

Childcare Sufficiency Assessment Report Updates April 1st-September 30th 2016

1. National 30 hour capital bid programme
2. Early Years National Funding Review
3. Provider update
4. DfE parental survey for the extended entitlement.

1. Capital Bids

In July the DfE contacted all Local Authorities to take part in a bidding process for capital funding to support the delivery of the extended entitlement coming into effect from September 2017 through the Education Funding Agency¹.

North Yorkshire submitted the maximum of 6 bids out of 7 applicants, after a rigorous scoring process. The bids ranged from £60,000 to £746,000 for a variety of new builds and premises upgrades. Successful bids will be identified through the DfE in December this year.

2. Funding Review

In August, the DfE announced a national review of early years funding, with proposals to change the ways in which they fund early education and childcare provision; and the way in which Local Authorities are funded to deliver services for early years. The proposals include:

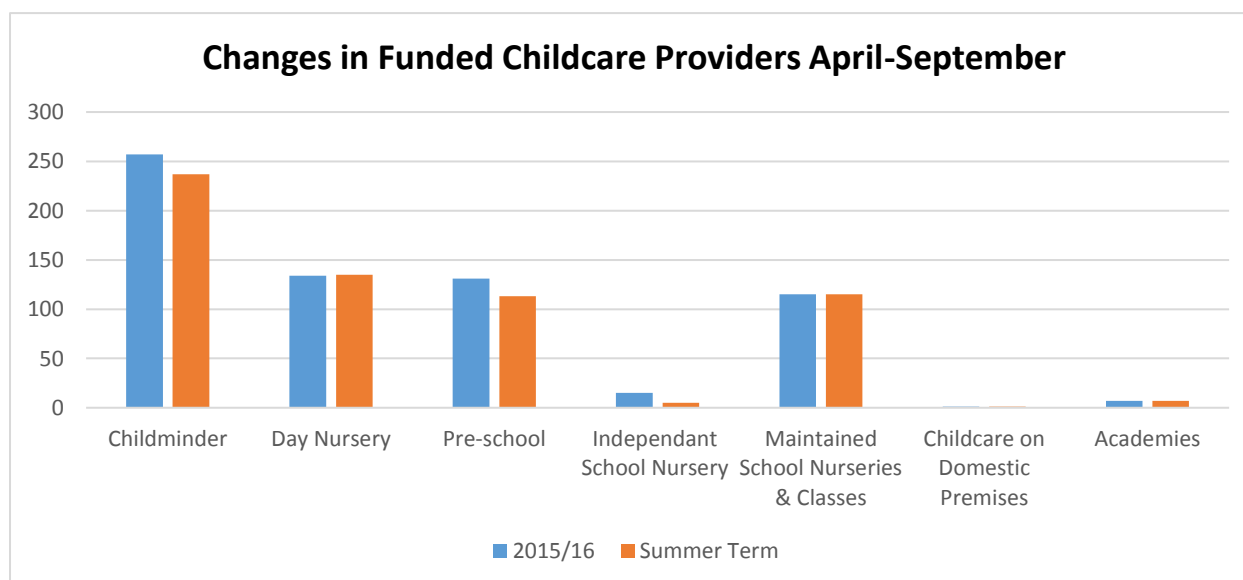
- introducing a new early years national funding formula
- changing the way local authorities fund the early years providers in their area for 3 and 4 year-olds
- defining the proportion of the Early Years Block funding which can be retained for central early years services
- making sure that children with special educational needs or disabilities attract the extra funding they need

The consultation closed in September and the results will be published in November.

Depending on the results of the consultation, this may have an effect on the number of childcare providers that provide funded places in North Yorkshire as the proposals are that our hourly rates will be significantly reduced.

3. Market Position updates

Table 1: Changes to numbers of funded providers



¹ <https://www.gov.uk/guidance/early-years-capital-funding-application-round>

Table 1 summarises the changes of funded childcare providers between April 2016 and the end of September 2016. During this period there have been 20 Childminder; 8 Day Nurseries and 18 Pre-school closures. Across the county we are however, still meeting the demand for childcare places as there has either been local market capacity to provide places for displaced children, some pre-schools have moved to work under school governance and so places have been preserved; and 36 new childminding businesses have opened. In only one community (Middleham in Richmondshire) is there a current lack of places following the closure of full daycare provision, but a strategy to respond to this gap is in process through a 30 hour capital bid submission.

