

Appendix A
Lincolnshire County Council
Childcare Sufficiency Report 2023

A report on the Early Years and Childcare sector in
Lincolnshire



Contents		Page No.
1	Introduction	3
1.1	Lincolnshire’s Sufficiency Surveys	3
1.2	Key Findings	4
2	Lincolnshire Demographics and Childcare Market	6
2.1	Population	6
2.2	Housing	7
2.3	Pupil yield evidence by educational type and Phase	8
3	Childcare Supply & Demand	8
3.1	Parental Survey	10
3.2	Childcare Sufficiency	10
3.3	Sufficiency – Early Years	11
3.4	Sufficiency – Out of School childcare	12
3.5	Quality	13
3.6	Staff Recruitment and Retention	14
3.7	SEND Provision and accessibility	14
3.8	Affordability	16
4	Delivering the Early Years Entitlements	17
4.1	EYE take-up rates	18
4.2	Early Years funding	19
4.3	Childcare Reforms	19
5	Summary	21
6	Areas for Action	22

1 Introduction

Securing sufficient childcare allows parents to work when childcare places are available, accessible and affordable and are delivered flexibly in a range of high quality settings. Following the childcare sufficiency assessment in 2022, the local authority has successfully converted funding into capital to support the development of places within the childcare delivery plan.

To secure sufficient childcare places, local authorities are required by legislation 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 (or up to 18 for disabled children).

To carry out this duty in Lincolnshire, the following is considered:

- The local childcare market, including the demand and supply that currently exists
- The local labour market, including the sufficiency of the local childcare workforce
- The quality and capacity of childcare providers and childminders registered with a childminder agency, including their funding, staff, premises, etc
- Schools offering wraparound childcare (from 8.00am until 6.00pm and in school holidays)
- Where existing providers might expand their provision and new providers entering the local childcare market
- Supporting providers with business plans & financial forecasting to support their sustainability
- Ensure parents understand the childcare available to them and encourage them to access the Government funding available to support the cost of childcare.

In this report, we will:

- Reference how we are securing sufficient childcare to meet the needs of children and families in Lincolnshire, including those with special educational needs and disabilities (SEND), and access to government funding, including the 2, 3 & 4 year old entitlements
- Provide information about the current and projected supply and demand of childcare for particular age ranges of children, and the affordability, accessibility and quality of provision
- Details of how any gaps in childcare provision will be addressed.

1.1 Lincolnshire's Sufficiency Surveys

We completed a Childcare Sufficiency Assessment (CSA) in May 2023. The key aim is to inform strategic planning to ensure we meet our statutory childcare sufficiency duty.

The CSA draws on the data received from a survey of registered childcare providers and schools offering childcare provision and a survey of parents accessing childcare in Lincolnshire. Data was collected between 24th April and 8th May 2023 and childcare providers were requested to report their information based on a specified week. The week specified was w/c 17th April 2023 for term time childcare and 3rd – 14th April for holiday provision.

In total 999 childcare providers and schools were surveyed with a 96% return rate. Table 1. shows the type and number of providers surveyed.

Provision Type	Number surveyed
Childminders	322
Independent schools	14
Full Day Care Settings	185
Preschool provision	48
Schools, including academies	357
Standalone out of school provision	73
Total	999

Table 1.

Both primary and secondary schools were surveyed to ensure that all wraparound services were captured within the survey. This method identified 21 schools providing either a breakfast club or afterschool club that were not on the early years and childcare database.

In addition, the CSA draws on the data received from a survey of Lincolnshire parents which was collected between 24th April 2023 and 21st May 2023. The parental survey was widely promoted via social media, childcare providers, children’s centres, websites and posters. The survey was completed by 1,893 respondents, 26% more than previous years.

The parental survey engagement report can be found on [Lincolnshire County Council’s website](#)

The data collected within the surveys is used alongside population, housing and birth-rate data in order to assess the need for childcare by districts, children’s centre reach areas and electoral wards.

1.2 Key Findings

- Across Lincolnshire, the sufficiency of childcare is generally good based on current demand.
- South Holland remains an area where we continue to grow the market due to sufficiency needs.

- The introduction of the childcare reforms will place additional demand on places for under 2's in some areas of the county.
- There is a need to focus on developing places for out of school provision in some areas. This will be considered in the Government ambitions for schools to have 8am-6pm wraparound provision by September 2026.
- Birth rates have declined across the country. We will need to monitor this to ensure the development of places is responsive to demand.

