

Early Years Childcare Sufficiency 2018

Members Report
2018/19

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Introduction and purpose of this report

Key Executive points raised in this report are:

- **Sufficient Places** – The data shows that as a Borough Southend-on-Sea has sufficient places available for 2, 3 and 4 year old funded children for the Summer 2018 funding period (further information can be found on pages 11-14).
- **Uptake of funded places** –
 - The uptake of Universal (up to 15 hours) funding remains consistent.
 - Targeted 2 year old funding has seen a variation drop due to some parents being better off using other funding streams such as Universal Credit to find childcare. The Early Year's team have prioritised this piece of work to continue to raise awareness to parents/carers.
 - Extended (up to 15 hours) funding has seen a steady increase; however some parents are choosing not to take up the full 15 hours. The Early Year's team have prioritised this piece of work to continue to raise awareness to parents/carers.

(further information can be found on page 8).

- **Quality** – 97.1% of our funded 2 year olds and 96.8% of our funded 3&4year olds were accessing Good or Outstanding providers in Southend (further information can be found on page 10).
- **Sustainability** –The government has stated that it will not be increasing the rate of the early years funding entitlement until after the 2020 spending review. Providers have expressed concerns that the funding rates are not sufficient and therefore some settings are at risk of not being sustainable in the future (further information can be found on page 4).

Southend-on-Sea Sufficiency Assessments have been produced since they became a statutory duty of the Childcare Act 2006. The Childcare Sufficiency Assessment (CSA) is a detailed study into the supply and demand of childcare within Southend and is a vital tool to share information with the public, elected members and the childcare market itself.

The CSA also provides the evidence base to justify interventions required to help the council meet its statutory duty to ensure there is sufficient childcare available in Southend in the right wards at the right time. Childcare includes the free early education and care entitlements for 2, 3 and 4 year olds, including the 30 hours entitlement that the government introduced in September 2017.

The report has been published at ward level.

Southend Borough Council's *Ambitions* document describes the vision and hopes for the children of Southend from when they are born to when they leave school and beyond.

This report sits within the Southend 2050 strategic planning framework. The activities within it directly contribute to the Ambition, Themes and Outcomes that emerged from an extensive stakeholder engagement exercise conducted over the summer of 2018.

Childcare is legislated for in the Childcare Act 2006. This provides the fundamental basis for the work of the Early Years and Childhood Service team, which fulfils a number of statutory duties in the Children's Act 2004 and under the Childcare Act 2006.

Two main objectives of the Childcare Act 2006 are to:

- Improve the well-being of all young children and reduce inequalities
- Drive up the quality of childcare provision.

The Early Years strategic objectives are in line with the Corporate and CYPP priorities and are based on the key themes of:

- Choice and flexibility
- Availability
- Quality
- Affordability

Early Childhood Services are defined in the Childcare Act as provision of childcare for a young child birth to 1st September following their fifth birthday.

Children can remain in 'early year's childcare' until the term after their fifth birthday.

The meaning of childcare is any form of care for a child which in Section 106 of the act is under the age of 18 years.

Every Child Matters within the Childcare Act is an integral part of the Early Years delivery to ensure that every child has the opportunity to achieve their full potential of Being Healthy, Staying Safe, Making Positive Contribution, Achieve economic well-being and Enjoy and Achieve.

The Early Years' Service contributes to the Children and Young People's Plan (CYPP) Priorities:

1. Improving children's health and wellbeing.
2. Keeping young people safe and protected from harm.
3. Supporting vulnerable children and families.
4. Improving children's educational attainment and future prospects.
5. Working to prevent needs materialising and escalating unnecessarily.

The availability of childcare removes a barrier for parents to work and make their contribution to the local economy.

Early education provides the starting point for a child's lifelong learning and skills journey to participate in the future workforce.

Childcare directly provides over 1000 jobs in Southend-on-Sea.

Executive Summary

The [Early education and childcare statutory guidance for local authorities](#) states that we are required to report annually to elected members on how we are meeting the statutory duty to secure sufficient childcare, and make this report available and accessible to parents. This report has been published in November to ensure that it reflects the first full year since the roll out of the 30 hours free childcare entitlement for parents.

The strategic objectives are:

- Improve the well-being of all young children and reduce inequalities

All Southend early years providers work in partnership with Southend Borough Council to improve children's well-being and reduce inequalities. Evidence of this can be seen at the end of the Early Years Foundation Stage. To reduce inequalities we have a SEND inclusion fund and a dedicated early year's advisory team to support all children to access quality childcare.

This is further strengthened by maximising all funding entitlements such as the Disability Access Fund (DAF), Early Years Pupil Premium (EYPP) and the Deprivation payments that are currently paid to the 0-20% areas of deprivation in Southend.

- Drive up the quality of childcare provision.

By July 2018, 97.1% of our funded 2 year olds and 96.8% of our funded 3&4 year olds were accessing Good or Outstanding providers in Southend.

We have a highly qualified workforce supporting all of the children in their care.

- Choice and flexibility

As a Borough we are currently able to offer childcare provision within all Wards. It is parents' choice which provision they would like to send their child to. This is not restricted to the Ward they live in. During the sufficiency process it was identified that Milton, Belfairs, Eastwood Park, St Laurence and West Leigh have limited childcare providers available within the Ward.

Schools have positively taken on the 30 hours childcare offer and are working in partnership with Southend Borough Council, which has given parents more choice when choosing a childcare provider.