Table 2: Amount of providers closed:

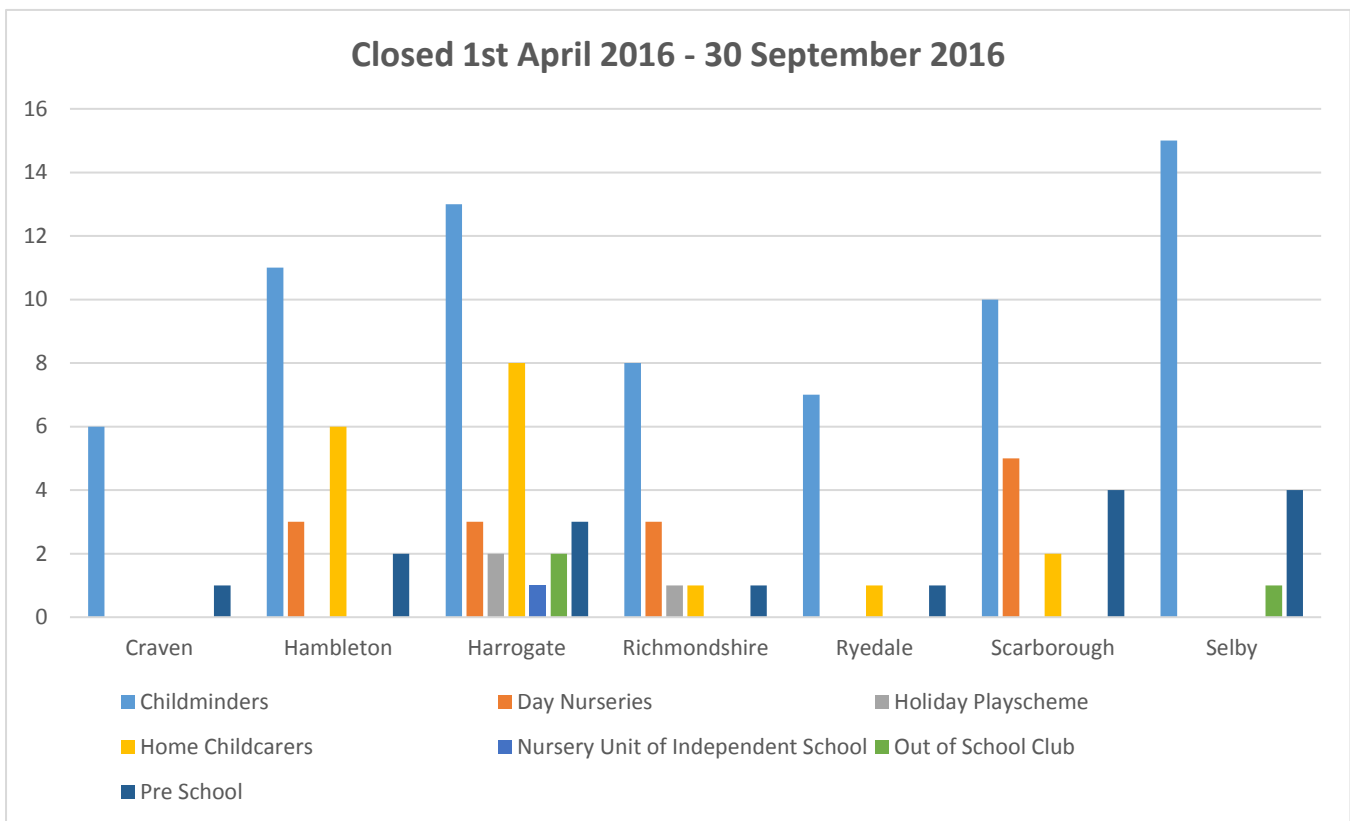
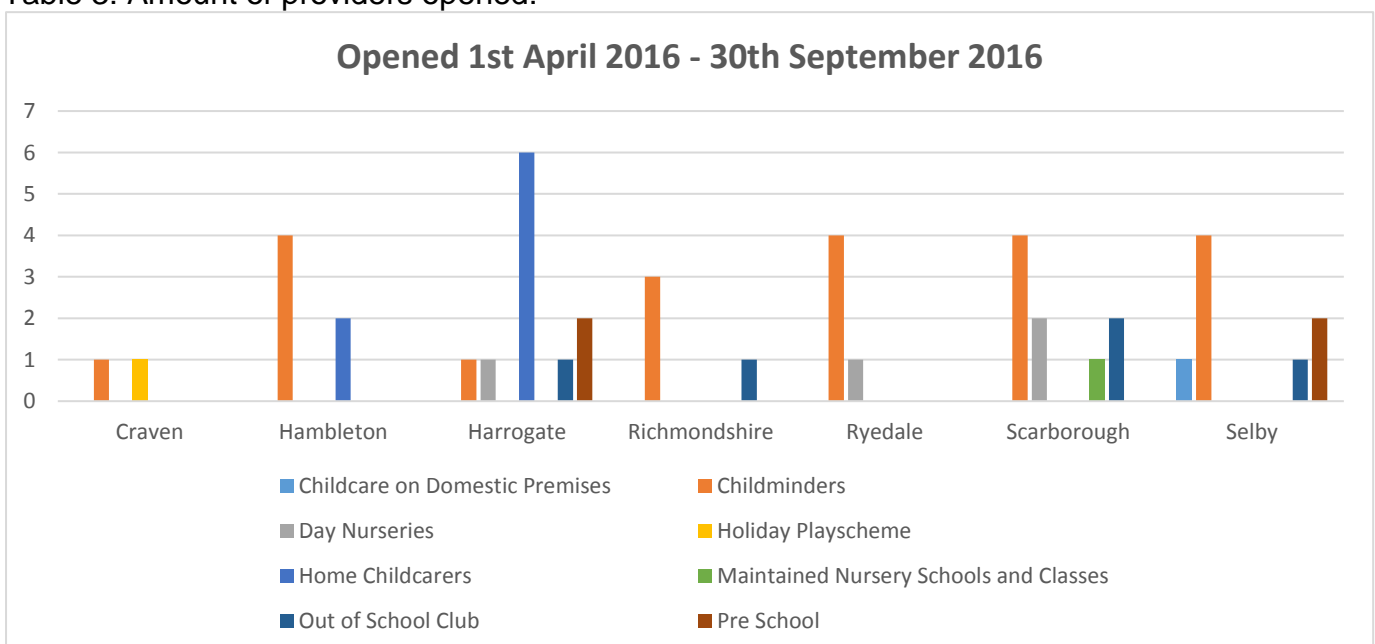


