

Childcare Sufficiency Report

September 2016

Gateshead Council

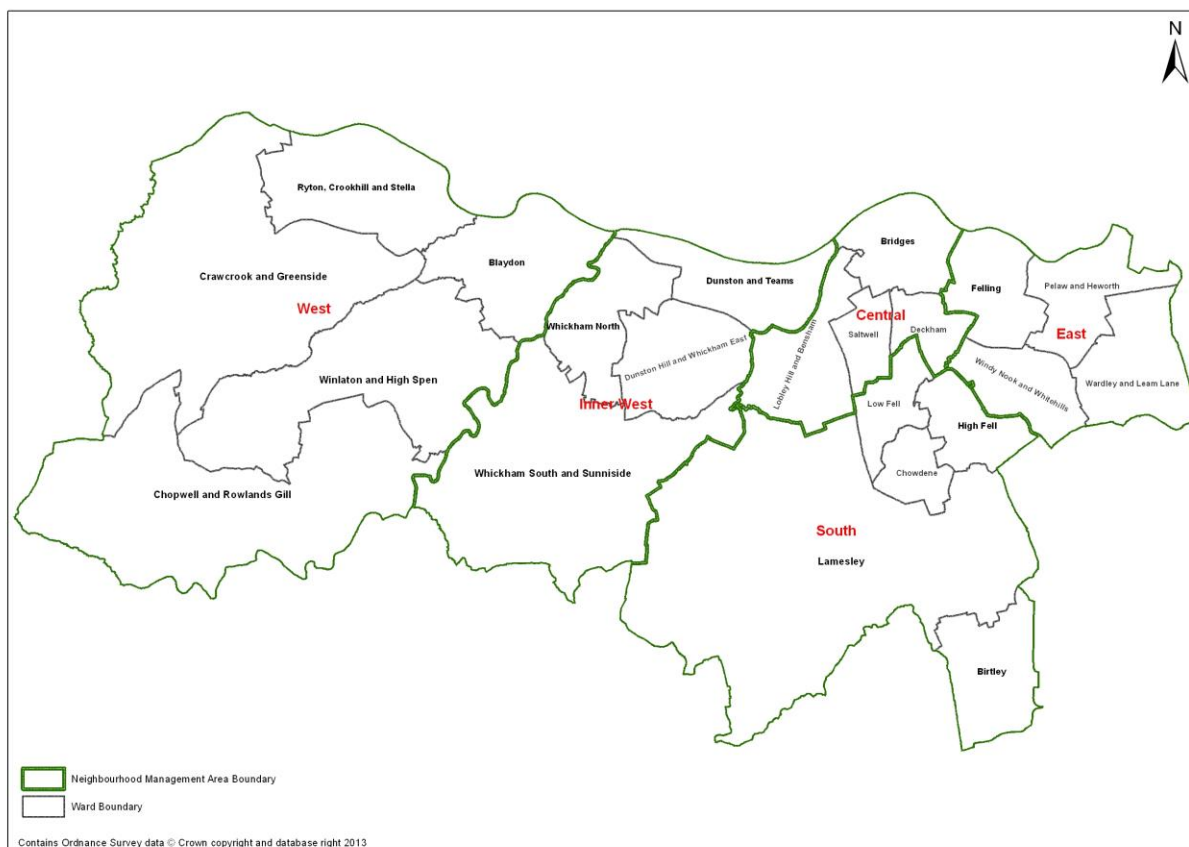
Introduction

The Childcare Act 2006 (Section 6) places a duty of Local Authorities to “secure sufficient childcare, so far as is reasonably practicable, for working parents, or parents who are studying or training for employment, for children aged 0 – 14 years (or up to 18 for disabled children).” This duty requires Local Authorities to shape and support the development of childcare in their area to make it flexible, sustainable and responsive to the needs of the local community.

The Children and Families Act 2014 has repealed Section 11 of the Childcare Act 2006. This means that Local Authorities no longer have to undertake and publish a detailed and prescribed CSA every 3 years. Instead, an annual sufficiency report will be published.

