

## **Lincolnshire's Childcare Sufficiency Assessment**

The Childcare Act (2006) requires LAs in England to ensure a sufficiency of childcare for working parents, parents studying or training, and for disabled children. Childcare sufficiency relates to the provision of registered childcare for children aged 0-14 years old, and up to 18 years old for disabled children and children with additional needs.

The duties in the act (section 6) require LAs to shape and support the development of childcare in their area to make it flexible, sustainable, and responsive to the needs of the community. This role is described as a 'market management' function, supporting the sector to meet the needs of parents, children and young people, parents, and stakeholders. Under section 6 of the act there is a requirement on LAs to produce an annual sufficiency report on the availability and sufficiency of childcare in their area. This information should be made available to parents and elected members.

To meet section 6 duties, LAs need to collect and publish information on the supply of provision and demand for childcare in their area. Statutory guidance provides clear indication of what must be included in the annual review, and what should be included. Section 7 requires LAs to secure prescribed early years provision free of charge. This provision is for children aged 2, 3 and 4 years of age. In the region of 40% of two-year-olds nationally are legally entitled to free early years provision, and all three- and four-year-olds. The Childcare Act (2016) extends the Childcare Act (2006) and the duty to provide universal entitlement for 3- and 4-year-olds and 30 hours free childcare for 3- and 4-year-olds for working families.

Section 12 places a duty on LAs to provide information, advice and assistance to parents and prospective parents relating to the provision of childcare, services or facilities that may be of benefit to parents and prospective parents, children, and young people. The Childcare Act (2016) amends the Childcare Act (2006) to allow regulations to require local authorities to publish information of a prescribed interval, description, interval, and manner.

The LA undertook a series of childcare providers and parent sufficiency surveys during April – May 2022. The surveys were designed to review the availability, accessibility and sustainability of childcare in Lincolnshire.

Childcare providers were asked to confirm the services that they offer, to which age groups, opening hours, hourly cost, number of places they offered, and current take up. Parents were asked about the services they use and identify any areas where they were unable to access provision.

The outcome of the annual childcare sufficiency survey demonstrated that Lincolnshire is in a mixed position to meet the needs of children and families currently. Many providers have seen an increase in demand from families accessing provision since parental confidence has returned.

Surmounting staff recruitment concerns are exacerbating the pressure on the sector (as outlined in the sufficiency report) to remain open and this is being supported through a working group, under the Early Childhood Strategy Steering Group agenda. There is a growing concern across the childcare sector regarding funded education investment. The Early Years block has seen an uplift in 2022/23, however the sector say this does not reflect the cost-of-living rise and other increases including insurance, energy bills, food and staff costs across the country. This has led to staff choosing alternative career choices and leaving the sector short staffed. Childcare providers are struggling to maintain quality of provision with limited staff capacity and financial concerns. As financial pressures on childcare providers increase, there is a risk that we will see further closures in the future, ultimately impacting on our statutory duty to secure sufficient childcare.

Occupancy has increased across all sectors and age groups. Lincolnshire is in a mixed position currently, with some areas unable to meet the current needs of families. This impacts on our overarching responsibility to improve outcomes for children and ensure that there is sufficient childcare for all working parents.

The service is monitoring the market closely, particularly for the changing demands of working parents and the employment market. There is a particular focus on the out of school provision for 4–11-year-olds and a recruitment campaign to encourage more childminders into the sector. However, there is still a limited interest in this area and we need to develop additional places where areas have limited or no availability of childcare places.

To ensure the LA responds to the feedback provided, the areas in Lincolnshire identified as requiring additional childcare places in the immediate future have been included within a development plan and capital investment will be required to support childcare developments in some areas across the county.

It is expected that additional places are required in several areas in Lincolnshire and the cost has been estimated cautiously due to the growing cost of new builds and the ability to develop provision in existing properties. Other cost efficiencies have been explored and where possible, the early years team is working with schools and existing providers to expand or develop places at minimal cost. Where this is not an option, further investment is required.

The LA has exhausted all previous DfE capital funding for early years and childcare developments and the service has a capital budget remaining of £0.040m to invest in projects where they are required to meet the childcare sufficiency duty.

Investment of £0.780m is sought to secure Spalding provision and to develop new childcare places in the immediate areas identified within the sufficiency report and childcare delivery plan.

Within the DSG reserve, funding remains of £0.896m against Early Years initiatives, which had originated from the government's rollout of the disadvantaged 2-year-old funding. The

service has considered the existing commitments against this funding in the decision to prioritise this towards capital funding. This reserve funding is one-off in nature. The LA recommendation to capitalise £0.780m of DSG revenue funding will require a Disapplication Request to the DfE for Secretary of State (SoS) approval. The LA has successfully received approval for such a request a number of years ago.

The Schools' Forum is asked to support the recommendation through a vote for it to be taken forward to the SoS. The Children's Services Directorate Leadership Team and Executive Councillor for Children's Services, Community Safety and Procurement have approved this recommendation to proceed.

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