- Availability

Parents are able to use the Family Information Directory (FID) directory (SHIP) to locate local Southend providers.

There is currently 5752 Part Time Equivalent (PTE) and 2315 Full Time Equivalent (FTE) funded places available for 2, 3 and 4 year olds across the Borough.

- Affordability

The government have stated that they will not be increasing the rate of the early years funding entitlement until after the 2020 spending review. We are concerned that the low levels of funding will affect the sustainability of all childcare providers, leaving them with options to close, increase rates for wrap around care or increasing 'charges for additional services' such as meals, consumables etc. This would raise the risk of insufficient childcare places locally or the additional charges imposed making childcare unaffordable for our most low income and vulnerable families.

Funding is monitored through the Education Board.

This sufficiency report is a live document for the Early years team and will be updated on a termly basis to ensure that we continue to have sufficient high quality provision for all children and families that wish to access their entitlement.

2 year old funding

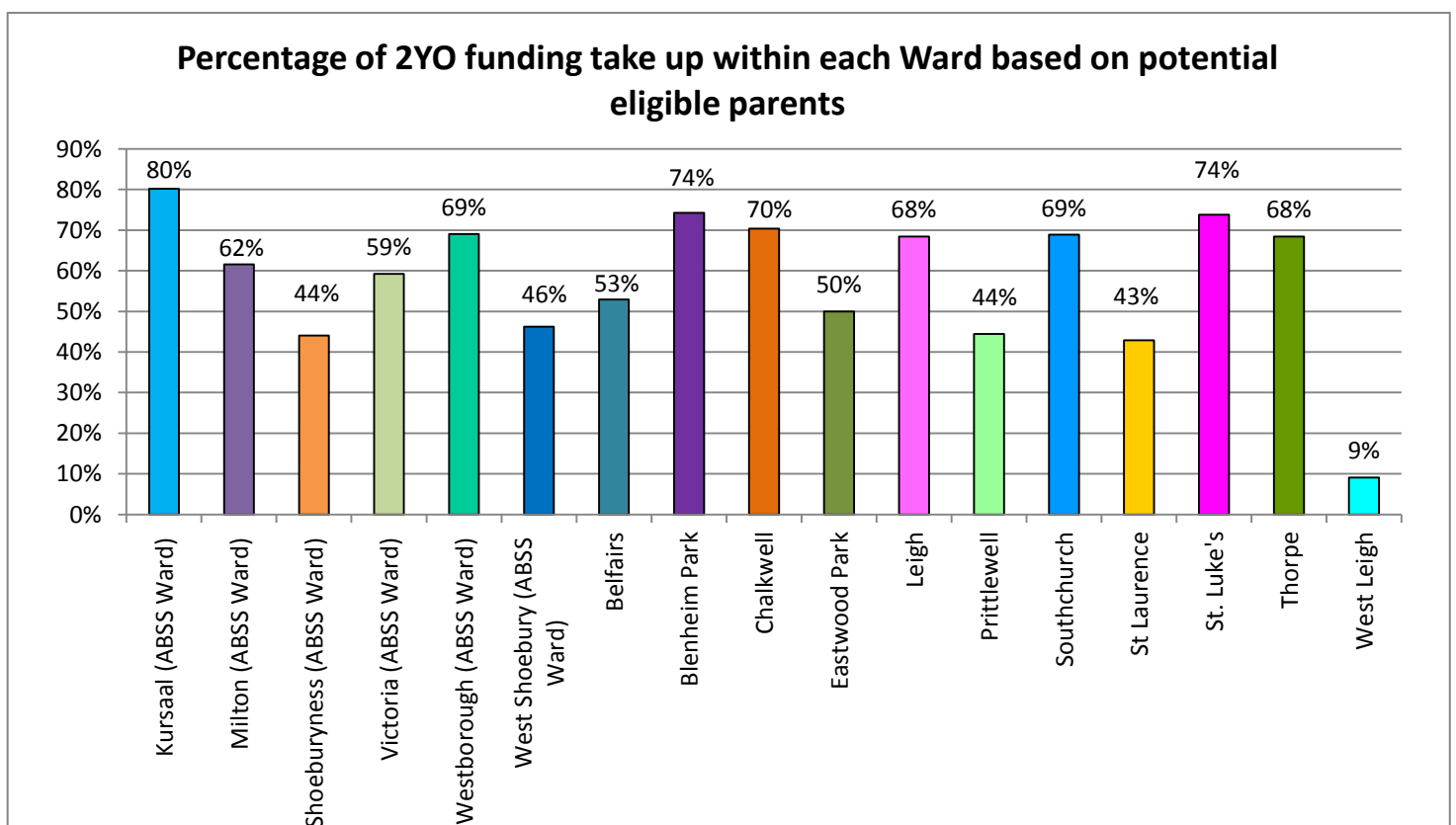
The government introduced two year old funding in September 2013. This funding offers up to 15 hours a week for 38 weeks of free early education to families that meet the eligibility criteria.

If the family meet the eligibility criteria then the child can access the funding the term following their 2nd birthday or from when a valid code is issued.

Once the child starts their funded place the funding will continue until the term after their third birthday when the universal funding would start.

See GOV.UK for [full eligibility criteria](#)

The chart below shows the take up of 2 year old funding for Summer Funding Period 2018. The numbers below are based on the take up of children vs the number of parents that were supplied on the April Department for Work and Pensions (DWP) list.



