



Lancashire
County Council

Securing
Sufficient
Childcare

Strategy and
Action Plan
2011

Appendix 'B'

Lancashire County Council Securing Sufficient Childcare Strategy and Action Plan 2011

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Note:

This document has been produced as part of the Lancashire Childcare Sufficiency Assessment (CSA) 2011. It can be read and used separately to the CSA. Data that is referred to in this document can be found in detail in the Lancashire CSA 2011 on www.lancashire.gov.uk/childcare.

Introduction

Reliable and affordable childcare is essential to families with children who need care whilst their parents are working. This is often a mixture of formal and informal care with parents juggling between work and ensuring the care their child receives is affordable and appropriate for their individual needs. It is recognised that for many families living in areas of deprivation that work is a route out of poverty and raises self-esteem which in turn reduces the occurrence of mental health and other social problems. Research shows evidence that good quality pre-school childcare gives children a flying start and leads to better progress as they move through school. It also enables older children to participate in a range of activities that promotes their personal development in a safe, stimulating environment.

What is a Childcare Sufficiency Assessment?

The Childcare Act 2006 placed a duty on all local authorities in England to carry out an assessment of the sufficiency of childcare within their area and this was done for the first time in 2007/08.

A Childcare Sufficiency Assessment is a comprehensive measure of the nature and extent of the need for, and the supply of childcare within a local area, paying particular attention to the following areas:

- **Choice and flexibility:** parents have choice about balancing work and family life.
- **Availability:** affordable, flexible, high quality childcare available to all families who need it to enable them to work.
- **Quality:** a highly skilled workforce
- **Affordability:** Families able to afford childcare that is appropriate to their needs.

By analysing the supply of childcare available, and comparing it with information about demand from parents, potential gaps in childcare provision can be identified. The information required for this was gathered between May – July 2010 and forms the first part in the development of this strategy. The full CSA 2011 can be

found on www.lancashire.gov.uk/childcare It has given Lancashire County Council the evidence and information it needs to facilitate and shape a market that contains sufficient, flexible, affordable, sustainable childcare and is responsive to parents' needs.

The CSA and Securing Sufficient Childcare Strategy informs the Local Children's Trusts Partnerships in Lancashire of the state of childcare in their local area. Each trust may want to conduct further, more detailed research at a Super Output Area¹ (SOA) or Ward level if local childcare gaps are perceptible.

Childcare plays an equally crucial role in supporting economic development and regeneration and therefore this strategy has links with and contributes to other strategies in Lancashire such as:

- The Children and Young Peoples Plan
- JSNA – Joint Strategic Needs Assessment
- Child poverty Needs Assessment
- Lancashire Economic Strategy
- Lancashire Local Area Agreement
- Lancashire Corporate Plan

What is childcare

Childcare is defined in legislation for the first time in the childcare Act 2006. Section 18 of the Act defines childcare as:

Any form of care for a child including education and any other supervised activity but excluding:

- Education or activities provided by a school for a pupil during school hours, unless that pupil has not started Key Stage 1 (thereby including nursery and reception classes)

¹ A Super Output Area (SOA) is a geographical area designed for the collection and publication of small area statistics. More details can be found on <http://www.idea.gov.uk/idk/core/page.do?pageId=7175806>

- Care provided for a child by a parent, step-parent or person with parental responsibility or any relative or foster parent (local authority or private)
- Care provided by a children's home, a care home or a residential family centre, a young offenders' institution, a secure training centre, or a secure care home within any of those establishments.

What is sufficient childcare

The government's definition of sufficient childcare is "sufficient to meet the requirements of parents who require childcare in order to enable them:

- a) To take up, or remain in work
- b) To undertake education or training which could reasonably be expected to assist them to obtain work."

Local authorities should regard childcare as any provision that is regular and reliable and provides children a safe place to be. It would not include, for example, before school or after-school activity that was unsupervised or that was provided as a one-off activity.