2 Lincolnshire Demographics and Childcare Market

Lincolnshire is located in the East Midlands and is the 4th largest county in England. The county has seven districts – Boston; East Lindsey; Lincoln City; North Kesteven; South Holland; South Kesteven and West Lindsey. It has a diverse geography comprising large rural and agricultural areas, urban areas and market towns, and a large eastern coastline which hosts a thriving tourism industry.



2.1 Population

According to mid-2021 census figures published by the [Office for National Statistics \(ONS\)](#), the population of Lincolnshire was 769,474. Based on recent growth rates it is estimated that the **current 2023 population of Lincolnshire to be 778,000**. In the ten years prior to 2021 census, the population grew by 50,290 (6.5%), inline with the national population increase of 6.3%. The ONS forecast the population of Lincolnshire to be 791,978 by 2025 and 812,161 by 2030, representing a further 4.4% increase, but slowing compared to 2021 census data.

Children aged 0-4 years represent 4.7% of the 2021 census population (36,566) which was 0.7% below national average. In contrast to the population growth within Lincolnshire, there has been a decline in birth rates since the last census from 7,938 births in 2011, to 6,559 births in 2021. This is forecasted to continue to decline which will in turn reduce the percentage of the population who are under 4 years of age in the next 2 years. From known GP registered data in May 2023 there were a total of 36,100 children from 0-4 years residing in Lincolnshire, 4.6% percent of estimate population.

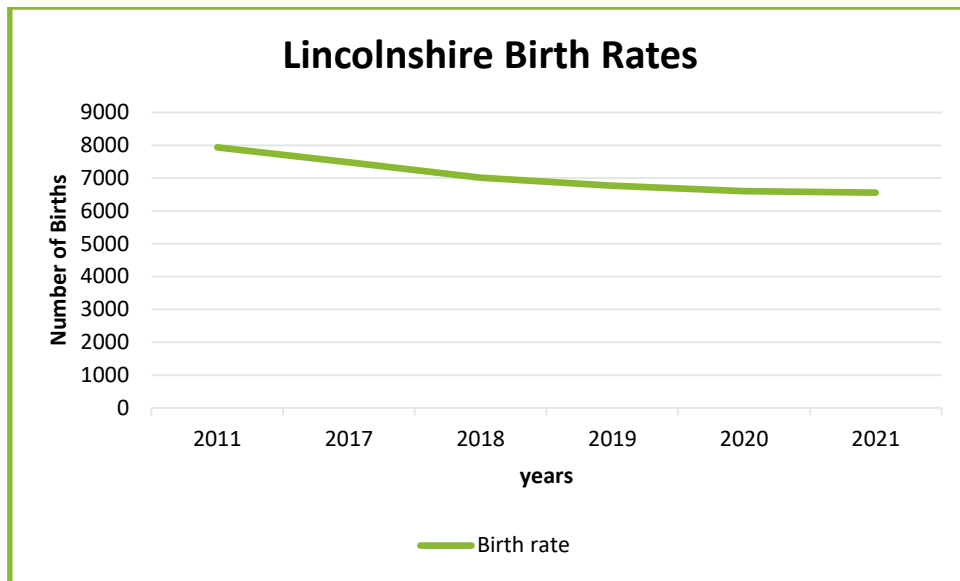


Table 2. Taken from ONS live births data

Population data to support our sufficiency assessment is extracted from NHS data (System1) which includes children registered with doctors in Lincolnshire. Whilst there may be some variation to doctor registrations, this data is reliable for sufficiency assessing.

2.2 Housing

The National Planning Policy Framework requires local planning authorities to identify a rolling 5-year supply of deliverable housing across the period.

In Lincolnshire, there are ambitious plans to deliver new houses across the county by 2031. Planned housing growth does not necessarily equate to increased demand for childcare. Average household size and population demographics will impact on the size and nature of new housing developments, and potential demand for childcare depending on the mix of population, and is considered alongside Lincolnshire’s birth rates, which are falling.

Table 3. shows the current planned housing developments for Lincolnshire and the progress made so far.

District	Developments	Number Of Houses	Number Already Built
Boston	52	3,369	628
East Lindsey	94	6,439	1,254
Lincoln	24	3,580	56
North Kesteven	73	8,309	697
South Holland	61	4,118	1,476
South Kesteven	41	5,643	1,110
West Lindsey	66	10,824	1,645
Total	411	42,282	6,866

Table 3

DfE guidance '[Securing developer contributions for education August 2023](#)' now references early years as follows:

2.3 Pupil yield evidence by education type and phase

While many early years settings fall within the private, voluntary, and independent (PVI) sector, local authorities have a duty to ensure early years childcare provision within the terms set out in the Childcare Acts 2006 and 2016. DfE has scaled up state-funded early years places since 2010, including the introduction of funding for eligible 2-year-olds and the 30 hours funded childcare offer for 3-4 year olds. Expanded early years entitlements for children aged nine months to three years old will be available from 2024.

