North Tyneside Childcare Sufficiency Statement 2021

North Tyneside Council

North Tyneside Childcare Sufficiency Statement 2021

Contents

Introduction

North Tyneside Council has a statutory duty to ensure formal childcare is available for working families, parents / carers who are studying or training, and disabled children (up to the age of 18 years). The local authority must also secure free early years provision for eligible 2, 3 and 4 year olds. The Covid pandemic has created enormous challenges for childcare providers and transformed the lives of families. North Tyneside's Childcare Sufficiency Statement considers whether sufficient childcare is available to meet the needs of families who live and work in the borough despite the challenges of Covid.

The sufficiency statement considers North Tyneside's childcare network and its ability to provide the places required by families. The statement also explores the factors that shape families' childcare decisions, such as quality, choice and accessibility. North Tyneside's wider context and its' impact on demand are also explored, with a particular focus upon the Covid pandemic. Childcare has experienced unprecedented challenges since March 2020, the effects of which are still emerging. It is difficult to predict at this point, which of the changes we have witnessed since the pandemic will be transient and which will transform childcare in the longer term. The statement sets out the sector's perceptions at a particular point in time of the pandemic. The local authority will continue to work with families and providers to meet the childcare needs and preferences of North Tyneside's residents now and in the future.

Ofsted Registered Childcare in North Tyneside

North Tyneside has enjoyed a diverse childcare network able to deliver sufficient provision to meet parents and carers' needs. The pandemic however, has placed significant challenges on providers and it is necessary to identify its impact on the number of registered childcare providers and the places they offer.

Number of Childcare Providers

The table below shows the total number of Ofsted registered childcare and early years registered providers in North Tyneside at the start of the summer term 2021.

	Total providers	EYR providers	Non-EYR providers
March 2021	216	189	27

Childcare Providers by Type

Families have a range of childcare needs and preferences, particularly during the early years. A diverse mix of provider types is therefore better able to meet familial needs and preferences. The table below shows the provider numbers between March 2019 and March 2021.

	March 2019	March 2021
Childcare on Non-Domestic Premises	74	74
Childminder	127	124
Home Childcarer	18	18

There has been a small decrease in the number of childminders in the past 2 years, however the borough continues to have a strong mix of home based childcare and non-domestic provision.

Childcare on Non Domestic Premises

The table below shows the breakdown of childcare providers operating on non-domestic premises by provider type.

	Definition	March 2021
Full Daycare	Providers offer 3 or more hours of childcare per day, 5 days a week or more per week and 45 weeks or more per year.	43
Out of school daycare	Out of school childcare provide care exclusively for children at the beginning or end of the school holidays or during holiday periods.	14
Sessional daycare	Providers operating for less than 3 hours per day, less then 5 days per week or less than 45 weeks per year.	16
Other		1

The majority of non-domestic childcare is delivered in daycare nurseries, with sessional daycare and out of school care also available. North Tyneside maintains a strong full daycare offering which is important for families with early years children. There is sufficient diversity in the sector to meet a variety of needs.

Quality of Childcare in North Tyneside

Ofsted Rating

Families want high quality childcare provision, with quality particularly important during the formative early years of a child's life. The table below shows the number of providers by their Ofsted rating, as of March 2021.

Ofsted Judgement	All childcare providers 2021
Outstanding	**31**
Good	**108**
Requires Improvement	**3**
Inadequate	**0**
Not applicable or did not receive a judgement	**74**

Most childcare provision is rated 'Good' or 'Outstanding'. There are no provisions judged as 'Inadequate'; and only three that 'require improvement'. A further 74 from 216 providers known to OFSTED are awaiting inspection.

Quality of Childcare places

The table below shows the number of places available by their Ofsted ‘overall effectiveness’ judgement

Overall Effectiveness	Places
Outstanding	927
Good	2072
Requires Improvement	18
Not Inspected	1065

The overwhelming majority of places are delivered in settings judged to be ‘good’ or ‘outstanding’ by Ofsted. This demonstrates that North Tyneside has sufficient high quality childcare places to meet the needs of families.

Ofsted Deprivation Rating

Childcare must be accessible to all North Tyneside communities to ensure sufficiency of provision. Ofsted allocate providers to one of five deprivation bands based on quintiles calculated from the Income Deprivation Affecting Children Index (IDACI). The table below shows the total number by Ofsted deprivation band, which are then broken down by provider type.

Ofsted Deprivation March 2021	Total Number	Provider Type	Number
Least Deprived	**65**	Full Daycare	7
		Sessional	5
		Out of School Care	7
		Non domestic – other	1
		Childminders	41
		Home Childcarers	4
Less Deprived	**40**	Full Daycare	4
		Sessional	3
		Out of School Care	2
		Childminders	26
		Home Childcarers	5
Average	**35**	Full Daycare	9
		Sessional	3
		Out of School Care	2
		Childminders	16
		Home Childcarers	5
Deprived	**36**	Full Daycare	7
		Sessional	2
		Out of School Care	2
		Childminders	24
		Home Childcarers	1
Most Deprived	**40**	Full Daycare	16
		Sessional	3
		Out of School Care	1
		Childminders	17
		Home Childcarers	3

North Tyneside's childcare provision operates in a range of socio-economic contexts. 105 providers are based in local super output areas classified as 'least deprived' or less deprived. 76 operate in localities classified as 'deprived' or 'most deprived'. This suggests that North Tyneside has a comprehensive distribution of childcare which is accessible to a range of communities.