The Government wants to ensure that parents can easily access information about childcare and other services in their area. Through the Childcare Act 2016, the Government will require local authorities to publish information which will support parents to make informed choices about childcare. Regulations are expected to set out how data should be published and the frequency of publication.

Information given below is divided between the 5 Neighbourhood areas in Gateshead, Central, East, Inner West, South and West (see map below).



The data used to inform this refresh largely covers the period 31st September 2015 to 31st September 2016.

There have only been minor changes in population of children 0 – 14 years when compared against last year's figures, these have stabilised and the upward trend has stopped (against the national trend).

Methodology

This was the first year using a paperless system. An online template was created and pre-populated with each provider's basic information. An email was circulated to all settings to request they completed this audit online. All providers had to sign a data agreement form and had to follow general instructions to have access to the online portal. Results were imported directly to our database. Providers who had not completed these forms within the deadline were followed-up by telephone and urged to complete online by Early Years Officers.

This approach had some problems as a small minority of providers found completing the audit online challenging leading to 97.6% return for group providers and a 88% return from non-group providers (childminders and home childcarers).

Number of Providers and Places

We have a mixed market providing childcare places in Gateshead, comprising 131 childminders, 32 day nurseries, 24 pre-schools, 27 after school clubs, 21 breakfast clubs, 14 holiday clubs and 10 home childcarers. All of these places are registered with Ofsted but there are also breakfast, after school and holiday club run by schools which do not require a separate Ofsted registration.

The number of childminders has declined since last year, from 149 in 2015 to 131 in 2016, with numbers decreasing in all areas, but most significantly in the South and West NMAs. This decline in the numbers of childminders seen over recent years in Gateshead, mirrors the national trend.

The number of Day nurseries and pre-schools remain the same as last year. One day nursery has closed on the site of the Queen Elizabeth Hospital but another provider has opened on the same site.

Two new out of school clubs have been opened in the South (52 places) while 1 out of school opened (but is not running yet) and 1 closed in the West with a loss of 24 places.

Two breakfast clubs have closed in South and 1 in the East.

The numbers of Home childcarers has declined slightly since last year (1 in the Inner West).

Despite this movement in the sector, the number of places on offer in the PVI sector has slightly decreased by 2.9%, although a number of these places are now being run directly by schools and have therefore only lost their Ofsted registration.

Occupancy

The level of occupancy of each type of childcare is a key indicator of sufficiency. Occupancy remains high across all types of early education and childcare.

From the information that we have received from childminders, occupancy has risen from 75.3% in 2015 to 90.25% in 2016.

Occupancy in day nurseries has risen from 85.7% in 2015 to 92.66% in 2016. There has been a similar increase in occupancy in pre-schools (85.2% in 2015 to 91.44% in 2016).

Whilst breakfast and after school clubs are registered for children up to 8 years of age, there are no regulations governing how many children 8 years and over that may attend. Occupancy has been assessed against Ofsted registered places and occupancy for breakfast clubs now stands at 91.16% (79.3% in 2015) and 89.68% for after school clubs (88.6% in 2015). Occupancy in holiday clubs has risen from 80% in 2015 to 93.18% in 2016.

There has been no unmet need reported as an enquiry to FIS.

Costs

In Gateshead, the cost of all types of childcare except after breakfast clubs has risen over the last year.

Costs at day nurseries have risen by 5%, at after school clubs by 1.8% increase while breakfast clubs have decreased costs by 5.9%. Pre-schools offer a combination of 3 hour and 5 hour session, on average they show an increase in cost of 2.8%.

Cost of holiday clubs have increased by 5.7%. Average daily costs in 2015 were £19.80 and are now £20.93, which is against the national trend (1.9% decrease over the last 12 months – Holiday Childcare Survey 2016).

Costs charged by childminders have increased by 0.52%, less than the 2.1% increase reported in 2015. Childminders are competing on cost with group providers such as day nurseries, pre-schools and out of school clubs. However, on average, for children over 2, childminders have a slightly higher hourly rate than day nurseries.

The annual national childcare costs survey for 2016 reports that nursery costs rose by only 1.1% (considerably less than 5.7% they reported last year) and childminder costs by 0.2% (4.5% last year).

These increases are well above the rate of inflation, which in Summer 2016 stood at 1 per cent, double the previous year of 0.5%.