The take-up of funded childcare entitlements is high, increasing the demand for early years provision. All new primary schools are now expected to include a nursery. Developer contributions have a role to play in helping to fund additional early years places for children aged 0-4 where these are required due to housing growth, whether these are attached to schools or delivered as separate settings.

The positive news is that early years is cited in the above guidance. The guidance gives reference to the new reforms, including the provision for 0-4 years in any new development, this will enable us to adapt plans and requests funding in future.

3 Childcare Supply and Demand

Lincolnshire has a broad range of childcare services that offer parents a choice of provision. At the time of the survey there were 818 Ofsted registered childcare providers across Lincolnshire.

Across Lincolnshire, the sufficiency of childcare is good based on current demand.

Table 4. details the amount of childcare providers by type. Although childminders represent the largest group of providers (326), due to the number of children they can care for within the [EYFS statutory framework](#), they only deliver a small proportion of places compared to our Full Day Care (FDC) and school provision.

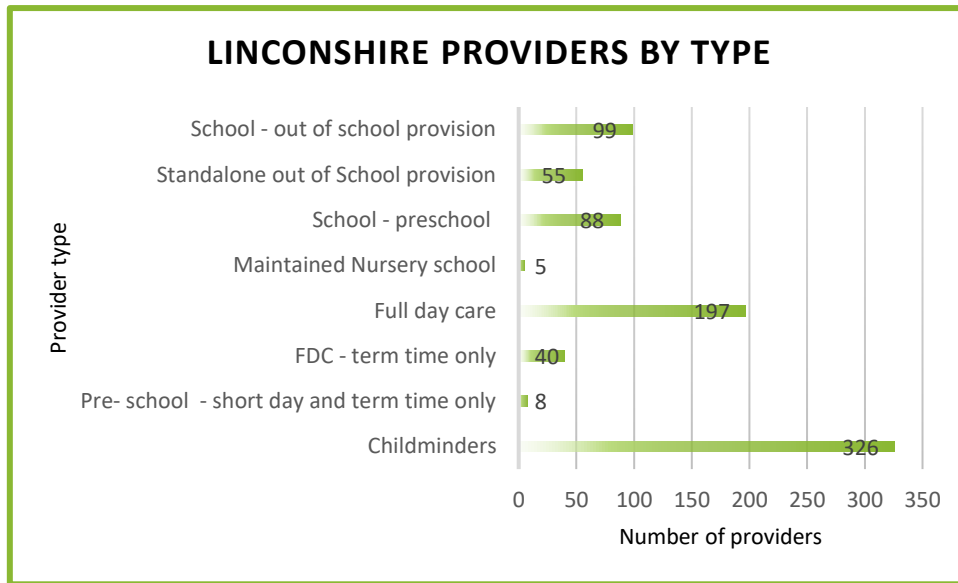


Table 4

In addition to the type of childcare provision there are varying governance models. Table 5. shows the distribution of settings according to the governance types.

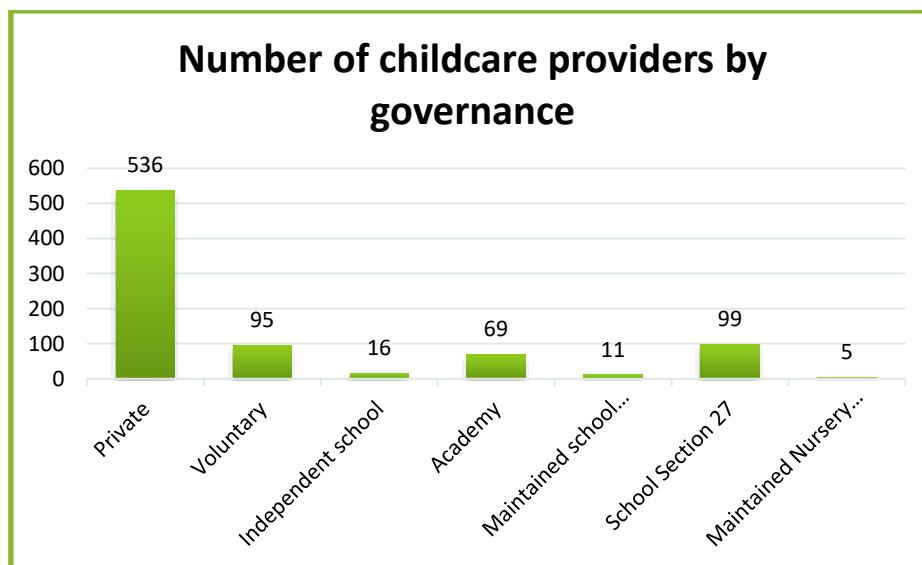


Table 5.

