

Report Title:	Update on Childcare Sufficiency Assessment
Meeting for:	Children & Young People Scrutiny Commission
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Summary

This report provides the Children and Young People Scrutiny Commission with an update on:

- The number of Ofsted registered childcare provision in Hackney.
- The supply and demand for childcare places in the Spring term 2021, following the full Childcare Sufficiency Assessment completed March 2020, last reported to Scrutiny June and December 2020.
- The number of 2, 3 and 4 year olds accessing their free 15 and 30 hours early years entitlement, and the types of provision 2, 3 and 4 year olds are accessing their free entitlement.
- A snapshot of the quality of Early Years provision as determined by Ofsted.

Key issues

- The percentage decrease in the number of 2, 3 and 4 year olds attending Private, Voluntary and Independent (PVI) provision, and maintained school provision between 2020 and 2021. There is a significant decrease in the number of children accessing nursery classes in maintained schools.
- The impact of Covid on children's outcomes, particularly in the areas of communication, language, physical and emotional development.

1. Local Authority Sufficiency

- 1.1. The local authority has a duty under the 2006 Childcare Act 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. This duty was extended under the Childcare Act 2016 to ensure that childcare is available free of charge for qualifying children of working parents for, or for a period equivalent to, 30 hours in each of 38 weeks in any year.
- 1.3. This report provides an update to the Childcare Sufficiency Assessment reported to Scrutiny last December. It will provide a brief overview of the supply of childcare places, the demand for childcare and the quality of care since 2018.

2. Number of Settings and Childminders operating

- 2.1. The supply of provision within the early years sector in Hackney has remained broadly stable over the previous two years.
- 2.2. During this period, there has been a small increase in the total number of childcare providers registered as Childcare on non-Domestic Premises with Ofsted. In August 2018 there were 114 registered settings; this increased to 117 in August 2019 and by 2020 the figure stood at 118. Since August 2020 two small settings have closed and a new nursery provider has opened.
- 2.3. The number of registered childminders has also remained fairly constant. In August 2018 there were 183 registered childminders, there are currently 176 registered in Hackney. It should be noted that many childminders maintain their registration with Ofsted despite not always caring for children. The current estimate, based on voluntary survey returns, indicates that 98 childminders are actively looking after children. This figure is in line with the proportion of childminders who have been looking after children over the past two years.
- 2.4. In addition to the 118 providers registered with Ofsted as Childcare on non-Domestic premises, there are 18 independent schools which provide education and care for 2, 3 and 4 year olds. This number has increased by three since 2018. Independent schools are registered with the Department for Education.
- 2.5. There are two Maintained Nursery Schools and 51 Primary schools that operate nursery classes.

3. Number of Children attending Early Years Provision

- 3.1. There are three census points in the year in which local authorities collect headcount data from early years providers. All providers (including maintained schools, independent schools, childminders and settings on the Ofsted Early Years register) submit details about the numbers of two, three and four years who are eligible for free childcare, funded by the government. The free entitlements are;
 - 3.1.1. All children aged 3 and 4 are entitled to 15 hours per week until they start reception class in school

- 3.1.2. Children aged 3 and 4 where both parents are working, or for lone parent families where that parent is working, are entitled to 30 hours per week until they start reception class in school
 - 3.1.3. Children aged 2 whose families receive certain benefits (including low income families in receipt of in-work benefits), or those who meet additional non-economic criteria, are entitled to 15 hours per week. Nationally, about 40% of 2 year olds are entitled to this offer, but the proportion varies by area.
- 3.2. Chart 1 shows the total number of funded two, three and four year old children attending different types of Early Years provision (total 6,114).

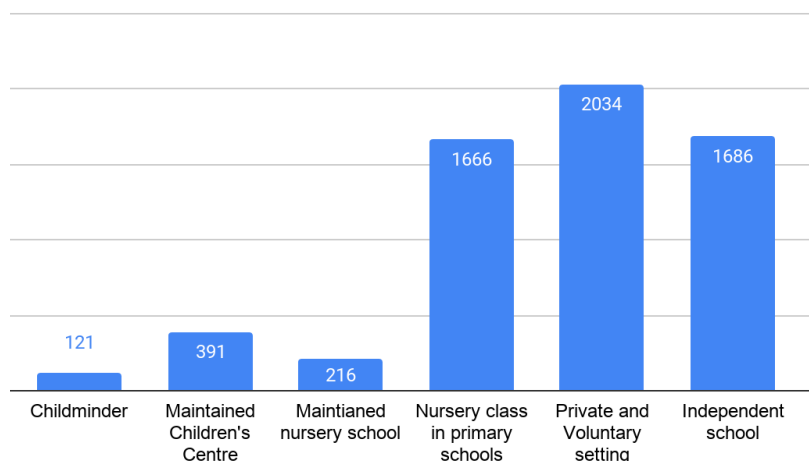


Chart 1. Total number of two, three and four year olds attending provision

- 3.3. Chart 2 shows the number of funded children attending Hackney provision in each of the past three years. The percentage of eligible two year olds taking up the free entitlement in Spring 2019 and 2020 compared favourably with national averages and was above most of Hackney's statistical neighbours. The total number of children taking up their entitlement has fallen in 2021, comparative data with both national and other local authorities has not yet been published. This indicates surplus childcare places.