Funded Early Education

The Council has a statutory duty to provide sufficient 15-hour places of free early education for all 3 and 4 year olds across Gateshead. The current take up of Early Education for Three and Four Year Olds remains stable and very high at 98%. In June 2016, there were 2,012 children (53%) accessing their free entitlement in school nurseries and 1,767 children (47%) in PVI nurseries. This is an increase of 1% more children accessing their free entitlement in the PVI sector in summer 2016 compared to the summer term in 2015.

The Council also has a statutory duty to provide 15 hours per week of free early education for eligible 2 year olds. This duty came into effect from September 2013 for 20% of all 2 year olds and was extended to include 40% of all 2 year olds from September 2014.

Eligibility for the initial 20% of children is the same as for Free School Meals (FSM) and included Looked After children (LAC). The eligibility criteria for the additional 20% of 2 year olds are an extension of benefits criteria, some children with Special Educational Needs and Disabilities and children who have left care through special guardianship, adoption or arrangement orders.

Across Gateshead in September 2014, take up was 67% of eligible families. By June 2015, this had risen to 77.6% and now (September 2016) stands at 83%.

Additional places for eligible two year olds are required in the Felling, Crawcrook and Whickham areas.

A project is underway to create places in the Felling hub and a provider has been selected to operate the provision. This project will create up to 50 full time places.

Overall, the West area has good take-up. However, this masks an underlying issue with places in the Crawcrook area and funding has been secured to create places on the Emmaville Primary School site. This project will create 26 full time places.

Funding is also in place for a project in the Whickham area, which will go ahead once planning permission is granted. This project will create 26 full time places for eligible two year olds.

Childcare Act 2016

The Childcare Act 2016 is intended to deliver the Government's election manifesto commitment to give families where all parents are working an entitlement to 30 hours of early education for their three and four year olds. This means a total of 1,140 free hours per year; 570 through the existing universal early education entitlement for all three and four year olds and 570 through the new entitlement. The additional 570 hours for working parents will help families by reducing the cost of childcare and supporting parents to work.

To be eligible, parents must meet the following criteria:-

- Working parents with children aged three and four,
- Parents working part-time or full-time – each parent must be working the equivalent of 16 hours per week at the national minimum wage,
- Parents who are employed or who are self-employed and lone parents who are working the equivalent of 16 hours per week at the national minimum wage to support their families.

It is the Government's intention that the extended entitlement should be delivered in a way that provides flexibility and quality for working parents. The number of new childcare places that will be needed depends not only on how many eligible parents take up the new entitlement but also the extent to which they already pay for additional hours of childcare over and above the existing 15 funded hours.

The Government has also launched a review of the cost of providing care and education and has given a commitment to increase the average rate paid to providers.

Quality

Within Gateshead all funded 2 year olds are in Good or Outstanding provision or provision that is yet to be inspected. Evidence shows that higher quality provision has greater developmental benefits for children, particularly for the most disadvantaged children. Government has indicated that, as far as is possible, early education for two-year olds should be delivered by providers who have achieved an overall rating of Outstanding or Good in their most recent Ofsted inspection report or awaiting their first inspection.

Ofsted now carry out first inspections within the first 30 months of operation following registration. The previous time scale was between 5 and 7 months.

Quality remains generally high across Gateshead with the following types of provision being graded Good, Outstanding or Met by Ofsted; 100% of daycare providers, 100% of pre-schools, 95.5% after school clubs, 100% breakfast clubs, 100% holiday clubs and 100% of home childcarers,

Quality standards of childminders has risen since the last sufficiency assessment. In June 2015, 76.9% of childminders were graded as Outstanding, Good or Met. By June 2016, this had risen to 91%. Over the same period, the number of childminders graded as Satisfactory/Requires Improvement or not met has fallen from 17.7% to 9%.

The quality of childcare provision in Gateshead compares very favourably with national statistics. In March 2016, Ofsted reported that 83% of childminders and 90% of early years group provision nationally was graded Good or Outstanding.

The North East continued to have the highest proportion (96%) of providers judged good or outstanding for overall effectiveness.