The largest proportion of providers are privately governed, which includes childminders, full day care and some standalone out of school provision. Our ability to foresee changes within the private sector can be more challenging due to the volatility of the market. It is therefore essential that we maintain a strong relationship with the sector. This ensures consistent communication and localised intelligence in order to gather updates on the sustainability of the provision being delivered.

Across the last decade, there has been a significant shift from sessional delivery models to full days and all-year-round places being offered that meet working parents needs. This was

developed further when the government introduced 30 hours funded childcare for working parents which required many settings to extend the hours they offer. Lincolnshire has more sessional pre-schools extending their hours to meet working parents needs.

Provision for children aged 11-14 years is more likely to be delivered in the form of clubs, activities and groups delivered by schools for their own pupils. This provision is not classed as formal childcare and is not in demand by families for this age group.

3.1 Parental Survey

We undertook a parental survey as part of the statutory annual Childcare Sufficiency Assessment 2023. The parent survey was published on Let’s talk Lincolnshire for parents or carers with children under 19 years of age, to provide their views and experience of childcare in Lincolnshire. The aim was to find out if childcare is meeting the needs of parents across Lincolnshire.

To understand the childcare requirements across the county, parents were asked to clarify the reason for accessing childcare when completing the survey. Table 6. shows most respondents (84%) access childcare in order to work.

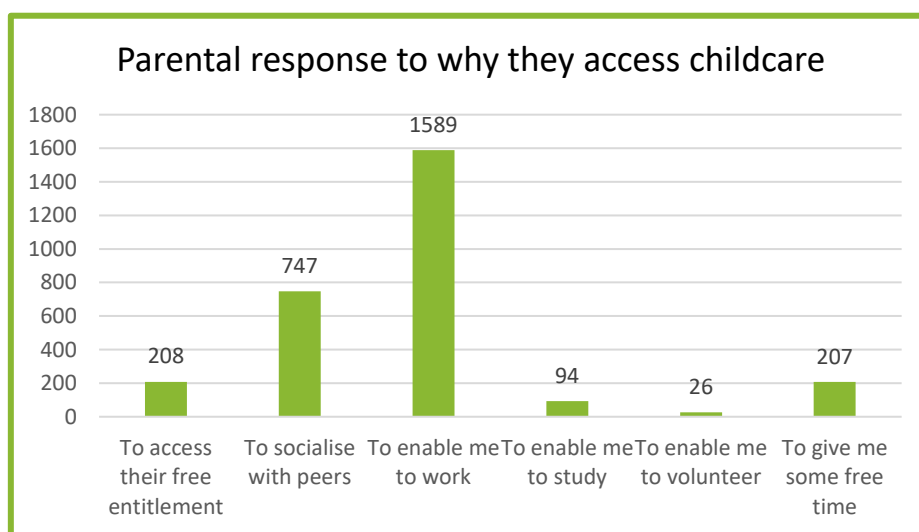


Table 6.

For further details of the findings of the parent survey, please access the full report here: [Your survey feedback | Parental childcare survey | Let's Talk Lincolnshire](#)

3.2 Childcare Sufficiency

The data from the provider and parent surveys is analysed against the housing, birthrate and population data to assess the need for places. A formula is applied to the data which calculates how many places would be needed to accommodate the population in each age group.

The data provided below is on a district level and gives an overview of the current childcare sufficiency across the county. We hold sufficiency data at a children’s centre reach and ward level. When assessing the need for more places, the team use the data at ward and children’s centre reach to identify the most appropriate place to develop childcare places. This is done in collaboration with localised intelligence, for example discussion with providers about take-up of places, a review of their occupancy levels within the survey and knowledge of the parental demographics of the area.

3.3 Sufficiency – Early Years

Lincolnshire largely has a sufficient number of places for 2-, 3- & 4-year-olds, based on the current demand.

There are some isolated insufficiencies at ward level, however these are off-set by surplus places in neighbouring wards. South Holland is an area in an exceptional position with a deficit of places across all age ranges for under 5 years. The data from both the provider and parental survey, in collaboration with localised intelligence also tells us that some parents are not able to access the childcare they need in this area.

Data indicates that in South Holland, Boston, East Lindsey, West Lindsey and Lincoln there are insufficient places for under 2 year olds. This shortfall is not corroborated by current localised intelligence or the parental survey. The childcare reforms and the expansion of the funded offer to 9-month-olds by September 2024 will place additional demands on existing places. We will consider if places need to be developed in preparation for the commencement of the new offer.