Table 3: Amount of providers opened:



4. DfE parental survey for the 30 hour extended entitlement

The DfE survey was sent out via a link to all early year providers to send on to their parents. We had 1099 responses from families in North Yorkshire

Of those that responded, 43% had used a Day Nursery for their childcare in the last 6 months; followed by 33% used Grandparents; 27% used a pre-school; 22% used a Nursery School; 15% used a Nursery Class and 14% used a childminder with 37% using other forms of childcare. This compares to the national response which saw the highest form of childcare at 32% with the child's grandparents, followed by a pre-school at 29% and the lowest being with a childminder at 10%.

The majority of parents (35%) use between 15 – 20 hours a week childcare, which replicate the national data.

70% of respondents use their free funding entitlement, which is higher than the NE & Yorkshire & Humber Cluster, with 67% using between 11 – 15 hours a week for their childcare, this also replicates the national data.

77% of those who responded pay for their childcare, with 37% of them paying for over 15 hours a week. This is higher than the national average of 46%.

84% would definitely or very likely use some or all of the extra 15 hour entitlement for childcare. This replicates the national data.

65% would use all of their extra 15 hours.

36% would use more than one childcare provider in order to use the additional free hours if their current provider could only deliver 15 hours. This is less than the national average of 51%.

21% would switch to another provider to use the full 30 hours if their current provider could only deliver 15 hours, which is equivalent to the NE & Yorkshire & Humber Cluster

4% of parents who do not use any childcare would consider using formal childcare such as a nursery, a pre-school or a childminder for their child if they could use 30 free hours of childcare.

31% of parents who are currently in work would increase their hours or look for another job if they were able to use the additional 15 free hours of childcare per week.

7% of parents who are not currently in work would look for work to become eligible for an additional 15 free hours of childcare for their child(ren), which is considerably lower than the 60% national average.

14% of parents with another child would start using formal childcare (such as a nursery, a pre-school or a childminder) or increase the childcare they use for their other child/ren.

4% of parents who have a partner in work, their partner would increase their hours of work or look for another job if they could use the additional 15 free hours of childcare

68% of respondents agreed that the additional 15 free hours of childcare would significantly reduce the cost of childcare for their household, which is significantly less than the national average of 81%.

55% agreed that they would use the additional 15 free hours towards the childcare that they currently pay for, again significantly less than the national average of 88%.

17% of those who have more than one dependent child, agreed would only use the additional 15 hours if they could use the same childcare provider for all their children.

23% would use all or some of the additional 15 hours even if it meant their children had to go to different childcare providers.

This information is to be shared with all providers across the county in order to support their preparations for the roll-out of the extended entitlement in September 2017.

Report compiled by Alana Miles, Early Years Policy and Development Officer, NYCC