30 hours Free Childcare

In September 2017 the Government introduced 30 hours free childcare for eligible working parents of 3 and 4 year old children. This meant they could access an additional 15 hours of funded education a week, on top of the current Universal 15 hours available for all 3 and 4 year olds.

Families could receive up to 30 hours of funded education over 38 weeks (or up to 1140 hours) per year.

Parents of 3 and 4 year olds need to meet the following criteria in order to be eligible for 30 hours free childcare:

- Both parents must be working or the sole parent is working in a lone parent family.
- Each parent earns, on average, a weekly minimum equivalent to 16 hours at the national minimum wage or national living wage and less than £100,000 per year.

See GOV.UK for [Full eligibility criteria](#)

Data from Summer 2018 headcount shows that 783 children are accessing extended hours for this funding period within Private, Voluntary and Independent (PVI) settings and 164 children accessed extended hours in a School Nursery Class.

Deprivation Payments

Southend-on-Sea is made up of 107 Lower Super Output Areas (LSOA); 26 of these LSOA's are within the top 20% most deprived areas nationally.

Additional funding of 44p per hour is provided to settings for each child whose home postcode is within one of these 26 areas. This is currently under review to focus the funding on children that meet the eligibility criteria for Free School Meals and Early Years Pupil Premium.

Early Years Pupil Premium (EYPP)

Since April 2015, the Department for Education has been providing early years settings with an Early Years Pupil Premium (EYPP) for the most disadvantaged 3 and 4 year old children to help narrow the achievement gap between them and their peers.

Early years settings receive an additional 53p per hour for each child that meets the EYPP criteria set by the Government. Settings have to show that they have used the money to help each eligible child by, for example: improving the quality of their setting; training staff to be more able to support children with additional needs; or provide resources and interventions that help children to learn and develop. Settings can decide themselves how to spend the funding but they will need to show Ofsted that what they have used the funding for makes a difference to those individual children.

Disability Access Fund (DAF)

In April 2017 the government introduced a new funding measure for early year's providers, the Disability Access Fund (DAF), to support children with disabilities or Special Educational Needs (SEN).

The DAF aids access to early years places by, for example, supporting providers in making reasonable adjustments to their settings and/or helping with building capacity (be that for the child in question or for the benefit of children as a whole attending the setting).

All Southend providers are aware of the application process of how to apply for the DAF funding.

Where a child attends more than one provider, the parent will have to decide which provider claims the DAF funding and clearly state this on the Parent Declaration Form.

The DAF is a one-off payment of £615 per year and is non-transferable.

Between 12th October 2017 to 9th May 2018 42 DAF applications have been approved.

Special Educational Needs (SEND) Inclusion Fund

Southend Borough Council are required to have SEN Inclusion Funds for all 3 and 4 year olds with special educational needs (SEN) who are taking up the free entitlements, regardless of the number of hours taken. The fund allows Southend Borough Council to work with providers to address the needs of individual children with SEN.

Where we are now

Recent data shows that Southend-on-Sea had 1074 30 hour codes issued of which 933 were validated. When looking at the number of validated 30 hour codes vs the take up, Southend has been ranked 48th out of 152 LA's (second quartile) as 99% of children with a validated 30 hour code are accessing a funded place in Southend.

In September 2017 Southend moved to full universal credit which could have had an impact on the number of parents wanting to validate their 30 hour codes. The HMRC's online cost calculator is available to help parents see what is financially best for them going forward. Some parents are better off accessing other benefits eg childcare element of Universal Credit as this pays for up to 85% of their childcare costs (maximum of £646 for 1 child or £1108 for 2 children).

<https://www.gov.uk/government/statistics/30-hours-free-childcare-summer-term-2018>

<https://www.gov.uk/help-with-childcare-costs/universal-credit>

Southend PVI's currently use the 'Southend Early Years Provider Portal' to claim funded hours for eligible 2 year old children as well as 3 and 4 year old children in their care, to carry out 2 year old funding checks for parents and to validate 30 hour codes.

In October 2018, 17 providers offered to pilot a new system called 'Self Update Provider Portal' which is an additional tab on the Provider Portal that allows settings to update their provision information that will then update Capita, the system the Council use, and will feed into the Family Information Directory (FID) directory (SHIP). The information that providers change will come through to the Early Years team to be approved prior to the changes being made on Capita and SHIP. This is due to be rolled out to all PVI providers in December 2018. The Self Update Provider Portal will also be used to collect the Census information in January 2019.

The Self Update will also collect information on each providers opening and closing times, capacity details, vacancy details, waiting list and cost information which will be used for sufficiency purposes.

Schools with Nursery classes are currently able to access the 'Southend Early Years Provider Portal' to carry out 2 year old funding checks and to validate 30 hour codes. The aim is for all Schools with Nursery classes to be using the portal to claim funding for 2, 3 and 4 year olds from April 2019.

The DSG early years 2017/18 indicative budget has recently been reviewed.

The indicative budget is always over estimated. One of the reasons for this is that it is calculated based on all eligible children taking up their full entitlement hours, which is a parental choice.

