

Childcare Sufficiency Assessment Report Updates January 1st- March 31st 2017

1. 30 hour extended entitlement preparations to ensure sufficient place availability to meet parental demand
2. Funding Review update
3. Market Position updates
4. Sufficiency Overview – District Council Areas

1. 30 hours Extended Entitlement Preparations

This term has seen a huge amount of preparation to enable the sector to respond to place requirements for the early roll-out of the extended entitlement across North Yorkshire, and to be able to meet the reporting requirements to DfE.

The strategic 30 hours steering group identified the key delivery outcomes and drew up an action plan for early roll-out. Meetings were held with our LA, DfE support officer, and we have also liaised with her weekly to report on progress, share challenges and seek responses to queries and concerns.

Five childminder and six early years setting and school policy briefings were delivered to a total of 104 childminders and 280 early years staff in order to introduce the early roll-out of the extended entitlement, to provide information about parental eligibility, to outline parental options for place take-up, and to inform providers of the revised funding amounts.

We worked with Childcare Works, who delivered 28 Locality Partnership Planning workshops to 67 childminders and 240 early years staff, to provide information on possible models for the delivery of the extended entitlement and ways to work in partnership with other providers.

The Business and Finance team delivered 16 Business Planning Workshops to 267 childminders, out of school clubs, early years providers and schools to provide information on business models, and to train on SWOT and PEST analyses with providers considering delivering the extended entitlement.

Place supply:

The finance team gathered information from providers of estimates of the number of places to be funded for early roll-out. 59% of providers said that they were intending to offer extended entitlement places.

No. of Providers Planning to Deliver Extended Entitlement Hours During Summer 2017			
Provider Type	Providers Planning To Deliver Ext. Entitlement Hours – Summer 2017	Total No. Providers Registered for Funding	Extended Entitlement Providers v Registered for Funding Providers %
Maintained Nursery School	3	3	100%
Maintained School / Academy Nursery Class	51	107	48%
Independent School Nursery Class	4	15	27%
Childminder	141	251	56%
Full Day Care	104	131	79%
Sessional	75	132	57%
Total Providers	378	639	59%

The locality analysis of this by provider type was:

	Maintained nursery class / school	Governor-run provision by schools	Academy	Daycare Nursery	Pre-school / playgroup	Nursery class in independent school	Childminder
% responses of the total in each provider type	43%			79%	63%	27%	56%
Harrogate	33%	100%	67%	41%	48%	12%	32%
Craven	28%		100%	61%	88%	50%	45%
Selby	27%	100%	50%	59%	79%		30%
Ryedale	26%			45%	67%		35%
Coast	48%		100%	70%	78%	50%	34%
Hambleton	46%	50%		59%	53%		30%
Richmondshire	38%	100%		75%	38%		35%

The strategy and policy team also delivered extended entitlement updates to 5 Early Years Leadership Forums across the County. Questionnaires undertaken at these events gathered information about how providers were planning to deliver the extended entitlement in the summer term.

Place demand

We also drew up and promoted the parent application process to enable parents to apply for the extended entitlement online and developed our corporate website to enable parents to apply and receive information on the extended entitlement. 4174 parents indicated their demand for places. This represented 93% of the North Yorkshire DfE target for 4504 potentially eligible families.

The project team attended a number of progress sharing meetings hosted by Childcare Works across the region during the term and attended our regional clusters on Early Implementation. These provided opportunities to share our practice, liaise and to work with other LAs trialing the delivery of the extended entitlement.

2. Funding Review Update

After consultation with early years providers, a single funding rate of £3.90 was agreed from the 1st September 2017 across the whole sector. For the summer term it was agreed that providers would be supported from reserves to preserve their current funding rates, apart from sessional care providers who had their rates increased from £3.75 to £3.90 in order to support transitions to new rates. These rates were communicated to providers through a series of early implementation briefings held across the county and through key messages.

3. Market Position updates

The numbers of funded childcare providers has stayed very much stable over the course of the Spring Term compared to previous terms. Those providers that have closed have re-opened under a new business model or under school governance, which has enabled a stable number of available childcare places.

