of 560 full time nursery places in schools funded through the dedicated schools' grant. These places are allocated to schools across the Local Authority. However there have been no set criteria for their allocation or use. We are reviewing where the places are and who has been using them with a view to rationalising them against clear criteria based on need. It has become apparent while undertaking the review that the funding for the full time places may well be absorbed if the number of children who are eligible to take up a 15 hour free nursery place EYFE increases. At this time only 77% of those who could take a free 15 hour place do so. The Government expects 90% take up and funds the Local Authority at this rate. Should the take up in Haringey increase, as we are working to deliver, much of the funding that is taken by the 560 full time places would need to be used for the extra children taking up their EYFE.

5.10.2 Continue work to increase fee income, developing a fee structure that relates to family income, ensuring a robust structure for Local Authority childcare and

reviewing the impact on take up of the fee increases so far.

5.10.3 Plan for an increase to the number of targeted places for vulnerable two year olds within the Two Year Old programme from 2013. Planning for 2 year olds is being closely aligned to the overall expansion of the delivery of the free entitlement of 15 free hours for 3&4 year olds.

5.11 The childcare sufficiency action plan has been developed in consultation with stakeholders and partners and outlines the detailed actions to address the priorities from the CSA. **The proposed priorities arising from the CSA and related work are as follows:**

Priority 1. Improve the take up of 15 hour free entitlement for 3&4 year olds, ensuring all families are aware of the scheme and can access a place if they wish to towards the national expectation of 90% take up.

Priority 2. Monitor and support the availability and take up of childcare provision across the Borough

Priority 3. Work with providers of childcare to ensure the affordability and sustainability of childcare

Priority 4. Work with Partners and providers to improve the provision of appropriate after school and holiday childcare for children with disabilities or special educational needs

Priority 5. Plan for the expansion of the Two Year Old Programme

Priority 6. Monitor the impact of the Council's budget reductions on the local childcare market and monitor the impact of wider government changes to welfare and benefits.

5.12 In creating actions to address these priorities we have considered the following:

- Tracking the take up of childcare in children's centre provision to monitor the impact of the increase to fees
- Maximising the take up of the childcare element of the Working Tax Credit
- Maintaining business support to childcare providers
- Supporting the development of after school and holiday provision through schools and PVI providers ensuring the provision of specialist training to support work with children with disabilities and or special educational needs
- Targeting work with families of children with disabilities and/or special educational needs to match demand and supply
- Investigating reasons for vacant places with childminders and preferences of parents for group settings

6. Comments of the Chief Finance Officer and financial implications

6.1 There are a number of financial issues raised in this report which need to be considered:

- The regulatory position allowing schools to levy charges on parents for early years provision outside of the statutory entitlement of 15 hours per week has now been enacted and the Council will want to consider providing guidance on appropriate charging rates to provide some parity across settings;
- Currently, childminders in Haringey are not supported through the Early Years Single Funding Formula (EYSFF) as none have achieved the relevant quality standards necessary to enable participation – a funding mechanism will need to be developed for childminders within the EYSFF should they be part of the strategy for increasing take up of the Early Years Free Entitlement (EYFE) which is implied in the report;
- The report (para 5.10.1) refers to a review of the ‘full time Nursery places in schools’ – it should be noted that these full time places are ‘Free’ to parents at the point of delivery and that a consultation on the reallocation and reduction of these places, in order to support an expansion in the EYFE from the current 77% to at least the 90% level funded through the DSG, was issued to stakeholders during the w/e 2/12/2011;
- The government has previously announced its intention to extend free early education provision to 140,000 disadvantaged 2 year olds – a further extension to 260,000 disadvantaged families from September 2013 was announced in the Chancellor’s Autumn Statement.

6.2 However, there is significant uncertainty around the funding mechanism for the resources necessary to achieve this. In particular the government has claimed that in 2012-13 funding for all Local Authorities to build up to the new entitlement has been increased from £64m (2011-12) to £223m (2012-13) and that this has been routed through the Early Intervention Grant (EIG) it has further suggested that this will rise to £331m (2013-14) and £380m (2014-15) and is currently consulting on the most appropriate mechanism for distributing these resources given that the future of EIG after 2012-13 is unknown.

6.3 Despite the announcement of an additional £159m in 2012-13 an increase of only £85m nationally is evident from announced EIG allocations – the increase for Haringey being only £287,000. It is therefore unclear how any substantial increase in Haringey could have been achieved even before the latest announcement which does not bring any clarity over the funding route.