Funding type	Amount reclaimed	Reasons for the reclaim	What we are doing
Universal 15 hours - On track	£7,106	Some parents choose not to take up the full 15 hours a week entitlement.	
Additional 15 hours (30 hours entitlement)	£115,870	Some parents are choosing not to take up the full 30 hour entitlement but are accessing over 15 hours a week.	Early years have prioritised this piece of work and are currently raising public awareness through media, advertising, outreach events etc.
EYPP – on track	No reclaim		
2 Year Old's	£92, 889	Some parents that are eligible do not want to send their child to a provider as they feel the child is too young.	Early years have prioritised this piece of work and are currently raising public awareness through media, advertising, outreach events etc.

Funding Rates

The Government provide Local Authorities with funding for our eligible 2 year olds, universal 15 hours for 3&4 year old children and extended 15 hours for those 3&4 year old children that are eligible. Southend on Sea currently issue 100% of the funding we are issued to providers, however many settings have stated that the rate is not sufficient.

2 year old funding rates:

This table shows the increase to the 2 year old funding rate.

Financial Year	Funding rate per hour
April 2017 – March 2018	£5.10
April 2018 – March 2019	£5.20

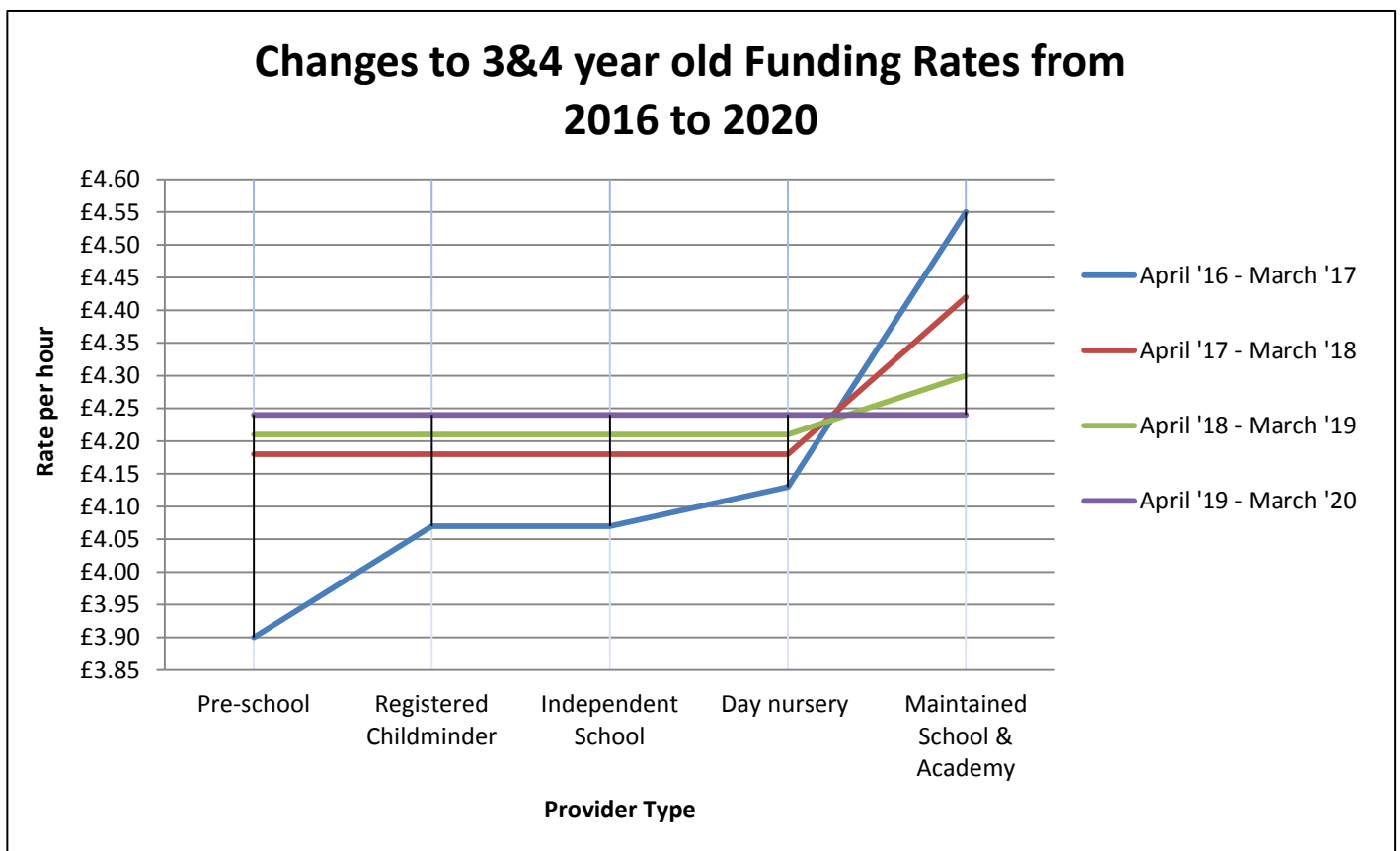
3&4 year old funding:

As stated in the [Statutory Guidance for Local Authorities](#) (June 2018, paragraph A4.8), by 2019/2020 the funding rates for 3 &4 year old children must be the same at all types of provision.

This has had a large impact on Schools as their funding rate has decreased, whereas other providers have seen an increase.