Table 1: Changes to numbers of funded providers

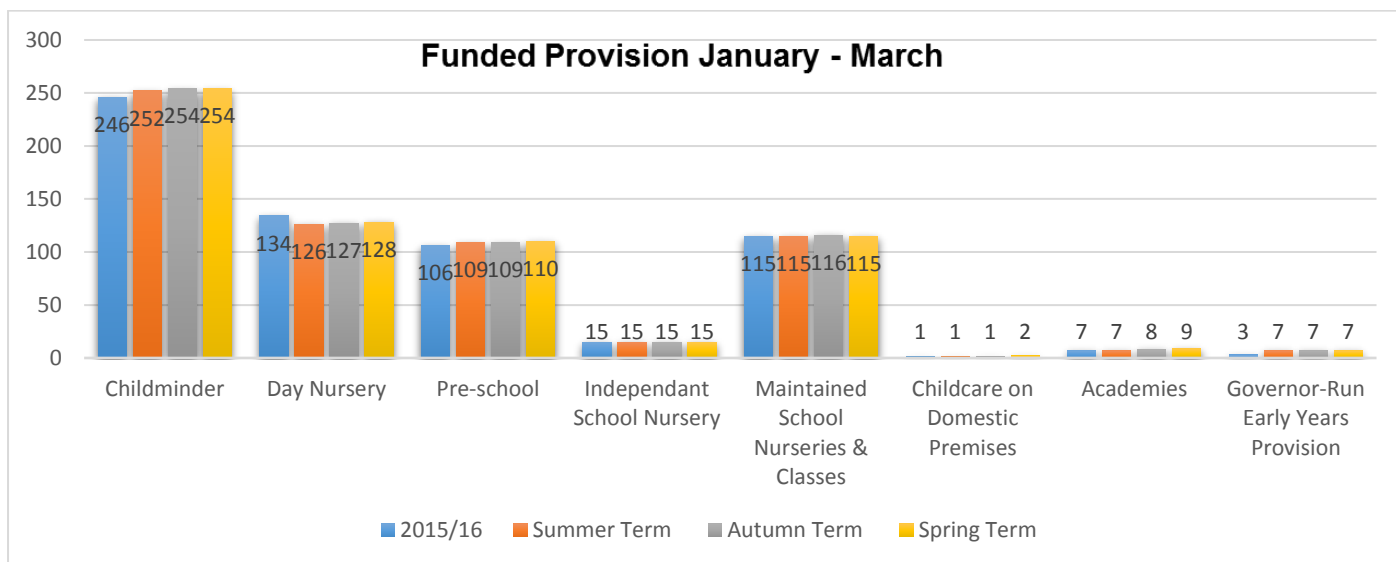


Table 2: Amount of providers closed:

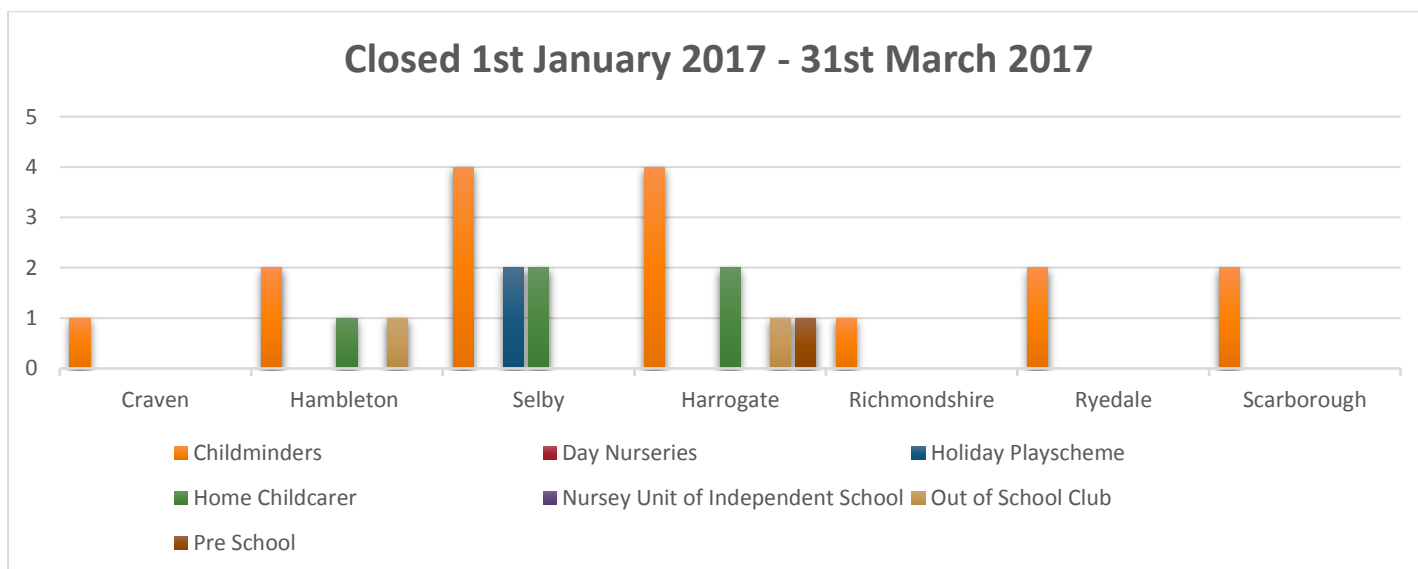
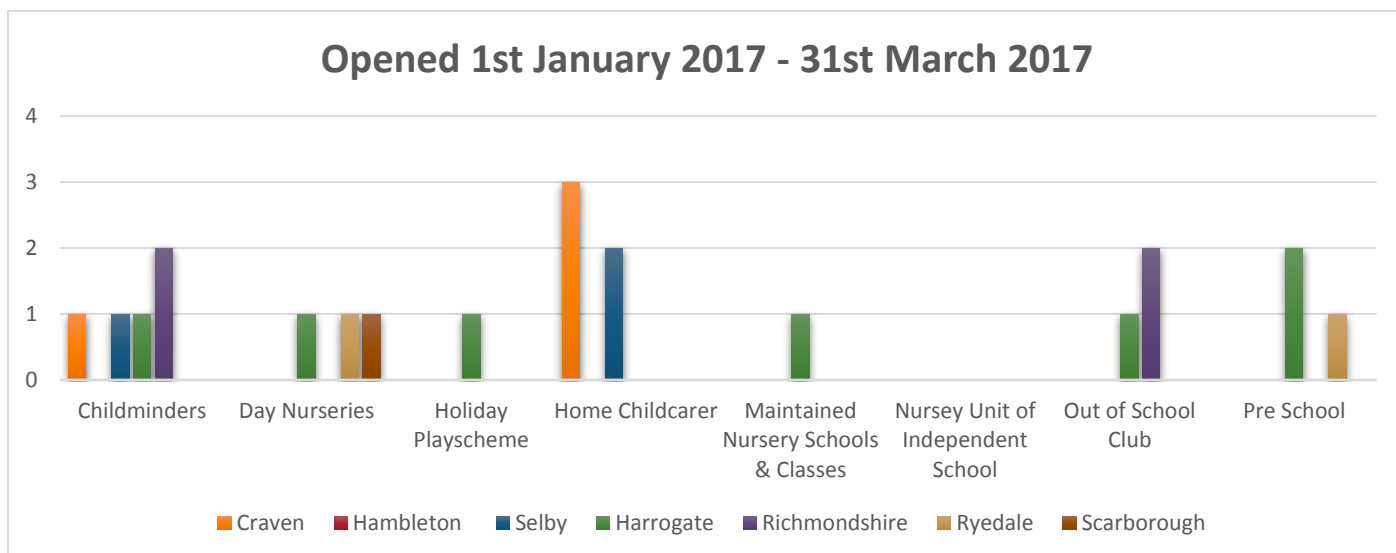


Table 3: Amount of providers opened:



4. Sufficiency Overview – District Council Areas

Craven

In the Craven area, the place needs of parents are being met by the pre-school, childminder, school and day nursery sectors. Across the locality there is some spare capacity, with several of the settings (at least 50% of pre-schools), still being quite low in numbers. Due to the rurality of the community, there are some small community groups which only just remain viable.

While the childminders are sparsely located, they appear to have sufficient numbers of children to remain viable. They readily recommend other childminding colleagues if they themselves are full, hence parents have not identified difficulty in securing a place. Despite the rural nature of the area, the childminders meet regularly and offer peer-to-peer support for each other, and this extends into the role of the SENCo.

The two nursery schools continue to be very popular, offering 146 places. Additional wrap-around care is provided in conjunction with the local childminding community.

Most providers remain concerned around the new funding proposals and see this change as a possible threat to their business. 90% of providers in Craven are concerned that their businesses may not be financially viable once parents take up their additional entitlement. With regards to the extended entitlement, many setting leaders are concerned about their ability to offer parents extended hours as they are mainly based in village halls and local community buildings which are unable to release any additional space/time. A number of childminders have indicated that they are considering not offering the funded places to parents in the future.

Currently, there appears to be little development in way of any substantial new housing across Craven. Whilst there are small pockets located in Bentham, Skipton and South Craven these seem to have not provided a large amount of early years children or families requiring additional childcare places.

