

Schools Forum - Autumn 2022

Early Years & Childcare - 30 Hours Entitlements Place Sufficiency Update

This report relates to all school forum members and is for information and comment

Overview

The 30 hours extended entitlement offer was introduced for eligible 3 and 4 year old children in 2017. This added to the existing universal 15 hour offer for all 3 and 4 year old children and both entitlements can be accessed from the term following the child's 3rd birthday. Sufficiency of these entitlements are statutory duty functions for LA's alongside the sufficiency of places for eligible funded 2 year olds and childcare for working parents and are defined in the Childcare Acts 2006 & 2016.

To access the 30 hours extended entitlement the parents/carers must meet a specific eligibility criteria, apply for a 30 code via HMRC and where approved, use this code at a registered early years provider to access the additional 15 hours alongside their 15 hours of universal entitlement.

The entitlement is in place to support working families and to make re-joining the workforce more financially viable for none or part time working parents/carers.

Engagement

The 30 hours entitlement continues to see positive take up from families in Warwickshire and below gives the take up rates for the last four years for the summer term. It is noted that there is a substantial increase in take in the 2022 reporting which supports return to normal take up post pandemic and an increased return to the work place for families following the financial impact of the Covid-19 pandemic. Build out of housing also adds to the increases supported by the reported increase in child population within Warwickshire.

	Total Hours*	Children*
Summer Term 2019 – Pre Pandemic	743,823	4477
Summer Term 2020 - Pandemic	716,483	4334
Summer Term 2021 – Post lockdown 3	795,802	4704
Summer Term 2022 Post Pandemic	849,284	5,068

*Based on actual take up

Although the above numbers and hours show a reduced access in Summer 2020 this is specifically linked to the impact of Covid-19 restrictions and lockdown requirements rather than reducing demand for 30 places or place availability. From the Summer 2021 figures we can see again a pattern of growth in take up of both hours and children accessing a place.

Place Delivery

Warwickshire Early Education Funding directory of providers operates with an annual number of 500 + funded providers delivering the 2, 3 and 4 year old entitlements with around 85% of these settings offering the 30 hours extended entitlement.

30 hour places are offered by all types of Ofsted registered provision – nurseries, childminders, preschools and out of school clubs and providers exempt from registration in the form of maintained nursery classes, maintained nursery schools and schools delivering school run early years provision. The varied offer ensures choice for parents / carers.

Challenges

Warwickshire must consider a wide range of factors when monitoring place sufficiency requiring a flexible process and interpretation to monitor need and guide planning.

Key considerations:

- Five districts and boroughs - substantial differentiation in demographics
- Varied economic impact and work drivers based on district / borough
- Key employment sites in e.g. hospitals and food business distribution
- Financial impact for providers based on location e.g. early education funding rates are standard for all however running costs differ substantially between districts
- Take up of each entitlement varies based on demographics
- Increasing demand for places

Risks

Although the direct impacts of the Covid-19 pandemic are not at the forefront of considerations the longer standing challenges may continue to add risk to place sufficiency. In Autumn Term 2021 the LA undertook an Autumn Audit with all providers to inform a full Childcare Sufficiency Assessment. This is currently being analysed for publication by the end of the Autumn Term 2022.

Early analysis indicates that Warwickshire currently remains sufficient for places, however there is an increase in areas seeing high occupancy levels during the summer term periods which is the term that will see highest occupation within early years settings. This indicates that spare capacity is now reducing and must be monitored closely.

There has been a small number of nursery closures during the last year however all have been replaced with new provision. We are seeing a higher than usual number of small business sales to medium sized chain provision with places remaining stable at these sites with some potential expansion options being investigated.

For monitoring:

- Recruitment – increasing national pressure, increasing numbers of providers are reporting this as a significant issue and for some a barrier to offering their full places
- Increasing take up of funded 2 year old places is a key priority for Warwickshire seeing take up grow from 63% to 72%. This could impact on place availability for the 3 and 4 year old entitlements

- Increasing demand for Universal and Extended Entitlement 3 and 4 year old hours – more families returning to the workforce due to financial pressures and increased population due to housing build out
- Closure of settings – figures not currently supporting this. Long term impact of Covid-19 on place sufficiency is unknown
- Current impact of the energy crisis on delivery costs and then increase to session charges for parents / carers
- Early Education Funded Entitlement rates
- Decline in childminder numbers since the pandemic

Place Creation

To ensure a continued sufficiency of places in response to increased demand by housing, especially in the areas where occupancy levels remain high, joint working is undertaken with School Place Planning to ensure new school provision is being developed with early years premises on site.

The team continues to receive enquiries from new providers wishing to open provision across Warwickshire and regular registrations of new childminders.

Evaluation

At the current time the available information indicates a relatively stable market with sufficient availability of 30 hours entitlements places and in the main meets demand other than small areas of mild pressure in parts of Leamington Spa, Stratford upon Avon and Rugby. It is essential to now monitor the situation closely if the ongoing growth of child population continues

Early Years and childcare place sufficiency for all entitlements continues to be monitored closely, with process and actions adapted on a term-by-term basis as required where information identifies a specific area of concern.

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