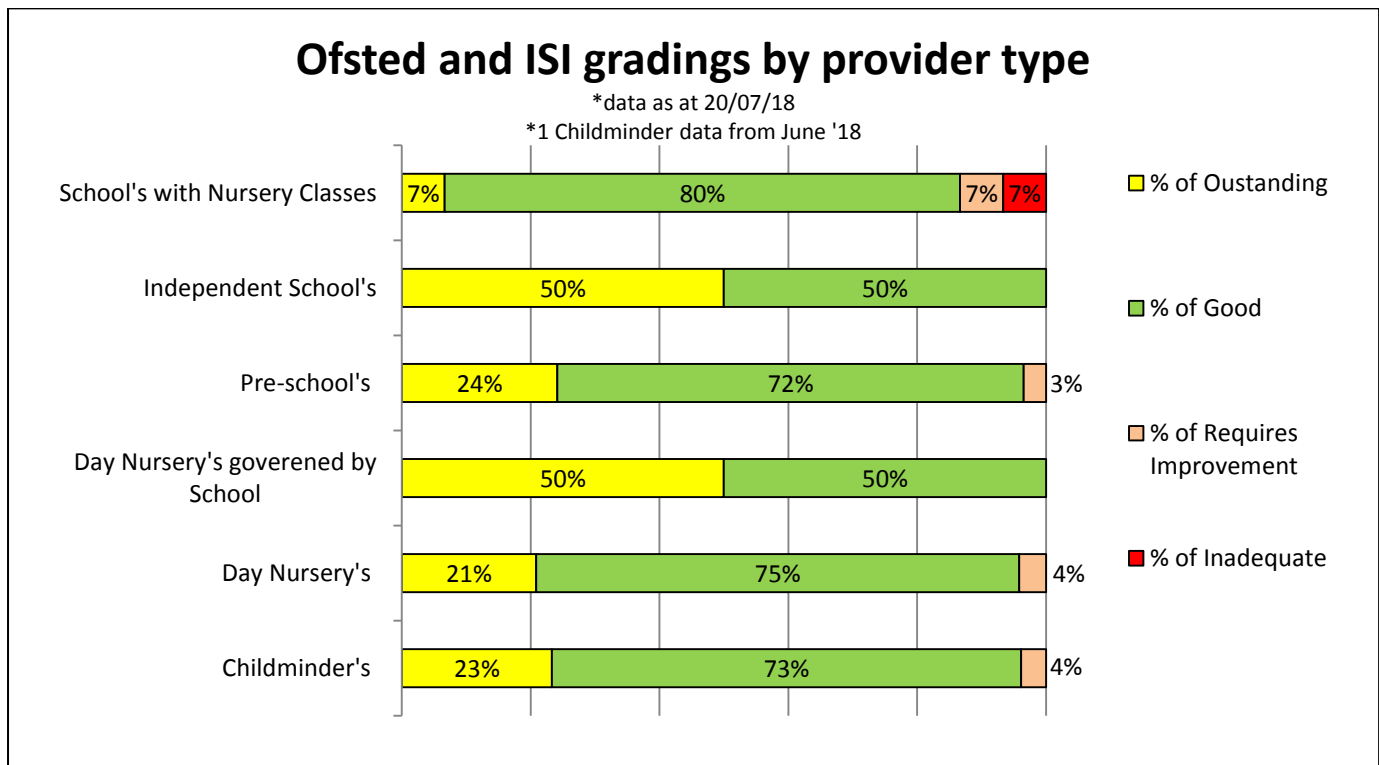
The charts below show the changes to the rates for different types of provision from April 2016 to March 2020.

	Pre-School	Registered Childminder	Independent School	Day nursery	Maintained School & Academy
Funding Rate 16/17	3.90	4.07	4.07	4.13	4.55
Funding Rate 17/18	4.18	4.18	4.18	4.18	4.42
Agreed Funding rate 18/19	4.21	4.21	4.21	4.21	4.30
Proposed Funding rate 19/20	4.24	4.24	4.24	4.24	4.24



The Quality of Childcare in Southend-on-Sea

To maximise the outcomes for children it is important that the places available are of good quality. The following table shows the Ofsted or ISI Judgements by Provider type for Southend:



The chart above shows us that the large majority of providers in Southend are rated 'Outstanding' or 'Good' with Ofsted or ISI (Independent Schools).

The Schools with Nursery data is based on their last inspection results; this may have changed as many of these Schools have now changed to Academy's and are awaiting their first inspections under their new registrations.

During the Summer Funding Period:

- 97.1% of our funded 2 year olds were accessing childcare in good / outstanding provision (July 2018 data).
- 96.8% of our funded 3 and 4 year olds were accessing childcare in good / outstanding provision (July 2018 data).