Lincolnshire early years places sufficiency by district

District Name	Places for Under 2's	Shortfall/ Surplus for Under 2's	Places for 2 Year olds	Shortfall / Surplus for 2 Year olds	Places for 3&4 Year Olds	Shortfall/ Surplus for 3&4 Year Olds
Boston	197	-95	478	156	1014	62
East Lindsey	381	-47	702	212	1717	397
Lincoln	324	-65	594	121	1416	194
North Kesteven	501	111	821	346	1699	452
South Holland	211	-137	384	-31	982	-145
South Kesteven	633	152	958	355	2088	516
West Lindsey	289	-21	590	216	1359	392
Total	2536	-101	4526	1375	10275	1869

Table 7.

Following a successful disapplication request to the secretary of state, we have secured £0.780m for a capital grant programme. The funding programme was launched in May 2023 and will support the development of places in line with the CSA 2022 and 2023.

The grant programme focuses on the development of funded education places for 2, 3- & 4-year-olds in areas of identified sufficiency need. We have welcomed funding applications to develop childcare places in areas of need from existing providers and other individuals or organisations who are interested in developing places in Lincolnshire. There is an expectation that all projects are match funded by the provider, the individual or organisation.

The government have pledged £12m nationally to support the development of places to accommodate the expansion of the funded offers. We expect to receive information on how that will be distributed by October 2023.

Where a public request for more in-depth data and analysis is requested, this is supplied by the Early Years and Childcare Support team.

3.4 Sufficiency – Out of School childcare

Out of school childcare refers to the childcare needed for school-aged children and includes before school, after school and holiday clubs. These are paid for and relied upon by parents to meet their childcare needs. It does not include extra-curricular activity clubs that are run by schools which include sports and art clubs. Some clubs are standalone, Ofsted registered and privately governed. Many clubs are run under school governance in primary and secondary.

It will be necessary to develop wraparound and holiday places in some areas across the county to meet parents' needs.

Lincolnshire Out of School places sufficiency by district

District	Places for Before School	Shortfall for Before School	Places for After School	Shortfall for After School	Places for Holiday Care	Shortfall for Holiday Care
Boston	696	-41	540	-197	374	-178
East Lindsey	1,238	-75	1,062	-252	682	-303
Lincoln	859	-84	781	-163	487	-220
North Kesteven	1,946	728	2,028	811	1,161	248
South Holland	859	-52	701	-210	456	-228
South Kesteven	1,728	307	1,761	340	1,124	58
West Lindsey	1,313	359	1,263	309	536	-180
Total	8,640	1142	8,136	638	4,820	-804

Table 8.

The data shows that Lincolnshire has a shortfall in out of school places in 4 districts, this is supported by the data received in the parental survey where 20% of parents reported they were unable to find out of school childcare. The 2023 budget announced that the government will be investing £289m over 2 academic years to support the development of wraparound care (before and after school) with the ambition of all schools being able to access 8am-6pm wraparound provision by September 2026.

The successful delivery of the HAF Programme in Lincolnshire has strengthened holiday provision across the county. The running of HAF alongside holiday clubs for working parents has ensured sustainability for many clubs.

For Summer 2023 we had 132 HAF clubs across Lincolnshire, 17 of which are SEND specific. All providers delivering HAF in Lincolnshire should provide an inclusive offer and are supported with advice and guidance where required, to help them to meet the needs of children and young people with special educational needs and/or disabilities. Since 2022, HAF has seen a rapid growth in clubs, in particular those being provided for children with additional needs.

The Lincolnshire programme has been recognised by the DfE for its partnership work and presented to other local authorities on ‘value for money’ showcasing how donations have enhanced our clubs. There will be a focus on working with the HAF team to ensure this and holiday provision for working parents is assessed in collaboration.

The development of additional places must be sustainable, therefore prior to any further development of out of school places, local consultation will be completed with parents and we will work closely in the coming months to ensure developments are carefully considered.

We are awaiting findings from a national pathfinder programme, currently being delivered in 16 local authorities across the country and we are actively engaging in discussions with the DfE and regional colleagues on solutions to wrap around provision.

3.5 Quality

96% of Lincolnshire’s childcare is Good or Outstanding (Ofsted March 2023)

This means that the majority of children in Lincolnshire have access to high quality settings. More recent local figures (June 23) show that Lincolnshire now has 97% settings good or outstanding, demonstrating a increase in quality across the county. Table 9. shows the comparison between Lincolnshire’s Ofsted ratings and the regional and national figures.