Harrogate

Harrogate has a wealth of childminders who are spread throughout the town. This is important as new housing is being developed in many areas. Using data from Harrogate District Growth Strategy (Draft Local Plan June 2016), it is suggested that the housing need in the district is for 557 dwellings per annum. Over the planned period of 2015-2035 this equates to 11,697 homes being built. Locations have also been identified to provide an additional 7 pitches for the Harrogate Gypsy and Traveller community. The majority of the new housing growth is proposed in the District's main settlements of Harrogate, Knaresborough and Ripon. In some of the areas of Harrogate, parents are finding it difficult to find suitable childminders. However in Ripon, whilst there has been little need for a childminder to have a waiting list, they are able to signpost parents onto other childminders in their cluster.

50% of primary schools in the area have access to wrap around childcare provision, either on their own premises or through another separately registered provider. They appear to be able to accommodate parental needs and fulfil local requirements. There is some provision for holiday clubs and these are accessed on a daily basis by parents, most especially throughout the summer holidays.

Childminders are an adaptable workforce and appear to readily be able to meet parental needs. However, the 35 day nurseries are finding it difficult to recruit and retain qualified staff.

Claro Barracks in Ripon is changing in nature with a possible closure and selling for further housing requirements – the destination for children and their families remains uncertain, although there is some information that states that families will remain in the barracks while the military jobs may be based elsewhere.

While there have been no closures of settings in the spring term, one pre-school is to close at the end of the Summer term. A chain of 5 nurseries within the area, who offer a total of approximately 462 places, have been taken over by a large national chain.

There are similar concerns to Craven, regarding the financial viability of providers once parents take up their extended entitlement beyond the universal 15 hours funding and the potential reduction of childminders offering the funded places to parents in the future due to new funding rates.

Hambleton

Currently in the Hambleton North area childcare providers are continuing to report that there is some capacity in places available.

It was reported that many working parents are using only their funded hours in the Stokesley and Great Ayton areas along with informal childcare. This may lead to a sharp rise in demand when the extended entitlement is available in the Summer term. This is because parents may choose to swop their current informal arrangements for more funded hours. If parents choose to access additional funded hours whilst continuing to use informal childcare for any additional hours this may result in financial difficulties for providers on a reduced funding rate. There is to be an increase in sessional providers' hourly charges in response to a change in Government funding rates from the beginning of the summer term which may secure their viability.

The Hambleton North area has a cohort of military families based at RAF Leeming, Dishforth, Topcliffe, and Catterick. The movement of families has some impact on the area due to children attending a variety of settings. Childminder and home childcarer registrations are also affected by movement of families.

Further information is required from schools to develop a clearer picture of sufficiency of wrap around provision and holiday care.

Since December there has been an increase in the take up of spaces. Childcare provided by childminders continues to be in high demand with very few childminder vacancies across Hambleton North. However there has been some concern raised by childminders about the impact of a cut to their rates for providing funded education places, along with the extended entitlement to the future stability of funded places.

As in the Autumn Term, many of the full day nurseries have places available for children of all ages although some days are far busier than others which reflect the needs of the working patterns of parents. Concerns are still being expressed by a number of nursery managers about their future viability as the majority of parents pay for more than the universal funded hours. With the introduction of the early implementer roll out of the extended entitlement, some nurseries have indicated that they may offer it during the trial period but may not continue in September depending on the impact on their businesses.

Many private day nurseries do not have many funded two year old children as they do not meet the criteria. There is also concern with regards to the minimum wage increase, small business rates and contributions towards pensions and the impact of these on the viability of their businesses. Some nurseries and childminders are flexible in allowing children to only attend 38 weeks a year, especially those who have parents who are teachers or only require a place for the weeks that they are government funded. This will not enable them to make up the difference in the shortfall in funding over the year when the extended entitlement is implemented in September.

In general dialogue, playgroups and preschool settings are aware that there may be the possibility to extend their working day to be able to meet the demand for increased hours. However for some settings this is not feasible as they operate from community buildings which are required for alternative purposes. This would be an area that would require further research to establish what flexibility there would be to increase/extend provision within the voluntary sector. However, as

previously stated, being able to provide more flexibility would depend on being able to secure qualified staff in order to operate more flexible hours which is often difficult in smaller, rural communities.

Although providers are currently meeting the demand for childcare provision within Hambleton South, there is concern with many of the providers about their future. There is genuine concern that they may struggle financially once the extended entitlement and the change in funding rates impacts on their business. This could then have an impact on sustainability and the number of childcare places available.

