

Report to: **Lead Member for Education and Inclusion, Special Educational Needs and Disability**

Date: **14 January 2022**

By: **Director of Children's Services**

Title of report: **East Sussex Childcare Sufficiency Assessment 2022**

Purpose of report: **To approve the publication of the East Sussex Childcare Sufficiency Assessment (CSA)**

RECOMMENDATION:

The Lead Member is recommended to approve the publication of the East Sussex Childcare Sufficiency Assessment for 2022.

1 Background

1.1 The Childcare Sufficiency Assessment (CSA) outlines how East Sussex County Council (the local authority) plans to secure enough childcare places as far as is reasonably practicable, for parents who are working, studying, or training for employment. The CSA covers childcare for children from birth to 14 (or up to 18 for disabled children). The publication of this CSA meets the local authority's statutory duty under sections 6 and 7 of the Childcare Act 2006.

1.2 The CSA focuses on two key areas of the childcare market in East Sussex:

- measuring the demand for, and supply of childcare within the five districts of East Sussex, identifying gaps in the market
- planning how to support the childcare market within East Sussex to address any shortfall.

1.3 The CSA has been completed within the context of the ongoing Covid-19 pandemic, which continues to have a significant impact on families resulting in a changed demand for childcare. The scale of the impact may take some time to be fully understood.

1.4 To assess the supply and demand for childcare places, the local authority compares current known capacity with predicted demand. This takes account of factors such as births, housing growth and patterns of inward and outward migration

1.5 The Childcare Act 2006 and Childcare Act 2016 give local authorities a role in shaping the childcare market. The local authority is committed to working with providers from the private, voluntary, and independent sectors (PVI) and the school run sector. This is considered to create a strong, sustainable, and diverse childcare market that meets the needs of families and supports children's learning through the Early Years Foundation Stage (EYFS).

1.6 The local authority is required to report annually to elected members and publish information for families to show how it is meeting its sufficiency duty. This includes providing specific information about:

- the supply and demand for early education and childcare places
- affordability, accessibility and quality of early education and childcare places
- details of how any gaps in provision will be addressed

1.7 Whilst local authorities are required by law to ensure there are sufficient childcare places, attendance by children from birth to age five at any early education or childcare setting is voluntary. It is not compulsory for a child to attend education provision until the term after their fifth birthday.

1.8 Childcare places are funded either by government entitlements or by parents.

1.9 The Childcare Act 2006 requires the following actions and measures which identify the strategic role local authorities' play. Local authorities should support (though not directly provide) the following:

- early education places for two-, three- and four-year-olds supporting eligibility, flexibility, and quality
- distributing government funding that supports early education places
- securing sufficient childcare so far as is reasonably practicable in a free market
- providing information to parents/carers
- providing information, support and training to early education and childcare providers

1.10 Local authorities are required to secure fully funded places offering 570 hours a year over no fewer than 38 weeks a year, and up to 52 weeks of the year, for every eligible child in their area, until they reach compulsory school age (the beginning of the term following their fifth birthday).

2. Actions to date

2.1 The table below lists the key actions undertaken by the local authority since the second Covid-19 lockdown in January 2021, to support childcare providers to remain sustainable and ensure that vulnerable and key worker children had access to a childcare place if needed.

Date	Communication/Action
5 January 2021	Email to all eligible early years (EY) providers confirming the local authority would continue to pay the Early Years Education Entitlement (EYEE) grant to all providers in the spring 2021 funding period that remained open on expected numbers.
January 2021 – December 2021	Local authority officers continued join Department for Education (DfE) project group to feed into policy reflecting Covid-19 situation (ongoing).
January – December 2021	Local authority contacted all providers to offer support and identify open provision (ongoing).
January 2021 – March 2021	<p>Local authority continued to support families of vulnerable/keyworker children who needed childcare provision, this included care over holiday periods (ongoing).</p> <p>Local authority staff worked collectively to ensure identified vulnerable children are supported in their childcare place (ongoing).</p> <p>Communication to families via Parental Information published by the Early Years Funding Team, social media postings, Local Authority external communications (ongoing).</p>
January 2021 to August 2021	Weekly EY Message Board providing information on DfE, Ofsted, Local Authority, and Public Health

