

Report to: EDUCATION ATTAINMENT IMPROVEMENT BOARD

Date: 12 March 2024

Reporting Officer: Deborah Myers – Assistant Director of Education

Subject: **CHILDCARE SUFFICIENCY ASSESSMENT ANNUAL REPORT 2023**

Report Summary: The following report outlines the outcome of the Childcare Sufficiency Annual Report 2023. The report includes an analysis of the supply and demand for childcare within the borough collated during 2023 calendar year and any changes from the previous year for example whether any new provision has been established or ceased. These changes can indicate any alterations to the stability of the childcare market in the borough. The report sets out how the childcare market is assessed and where there is a need for additional places to be established, as well as details of any actions recommended or taken for this to be achieved. The Childcare Sufficiency Assessment Annual Report is based on data available at the time of collection. The data review confirm there was sufficient provision, which offers parents choice but the purpose of the annual report is to appraise readers of the ongoing monitoring, which takes place across all providers within TMBC.

Recommendations: It is recommended that the Board:

1. note the content of the report
2. endorse the recommendations set out in the report conclusion
 - To conduct additional analysis with all early years providers to ascertain their ability to offer the new expanded entitlements for working parents launching in April 2024 and to collate data from them to gauge potential take up, prospective eligible families on waiting lists, vacancy levels and demand for future places.
 - Continue to monitor the number of places across the borough for all age ranges of children to analyse any trends or shifts in the market place and the sufficiency of the number of places available.
 - Conduct more detailed analysis of Out of School Care for children aged from reception to year 6, to support the work to plan and deliver the new government programme to develop term time out of school care between the time of 8 am to 6pm.
3. approve the Childcare Sufficiency Assessment Annual Report 2023 for publication on the Council's website in line with the Councils statutory duty.

Corporate Plan: The report supports two elements of the Community Strategy - Very Best Start in Life and Opportunities for people to fulfil their potential.

Policy Implications: There are none arising from this report.

Financial Implications: Early Year's education is funded from ring-fenced Dedicated Schools Grant. The funding is based on provision in the borough. The allocation for 2024-25 is outlined overleaf:

(Authorised by the statutory Section 151 Officer & Chief Finance Officer)

Early Years Funding Streams	2023-24 Early Years Allocation at Nov 2023 £m	2024-25 Provisional Early Years Allocation £m	Increase / (Decrease) in Funding £m
3 & 4 Year Olds Universal Entitlement*	10.539	11.302	0.763
3 & 4 Year Olds Additional 15 Hours Entitlement for Eligible Working Parents*	5.205	5.581	0.377
2 Year Old Disadvantaged Entitlement*	2.927	3.466	0.539
2 Year Old Entitlement for Working Parents	-	4.828	4.828
Under 2s Entitlement	-	3.337	3.337
3 & 4 Year Olds Early Years Pupil Premium (EYPP)*	0.243	0.257	0.014
2 Year Olds EYPP	-	0.140	0.140
Under 2s EYPP	-	0.007	0.007
3 & 4 Year Olds Disability Access Fund (DAF)*	0.137	0.168	0.032
2 Year Olds DAF	-	0.065	0.065
Under 2s DAF	-	0.007	0.007
Total	19.051	29.158	10.108

Note: the table above includes rounding's

* The 2023-24 Early Years Allocation includes the Early Years Supplementary Grant (EYSG) which has been rolled into the DSG from 2024-25. The EYSG covered the period September 2023 to March 2024

The increase in funding for the 2024-25 financial year is due to an increase in the hourly rate for Early Years as well as the rolling in of the Early Years Supplementary Grant, which previously was funded separately, and new entitlement funding announced by government. Funding will be updated following the January 2024 census. Additional headcount information will be submitted for the new entitlements which could also lead to an update in funding.

Additionally, there is capital funding through the Childcare Expansion Capital grant. The allocation for Tameside is £0.552m. Whilst it is ultimately up to local authorities to determine how best to prioritise this funding to address local priorities, it must be spent on capital projects, and is being provided to meet the capital costs associated with projects that help ensure sufficient places for:

- Children taking up an early years place through the expanded 30-hours entitlement for qualifying working parents (from the term following the child reaching 9-months to the term in which they turn 3-years-old);
- Increasing the supply of wraparound childcare for primary-school aged children.

Legal Implications:
(Authorised by the
Borough Solicitor)

Section 2 of the Childcare Act 2016 and sections 6, 7, 7A, 9A, 12 and 13 of the Childcare Act 2006 set out the Council's statutory duties for the provision of early year's education.

This report provides the data to ensure that those duties are being met and to provide Members with the opportunity to review the provisions.

Risk Management:

The statutory duty for childcare sufficiency is a crucial aspect of ensuring the well-being and safety of children in early years settings.

Ensuring sufficiency involves planning for the quality, quantity, and availability of early childhood services, including wraparound childcare. In TMBC this is an ongoing process taking account of maintained, private, voluntary and independent sector provision. Sufficiency is locality based and therefore is considered not just in terms of raw data but also in terms of geographical shift and other factors.