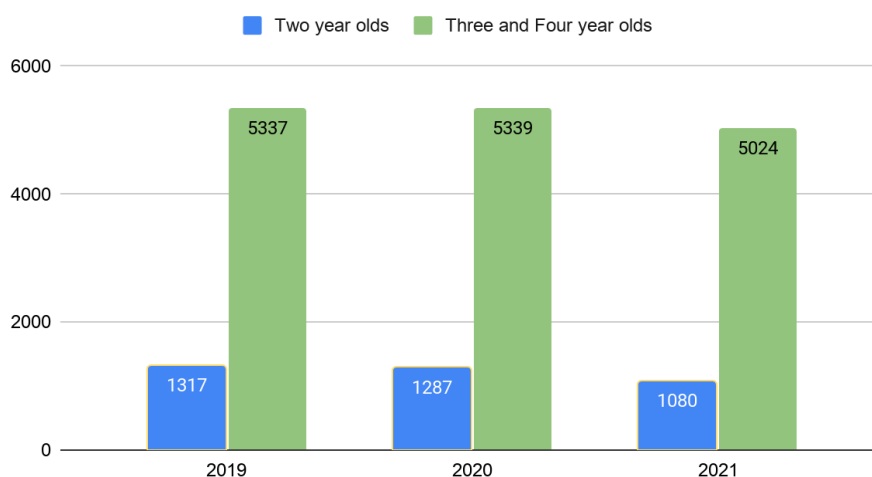


Chart 2. Number of 2, 3 and 4 year olds attending Hackney provision 2019 - 21

- 3.4. Table 1 shows the percentage change in the number of children attending Private, Voluntary and Independent (PVI) provision (including children's centres), and maintained school provision between 2020 and 2021

	PVIs, children's centres and childminders	Nursery classes in schools and maintained nurseries	All Hackney provision
Funded 2 year olds	-16.8%	-11.9%	-16.1%
Funded 3 & 4 year olds	-2.0%	-12.5%	-5.9%
Total funded pupils	-5.7%	-11.2%	-7.5%
Extended hours for 3 and 4 year olds	-7.6%	-10.8%	-8.6%

- 3.5. Whilst there were 207 fewer eligible two year olds overall attending a Hackney school or setting in January 2021 compared with 2020, the numbers attending a PVI or Childminder fell by a greater percentage than for those attending a school nursery. The percentage of three and four year olds attending a PVI did not fall by the same amount. Possibly because there are more two year olds attending PVI settings than schools.
- 3.6. Feedback from a sample number of providers and parents indicate the reduction in the number of children taking up their two year olds free entitlement is due to a number of factors. Some providers operated with a reduced capacity in the Spring term due to staff shortages, the operation of covid secure bubbles (which affected staffing levels and ratios) and shorter days, while some parents reported they were not confident taking up a place at a time when parents were not permitted to enter premises and the usual 'settling in' practices were very different.
- 3.7. Parenting & Family Information Service (FIS) collection of monthly vacancy information and fortnightly attendance data collected for the Department for Education clearly indicates that there has been an increase in the number of settings reporting vacancies. In May 2021, from a total of 146 schools and settings that completed the survey, 71 reported vacancies. This has increased from 49 settings in November 2020. It should be noted that FIS does not ask for the number of vacancies in each setting.
- 3.8. Independent schools, that mainly serve the Charedi community, report that demand for places is just as high as ever and schools are operating at their maximum capacity.

4. Quality of Provision

- 4.1. Ofsted inspections have not taken place since the beginning of the pandemic except for some regulatory inspections for new providers or light touch monitoring inspections.

During the Summer term, the majority of Ofsted's activity will continue to be 'monitoring inspections' with fuller inspections only taking place for settings with a current Inadequate or Requires Improvement rating, or where there are serious concerns, particularly in relation to safeguarding. It is expected that a full schedule of inspections will resume in september 2021.

- 4.2. Out of a total of 118 settings registered with Ofsted, 98% have a good or better judgement. The percentage of Childminders judged by Ofsted to be good or better also currently stands at 98%. Nationally the percentage of good or better childcare providers is 97% and childminders, 95%.
- 4.3. Hackney Education continues to provide focussed support for those settings that are not yet good, are due an inspection (as part of the normal cycle of inspections), are newly registered or have had a recent change in leadership and management.

5. Further challenges

- 5.1. Early Years settings and childminders have faced a number of additional challenges, alongside financial considerations since the full re-opening of provision. Many providers have reported that children with SEND have missed the consistent routines and expectations that come with regular attendance at a nursery, that behaviour has been more difficult to manage and that COVID has had a negative impact on children's development and progress.
- 5.2. Providers report that lockdown has impacted on children's learning and development particularly in the areas of communication and language, the development of physical skill and on children's emotional confidence.
- 5.3. It should also be noted that there is also likely to be an impact on 'school readiness' as children, particularly those two year olds entitled to the free 15 hours, will not have had the opportunity to benefit from attending high quality provision including engaging with, for example the two year old progress check and integrated health and education review at 27 months.
- 5.4. Whilst provision has remained relatively static, settings have reported that working parents have changed the way in which they use childcare. Parents are seemingly opting to utilise their free 15 hours or 30 hours entitlement, and not pay for additional hours. This has meant that some providers who have previously been reliant on top up fees, have experienced a drop in income. This may be due to parents working from home and only require childcare for the core day.

6. Ongoing data collection

- 6.1. Hackney Education, through the Parenting & Family Information Service, will continue to collect fortnightly attendance data from Early Years providers and childminders. This data is submitted to the Department for Education.
- 6.2. Headcount data for the Summer term census is collected during the last two weeks in May. This will provide Hackney Education with a clearer picture of whether the fall in numbers attending Early Years provision is a trend or a single year Covid-related dip.
- 6.3. National Datasets are usually published in July allowing Hackney Education to identify trends across and between local authorities.

6.4. Parenting & Family Information Service will continue to request information about vacancies to support the two year old brokering service and enable signposting for parents requiring a childminder.