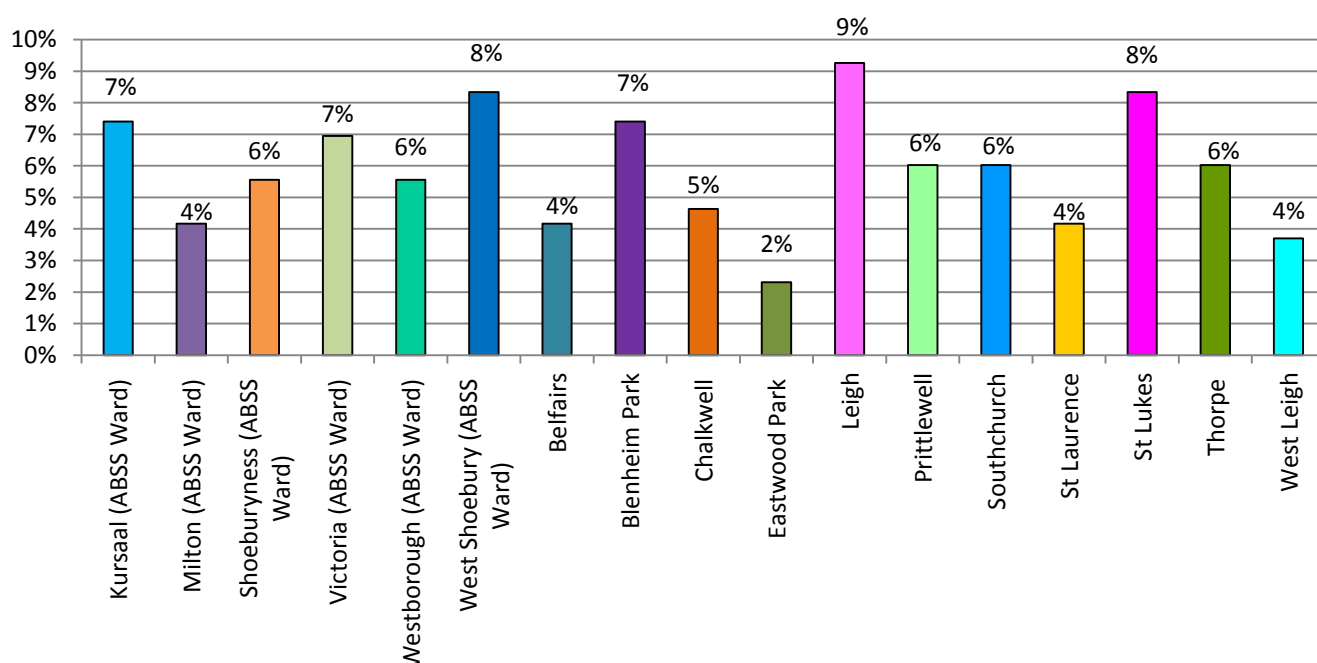
Southend Provision

The table below shows how many individual providers we have in Southend and has been broken down by Ward and by Provider type.

Number of Provision by Wards providing funded childcare for 2-4 year olds								
Ward	Day Nursery	Day Nursery's Governed by Schools	Pre-school	Childminders providing funded spaces *	Independent Schools	School's with Nursery Classes	Reception Classes	Total Funded provision in Ward
Kursaal (ABSS Ward)	6	0	2	4	0	2	2	16
Milton (ABSS Ward)	2	0	1	4	0	1	1	9
Shoeburyness (ABSS Ward)	0	0	2	5	0	2	3	12
Victoria (ABSS Ward)	0	0	2	7	0	2	4	15
Westborough (ABSS Ward)	2	0	2	5	0	1	2	12
West Shoebury (ABSS Ward)	3	0	0	15	0	0	0	18
Belfairs	1	0	1	6	0	0	1	9
Blenheim Park	2	1	2	6	0	2	3	16
Chalkwell	1	0	3	3	2	0	1	10
Eastwood Park	1	0	2	0	0	0	2	5
Leigh	2	0	5	11	0	0	2	20
Prittlewell	2	0	3	5	0	1	2	13
Southchurch	1	0	1	6	2	1	2	13
St Laurence	1	0	2	2	0	2	2	9
St Lukes	2	1	1	12	0	1	1	18
Thorpe	0	0	3	9	0	0	1	13
West Leigh	0	0	1	6	1	0	0	8
Totals	26	2	33	106	5	15	29	216

* figure includes cm's not currently minding due to personal circumstances.

Percentage of provision distribution by Ward in Southend



This chart shows the percentage of provider distribution by Ward.

Capacity for 2, 3 and 4 year old funded places

The table below shows the total number of Part Time Equivalent (PTE) funded places available in Southend by Ward. Reception numbers are based on Full Time Equivalent (FTE) places.