Where are we now?

In 2007/08 Lancashire produced the first CSA and sufficient childcare strategy. The key gaps identified in the 2008 CSA are shown in figure 1 below:

Figure 1: CSA 2008 Key Gaps

1. For Lancashire overall, the main gaps identified are for children aged 11 to 14 years, particularly for children when they first start secondary school.
2. Four Sub Local Authority Area² (SLAA) reports, i.e. Burnley East, Pendle East, Pendle West and South Ribble East, indicated that there may be a need for additional 8-10 year old places, or that the existing places may be geographically in the wrong area and may have sustainability problems.
3. Affordable childcare is a barrier to taking up work or training, whilst parents show an increasing awareness of the available tax incentives, not all are taking advantage of these.
4. Although there are vacancies in all 27 SLAAs, some parents are reluctant to take up the childcare places available and return to work or access training.

² The 2008 CSA had 27 SLAA reports. Using feedback from providers it was agreed that the 2011 SLAAs would be at district level.

5. Although providers stated in the survey that they would meet the requirements of the Disability Discrimination Act 1995 (DDA) and offer a childcare place to a disabled child, parents consulted highlighted the difficulty they often had in securing a childcare place that was able to meet the individual needs of a disabled child.

In addition to the gaps identified it was recognised that sustainability of high quality places was vital to ensure that no further gaps were created particularly in disadvantaged areas where it was crucial to ensure sufficiency of childcare to enable partner organisations support people back into paid employment. This was especially relevant for lone parents as a change in legislation meant that parents whose youngest child was aged 12 years were required to come off Income Support and move over to Job Seekers Allowance and therefore there was the potential for an increase in demand for school-aged childcare.

A planned approach was taken to address the barriers to accessing childcare gaps and sustainability, key elements of the work achieved is set out below:

Revenue funding

In order to support childcare providers and parents overcome the barriers to childcare, new revenue grant criteria were introduced with an emphasis on the sustainability of existing childcare and to support the creation of new places only where a need was identified, based on market research. Figure 2 below sets out the new grant criteria that was agreed under 3 main headings:

- Sustainability
- New places that meet gaps in childcare provision
- Inclusion

Figure 2: Revenue Grant Criteria developed from the 2008 CSA

Sustainability

- 1 Existing childcare providers that have previously been sustainable and the local authority has identified a need for these places to be available.
- 2 Existing sessional providers offering Nursery Education Grant funded places that require support in meeting the requirements of the extended offer.
- 3 Out of school childcare providers previously in receipt of New Opportunities Funding where the business plan demonstrates future sustainability.
- 4 Existing providers of out of school/holiday childcare offering a service to rural schools as defined by the local authority.

- 5 Existing providers of out of school/holiday childcare offering a service within the top 10% most deprived areas and the local authority has identified a need for these places to be available.

New Places that Meet Gaps in Childcare Provision

- 1 Full daycare providers in the top 30% most deprived areas where the local authority has identified a need.
- 2 Existing or new sessional daycare providers for children of pre-school age where there is a requirement to extend the number of NEG³ funded places or other identified need by the local authority.
- 3 Existing or new out of school or holiday childcare where the local authority has identified a need.

Inclusion

- 1 Childminders caring for a disabled child as defined in the DDA who requires 1-1 support and, as a result, the childminder is unable to fill other vacancies. The childminder must demonstrate a commitment to providing a high quality service through membership of a childminding group recognised by the local authority.
- 2 Special schools, to develop inclusive out of school care or holiday care where alternative forms of childcare are inappropriate or inaccessible, and where the places created are available for parents who are working, wanting to return to work, or who wish to access training that will lead to work.
- 3 Within an existing out of school club or holiday club, where the parent of a child that meets the criteria for a statement of special educational need identified by the SEN Assessment Team, locates the out of school care they would like to use but additional support is required.

