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| Committee(s) | Dated: |
| Community and Children's services – For Information | 14 October 2016 |
| Subject: Childcare Sufficiency Update 2016 | Public |
| Report of: Ade Adetosoye, Director of Community and Children's Services | For Information |
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Summary

This report fulfils the statutory duty of officers to provide an annual report to Members on the sufficiency of childcare in the City of London.

Under section 6 of the Childcare Act 2006, all English local authorities are required to ensure (as far as is 'reasonably practicable') that working parents in their area are able to access the childcare they need. In order to inform this, local authorities must conduct regular assessments of the childcare provision in their area and the extent to which it meets local demand.

In the City of London, this duty sits with the Education and Early Years Service. An in-depth Childcare Sufficiency Assessment (CSA) was commissioned by the service in 2014, and a smaller update of this report was conducted in the winter of 2015/16 – referred to in this report as the 2016 update. As with the 2014 CSA, the findings of the update will be addressed through actions in the Early Years Strategy.

The 2016 update found that there is currently sufficient provision of early years childcare, although the tendency of parents to move in and out of the City's borders to access childcare makes it difficult to pin down a true figure for local demand. The supply of childcare for over-fives during the school holidays is an area where there would seem to be an under-supply, and more research is required into how this sector could be developed.

There is healthy uptake of the various types of financial support offered to parents towards the cost of childcare. The two-year-old offer of 15 hours is currently being accessed by 100% of eligible families, and the City's own Childcare Affordability Scheme is now offered at five nurseries in and around the City.

Some private childcare providers predict that the forthcoming entitlement to 30 hours of free childcare for eligible families could present them with a financial shortfall. The City must aim to ensure that there is sufficient availability of the free 30 hours if some of these providers choose to not offer it.

Recommendation(s)

Members are asked to:

- Note the report.

Main Report

Background

1. Section 6 of the Childcare Act 2006 requires local authorities in England and Wales to secure sufficient childcare, as far as is 'reasonably practicable', for the needs of working parents and to report annually to elected Members and the public.
2. The Childcare Act 2016 received Royal Assent in March. This builds on the 2006 Act and comprises only two duties:
 - to make available 30 hours of free childcare a week to working parents
 - to publish information about childcare.

Current Position

3. The 2016 update found that there are sufficient early years childcare places in the City of London for the number of children who might potentially need them. However, the tendency of parents to move in and out of the City's borders to access childcare makes it difficult to pin down a true figure for local demand.
4. There is a strong indication that holiday childcare for school-age children is not sufficient in the City, with one provider stating that demand consistently outstrips supply. This is an area that the Education and Early Years Service should look at, to investigate potential venues and providers that could help to expand this sector.
5. There are currently no registered childminders in the City; however, there are three Ofsted registered 'home childcarers' (nannies). The use of nannies in the City is significant but largely unregulated. The service has therefore established a professional network for nannies in order to raise the safety and quality of the childcare offered in parents' homes.
6. The entitlement to 15 hours of free childcare for three- and four-year-olds is currently being taken up by 82% of eligible families, while the two-year-old offer of 15 hours is currently being accessed by 100% of families who meet the various economic criteria. The City's own Childcare Affordability Scheme is now available at five private sector nurseries in and around the City.

7. The forthcoming entitlement to 30 hours of free childcare could bring challenges, and some private providers have expressed concerns about providing it. This is due to a shortfall between the funding provided for these hours and the rate they would normally get from a fee-paying parent. The 2017 Childcare Sufficiency Update will need to look further at this and aim to anticipate the likely availability of the 30 hours offer before it rolls out in September that year.

Proposals

8. The next annual Childcare Sufficiency Update will be carried out in early 2017 and will focus on the 30 hours offer. This will involve an assessment of the likely demand among City residents, and an audit of the capacity within City settings that intend to provide the offer. This will give us enough time to plan for any anticipated shortfall.
9. If a shortage of places seems likely, the proposed solution will be to work with nurseries in neighbouring boroughs. We already do this with the two-year-old offer and the Childcare Affordability Scheme.
10. The findings of the Childcare Sufficiency Update 2016 will be addressed through actions in the Early Years Strategy.
11. The Executive Summary (Appendix 1) will be published on the City of London Corporation's website.

Corporate & Strategic Implications

12. The Childcare Sufficiency Assessment and Early Years Strategy support priorities 1 and 2 of the Children and Young People's Plan: Closing the gap in outcomes for children, young people and families based on vulnerability and location.

Appendices

- Appendix 1 – Childcare Sufficiency Assessment Annual Update: 2016 (Executive Summary)

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