From "Childcare providers and inspections as at 31st March 2016: Key Findings" - Ofsted

Whilst the improvements listed above are welcome, there still remains 11 childminders (a drop from 29 childminders in 2015) who are graded by Ofsted as Satisfactory, Requires Improvement or Not Met. The childminder sector is the one that continues to require the greatest level of support and Officers from the Early Years and Childcare Service and Education Gateshead but not all childminders are willing to engage fully with officers.

New Housing Developments

The Gateshead Local Plan provides a strategy for delivering 11,000 new homes and it will take until 2030 for the full plan to be completed.

Between 2012 and 2015, a relatively small number of homes have been built in Bensham, Birtley and Gateshead town centre. These developments have not posed any sufficiency issues.

Between 2015 and 2020, housing developments are planned in a number of areas. The potential increased demand for childcare places may give rise to sufficiency issues in Bensham, Birtley, Crawcrook, Felling and Ryton areas.

A small number of houses have been built over the last year in a variety of locations across Gateshead, none of which were large enough to have an impact on sufficiency.

Officers will continue to monitor supply and demand of places and continue to report their findings year on year.

Schools

Telephone calls from Early Years Officers were made to all the schools in Gateshead during the Summer Term asking for information on any Breakfast Clubs, Out of School Clubs and Holiday Clubs that they might run.

These clubs do not require a separate Ofsted registration and are therefore not included in any of the earlier analysis.

We received a 100% return. Analysis of these responses are included in Appendix A.

Special Educational Needs and disability (SEND)

A child or young person has special educational needs (SEN) if he or she has learning difficulties or disabilities that make it harder for him or her to learn than most other children and young people of about the same age. Many children and young people who have SEN may also have a disability.

The total of pupils in Gateshead schools has risen in 2016 from 2015 by 143 and the percentage of children with SEN statement or EHC plan has risen 0.2% to 3.0% while figures for the North East and England have stabilised.

Children with SEND in Gateshead can be referred to the Early Years Assessment and Intervention Team who can offer assessment of the child and advice and support to a setting. The EYAIT team work in settings with children from 2+ years. At the beginning of September 2014 there were 90 children on the EYAIT caseload and 131 new referrals were made during the academic year. The academic year 2014-2015 was the first full year the EYAIT was in existence. In September 2015 there were 106 on the EYAIT caseload before any new referrals were made to the team. In September 2016 there were 115 on the caseload and 114 new referrals made.

Conclusion

In Gateshead we have a strong and stable mixed economy of childcare places and apart from Felling, Whickham and Crawcrook, there are sufficient childcare places to meet current demand. The quality of the vast majority of these places has been judged by Ofsted to be high.

Although costs have risen, they are in line with regional and national charges.

There is little flexibility to be found in schools that offer early education for 3 and 4 year olds but this does offer private providers a unique selling opportunity. However, the introduction of 30 hours of free entitlement for eligible 3 and 4 year olds, is leading to some schools considering more flexible provision.

The existing high levels of occupancy matched with growth in demand for 3 and 4 year old places and significant housing developments in certain areas, could lead to the need to develop new childcare places in a number of areas.

Gateshead is one of 25 local authorities who have been asked by the Department for Education to carry out work relating to the introduction of 30 hour provision for 3 and 4 year olds. Our Early Innovator status requires us to look specifically at sufficiency and flexibility of places. In carrying out this work, officers remain mindful of the need to maintain the current number of places for eligible 2 year olds.

Officers will continue to provide information on a yearly basis and will endeavour to continue to manage the childcare market on behalf of the Local Authority and work in partnership with interested partners.