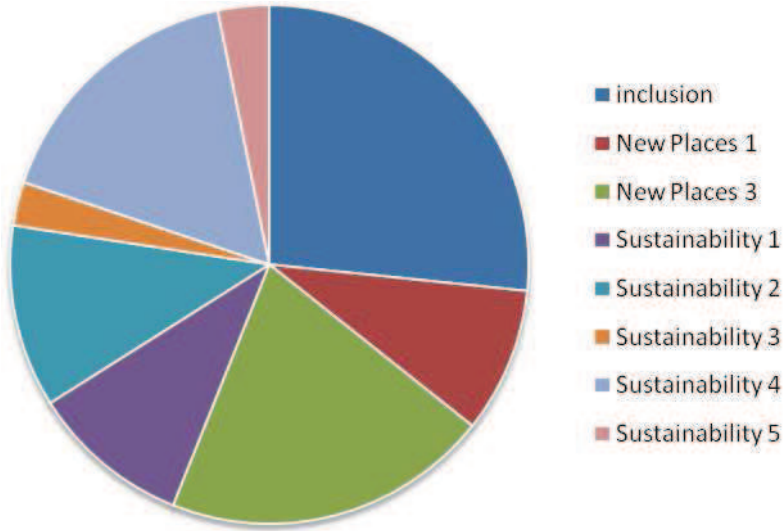
A total of 80 grants were allocated to the PVI sector via the Childcare Revenue Grant Panel the majority coming under one of the five sustainability criteria. Most of the sustainability grants applied for were of relatively small amounts of between £2,000 – £10,000 with providers demonstrating how they can become sustainable over a period of 12 months. Funding was also made available to purchase resources that encouraged inclusive practices, these resources were loaned to settings via the Children First Resource Centre. In addition to this Extended Services though and in Schools allocated funding to special schools for childcare, before and after school and holiday activity.

Figure 3 below shows how the funding was allocated by criteria, the Inclusion grant funding and the allocation from Extended Services in and through Schools have been merged.