Access to
Information:

This report does not contain information, which warrants its consideration in the absence of the Press or members of the public.

Background
Information:

The background papers relating to this report can be inspected by contacting Jacqueline Nurney, Early Education Funding and School Organisation Manager



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1. INTRODUCTION

- 1.1 The Early Education and Childcare statutory guidance for local authorities sets out the outcome for securing sufficient childcare, which is to ensure that parents are able to work because childcare places are available, accessible and affordable, and delivered flexibly through a range of high quality settings. In order to meet its' statutory duty, the Council needs to complete an annual sufficiency audit, which includes all types of early years providers located within the borough offering childcare services to families.
- 1.2 The guidance is not prescriptive on the method of reporting but indicates that, as part of the process, local authorities should provide an annual report to Elected Council Members showing how they are meeting their duty.
- 1.3 The report sets out how the childcare market is assessed and where there is a need for additional places, and details any actions recommended or taken for this to be achieved.

2. CHILDCARE SUFFICIENCY

- 2.1 The report includes the supply and demand for childcare within the borough and any changes from the previous year e.g., whether any new provision has been established or ceased. These changes can indicate any change in the stability of the childcare market in the borough.
- 2.2 The childcare sufficiency report is compiled by the Early Years Funding Team using a range of information to assess supply and demand.
- 2.3 The primary source of information is the assessment from previous years available on the Council's [website](#), which is updated annually. Information from parents and carers is obtained through enquiries to the Families Information Service and collated to give an assessment of where demand is greater than supply. Other primary information used includes annual birth rate information, national census data, information on the local economy and school readiness. Information on the supply of places and numbers and types of providers is generated through the Early Years Funding Team and the Families Information Service. All of this is considered within the Childcare Sufficiency Assessment, analysed and recommendations made.
- 2.4 There is also a more detailed analysis of places for free early education places for 2, 3 and 4 year olds and Out of School clubs, which includes places available at the time of the snapshot, the take up of places and the number of vacancies available within each ward within the borough.

3. CONCLUSION

- 3.1 The 'Childcare Sufficiency Annual Report 2022' was approved at the Education and Attainment Board, in March 2023 and the attached report provides an updated position on the assessment of childcare sufficiency during 2023.
- 3.2 The data indicates that the childcare market in Tameside has contracted since the last report, but this could be aligned to sustained lower birth rates and reduced demand. There has been a reduction in the number of Private Day Nurseries, Pre-Schools/Playgroups and Childminders, which has decreased the total number of places overall but not considerably. Some provision has reported issues with recruiting experienced staff however this is a national issue and has been highlighted to the DfE. For 2023, despite a reduction in providers overall, the number of childcare places available across the borough has remained relatively

stable, which impacts positively on parental choice. The hourly rates paid to providers are set to increase in April 2024 for all age ranges and this will be welcomed by providers to assist with their sustainability especially considering increases to overheads and running costs. With the roll out of 30 hours for 2's and under 2's, which should be fully implemented by September 2025, it is anticipated that this will have a positive impact on the sector with more families being able to afford formal childcare.

- 3.3 The report provides a number of recommendations, based on the data provided during the assessment, for some providers this is voluntary. It is worth noting that not all providers within Tameside who offer childcare services contributed to the audit therefore a full assessment of all childcare available was not possible.
- 3.4 All previous recommendations/actions detailed in the 2022 report have been implemented. Improving data quality is now embedded within the data collection and data verification processes and forms part of the overall data process. The childcare market and the monitoring of places for 2-year-olds and take up of 30 hours is an ongoing and a continuous termly process and the 2023 report provides further update and suggested actions for both areas.
- 3.5 Despite reported closures of some provisions at the time of collation, the 2023 report does not highlight any major gaps in provision within the borough based on the data available during the snapshot period. However, due to the number of closures, very close analysis of supply will be required. In addition to this, further analysis will be required to ascertain providers' readiness to deliver the new entitlements which commence roll out from April 2024. The 2023 report provides recommendations for action, which include:
 1. To conduct additional analysis with all early year's providers to ascertain their ability to offer the new expanded entitlements for working parents launching in April 2024 and to collate data from them to gauge potential take up, prospective eligible families on waiting lists, vacancy levels and demand for future places.
 2. Continue to monitor the number of places across the borough for all age ranges of children to analyse any trends or shifts in the marketplace and the supply and sufficiency of the number of places available.
 3. Conduct more detailed analysis of Out of School Care for children aged from reception to year 6, to support the work to plan and deliver the new government programme to develop term time out of school care between the time of 8 am to 6pm.
- 3.6 Approval of the attached Childcare Sufficiency Annual Report 2023 is requested and for the Board to approve this report for publication on the Councils website. <https://www.tameside.gov.uk/childcare>

4. RECOMMENDATIONS

- 4.1 As set out at the front of the report.