Richmondshire

There are planned changes in Catterick Garrison as it moves to become a 'super garrison' with families moving to the area as other military sites are closed. Change is a regular feature of the garrison area due to the changes in the regiments based there. However with the increased numbers of military families forecast to be based in Catterick there will be more pressure on places. There are also a number of new housing developments recently built and in the process of construction.

The Wensleydale area has lost a nursery and a pre-school and whilst the numbers of children requiring places are smaller there is need for sustainable provision. Both closures were as a result of not being financially viable. Schools in the area have provided nursery classes at Bainbridge, Hawes and Leyburn. However there remains a need for nursery places in the Middleham area.

Since January 2017 there has been an increase in pre-registration enquires made by potential childminders particularly in the Garrison area and also one in the Leyburn area.

At the end of the Spring Term 2017, there are currently places available at childminders and nurseries in the Catterick Garrison/Richmond area. However, with the early roll out of the extended entitlement after Easter, places will be filled as eligible parents take up their entitlement. As yet there is no indication of how many parents will require new places as a number of children move from places paid for by the parent to 30 hour funded places. Monitoring during the summer term will give a clearer picture of the effect on the ability of providers to meet parental requests for new places. As a result of providers seeking to ensure their businesses remain viable some settings and childminders have recently increased their hourly rate.

All schools, except one, report that they had been able to meet parental requests for out of school provision, or successfully signpost to other provision, for regular out of school provision. Two schools reported that they had been unable to meet parental requests for occasional out of school provision.

Ryedale

The distribution of childcare across the area is uneven which causes access challenges for families, especially those without transport. Provision for under 5s and for out of school care is very limited within a 10 mile radius of Helmsley, with full day care offered by a very few childminders. There are limited half day school nursery places in the town. Pickering is well served by childminders although these are full. Only one small day nursery serves an area within 10 mile radius of the town.

There are several new very large (up to a hundred properties on each site) housing developments around Malton, Norton and Pickering with others planned. A large new industrial estate is under construction on the edge of Malton adjacent to the A64 which will increase employment in the area and from further afield. Sessional and full day care providers in Malton and Norton are mostly full and most have waiting lists.

Childminders in this area are also full. In Ryedale only 23 out of 41 offer funded places. One rural sessional playgroup near Malton would like to expand but, like many community run settings, they

cannot access longer hours in shared use community buildings. A pre-school playgroup in Sherburn will extend hours to 30 now that they have full use of a school building. It is already full for this term and next, with high demand for 2 year funded places in an area with very few of these places available.

Selby

There is a new housing development in Sherburn in Elmet where approximately 800 houses are in the process of being built. This will have an impact on other local schools in the area. There is also a housing development being built at Thorpe Willoughby and this will potentially impact on provision in the Thorpe Willoughby and Hambleton areas but could also impact on Selby town.

There has also been a large development of new houses built in Newton Kyme just outside Tadcaster which may have an impact on schools in Tadcaster – particularly when the provision is full to capacity by the spring and summer terms.

Demand for places at day nurseries remains high although some providers reported that they find it difficult to forward plan as parents often leave booking a place until close to when it is required. This has also been expressed by providers with regard to when children are eligible for two and three year old funding as parents often enquire about vacancies within a tight timescale.

Many providers are concerned about the forthcoming extended entitlement and the reduction in the national funding rate, especially childminders and full day nurseries. Some nurseries believe that their business is only remaining viable due to the number of children using their OOSc provision. Some nurseries have expressed their concern that they are expecting their profit margin to be significantly reduced over the next financial year and are worried about the future.

There have been discussions about the funding criteria for the extended provision and that this could be spread over 51 weeks rather than 30 weeks for full day nurseries and childminders. Many private day nurseries believe that they will still have to increase their parental fees from September 2017 to make up for the shortfall in the government funding which is another challenge.

Providers expressed their concern that parents still believe, from the media, that the extended provision is a universal entitlement and that their child will be eligible for extra hours even though in reality they may not meet the extended entitlement criteria.

Scarborough

There are a wide range of providers available for families to access, however most providers report families using a patchwork of provision to meet needs if they are in work. Finding care to cover seasonal and out of social hours working is identified as a problem for parents in the area, although most full day care now operates 7.30am to 6pm. Out of school places are in demand and most new childminders have chosen not to take funded under 5s or older children. There are several new housing estates in the coastal area which have created new demand.

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