³ The NEG was replaced by the Free Early Years Entitlement in April 2010

Figure 3: Criteria of revenue grants allocated 2008 – 2010

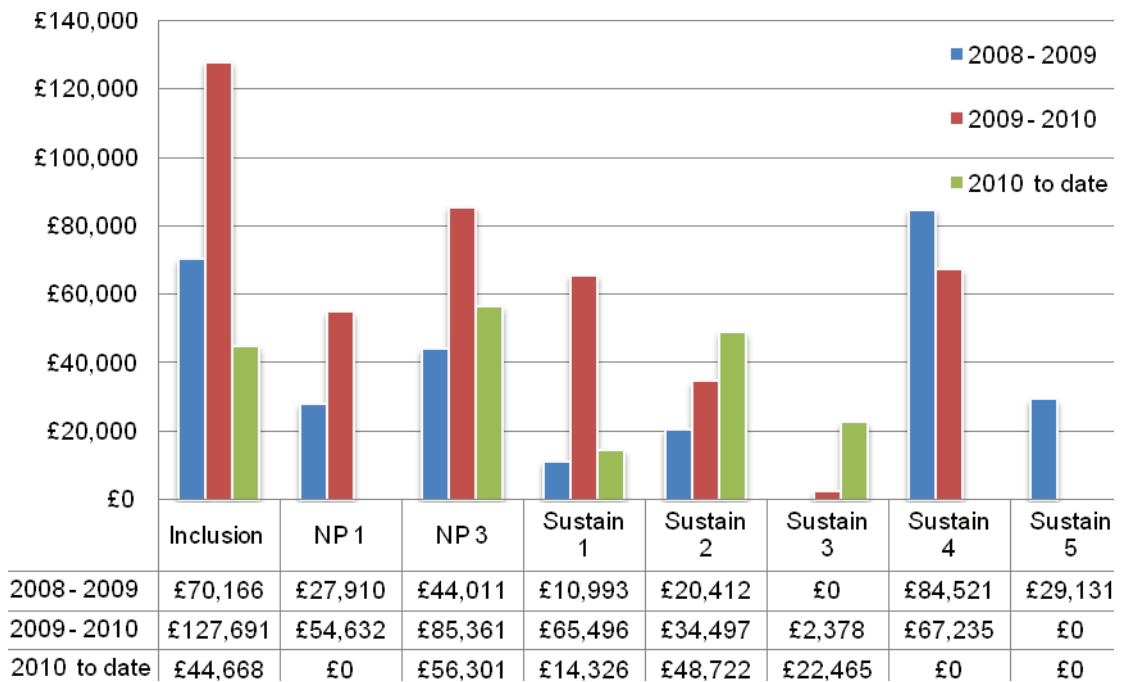
Source: Lancashire County Council



The graph below (figure 4) shows the total funding allocated by criteria

Figure 4: Revenue Funding April 2008 – August 2010

Source: Lancashire County Council



Early Years Capital funding

Early Years capital funds were made available through the government funded Sure Start Grant. The criteria for the capital grants, to ensure compliance of the DfE (then DCSF) aims was as follows:

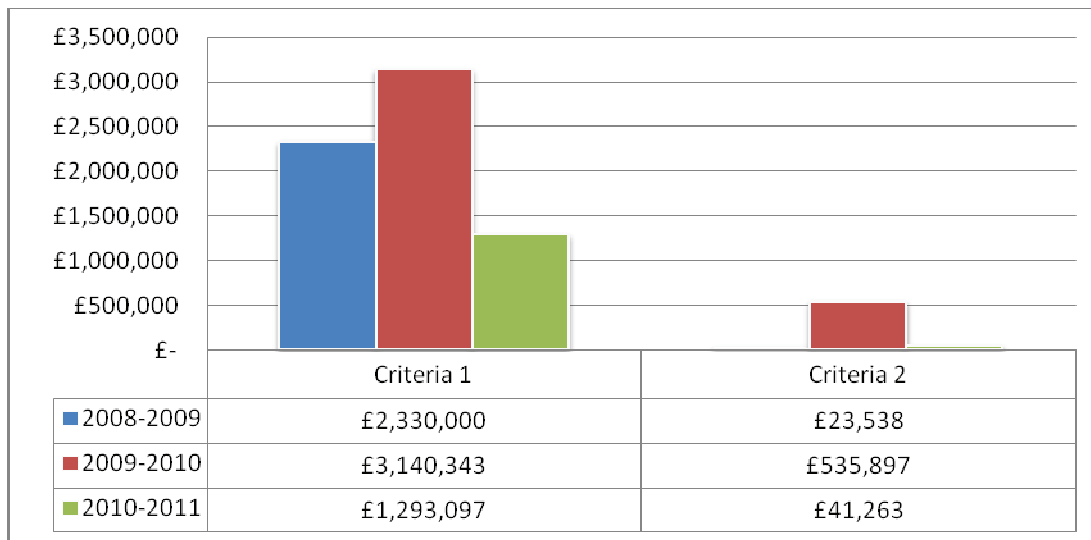
Criteria 1- To improve the quality of the learning environment in early years settings to support delivery of the Early Years Foundation Stage Framework (EYFS), with a particular emphasis on improving play and physical activities; and ICT resources.

Criteria 2- To ensure all children, including disabled children, are able to access provision.

The graph below (figure 5) shows how the funding was allocated via the Early Years Capital Grant panel.

Figure 5: Capital Funding April 2008 – August 2010

Source: Lancashire County Council



From September 2010 the childcare capital grant is no longer available for distribution.

Childcare gaps identified in Lancashire CSA 2011

The Childcare Sufficiency Assessment 2011 identified gaps in childcare as summarised in the table below (figure 6). Full details can be seen in the Lancashire Childcare Sufficiency Assessment.