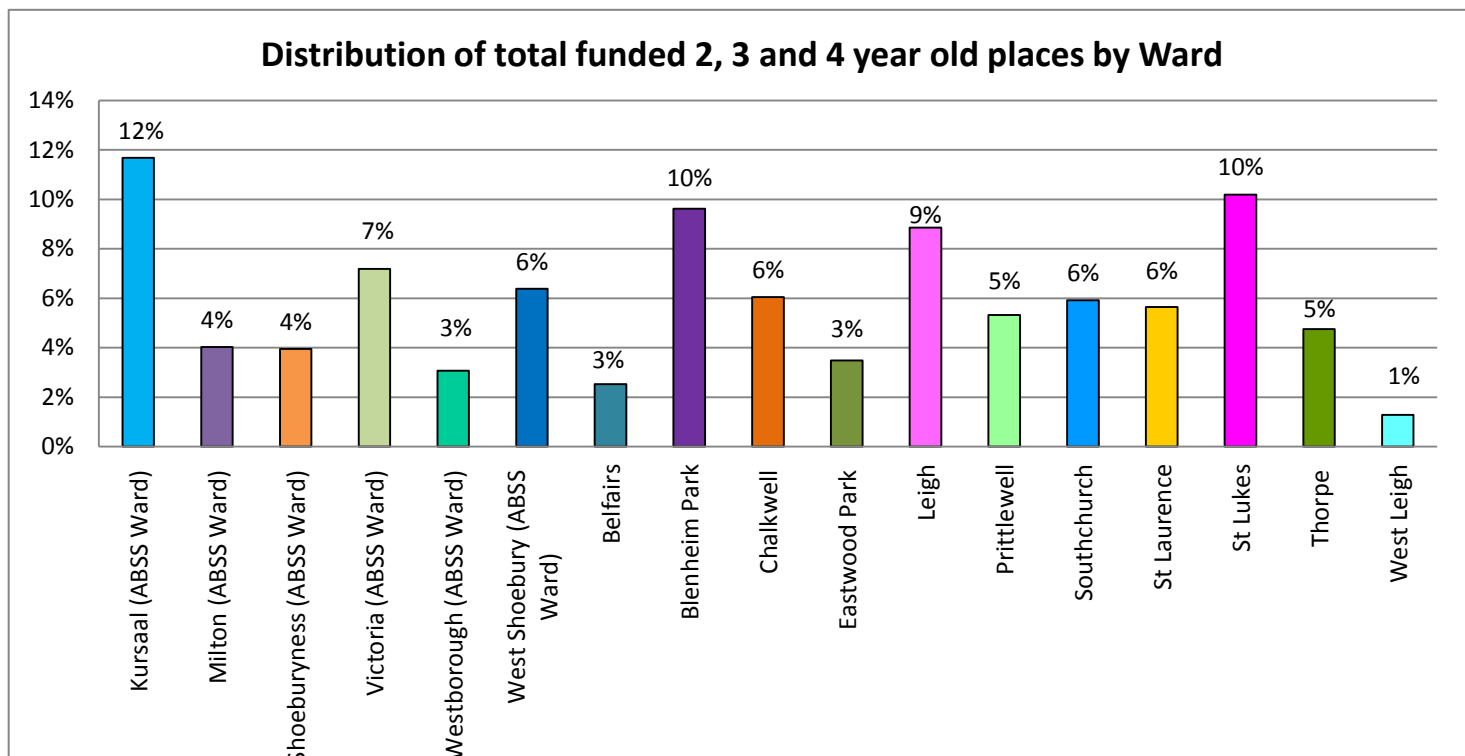
Number of PTE places for 2, 3 and 4 Year Olds							
Ward	Day Nursery	Day Nursery's Governed by School	Pre-school	Independent Schools	School's with Nursery Classes * ²	Reception Classes (FTE)	Total funded places
Kursaal (ABSS Ward)	610	0	104	0	108	120	942
Milton (ABSS Ward)	208	0	30	0	52	35	325
Shoeburyness (ABSS Ward)	0	0	95	0	104	120	319
Victoria (ABSS Ward)	0	0	64	0	156	360	580
Westborough (ABSS Ward)	248	0	0	0	0	0	248
West Shoebury (ABSS Ward)	216	0	97	0	52	150	515
Belfairs	84	0	60	0	0	60	204
Blenheim Park	150	100	152	0	104	270	776
Chalkwell	80	0	196	92	0	120	488
Eastwood Park	64	0	97	0	0	120	281
Leigh	262	0	243	0	0	210	715
Prittlewell	152	0	76	0	52	150	430
Southchurch	68	0	30	118	52	210	478
St Laurence	84	0	148	0	104	120	456
St Lukes	208	344	46	0	104	120	822
Thorpe	0	0	234	0	0	150	384
West Leigh	0	0	52	52	0	0	104
Totals	2434	444	1724	262	888	2315	8067

* Figure does not include cm's not currently minding due to personal circumstances.

*¹ Where information was not available Ofsted Ratio's used to ascertain average places

*² School Nurseries do not currently accept 2 year olds

The chart below shows the distribution of funded places across the Borough by Ward.



Vacancies for 2, 3 and 4 year old funded places

The table below shows the total number of Part Time Equivalent (PTE) funded places available in Southend by Ward. Reception numbers are based on Full Time Equivalent (FTE) places.