	Outstanding %	Good %	Requires Improvement %	Inadequate %
National	14	82	2	1
East Midlands	7	89	2	2
Lincolnshire	4	92	1	3

Table 9. Ofsted March 2023

[Lincolnshire’s Early Childhood Strategy](#) sets out the approach for Lincolnshire to achieve our ambitions to improve educational outcomes for our youngest children. Within the strategy it outlines our commitment to ensuring the availability of high-quality childcare provision enabling all children to access their entitlement. Supporting the development of quality provision remains one of our primary focuses. This strategy will be reviewed in 2024 and be included within Lincolnshire’s start for life strategy.

3.6 Staff Recruitment and Retention

There have been some concerns nationally around the ability to recruit people into the sector and retain them in favour of better paid roles with less responsibility. Supporting recruitment and retention of the childcare workforce is at the heart of the work within the early years team. We are working in partnership with external agencies such as schools, the DWP and careers advisors to [promote a career in the childcare](#).

Childcare workforce recruitment and retention remains an area of focus to support the sufficiency duty.

The government has also announced they will be running a national campaign in early 2024 to encourage people to consider a career in the childcare sector.

3.7 SEND Provision and Accessibility

Schools, early years & childcare settings and other organisations that provide services for children must make reasonable adjustments and deliver high quality and inclusive provision to ensure that all children have the same play and learning opportunities. The Equality Act 2010, the Children and Families Act 2014, SEND Code of Practice 2015 and the Early Years Foundation Stage Framework (covering children’s early education from 0–5) are in place to ensure that all children get the support they need, when they need it, and that all children have every opportunity to reach their potential. Under the legislative frameworks, all children and families must have access to an inclusive childcare place.

SEN Inclusion Funding (SENIF) is available for children with emerging, or mild Special Educational Needs and Disabilities (SEND). Disability Access Funding (DAF) is payable to settings for children in receipt of Disability Living Allowance (DLA).

Additional deprivation funding and Early Years Pupil Premium payments are made to supplement the hourly funding rate for children from disadvantaged backgrounds.

Number of children in receipt of the Early Years Pupil Premium

Summer 2023
2,504

Table 10.

Providers request parent details so these can be checked for eligibility. The current number of children funded exceeds the expected levels and this funding is supporting providers with additional costs associated with children's needs.

Number of children in receipt of DAF

Autumn 2022	Spring 2023	Summer 2023
55	58	77

Table 11.

Initial indications from HMRC showed that Lincolnshire had approximately 200 children eligible for DAF. The funding awarded is allocated based on a child for the full year. Therefore, combined figures for this academic year show 190 children eligible and providers receiving this additional funding to support those children to access the provision.

The local authority has seen an increase in provider applications to support children with SEN. We have responded by increasing the amount of funding available to providers through the Dedicated Schools Grant specifically for SENIF. Of those SENIF children accessing provision, attendance shows that the majority are accessing their universal and extended hours.

The Early Years team is currently working with performance colleagues to identify all those children in Lincolnshire not currently accessing provision. This includes reviewing GP data against EYE take-up data. A detailed outreach activity is planned to determine any barriers to accessing provision, and how many of those children not accessing provision have SEND.

Based on feedback from the childcare sector, inclusive provision is being widely offered for children with SEND in Lincolnshire.

15% of parents who responded to the parent survey had children with SEN. Parents identified that one of the barriers to them accessing childcare provision in Lincolnshire is the availability of suitable provision with adequately trained staff to support the needs of their child.

When supporting the development of a new setting, we ensure that advice and guidance is given around inclusive environments and practice. Childcare staff are able to access training to support their practice and locality early years teams aide them in developing more inclusive practice to meet the needs of children.

Both nationally and locally there is ongoing concern about childcare availability for a small number of children with SEND. We are offering all early years family facing professionals, including local authority staff, the opportunity to upskill their knowledge and skills through a free online inclusion training project led by [Dingley's Promise](#).

3.8 Affordability

The cost of childcare continues to rise. The National Living Wage, utility bills, and the impact of inflation all contribute to the increase in childcare fees. [Coram Family and Childcare](#) finds that childcare costs continue to rise with a 5.6% increase for those aged under two.

Lincolnshire's EYE funded rate has increased by 33.4% to support provider costs and reduce the fees to parents.

Costs and fees vary between the districts, Table 12. shows the average fees charged within each district.