Figure 6: Gaps identified in the CSA 2011

Under 2 years	No gaps identified but at a local SOA level in rural areas places may not necessarily be at a convenient location for parents to access
2 – 4 years	No gaps identified but at a local SOA level in rural areas places may not necessarily be at a convenient location for parents to access. With the expansion of the free nursery places for 2 year olds pilot there may be a shortage of places for 2 year olds in some of the 20% most deprived areas.
Early Years Free Entitlement	In Hyndburn and South Ribble there is an indication that at a SOA level there may be a shortage of places. The take up rate in Hyndburn, Burnley, West Lancashire and Pendle is between 74% - 88%
Primary School aged care	In Hyndburn, Pendle, Rossendale and Wyre there is indication at a local (SOA or ward) level that some of the places available are not in a convenient location for children to access a place after school and that there may be a gap in the childcare places in the future; however a cautious approach must be taken as the current economic climate will also impact on this assessment.
Secondary school-aged care	Suitable childcare/a safe place to be continues to be a gap for the 11 – 14 (17 for disabled children) age-group. The pilot scheme ⁴ in Skelmersdale lead by Extended Services in and through Schools and revenue/start-up funding for a Safe Place to Be in Chorley have had moderate success but uptake has been low suggesting that the expectation of the use of childcare and the reality of actual take-up of places are different. Parents are more likely to want their child to attend some form of holiday care especially in the summer months. It is clear from the places and vacancies that there is a very limited amount of childcare for secondary school children in all districts.
Cost gap	The cost of formal childcare continues to be an obstacle for many families. For each family there is a complex equation that has to take into account cost factors, choice of employment, availability of family support, and

⁴ Safe Place To Be a handbook to support secondary/special schools in developing their 'offer' to young people aged 11-14 (11-18 for young people with a disability) and their families. It aims to provide schools with clear information on how to shape and deliver 'Safe Place to Be' arrangements for young people. Available on the Schools Portal of from the Extended Services in and through Schools Team.

	<p>benefits to the children. There is some evidence to suggest that some parents do not understand how to apply for tax credits.</p>
<p>Specific needs gaps</p>	<p>The parental survey shows that parents of children with additional needs/disabilities were less likely to be using formal childcare than other parents and that these parents were less likely to be working as well. For working parents of children with additional needs/disabilities, childcare issues were more likely to cause disruption. Around a third of parents of children with an additional need/disability stated that their childcare needs are only partially met (32%) although the proportion saying their needs are not met at all remains quite low (5%). Some parents were able to claim Disabled Living Allowance but found the claim forms complicated to fill in.</p> <p>Generally, it was felt that not all providers had a rounded understanding of children with special needs and a gap in specialist training provision was identified by some key stakeholders. However, childminders were identified as a potential `untapped` source of good quality care for disabled children</p>
<p>Employment Gaps</p>	<p>Public sector and larger employers were more likely to be supporting their employees with childcare information and family friendly working policies than smaller employers and the PVI sector. Good information could also help small businesses to grow by employing part time workers especially considering the Government plan to alleviate the 16hour benefit cut off.</p> <p>The benefits of using childcare vouchers needs raising amongst employers, it was clear that although many employers offer this, the take up still remains low amongst employees, particularly those in male-dominated industries.</p>
<p>Information Gaps</p>	<p>Although the local Family Information Service (FIS) may be indirectly accessed via the internet, research suggests the change of name from Childcare Information Service (CIS) has not stuck. Employers, including those responsible for childcare information, were not aware of the service offered.</p>

The future of childcare in Lancashire

The next 3 years are likely to be a difficult time and will bring changes to the childcare agenda. Local Authorities are preparing for large reductions in the grant budget. The Sure Start Grant has been removed and replaced with the Early Intervention Grant from April 2011 and this will directly affect the way the LA can support childcare providers in the future.