	updates (ongoing). From September 2021 this moved to a monthly communication.
January 2021 – August 2021	Continuation of regular and targeted communication with all open childcare provision contacted regularly by local authority Early Years Improvement Team to offer advice and support (ongoing).
January 2021 – August 2021	Introduction of weekly Google Form – sent to all childcare providers to submit information on whether open or closed, and number of children accessing provision. Data shared with the DfE weekly. Since September the Google Form is submitted by childcare providers on a monthly basis and data shared with DfE monthly
January 2021- December 2021	No additional financial support was offered to open eligible EY providers but Government support such as the furlough scheme remained in place until October 2021. DfE confirmed all open EY providers were paid in the January 2021-March 2021 funding period for expected numbers of children rather than actual attendance. This ensured some sustainability for the sector.
Actions from January 2022 Onwards	<ul style="list-style-type: none"> • Continued dialogue with all childcare providers via weekly Message Board • Continued support for families to find/access a funded childcare place • Collation of Headcount Data to continue to feed into updating current capacity/demand reporting • Assess impact of changes to East Sussex EY workforce – On-going • Provider consultation – Spring 2022 • Parental consultation – Summer 2022

2.2 The above actions form part of the local authority's statutory duty to provide sufficient childcare places to meet parental demand as far as is reasonably practicable.

2.3 Since April 2021, demand for funded EY childcare places has returned to pre Covid-19 levels. Due to the economic impact of Covid-19 we have seen a rise in the number of funded places for two-year-olds in East Sussex. The change probably reflects the number of families now applying for Universal Credit. East Sussex has seen a drop in the total number of children accessing a funded three or four-year-old place, but this likely reflects a more general drop in the birth rate. The number of children taking up the extended 30-hour entitlement for the summer claim period in 2021 was 39.8% of the total number of three- and four-year-olds accessing a funded early education place. This equates to a 4.4% increase on the same period in 2019.

2.4 It is important to acknowledge the potentially far-reaching consequences of the Covid-19 pandemic that cannot be fully assessed currently as the situation continues to change. At a time when childcare providers are struggling to sustain their businesses it has not been possible to engage and consult with providers as planned in order to audit future capacity, and current economic uncertainty makes gauging future parental demand difficult. Sustainability of the childcare sector as a whole remains a challenge as costs continue to rise and staff retention and recruitment across the sector becomes more challenging.

3. How we measure future likely impact

3.1 Moving forward and as Covid-19 remains a threat in the immediate and medium term, an assessment of the wider job market and employment levels will need to be undertaken as a key factor on families' childcare requirements. Our engagement with childcare providers has remained consistently strong. Links with other services such as Job Centre Plus and the District and Borough Councils will provide the local intelligence needed to determine the impact of higher unemployment, more people working from home and any changes in planned housing development on future childcare supply and demand. Understanding the pattern of families becoming eligible for two-year funding or no longer being eligible for 30 hours funding will help to inform where the local authority needs to manage the childcare market.

3.2 There have been some challenges to updating the EY forecasts this year, which are listed below:

- Uncertainty around future capacity. Risk of childcare businesses closing in the spring 2022 term
- The major impact Covid-19 has had and continues to have on demand for childcare places
- Difficulty in knowing whether identified changes will be temporary, or more typical of the position going forward into 2022 and beyond
- The impact Covid-19 will have on future births and the housing market
- The low uptake numbers in 2020/21 related to Covid-19 have created technical challenges for the EY forecasting model because it calculates uptake factors on the basis of the most recent years' data. This means that future uptake forecasts could potentially appear lower than expected.

3.3 The EY forecasts are updated annually. It is hoped that future versions of the CSA will provide more clarity on these issues.

4. Conclusion and reasons for recommendations

4.1 In conclusion, the local authority is required to publish a Childcare Sufficiency Assessment annually. The document supports the authority's statutory obligation of on-going assessment of childcare provision for children aged 0-14 years old (and up to 18 years old for children with SEND) in East Sussex.

4.2 The Lead Member for Education and Inclusion, Special Educational Needs and Disability is therefore recommended to approve the publication of the East Sussex Childcare Sufficiency Assessment for 2022.

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APPENDICES

Appendix 1 - East Sussex Childcare Sufficiency Assessment 2020