
**Decision Session – Executive Member for
Children, Young People and Education**

7 February 2023

Report of the Corporate Director, Children’s and Education

**Childcare Sufficiency Assessment 2022 – Annual Report to Elected
Council Members**

Summary

1. This paper provides an update on how City of York Council is meeting its statutory duty to secure sufficient early years and childcare provision for children aged 0-14 (and up to 18 for disabled children) including the impact of covid on the childcare market.

Background

2. Under the Childcare Act 2008 Local Authorities are required to report annually to elected council members on how they are meeting their duty to secure sufficient childcare, and make this report available and accessible to parents. Local Authorities are responsible for determining the appropriate level of detail in their report, geographical division and date of publication.

Annual Report 2022

3. The annual sufficiency report provides an overview of the current early years and childcare market in York, looking at both supply and demand, and key challenges that the sector are currently facing.
4. Local provider and parent surveys and local intelligence have informed the findings.
5. The Childcare Sufficiency Assessment – Annual Report 2022 is attached at Annex 1.
6. There has been a slight reduction in number of providers and places offered across the city and many providers are continuing to cap the number of places offered due to the ongoing challenge of recruitment and retention issues, which is resulting in some providers having waiting lists and unable to meet parental demand.

7. There is the ongoing challenge of childcare issues for a small number of early years children with SEND and for school age children in terms of out of school and holiday provision. This continues to be an area of focus for the LA to identify potential solutions with other partners in the city.
8. There is a mixed picture regarding demand with the majority of providers not seeing a change in demand for funded places for three and four year olds and most providers seeing either no change or an increase in demand for baby, paid for and ad hoc places.
9. Take up of the funded entitlements for 3- and 4-year-olds continues to remain high across the city. Whilst take up of funded two year old places has decreased slightly over the last year from 97% to 92% of eligible two year olds, this is due to a change in guidance from the Department for Education requiring all families to now apply for a funded place (whereas previously they may have been automatically eligible) and take up in York remains higher than the national average.
10. Historical underfunding of the early years and childcare sector and the current economic climate with rising operational costs means the early years and childcare market, locally and nationally, continues to remain very fragile. Many providers have used savings and reserves to preserve cash flow and maintain sustainability throughout the pandemic, and this has left many with greatly depleted bank reserves meaning that future sustainability is a real concern.
11. Recruitment and retention of practitioners remains a significant challenge for the sector, at both a local and national level. Levels of pay, lack of interest in the early years and childcare workforce as a career option, access to qualifications and losing staff due to early retirement and lifestyle changes is resulting in a severe shortage of staff which is impacting on the local childcare market.
12. The large volume of proposed housing developments across the city also poses both challenge and opportunity for the market. It is anticipated there will be a large increase in demand from families moving into these developments and hence is likely to require new nursery builds and expansion of places in many areas of the city.
13. Maintaining strong relationships between the local authority, providers and other key partners such as Job Centre Plus continues to be fundamentally important in the ongoing effective delivery of the Childcare Sufficiency duty. The Education Support Service continues to undertake ongoing risk assessment of sufficiency and use local intelligence in a

timely and effective way to support all types of providers and encourage expansion where appropriate.

Local Priorities

9. Priorities for childcare sufficiency in York are to:

- Work with partner agencies and ensure ongoing dialogue with DfE to continue to highlight current crisis around recruitment and retention and seek potential short and long term solutions.
- Continue to improve access and provision for children with SEND both for early years and wraparound care.
- Continue to secure section 106 /Capital Infrastructure Levy (CIL) capital funding and procure places to support both expansion of existing early years and childcare places and development of new provision to meet increase in demand arising from new housing developments.
- Continue to monitor and assess the longer term impacts of the pandemic alongside capacity and capability in the sector for growth.
- Positively promote the take up of the early education entitlement and childcare with a continued focus on funded two year old places.
- Provide ongoing support to providers including high quality, timely guidance and advice and signposting to additional funding or grants.

Financial Implications

10. There are no financial implications arising from this report.

Recommendations

11. The Executive Member is asked to note and agree the content of this report before it is shared with elected council members in line with statutory guidance.

For further information please contact the author of the report

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**Chief Officer Responsible for the
report:**

Maxine Squire
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**Report
Approved**



Date 27/01/2023

Wards Affected: *List wards or tick box to indicate all*

All

Annexes

Annex 1 – Childcare Sufficiency Assessment 2022- Annual report

Annex 2 – Equalities Impact Assessment