District	Under 2's	2 year olds	3 and 4 year olds	Before School	After School	Holiday Care
Boston	£5.86	£5.72	£5.46	£3.73	£4.96	£4.52
East Lindsey	£5.31	£5.19	£4.91	£3.87	£4.38	£4.38
Lincoln	£4.78	£4.85	£4.70	£4.01	£4.20	£4.11
North Kesteven	£4.90	£5.05	£4.82	£4.37	£4.31	£3.94
South Holland	£5.22	£5.14	£4.93	£3.63	£4.03	£4.50
West Lindsey	£4.93	£5.01	£4.82	£4.08	£4.29	£4.22
South Kesteven	£5.24	£5.23	£5.18	£4.39	£4.51	£4.66
Lincolnshire Average	£5.10	£5.12	£4.94	£4.11	£4.36	£4.30

Table 12.

In Lincolnshire, the average hourly costs have increased significantly across all types of provision but more noticeably with Out of School Care (Table 12).

Lincolnshire remains lower than the average national fees. National data shows the average hourly rate for 3&4-year-olds as £5.48, whereas in Lincolnshire it is £4.94.

Age Range	2022	2023	Difference	Increase
0-2 years	£4.85	£5.10	+£0.25	5.2%
2-3 years	£4.81	£5.12	+£0.31	6.4%
3&4 years	£4.74	£4.94	+£0.20	4.2%
Before school provision	£3.24	£4.11	+£0.87	26.9%
After school Provision	£3.41	£4.36	+£0.95	27.9%
Holiday provision	£3.15	£4.30	+£1.15	36.5%

Table 13. Comparison of average fees from 2022 to 2023

We have a responsibility to ensure there is sufficient, affordable childcare available to meet the needs of families. Within the parental survey 15% of parents said that affordability was a barrier to accessing suitable childcare. The childcare reforms announced within the spring 2023 budget, will support parents to access suitable and affordable childcare and ensure that delivery of childcare is financially viable for providers.

The majority of parents are able to access government support with paying for childcare costs for children aged 0-14 years. Government offers are widely promoted to parents and providers in Lincolnshire using the [Childcare Choices website](#). All providers are encouraged to promote this with their parents to ensure their fees remain affordable. Within the provider survey, 92.5% of providers reported that they promote Tax-Free childcare to their parents.

The spring budget 2023 also included reforms to universal credit. Payments for support with childcare will be paid upfront when parents move into work or increase their hours. This will support parents returning to work or considering working. There has also been an increase in the maximum amount of support parents can receive to £951 for those with one child and £1,630 for those with two children.

Childcare providers can utilise the [Childcare Choices communications toolkit](#) to promote the Tax-Free Childcare and other offers, which is also promoted with the role of the outreach worker.

4 Delivering the Early Years Entitlements in Lincolnshire

All 3 and 4 year-olds and the most vulnerable two-year-olds are entitled to 570 hours funded early years education a year, delivered as 15 hours a week over 38 weeks (school term time)

but can be taken as a stretched offer with fewer hours a week over more weeks year. In addition, eligible 3 and 4 year olds of working parents are entitled to a further 15 hours a week to give them a 30hr a week entitlement, or 1,140 hours a year.

4.1 EYE Take up Rates

As of June 2023, 600 providers were registered to offer the Early Years Entitlements (EYE) 15 hours or 30 hours for eligible 2-, 3- & 4-year-olds.

According to the [Statistical First Release 2023](#) (SFR), Lincolnshire currently has a higher take-up of 2-year-old funded places compared to regional and national statistics. Data from the statistical first release 2023:

2-Year-Old Take-up

National	Regional	Lincolnshire
73.9%	69.7%	76.3%

Table 14.

Total 2 year old take up at end of the summer term 2023 was 84% based on 1,908 children eligible according to DWP list supplied in July 23. This does not include July adjustments or August claims.

3- & 4-Year-Old Take-up

National	Regional	Lincolnshire
93.7%	93.2%	90.8%

Table 15.

The take-up rate for 3&4 year olds has decreased in Lincolnshire. Our participation in Dingley’s Promise will support joint working and sharing best practice through a regular peer network for participating LAs. This peer group and the collective experience so far, has supported them to develop tools and resources to help LAs to measure the sufficiency of places for children with SEND. This has been a critical piece of work in ensuring legal compliance locally, as well as preparing for the extension of the early years entitlements and influencing change at a national level. Lincolnshire will be involved in more detailed analysis work with Dingley’s Promise to consider the take-up further.

The outreach work for 2-year-old funding will continue, however, it is planned that there is renewed focus on promoting the universal 3- & 4-year-old offer across the county to ensure that the take up rate remains high.