From 2002, both capital and revenue grants were awarded to childcare providers to enable Lancashire County Council to meet the targets set by the then government to create childcare places. The Council met those targets and subsequently a strong emphasis was placed on sustaining existing childcare and removing barriers to childcare thus reducing the inequalities that some parents and children face and increasing the benefits that children experience when accessing high quality nursery education and childcare. New grant criteria were agreed as shown in the section above.

The vision for the future must be of a high quality childcare market that is streamlined and able to adapt quickly to change. Childcare practitioners will be highly skilled with many achieving graduate status leading to a better quality of planning and implementation of the EYFS which in turn will more effectively support those children who do not have such a good start in life, closing the gap between the more deprived and more affluent areas.

In addition to this the sustainability of childcare providers in a climate of rising unemployment is likely to impact on providers already struggling and particularly on providers in areas of deprivation where it is known that it is far harder to operate sustainably than in more affluent areas. And yet it is in the more deprived areas where targeted support needs to be concentrated.

The changes to regulations for lone parents accessing benefits may also impact on the market. From September 2010 lone parents whose youngest child is 7 years or older are required to move onto Job Seekers Allowance. Therefore there may be a rise in parents wanting to access school-aged childcare. From October 2010 Incapacity Benefit claimants in Burnley were the first to be

reassessed ahead of a UK wide welfare reform programme. Those deemed fit enough to work will be moved onto the Job Seekers Allowance, this may impact on some parents seeking childcare in the future.

Another aspect to take into consideration is the inevitable job losses within the LA and other organisations. Many of these posts will have been relatively well paid with families choosing childcare in order for parents to keep up to date with the necessary skills within their chosen career

Parents focus group 2008 Some parents spend half or more of their earnings on childcare, saying it is worth it to develop their careers.

In these families, if only one parent is working it is unlikely that childcare will be used and a reduction in need may be identified by childcare providers.

This strategy must look at ways of supporting exiting childcare providers in a cost effective way with limited use of grant funding and in a climate of change and difficult circumstances/uncertain times.

Sustainable Childcare Strategy and Action Plan

NOTE: This strategy has been developed prior to final budget allocations being agreed by Lancashire County Council. It will be necessary to review and make adjustments to the strategy action plan when funding streams are finalised.

The table below (Fig 7) identifies current service activity, outcomes and challenges that need to be maintained within a climate of change and spending cuts.

Figure 7: Activity, Outcome and Challenges

Service Activity

Support to, in excess of, 1,867 new and existing providers offering 45,940 sustainable, affordable high quality childcare places across Lancashire to ensure sufficient good quality childcare to meet the needs of families.

Outcome

To ensure that parents and carers have access to high quality childcare to enable them to be economically active.

A skilled workforce that supports children reach their full potential

Major challenges to service activity

Impact of continued economic recession on sustainability of childcare providers which leads to closures of existing childcare places or affects business development activity, leading to the LA being unable to meet its statutory duty to:

- Secure sufficient childcare places for all children entitled to the Free Early Years entitlement.
- Ensure sufficient affordable childcare is available for parents who want to work or attend training that will lead to work.

The action plan below has been developed taking into account both the gaps identified and the current economic climate. As these are uncertain times it will be necessary to review the strategy action plan on a regular basis.

