

# Childcare Sufficiency Assessment and Covid-19 Impact and Response for the Childcare Sector

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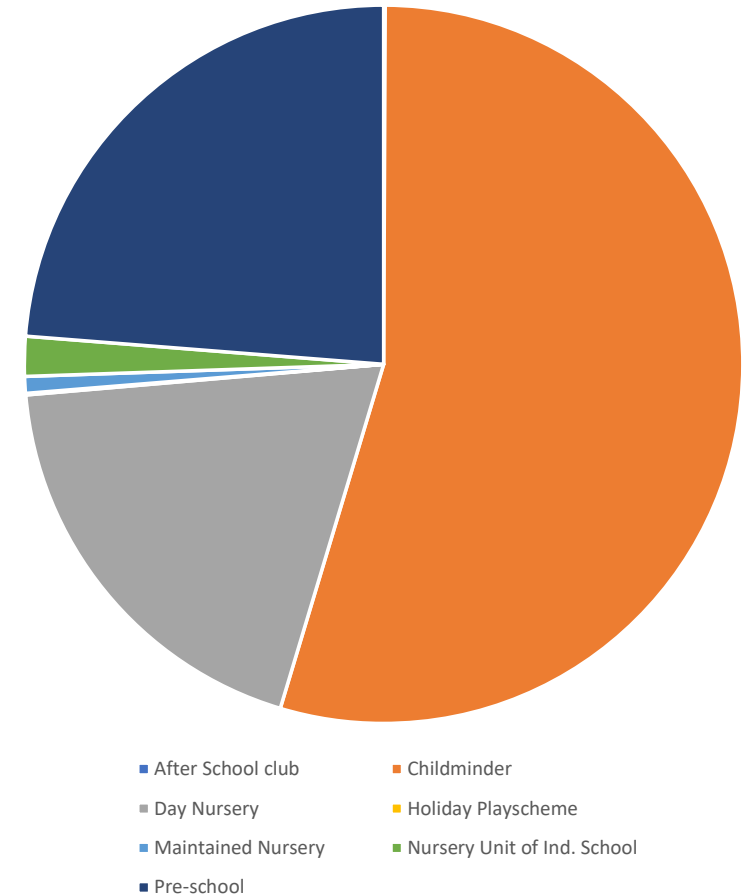
# Introduction

1. Sufficiency Assessment Update
2. Covid Response

# Context

- **24,297** children accessing the Universal Entitlement of 15 hours centrally funded childcare
- **12,142** children accessing the Extended Entitlement of 30 hours childcare
- **2,115** eligible two year olds accessing childcare in Hampshire.
  
- Families do not always utilise their free 570 hours or 1,140 childcare entitlements in a consistent way
- Tax Free Childcare account provides a financial contribution of £2 for every £8 (up to a maximum) to working parent to support childcare costs (wraparound care.

Hampshire Childcare Market  
(excluding wraparound care)



# Sector Funding

Range of children privately funded	Number of providers
all EYE funded	69
all privately funded children	161
greater than 0% up to 5% privately funded for 1 to 4 children	32
greater than 10% up to 20% privately funded 1 - 16 children	146
greater than 20% up to 30% privately funded 1 to 42 children	122
greater than 30% up to 40% privately funded - 1 to 43 children	86
greater than 40% up to 60% privately funded - 1 to 132 children	244
greater than 5% up to 10% privately funded 1 to 9 children	47
greater than 60% up to 80% privately funded - 2 to 180 children	274
greater than 80% and less than 99% privately funded - 5 to 410 children	199
Misc data	91
<b>Grand Total</b>	<b>1471</b>

## Two primary sources of income:

1. Early Years Education (EYE) funding
2. Private income generated through the private parental fees

- Concerns raised nationally that Early Years Funding to the sector has not been sufficient prior to Covid 19.
- Changes in 2017 to allow for providers to make consumable charges and to seek voluntary contributions from parents
- Concerns remain as to whether Early Years Funding is sufficient for long term sufficiency.

# Sufficiency Action Plan Update

Action Plan Priority	Progress Update
Childcare for under twos and two year olds	<ul style="list-style-type: none"> <li>Data and information gathered. Review delayed by Covid 19.</li> </ul>
Out of school childcare	<ul style="list-style-type: none"> <li>Temporary Project Officer recruited – November 2019</li> <li>Initial data gathered.</li> <li>Further sector and school engagement delayed due to Covid-19.</li> <li>Sector engagement end June 2020 to support reopening summer 2020.</li> </ul>
Rural childcare	<ul style="list-style-type: none"> <li>Started but detailed project review delayed due to the Covid-19 response requirements.</li> </ul>
Childcare for new housing developments	<ul style="list-style-type: none"> <li>This work continues.</li> </ul>
Provider sustainability	<ul style="list-style-type: none"> <li>Work ongoing. A set of early indicators developed.</li> <li>Covid19 support.</li> </ul>
Early Years Education	<ul style="list-style-type: none"> <li>2 year old take up: Direct letter contact Autumn 2019; positive impact 70% of these families took a place. Covid-19 delay.</li> <li>30 hours childcare: 11000 children access.</li> <li>Concern Covid-19 may have changed working parents demand for future childcare.</li> </ul>
Childcare Workforce	<ul style="list-style-type: none"> <li>Summer and Autumn 2019 Sector based academy and Job Fairs. Expansion Spring 2020 delayed due to Covid-19.</li> </ul>