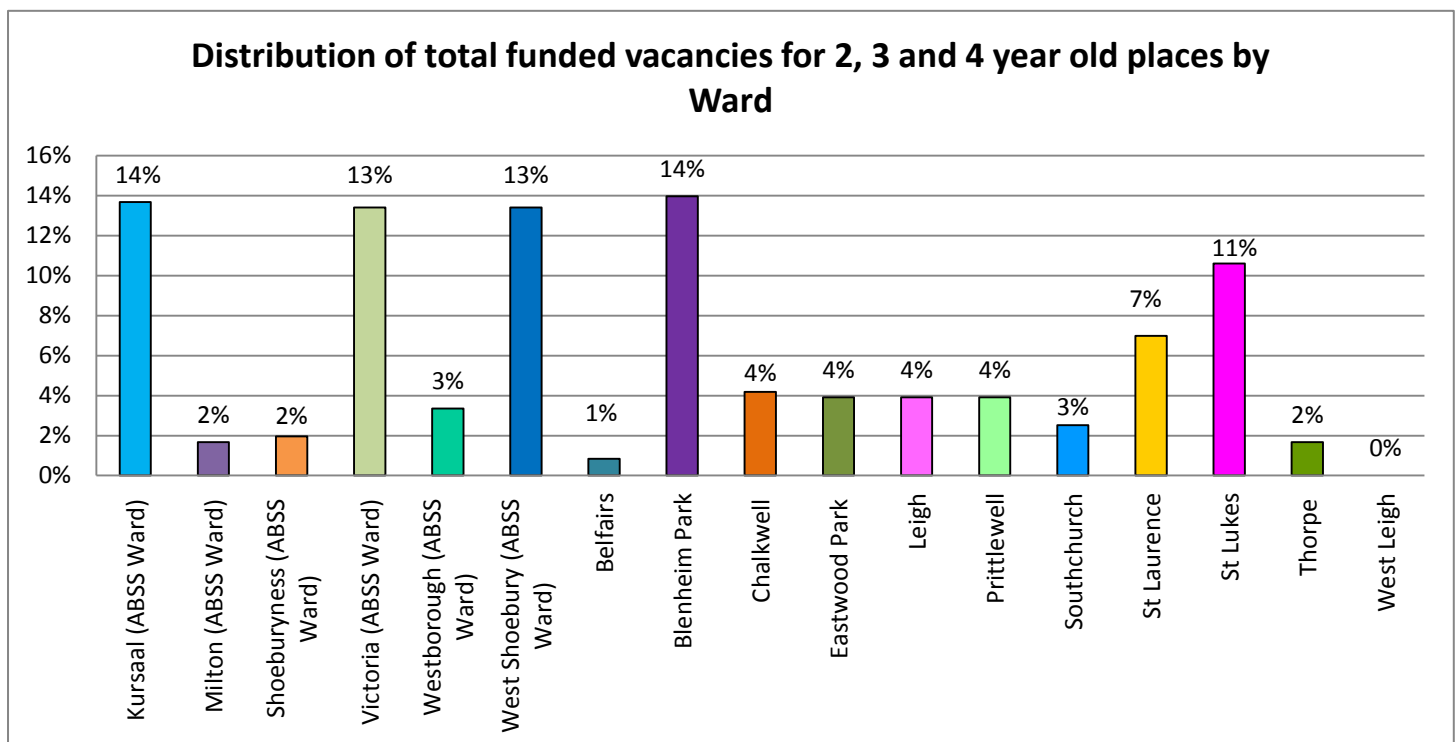
Number of vacancies for 2, 3 and 4 Year Olds							
Ward	Day Nursery	Day Nursery's Governed by School	Pre-school	Independent Schools	School's with Nursery Classes * ²	Reception Classes (FTE)	Total funded vacancies
Kursaal (ABSS Ward)	29	0	7	0	0	13	49
Milton (ABSS Ward)	6	0	0	0	0	0	6
Shoeburyness (ABSS Ward)	0	0	6	0	0	1	7
Victoria (ABSS Ward)	0	0	6	0	0	42	48
Westborough (ABSS Ward)	12	0	0	0	0	0	12
West Shoebury (ABSS Ward)	17	0	0	0	0	31	48
Belfairs	0	0	0	0	0	3	3
Blenheim Park	0	0	0	0	0	50	50
Chalkwell	2	0	8	5	0	0	15
Eastwood Park	0	0	6	0	0	8	14
Leigh	4	0	7	0	0	3	14
Prittlewell	2	0	5	0	0	7	14
Southchurch	2	0	3	4	0	0	9
St Laurence	2	0	7	0	0	16	25
St Lukes	2	0	2	0	0	34	38
Thorpe	0	0	3	0	0	3	6
West Leigh	0	0	0	0	0	0	0
Totals	78	0	60	9	0	211	358

* Based on 24% of non-funded childminders submitting vacancy information received

*¹ Based on 92% of funded childminders submitting vacancy information received

*² Schools data not available at the time of this report

The chart below shows the distribution of funded places across the Borough by Ward.



2, 3 and 4 year old funding overview

- ❖ From this data we can see that as a Borough Southend-on-Sea has sufficient places available for 2, 3 and 4 year old funded children for the Summer 2018 funding period.
- ❖ West Leigh is the only Ward that does not have vacancies for this funding period; however places are available within neighbouring wards.
- ❖ There are some wards where the population is higher than the number of places available, however parents are able to access funding in other wards.
- ❖ To date we have not been contacted by any parents claiming that they are unable to claim funded hours within the Borough.
- ❖ Work is continually being done to increase the take up of 2 year old funding, including outreach to events being held in the borough to encourage parents back to work.
- ❖ Branding to highlight the 30 hours free childcare entitlement for working parents has been developed.
- ❖ We monitor Sufficiency termly to ensure we have an updated view on the current market and target any areas that need support.

Gaps we have identified and what we are doing to support them.

Members of the Early Years team are attending local events and recruitment days to try and recruit more childminders. These members of staff are aware of the areas that require additional places for children. We currently have a number of childminders going through the Ofsted registration process.

We have one potential new nursery due to open in the Southchurch Ward from January 2019. This provider is currently going through the Ofsted registration process. The Early year's team have been in regular contact with the owner to support them prior to their opening.

Southend has recently been awarded capital funding of £500,000. A major development using this funding was to transform one of our current pre-schools to make them into a full day care nursery. The new building has meant the development of extra places and now have the capacity to offer care all year round for 50 children. In the West Shoebury Ward. The Nursery opened in October 2018.

In September 2018, the government launched a 'School Nursery Capital Grant' to support schools with developing or extending nursery provision for 2, 3 and 4 year olds. All schools were made aware of the grant and were encouraged to send an expression of interest to the Head of Early Years. Expression of Interests can be made up until 22nd November 2018. So far 4 schools have shown interest. Successful applicants are due to be notified in February 2019 with the childcare places to be available from March 2020.