



REPORT TITLE: Gloucestershire Childcare Sufficiency Duty report 2022

Cabinet Date	21 st September 2022
Cabinet Member	Councillor Stephen Davies, Cabinet Member for Children's Safeguarding and Early Years
Key Decision	Yes
Purpose of Report	To seek Cabinet approval for Gloucestershire's Childcare Sufficiency Duty report (2022)
Recommendations	That Cabinet approves the Childcare Sufficiency Duty report 2022 and delegates authority to the Executive Director of Children's Services, in consultation with the Cabinet Member for Children's Safeguarding and Early Years to make any final changes prior to publication.
Reasons for recommendations	There is a requirement that local authorities undertake an annual assessment of the capacity and quality of childcare in their area and bring this to the attention of elected members, prior to it being made available to the public.
Resource Implications	<p>There are no direct resource implications arising from this report, although Covid has impacted on the financial viability of some providers. The Childcare Sufficiency Assessment includes the completion of a Business Risk Analysis to identify areas of vulnerability and enhance the sustainability of provision.</p> <p>Any funding required to enhance sustainability and to secure sufficient childcare provision will be met from the Dedicated Schools Grant , Early Years block.</p>
Background Documents	<u>Early Education and Childcare – Statutory guidance for local authorities</u>
Statutory Authority	Childcare Act 2006 Early Education and Childcare statutory guidance for local authorities (2018)
Divisional Councillor(s)	All

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Timeline	The Childcare Sufficiency Duty report is required to be completed and published on an annual basis. There is no prescribed timeline and publication of the 2022 assessment report will follow Cabinet approval.

Background

1. The Childcare Act 2006, and Early Education and Childcare statutory guidance, gives local authorities a duty to secure, so far as is reasonably practicable, childcare provision for children aged 0-14 and up to 18 for children with disabilities. The provision should be sufficient to meet the requirements of parents/carers to enable them to work or undertake education or training leading to work, and for their child to access their free entitlement childcare place.
2. A key element within the range of duties placed on local authorities is to carry out an annual assessment of the childcare available in their area and produce an annual report for Council members on how the duty is being met and to make it available to the public. The local authority also has a strategic role in working with local partners and childcare providers to shape provision to ensure it is well placed to meet the needs of local families.
3. The aim of the Childcare Sufficiency Duty report 2022 is to provide an analysis of childcare supply and demand for childcare in Gloucestershire. This encompasses information about the quality, accessibility, and affordability of local childcare provision, any current or emerging gaps and how these will be addressed. It should be noted that due to the impact of Covid on the Early Years Sector, an interim analysis of the childcare market position was undertaken in January 2022 to ensure that emerging risks to sufficiency were identified and addressed.
4. There is a considerable body of research evidence that accessing early education and childcare provision is associated with improvement in children's cognitive and socio-emotional development as they progress through primary and secondary school. For disadvantaged children, the opportunity to attend good quality provision is particularly important in enabling them to access resources and experiences they might not have at home.
5. Children's entitlement to 15 hours a week (30 hours for some) of early education makes an important contribution towards ensuring children are ready for full-time education. The 'school readiness' of children, which describes their general level of development at the end of Foundation Stage as they enter full-time education, can have a significant effect on children as they progress through school and later life.
6. The first education attainment marker for young children is taken at the end of the Early Years Foundation Stage (EYFS) when the child is aged 5. The EYFS profile data has not been collated since 2019 due to the Covid pandemic. In Gloucestershire, in 2019, 71.9% of all children attained a good level of development (GLD) which is a rise from 52% in 2013. The overall % of children in Gloucestershire attaining GLD in 2019 matched the national average, having been below this for several years. Whilst this was due to a complex range of factors, the importance of children accessing good quality childcare provision cannot be overstated. All primary schools have submitted their EYFS data this month. Profile results will be provided to each LA in the Autumn. Changes to the EYFS mean that we cannot compare this year's data with previous years but we will still measure our performance (% attaining a 'Good Level of Development') against national and statistical neighbour averages.

