

REPORT TO:	Children, Young People & Families Policy & Performance Board
DATE:	13 November 2023
REPORTING OFFICER:	Executive Director – Children
PORTFOLIO:	Children and Young People
SUBJECT:	Sufficiency Duty Report 2023-2024 (previously known as the Childcare Sufficiency Assessment Review (CSA))
WARD(S)	Borough-wide

1.0 PURPOSE OF THE REPORT

- 1.1 The report aims to provide a summary of the revised Sufficiency Duty Report. It details information about Halton’s childcare sector and outlines the projected supply and estimated demand for childcare places over the next twelve months. It also highlights any gaps in provision and how these are being addressed.

The report outlines information regarding the expansion of the early years entitlements, due to launch in April 2024, together with initial estimates around how the demand for new places will impact upon the childcare market in Halton.

The report shares information on other factors impacting on childcare and sustainability, at both local and national level, such as the impact of COVID-19, the cost of living crisis and difficulties in recruiting and retaining staff. However, despite the challenges facing the early years sector, the childcare market in Halton continues to be secure and sustainable.

- 2.0 **RECOMMENDATION: That the revised Sufficiency Duty Report (previously known as the Childcare Sufficiency Assessment) be noted.**

3.0 BACKGROUND

- 3.1 Sections 6 and 7 of ‘The Childcare Act’ (2006) and the associated statutory guidance: ‘Early Education and Childcare – Statutory guidance for local authorities’ (March 2018), requires all Local Authorities in England to undertake and provide an annual childcare sufficiency report to elected council members on how they are meeting their duty to secure sufficient childcare and to make it available to the public.

- 3.2 In accordance with the above, Halton's Sufficiency Duty Report has been reviewed and updated (SDR). The purpose of the document is to:
- Assist parents to find suitable childcare across the borough;
 - Help inform the Local Authority regarding supply and estimated demand for childcare places in all age ranges, in particularly for the Free Early Years Entitlement places;
 - Provide information for anyone who is considering setting up new childcare provision in the borough or becoming a childminder.

4.0 **SUMMARY OF SDR**

- 4.1 The SDR provides the following information:
- A brief introduction to the review, outlining it's purpose and rationale;
 - A statement about safeguarding.
 - A description of the Halton context;
 - Information regarding the quality of childcare, including reference to the Early Years Foundation Stage Framework and the role of Ofsted;
 - Details of Halton's childcare market segments;
 - The supply and estimated demand of childcare places;
 - A brief outline of Halton's SEND provision, Disability Access Fund (DAF) and Early Years Pupil Premium (EYPP);
 - Details of the affordability, sustainability and staffing of Halton's childcare market;
 - Average hourly rates of pay and flexibility of childcare in Halton;
 - Details about the projected expansion of funded childcare;
 - Guidance around financial help with childcare costs;
 - Details of other factors impacting on childcare and sustainability.

5.0 **CURRENT POSITION**

- 5.1 Overall, the Halton Sufficiency Duty Report 2022-2023 continues to reflect a sufficient, flexible and high quality Early Years and Childcare market that delivers a wide choice of affordable childcare services to parents and carers. Halton as a borough has sufficient childcare places to meet demand.

However, the Early Years sector have indicated that there are continuing concerns around recruitment and retention of staff, the high numbers of children coming into settings with Special Educational Needs, and the reduction of numbers of children, especially in Pre-Schools. There are also concerns around the increasing costs of fuel and overheads, which are not reflected in the funding figures.

The implications of the Spring budget cannot yet be predicted and therefore the impact on sufficiency is unknown at this time. However, the local authority will continue to engage proactively with the sector to identify any potential reduction in sufficiency to ensure that the childcare market in Halton remains vibrant and buoyant.