7 Head of Legal Services and legal implications

- 7.1 The Acting Head of Legal Services has been consulted on the contents of the report. Section 3 of the Childcare Act 2006 states that local authorities must make arrangements to secure that early childhood services in their area provided in an integrated manner which is calculated to (a) facilitate access to those services and (b) maximise the benefit of those services to parents, prospective parents and young people. The local authority must take steps (a) to identify parents or prospective parents in the authority's area who would otherwise be unlikely to take advantage of early childhood services that may be of benefit to them and their young children and (b) to encourage those parents or prospective parents to take advantage of those services.
- 7.2 Section 6 of the Childcare Act 2006 requires that local authorities must secure, so far as is reasonably practicable, that the provision of childcare (whether or not by them) is sufficient to meet the requirements of parents in their area who require childcare in order to enable them to take up or remain in work or undertake education or or training which could reasonably be expected to assist them to obtain work.
- 7.3 Section 11 of the Childcare Act 2006 requires that local authorities must prepare assessments of the sufficiency of the provision of childcare (whether or not by them) in their area. The assessments must be prepared at intervals not exceeding three years.
- 7.4 The Department for Children, Schools and Families (now the Department for Education) has issued Securing Sufficient Childcare Statutory guidance for local authorities in carrying out their childcare sufficiency duties. Local authorities must have regard to the guidance when carrying out their sufficiency responsibilities.
- 7.5 In reaching a decision on the proposals due consideration must be given to the authority's public sector duty. Due consideration should be given to the responses set out in the CSA including those from the focus groups. Members attention is also drawn to section 8 of the report.'

8. Equalities and Community Cohesion Comments

- 8.1 The aim of the Childcare Sufficiency Assessment is to assess the supply of and demand for childcare in the borough and to identify any gaps in provision for which action is required. This includes consideration of whether any issues identified are specific to, or particularly affect, certain groups. Actions to address any such issues are then included in the CSA Action Plan
- 8.2 The views of parents and carers are central to the CSA. Over 15,000 questionnaires were sent out and a total of 784 parent/carers questionnaires were completed and returned. Focus groups were held with parents/carers who were Turkish, Kurdish, Somali and Polish, parents whose children had a Special Educational Need or disability and teenage parents. We also gathered the views of school aged children and young people. An Equality Impact Assessment will be undertaken early in 2012 to assess the take up of early education by those groups identified as not attaining as

well as the rest when analysing pupil outcomes at the Early Years Foundation Stage and Key Stage 2. Further work will then be targeted to ensure that those families are able to support their children's development to progress as well as their peers.

8.3 Amongst the participants in the focus groups with Turkish, Kurdish, Somali, and Polish parents/carers, use of full day childcare (8am-6pm) was low, as the majority of the parents were full-time mums. Their use of formal childcare was mainly nursery classes at school and playgroups. A view shared by most of the participants was that having information about childcare available in community languages would be helpful. This will be a consideration in future communications activity, such as the action identified under priority one of the CSA Action Plan – Ensure parental awareness of the provision of the Early Years Free Entitlement and the importance of early education for young children.

8.4 The main messages from the focus group with parents of children with SEN or disabilities were:

- Use of childcare was generally low.
- The majority of parents felt that there was a lack of appropriate after school club childcare places for disabled children.
- The majority of parents wanted to make more use of after school clubs to provide them with a break and support them when they go back to work.
- Parents were also concerned about availability of appropriate places in holiday play schemes to meet the needs of disabled children or children with Special Educational Need.

Childcare provision for children with disabilities and SEN is one of the five priorities in the CSA Action Plan, with a range of actions that sit underneath it. Please see the plan for details of these actions.

9. Policy Implications

9.1 Work to secure sufficient childcare links to a number of key Council priorities and contributes to the Child Poverty agenda.

9.2 Links to Children and Young People's Plan 2011-12 priorities:

- Give every child the best start in life
- Reducing inequalities
- Ensuring children, young people and their families access services in a timely and appropriate manner

9.3 Links to Council priorities:

- Priority 3 - Encouraging lifetime well-being, at home, work, play and learning
- Priority 4 - Promoting independent living while supporting adults and children when needed
- Priority 5 - Delivering excellent, customer focused, cost effective services.

9.4 Links to Council strategies:

- Children and Young Peoples Plan
- Financial Planning Strategy
- Wellbeing Strategic Framework
- Regeneration Strategy

10 Use of Appendices

10.1 Appendix 1 – CSA Action Plan 2011

11 Local Government (Access to Information) Act 1985

11.1 The Haringey Childcare Sufficiency Assessment 2011