Appendix A Childcare Sufficiency Data

Provider Statistics	Central	East	Inner West	South	West		Total
Number of Providers							
Childminder	24	26	20	28	33		131
Day Nursery	11	3	3	9	6		32
Pre School	1	2	7	8	6		24
Out of School Club	4	2	8	5	8		27
Breakfast Club	2	1	8	4	6		21
Holiday Club	3	2	3	3	3		14
Home Childcarer	2	0	3	5	0		10
Total	47	36	52	62	62		259
Child Registered Places	Central	East	Inner West	South	West		Total
Childminder	128	131	111	132	156		658
Pre School	35	51	203	233	188		710
Day Nursery	819	152	294	692	255		2,212
Out of School Club	188	62	258	190	233		931
Breakfast Club	98	30	230	170	201		729
							532
Holiday Club	148	46	119	112	107		
Total	1,416	472	1,215	1,529	1,140		5,772
Occupancy (%)	Central	East	Inner West	South	West		Total
Childminder	89.84	82.44	96.40	90.9	91.67		90.25
Pre-school	85.71	100	96.62	98.28	79.6		91.44
Day Nursery	92.98	86.84	93.88	94.11	95.49		92.66
Out of School Club	85.60	100	83.85	100	78.97		89.68
Breakfast Club	100	100	87.35	90.59	77.84		91.16
Holiday Club	95.12	100	76.47	100	94.31		93.18

Costs (in pounds - £)							
Childminder hourly cost under 2	Central	East	Inner West	South	West	OOB	Gateshead
Max	7	4.50	4.20	5	6		
Min	3.5	3.25	2.50	3.50	3		
Average	4.22	3.90	3.58	3.94	3.75		3.88
Childminder hourly cost over 2	Central	East	Inner West	South	West		Gateshead
Max	7	4.50	4.20	5	6		
Min	3.5	3.25	2.50	3.50	3		

Average	4.22	3.90	3.58	3.94	3.75		3.88
Pre-School session	Central	East	Inner West	South	West		Gateshead
Max	11	12	15	16.50	15		
Min	11	12	9	8	9.80		
Average	11	12	11.29	12.12	12.76		11.83
Day Nursery under 2	Central	East	Inner West	South	West		Gateshead
Max	45	45	41.50	48.50	46		
Min	4.60	40.50	39.25	40	38		
Average	33.04	42.75	40.25	45.08	41.18		40.46
Average cost per hour (based on 10hr day)	3.30	4.28	4.03	4.51	4.12		3.45
Day Nursery over 2	Central	East	Inner West	South	West		Gateshead
Max	45	42.75	38.05	46.50	41.50		
Min	4.60	36	36.25	38	36		
Average	31.13	38.35	37.10	42.50	38.67		37.55
Average cost per hour (based on 10hr day)	3.11	3.84	3.71	4.21	3.87		3.75
OOSC	Central*	East	Inner West	South	West		Gateshead
Max	9.95	9	9.60	10	12		
Min	2	7	7	8	8.40		
Average	7.59	8	8.31	8.5	9.57		8.39
Average cost per hour (based on 3 hr session)	2.53	2.67	2.77	2.83	3.19		2.8
Holiday Club (per day)	Central	East	Inner West	South	West		Gateshead
Max	23.50	18	22	20	38		
Min	18	18	18	19.50	20		
Average	20.88	18	20	19.75	26		20.93
Breakfast Club	Central	East	Inner West	South	West		Gateshead
Max	4.75	4.00	8	5	6		
Min	4.75	4.00	3	4.2	3.3		
Average	4.75	4.00	5.37	4.55	4.38		4.61
Funding Statistics							
3 & 4yr funding total take-up	98%	Statistical First Release	Was 97% last year via Statistical first release				
Ofsted Grades							
Childminders	Central	East	Inner West	South	West		Total
Outstanding	0	0	1	1	2		4 (3%)
Good	12	17	12	22	25		88 (76%)
Satisfactory/Requires Improvement	2	0	1	0	3		6 (5%)
Inadequate	0	0	0	0	0		0 (0%)
Met	2	4	1	3	3		13 (11%)
Not Met	1	1	3	0	0		5 (4%)
New – No Grade	7	2	4	2	1		16