Number of children in receipt of the 3& 4 year old entitlement

Entitlement	Autumn 2022	Spring 2023	Summer 2023
Universal	7,108	9,189	10,655
Extended	3,623	4,801	5,664

Table 16.

Number of children in receipt of the 2 year old entitlement across district areas in Lincolnshire:

District	Summer 23 Numbers of children in places	Summer 23 Percentage taken based on those eligible
Boston	163	64%
East Lindsey	293	78%
Lincoln	280	91%
North Kesteven	171	106%
South Holland	142	63%
South Kesteven	273	104%
West Lindsey	171	81%
Lincolnshire	1,600	84%

Table 17.

4.2 Early Years Funding

There are still inequalities across the country in terms of the amount of funding local authorities receive. Lincolnshire is 1 of 47 local authorities receiving the lowest level of funding in the country.

Funding rates increase from September 2023

Funding	March 2023	September 2023	% increase
2 year old funding	£5.29	£7.06	33.46%
3 & 4 year old funding	£4.42	£4.75	7.47%

Table 18.

With the government's commitment for an additional £288m investment in funding rates from April 2024 in addition to the funding settlement, it is anticipated that rates for the next financial year will be further improved to support the future sustainability of the childcare market.

4.3 Childcare Reforms

In the Spring Budget 2023, the government pledged £204m of additional funding to the early years sector in 2023, increasing to £288m by 2024-25 to support the funding levels paid to providers delivering the entitlements.

The measures outlined in the budget will be rolled out in stages, allowing the childcare market to adjust to the growing demand. Below is the timeline for the childcare reforms.



Work has begun within the early years team to review and analyse the potential need for additional childcare places to meet the expansion of places.

5 Summary

The development of childcare places has remained steady since the last reporting period. This academic year (2022/2023) has seen a number of closures, in particular childminders. Table 19 shows the net opening and closures for Childminders and Full Day Care (Ofsted registered provision) across the whole county.

Open / Closed	Number of providers
Childminders open	17
Childminders closed	47
Difference	-30
Full Day Care open	25
Full Day Care closed	34
Difference	-9

Table 19.

There continues to be a drive within the support service to recruit childminders into the market and encouraging a career in childcare more broadly. LCC web pages have been specifically designed to deliver key messages across professionals and partners regarding [Working in Childcare](#)

The Government has re-introduced childminder start-up grants and will be launching a national campaign in early 2024 to support a career in childcare. This includes potential apprenticeship schemes that will encourage more people into the childcare market. This should all contribute to sector workforce growth.

Where provision has closed this has been monitored at a local level for potential sufficiency impact with local solutions having been implemented. This has included where necessary supporting the retention of places with a tender framework. Since the last report, EYCC have conducted 6 Tenders, successfully appointing providers to operate from LCC properties where needed.

The outcome of the sufficiency assessment has demonstrated that Lincolnshire is in a reasonable position in most areas of the county with some unmet needs in others.

There are the following factors to consider:

- The current workforce crisis is placing additional pressure on the availability of places within the market which are not necessarily demonstrated within the survey data
- It is evident that increased costs have had an impact on childcare sectors ability to maintain places across one or more of the age ranges

This has resulted in increased sustainability concerns across the childcare market in Lincolnshire. The risk is that if staff recruitment and retention does not improve, we may see further closures across all sectors of the childcare market and the recruitment of suitable staff become a barrier to the development of new places to meet demand.

Through national research it is well accepted that staffing and low levels of funding are intrinsically linked. The uplifts to the funded rate due September 2023 and April 2024, are hoped to support the recruitment and retention of qualified staff into the sector.

We currently have 22 active developments across Lincolnshire of which 6 are in the areas of the county where the need for places is highest. We will continue to monitor and be responsive to the needs of the childcare market.

6 Areas for Action

- Continuously monitor and update Lincolnshire's childcare delivery plan based on the sufficiency needs.
- Continue to utilise the capital grant funding programme to develop places in those areas with an identified sufficiency gap.
- Develop places in South Holland in line with the current findings in the sufficiency assessment.
- Promote the Family Services Directory and the childcare sufficiency gap form for families in Lincolnshire, to ensure access to information and alerting us to pressures is maintained.
- Develop a strategic plan to support the delivery of the childcare reforms, based on the phased roll-out of the new childcare offers.
- Work with schools to assess the need for wraparound childcare and develop provision where required.
- Deliver a strategic marketing campaign to raise awareness of the extended entitlements announced within the childcare reforms and continue to encourage access to places.
- Complete additional analysis and outreach activities with a focus on the universal 3- & 4-year-old offer to increase the universal take-up rate.
- Implement Dingley's Promise to support the sufficiency of places for all children with SEND.