7. A copy of the Childcare Sufficiency Duty report (2022) is attached at Appendix 1. Key headlines from the assessment include:

- There are currently 677 childcare settings, comprising 310 childminders, 155 day nurseries, 198 pre-school, 14 nursery units in independent schools.
- There are 15,209 childcare places available for children aged 0-5 years in Gloucestershire.
- The quality of childcare in Gloucestershire is high: 88.5% of child minders and 91.9% of day care providers are graded 'good' or 'outstanding'. 2.6% (14) are currently rated as Requires Improvement and 1.7% (5) as Inadequate. The majority of these are preschool play groups that are school governor-run. This shows an increase in the number rated less than good across the county providers. This is explored in the Sufficiency Duty report and included in the action plan.
- The take-up of funded early education for 2-year-olds in Gloucestershire was 1% lower than the national percentage in the January census 2022 (71%, National 72%). This area continues to be a priority for the Early Years' Service. The take up of universal funded early education for 3- and 4-year-olds in Gloucestershire at 94%, was higher than the National percentage of 92%.
- Covid-19 and the restrictions placed on employment and provision had a significant impact on the Early Years' sector. The Early Years' team worked tirelessly with the sector to enable it to maintain capacity and continue to provide a quality education offer firstly for vulnerable children and the children of key workers before the resumption of a universal offer.
- Despite the huge challenges of Covid, the available provision in Gloucestershire remained sufficient to meet demand in terms of the numbers of children requiring childcare throughout the pandemic. However, over the past 12 months, the impact of the pandemic and the subsequent cost of living crisis has had further significant impact on the Early Years sector. Our current assessment of childcare provision evidences sufficient childcare provision in most areas of the county, some gaps and emerging concerns in specific areas. These are set out in the attached report along with actions to mitigate further risk to sufficiency.
- Since the data in the previous sufficiency report (end Feb 2021) to the end of May 2022, there has been a 2.8% decrease in the number of early years' providers and a 1.2% increase in the overall number of places. Whilst it is positive that the number of places has increased across the whole county, there are areas where a loss of places has impacted on overall sufficiency for that area. Areas of immediate concern are Stroud and Dursley. This is being addressed and we anticipate additional childcare places to be available in both areas by the end of the year.

8. The Childcare Sufficiency Duty report has been completed by the Early Years' Service, located within the Education Directorate of Children's Services. Comprising 25 full-time equivalent staff, based in three Quality and Inclusion locality teams (Gloucester and the Forest, Cheltenham, and Tewkesbury, Stroud, and Cotswolds), They play a key role in developing the quality and capacity of the childcare market in Gloucestershire. These are supported by a Market Management and Business and funding team, an Early Years' Foundation Stage (EYFS) Quality and Improvement Adviser who supports schools with EYFS quality and moderation and a Development Officer promoting and supporting a universal offer for 0-3 year olds and managing the various EY development projects. Key functions include the administration and processing of payments, engaging potential new providers, ongoing guidance and support, statutory data returns to the Department for Education and the local implementation of national initiatives and priorities for childcare.
9. The greater majority of provision is of good or outstanding quality. In the past 12 months there has been an increase in the number of Early years settings that have received an Ofsted judgement of less than good. Safeguarding knowledge and practice has been a common theme leading to judgements of 'Inadequate'. In acknowledgement of this, an audit of safeguarding knowledge, practice and processes in the Early years' sector has been undertaken. This will be presented to Children's service SLT. There are a range of actions already in progress aimed at improving safeguarding practice in the sector, including the development of an Early Years' specific module of safeguarding training and training for the sector in relation to Allegations Management.
10. Take up of the 2-year-old targeted offer and the risks to provider sustainability due to a combination of underlying cost and funding pressures, which pre-date Covid, also remain as key areas of focus for the Early Years' Team. The action plan attached as part of the sufficiency duty assessment, sets out a range of measures to continue to address these issues over the coming year.

Options

11. Option 1: To approve the Gloucestershire Childcare Sufficiency Duty report 2022 and associated action plan.

OR

Option 2: To not approve the Childcare Sufficiency Assessment 2022. This would mean that the local authority would not be planning strategically and would be in breach of its statutory obligations.

Risks

12. There are a range of risks associated with the Childcare Sufficiency Duty report:

Risk: There is insufficient accessible childcare capacity in Gloucestershire.