Total	24	24	22	28	34		132
Day Nurseries	Central	East	Inner West	South	West		Total
Outstanding	3	0	0	3	0		6 (24%)
Good	7	2	3	3	4		19 (76%)
Satisfactory/Requires Improvement	0	0	0	0	0		0 (0%)
Inadequate	0	0	0	0	0		0 (0%)
New – No Grade	1	1	0	3	2		7
Total	11	3	3	9	6		32
Pre-Schools	Central	East	Inner West	South	West		Total
Outstanding	0	1	1	0	2		4 (17%)
Good	1	1	5	8	4		19(79%)
Satisfactory/Requires Improvement	0	0	0	0	0		0 (0%)
Met	0	0	1	0	0		1 (4%)
New	0	0	0	0	0		0
Total	1	2	7	8	6		24
Out Of School Clubs	Central	East	Inner West	South	West		Total
Outstanding	0	0	0	0	0		0 (0%)
Good	3	1	6	5	5		20 (91%)
Satisfactory/Requires Improvement	0	0	0	0	0		0 (0)
Met	0	0	1	0	0		1 (4.5%)
Not Met	1	0	0	0	0		1 (4.5%)
New – No Grade	0	1	1	0	3		5
Total	4	2	8	5	8		27
Breakfast Clubs	Central	East	Inner West	South	West		Total
Outstanding	0	0	0	0	0		0 (0%)
Good	2	1	6	4	5		18 (95%)
Satisfactory/Requires Improvement	0	0	0	0	0		0 (0%)
Met	0	0	1	0	0		1 (5%)
Not Met	0	0	0	0	0		0 (0%)
New – No Grade	0	0	1	0	1		2
Total	2	1	8	4	6		21
Holiday Clubs	Central	East	Inner West	South	West		Total
Outstanding	0	0	0	0	0		0 (0%)
Good	3	2	2	2	2		11 (92%)
Satisfactory/Requires Improvement	0	0	0	0	0		0 (0%)
Inadequate	0	0	0	0	0		0 (0%)
Met	0	0	1	0	0		1 (8%)
Not Met	0	0	0	0	0		0 (0%)
New – No Grade	0	0	0	1	1		2
Total	3	2	3	3	3		14
Home Childcarer	Central	East	Inner West	South	West		Total
Met	2	0	1	1	0		4 (100%)
Not Met	0	0	0	0	0		0 (0%)
New – No Grade	0	0	2	4	0		6
Total	2	0	3	5	0		10

Schools Data - 2016

Neighbourhood areas	Central	East	Inner West	South	West	Total
Primary Schools who run a Breakfast Club	10	8	3	9	10	40
Highest cost session	£2	£5.50	£4.50	£3	£3.50	£3.70
Lowest cost session	Free	Free	Free	Free	Free	Free
Average cost session	£0.54	£1.78	£2	£1.50	£1.70	£1.61
Free	7	2	1	3	1	14
Primary Schools who run an OOSC	5	1	2	3	6	17
Highest cost	£2	£9	£7.50	Free	£8.25	£5.35
Lowest cost	Free	£9	Free	Free	£5.00	£1.80
Average cost	£0.75	£9	£3.75	Free	£4.21	£3.54
Free	2	0	1	3	Nil	6
Primary Schools who run a Holiday Club	Nil	Nil	Nil	1	1	2
Highest cost	Nil	Nil	Nil	£8	£15	£11.50
Lowest cost	Nil	Nil	Nil	£8	£15	£8
Average costs	N/A	N/A	N/A	£8	£15	£11.50

Gateshead Population

	Central	East	Inner West	South	West		Total
Population							
Persons 0 - 2	1,056	805	699	968	952		4,480
Persons 2 - 3	536	466	368	504	473		2,347
Persons 3 - 4	1,106	887	760	1,032	1,028		4,813
Persons 5 - 11	3,159	2,740	2,520	3,514	3,374		15,307
Persons 12 - 14	1,097	1,123	1,012	1,488	1,390		6,110
(Based on Office for National Statistics Mid Year Population Estimates for 2014)	6,954	6,021	5,394	7,506	7,217		33,057

All schools: Pupils with SEN statement/ EHC plan, based on where the pupil attends school, January 2015 and January 2016

Data taken from "Special educational needs in England: January 2016" Department for Education

Total number of pupils - 2015	Pupils with Statements	% of pupils		Total number of pupils - 2016	Pupils with statements or EHC plans	% of pupils
29,699	843	2.8	Gateshead	29,842	891	3.0
393,805	11,590	2.9	North East	398,023	11,686	2.9
8,439,145	236,165	2.8	England	8,559,540	236,806	2.8