Action Plan to address gaps identified in the CSA 2011

Outcome	Action	Responsible	By When
<p>Childcare funding streams which make a positive difference for families and providers particularly in 20% most deprived areas and rural areas.</p>	<p>Childcare Revenue Grant criteria reviewed and tightened:</p> <ul style="list-style-type: none"> • Sustainability for services in 20% most deprived areas where a need is identified • Sustainability for services in Rural Areas • New places where there is a shortage of eligible providers for 2, 3 and 4 year old children in the 20% most deprived areas • Sustainability for Services caring for more than 50% of children with disabilities 	<p>Business Advice and Childcare Sufficiency Team. Quality Childcare Development Team</p>	<p>April 2011 onwards. Three year plan developed when funding stream known</p>
<p>Sustained access to affordable quality childcare for families on a low income.</p>	<p>Develop new ways of advising and supporting providers through the recession and in a difficult economic climate.</p> <ul style="list-style-type: none"> • Mentoring and coaching • Support childcare providers increase their business skills • Business Lead Practitioner Programme 	<p>Business Advice and Childcare Sufficiency Team</p>	<p>Include in Action plan 2011 - 2014</p>
	<p>Increase take up of working families tax credits in 20% most deprived areas through:</p> <ul style="list-style-type: none"> • Outreach work with parents by children's centres • Information and advice from Jobcentre Plus advisors 	<p>Integrated Services Team Jobcentre Plus</p>	<p>From April 2011 - ongoing</p>
	<p>Develop a data sharing system that collates on a quarterly basis, by District, the numbers and location of newly registered and de-registered/closed childcare providers so that gaps in provision or surfeit of places provided are identified at an early stage.</p>	<p>Learning Improvement and Support Group</p>	<p>April 2011</p>

Outcome	Action	Responsible	By When
<p>High percentage of eligible children aged 3 & 4 years are taking up the Early Years Free Entitlement, especially in the 20% most deprived areas</p>	<ul style="list-style-type: none"> • Project developed by Early Years Consultants to research the reasons why families do not take up the EYFE in Hyndburn, West Lancashire, Burnley and Pendle districts. Results fed in to local Children's Trusts Partnerships and local children's centres. • Following the completion of the research project, Children Centre staff work with childcare providers and parents to ensure all eligible children take up their free entitlement for at least 12 hour per week. • Business advice offered to support the implementation of the 15 hours EYFE and single funded formula where needed. • Data support programme is developed to monitor local take-up of the EYFE in Hyndburn, West Lancashire, Burnley and Pendle districts. Data is fed back to Children's Trusts Partnerships and Quality and Continuous Improvement Team. • Children's Trusts work with providers and the Business Advice and Childcare Sufficiency Team to identify gaps in the market within the 20% most deprived areas 	<p>Workforce Development & Quality Assurance</p> <p>Integrated Services Team</p> <p>Business Advice and Childcare Sufficiency Team</p> <p>Learning Improvement and Support Group</p> <p>Business Advice and Childcare Sufficiency Team. Children's Trusts</p> <p>Business Advice and Childcare Sufficiency Team</p>	<p>Completed by May 2011</p> <p>May 2011 onwards</p> <p>Ongoing</p> <p>April 2011 onwards</p> <p>April 2011 onwards</p> <p>April 2011 – October 2011</p>
<p>Out of School care is accessible to those primary school aged</p>	<p>Research, analysis and consultation at a local level to identify where places available are not in a convenient location for children to access a place after school and where potential shortages may</p>	<p>Business Advice and Childcare Sufficiency Team</p>	<p>April 2011 – October 2011</p>

Outcome	Action	Responsible	By When
children that need it.	be In Hyndburn, Pendle, Rossendale and Wyre. A cautious approach must be taken as the current economic climate will also impact on this assessment.	Children's Trusts	
Affordable, accessible, quality childcare available to children with disabilities	Training for all childcare providers made available to ensure that the childcare workforce are enabled to work inclusively.	Workforce Development & Quality Assurance	November 2010 – April 2011
Skilled early years and childcare workforce	The number of Early Years Professionals continues to rise in line with future projections provided that there is the continued financial commitment from central government.	Workforce Development & Quality Assurance	Include in Action plan 2011 - 2014
Employers in Lancashire are offering employees a package of family friendly packages.	Improve parents and employers awareness of Lancashire Family Information Service	FIS Business Advice and Childcare Sufficiency Team	Include in Action plan 2011 - 2014
	<p>Work with employers to increase the take-up of support for childcare to:</p> <ul style="list-style-type: none"> • Increase take-up of childcare vouchers • Enable parents to work more flexibly to meet their own employers needs • Increase staff morale 	FIS	Include in Action plan 2011 - 2014