The report shows that the majority of areas in Halton have sufficient supply of childcare places in all age ranges, as follows:

- **0-1 Year olds** – The sufficiency analysis shows a surplus across the borough of 81 places, 37 surplus places in Runcorn and 44 in Widnes;
- **2 Year Olds** - The sufficiency analysis shows a surplus across the borough of 288 places, 214 places in Runcorn and 73 in Widnes;
- **3 and 4 Year Olds** – The sufficiency analysis shows a surplus across the borough of 499 places, 385 in Runcorn and 114 in Widnes;
- **Childcare for Children Over 5** – Although It is difficult to determine the exact number of places available for out of school hours and holiday care, some data is held on the places available at OfSTED Registered Providers. Taken together with information from provider surveys, which report a significant level of vacancies for wraparound and holiday care places this suggests that there is sufficiency in the sector within Halton.

6.0 POLICY IMPLICATIONS

6.1 The expansion of funded childcare is expected to have an impact on the sufficiency of places. Ongoing analysis is being undertaken, both locally and nationally, to assess the likely numbers of additional childcare places that will be needed at each stage of the expansion. Initial estimates suggest that there are sufficient places in Halton to accommodate the first phase of the expansion for 2 year olds, commencing in April 24.

6.2 The government will invest £289m over two academic years, from September 2024, to enable schools and local areas to set up wraparound childcare provision. This is the first step in the government's ambition for all parents of primary school children who need it to access childcare in their local area from 8am – 6pm.

There are several possible delivery models ranging from:

- School-based provision, delivered by school;
- School-based provision, delivered by private provider;
- Cluster/hub model (on or off a school site);
- Childminders.

Funding will be provided to local authorities for both internal costs and delivery costs. LAs will be expected to map supply and demand, and to adopt a model that best suits their local needs.

It is expected that by September 2026, most parents will be able to access the provision they need. By the end of the scheme, provision should be self-sustaining with continued support from local authorities.

7.0 FINANCIAL IMPLICATIONS

- 7.1 The Dfe will be releasing money to Local Authorities to support the expansion of early years childcare and Wraparound Programme. The money will be used to cover administrative costs by the LA and support providers to set-up new provision or expand existing provision.

8.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

Close working with the sector will continue to monitor demand and supply and to determine how expansion is impacting on the childcare market.

8.1 Children & Young People in Halton

Research has proven that the earliest years of a child's life are crucial to their development for laying the foundations of success at school and in later life. In Halton, we want to ensure we have high quality childcare available for all parents or carers that need it, in all age ranges. The Family and Childcare Trust Childcare Survey (2018) states: *'Childcare supports parents to work, keeps valuable skills in the workforce, helps children do better at school and can narrow the gap between disadvantaged children and their peers'*.

8.2 Employment, Learning & Skills in Halton

High quality childcare which results in children experiencing success within education will increase training and employment opportunities for pupils and students.

8.3 A Healthy Halton

Raising children's achievements through access to affordable and sustainable early years childcare provision will have a positive impact on the emotional health and wellbeing of challenging pupils and students. Access to quality provision also plays a key role in the early development of language and communication skills which are essential to future learning, vocabulary development and access to the wider curriculum and developing and maintaining relationships

8.4 **A Safer Halton**

None identified

8.5 **Halton's Urban Renewal**

None identified

9.0 **RISK ANALYSIS**

9.1 Raising children's achievements through access to affordable and sustainable early years childcare should reduce incidents of challenging behaviour.

10.0 **EQUALITY AND DIVERSITY ISSUES**

10.1 Raising children's achievements through access to affordable and sustainable early years childcare provision should ensure that all children are able to receive timely support and intervention, thereby reducing inequalities in life chances.

11.0 **CLIMATE CHANGE IMPLICATIONS**

11.1 None identified

12.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
The Childcare Act 2006	www.legislation.gov.uk	Operational Director – Education Inclusion and Provision & Operational Director Resources
Early Education and Childcare – Statutory Guidance for Local Authorities (March 2018)	www.gov.uk	Operational Director – Education Inclusion and Provision & Operational Director Resources