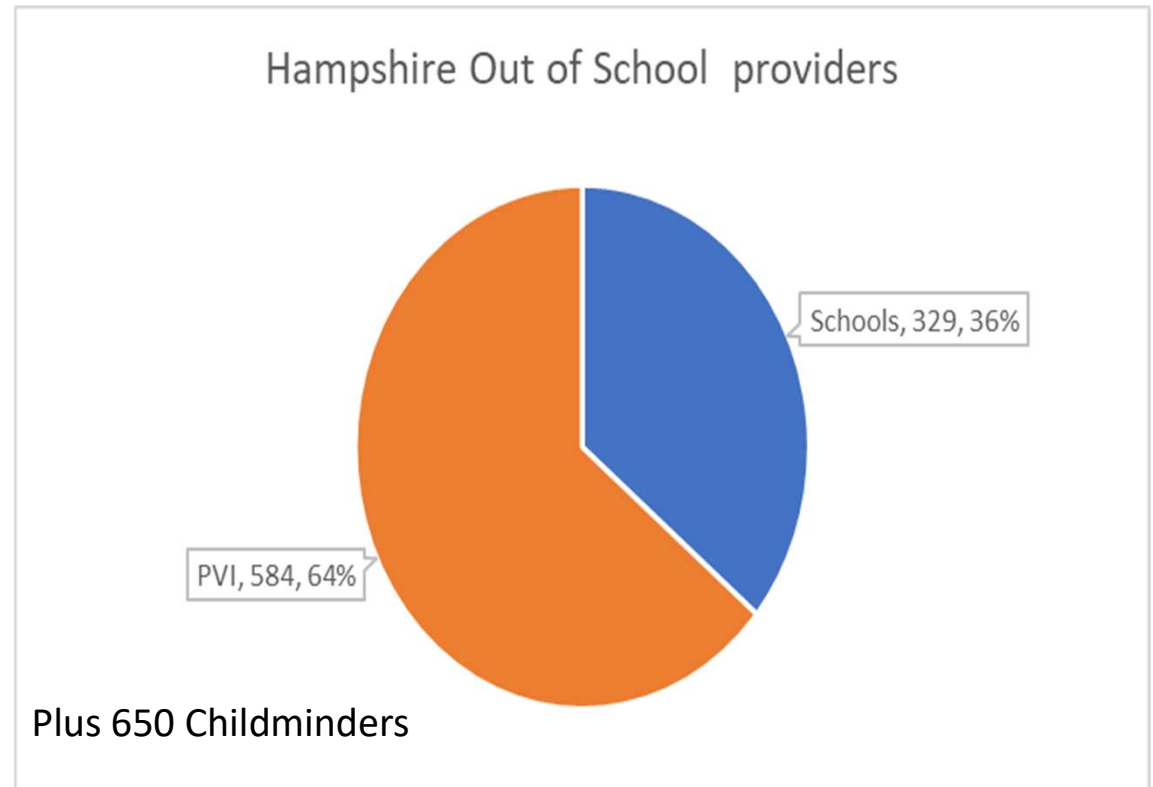
# Covid Impact – Attendance and Provision -

Period	Children age 0-4 years attending an Early Years Provider
January 2020	34,000
30 March 2020 “Lockdown”	< 300 (0.8%)
4 May 2020	1000 (2.9%)
1 June 2020	3,900 (11.5%)
16 June 2020	4500 (13%)

Childcare Market as at 29 June	
Provider type	% Open
<b>Early Years Approved Providers</b>	
After School club EYE	50%
Holiday Playscheme EYE	100%
Childminder EYE	78%
Day Nursery	92%
Pre-school EYE	95%
Governor Run Nursery EYE	100%
Maintained Nursery EYE	100%
Nursery Unit of Ind. School EYE	69%
<b>Total EYE</b>	<b>85%</b>
<b>Other Childcare</b>	
Non EYE Childminder	4%
Out of School clubs	3%

# Covid Impact – Out of School

- Not able to operate from 20 March
- 1 June limited opening on school premises
- 1 July wider opening to support school holidays and September

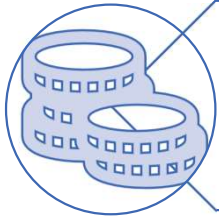


# Support to the Sector



## Increased Communications

Website, FAQs, online resources, email contact, brokerage  
Webinars to support opening/public health and out of school



## Financial Support

Forward payment in April of EYE funding to help cashflow  
EYE funding to support child who moves temporarily due to capacity issues or temporary closure of usual setting  
Small fund for Exceptional Covid 19 expenses



## Engagement with Central Government

Officer engagement with DfE, ADCS, MPs



# Issues for the sector

- Loss of parental income over the summer
- Capacity restrictions – social distancing/infection control
- Uncertainty/changes in parental demand/economic downturn
- Financial sustainability concerns
- Competition from schools
- Out of school sector viability

# Conclusions

- Childcare sourced for those who need(ed) it. Provision currently keeping pace with demand.
- Continued support to the sector.
- CSA 2019-2021 action plan in place and progressed where possible.
- Development of the financial risk tool has been valuable.
- Ensuring sufficiency and supporting the childcare sector over the coming months and years will be challenging and there are many unknowns.
- The role of officers supporting childcare sufficiency will be crucial in horizon scanning and targeted action to ensure there is childcare of the right type and in the right place for families in Hampshire.
- Issues in relation to effective business planning will continue into the longer term. It has been widely reported that the sector many need Government financial investment in order to expand again.
- Sufficiency planning will require significant time to horizon scan and evaluate the affects to changes in culture, employment and working patterns as well as market adjustments. The County Council will need to revisit and revise its sufficient assessment more frequently during this period.

# Questions