Mitigation: The action plan attached to the Childcare Sufficiency Duty report includes the completion of a Business Risk Analysis to identify areas of vulnerability and enhance the sustainability of provision. This will take place alongside the ongoing programme of work to recruit and sustain the local childcare provider market.

Risk: The quality of childcare is less than good or outstanding.

Mitigation: The Early Years team will continue to work with providers and their workforce to ensure the children and families are able to access good or outstanding provision.

Financial Implications

13. There are no direct financial implications arising from the completion of the Childcare Sufficiency Duty report 2022. Covid has undoubtedly impacted on the financial viability of some providers. Ongoing business risk analysis processes are in place to identify areas of vulnerability and enhance the sustainability of the sector. This will continue to be a key part of the work of the early years team over the coming year. Any funding required to enhance sustainability and to secure sufficient childcare provision will be met from the Dedicated Schools Grant , Early Years block

Climate Change Implications

14. There are no direct climate change implications arising from the completion of the Childcare Sufficiency Duty report.

Equality Implications

15. The Childcare Act gives local authorities a duty to secure, so far as is reasonably practicable, childcare provision for children aged 0-14 (or up to 18 for disabled children). This is underpinned by a funded entitlement for all 3- and 4-year-olds of up to 570 hours per academic year of free early education or childcare and a targeted offer, for eligible families, of 570 hours for 2-year-olds.

16. A key part of the work of the Early Years' Team is to ensure that local provision is inclusive, non-discriminatory, and able to meet the needs of children and families, including children with disabilities, special educational needs, BME and those from disadvantaged families. The Sufficiency Duty report and resulting action plan outline how the Early Years' Team will work with local providers to ensure the market continues to develop to meet the diverse needs of children in Gloucestershire. This includes the development of a pilot specialist childcare and assessment provision.

Data Protection Impact Assessment (DPIA) implications

17. There are no direct Data Protection Impact Assessment implications arising from the completion of the Childcare Sufficiency Duty report.

Social value implications

18. There is a considerable body of research evidence that accessing good quality early education and childcare provision is an important component in children's subsequent development and progress through the education system. Having a Sufficiency of Childcare provision that is accessible and of good quality has significant social value for the wider community of Gloucestershire.

Consultation Feedback

19. The Early Years Team is involved in a dialogue with childcare providers on an ongoing basis to ensure that local provision continues to meet the needs of children and families in Gloucestershire. Alongside demographic and birth data, the sufficiency report also draws upon the concerns and pre-occupations of childcare providers in order to develop a rich picture of the quality and distribution of childcare provision across the county.
20. The report, when published, will also be a resource for parents to understand the types and distribution of childcare in their area, and how the Early Years' Team is working to ensure this is sustained and developed.

Officer Recommendations

21. The Childcare Act 2006 places a statutory duty on local authorities to undertake an annual assessment of the sufficiency and quality of childcare provision in their locality. Whilst the statutory duty is not prescriptive on its precise form, there is a requirement for the local authority to complete an assessment to meet its statutory obligations.
22. It is considered that the Childcare Sufficiency Duty report 2022, attached at Appendix 1, is of good quality and represents a positive response to the requirements placed on Gloucestershire County Council, by the Childcare Act 2006, and associated statutory guidance.
23. The Childcare Sufficiency Duty report will be reviewed on an annual basis to ensure it continues to reflect the changing patterns of childcare demand, capacity, and quality in Gloucestershire.
24. Officers therefore recommend that Cabinet adopts Option 1 and approves the Gloucestershire Childcare Sufficiency Duty report 2022 and associated action plan, subject to any final amendments agreed by Cabinet.

Performance Management/Follow Up

25. The Childcare Sufficiency Duty report will be kept under regular review by the Early Years' Team, Education and Disabilities and Children's Services Senior Leadership Team to ensure it remains fit for purpose. It will be refreshed on an annual basis. This will include performance metrics that highlight take up of the funded childcare offer and the quality and availability of provision, acknowledging their importance as key contributors to the readiness of children to commence full-time education. An

interim analysis of sufficiency will be completed again, as in January 2022, should further concerns be raised about sufficiency prior to the full annual report 2023.