North Tyneside Demographics and Economic Profile

Socio-economic factors shape demand for childcare. This section considers the impact of North Tyneside's changing population and economy on the childcare sector.

Demographics

The latest data in relation to households with dependent children comes from the 2011 census. Across North Tyneside, 58% of households were without dependent children, 16% had at least one dependent child, the youngest of whom was 0-4 years old. St Mary's, Weetslade, Preston and Tynemouth wards had the highest percentage of families with no dependent children. Riverside, Chirton and Valley wards had the highest proportions of families with at least one dependent child the youngest of whom was 0-4 years old.

Office for National Statistics data (ethnicity by age) shows that between 2011 and 2021 the percentage of those aged 0-4 from BME groups has reduced, whilst the percentage aged 5-14 from BME groups has increased.

Within the Local Plan two strategic housing sites have been identified at Killingworth Moor and Murton. It is expected that from 2022/23 we are likely to see some impact from the Local Plan building programme in the immediate localities, over the medium term.

Population Projections 0-4 and 5-14 Years

The size of the 0-4 year old population is an indicator of demand for early years childcare. The 5-14 population can act as an indicator of demand for out of school childcare provision. Population estimates and projections from the Office for National Statistics (ONS) can be seen in table below.

	Estimates			Projections									
AGE GROUP	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
0-4	11,471	11,188	11,045	10,819	10,696	10,583	10,585	10,582	10,581	10,588	10,596	10,604	10,611
5-14	23,569	23,973	24,126	24,208	24,353	24,292	24,120	23,893	23,663	23,489	23,284	23,021	22,874

Source: ONS via NOMIS – population mid-year estimates and projections (24-05-2018)

This data suggests that the 0-4-year-old population is expected to continue falling until 2026 before stabilising. The 5-14-year-old population is expected to increase until 2022 and then see a decline.

The declining population and birth rate could reduce demand for Government funded and paid childcare in the short to medium term. The reduced demand will improve sufficiency in the short term, but a prolonged decline may result in sustainability issues for some providers, which in turn impact upon wider sufficiency in the future.

Demographics by Ward

The demographic structure of wards and localities can indicate the level of demand, although North Tyneside is a small borough and many families access provision outside of their ward and even locality. The ONS mid-2020 population estimates by ward can be seen in the table below.

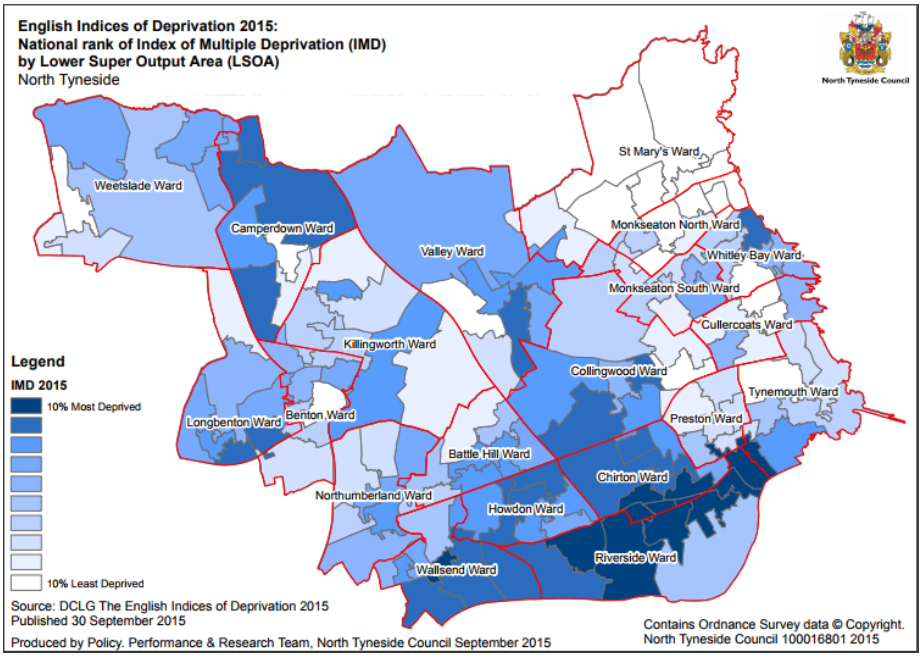
Ward	Age 0 – 4	Aged 5 to 14
North East	**1,782**	**4,536**
Monkseaton North	469	1189
Monkseaton South	465	1140
St Mary's	325	1053
Whitley Bay	523	1154
North West	**3,200**	**6,456**
Benton	501	973
Camperdown	507	1262
Longbenton	737	1317
Valley	933	1885
Weetslade	522	1019
South East	**3,578**	**7,744**
Chirton	722	1788
Collingwood	615	1339
Cullercoats	466	1024
Northumberland	502	966
Preston	359	719
Riverside (c. 2/3 SE)	485	913
Tynemouth	429	995
South West	**2,696**	**5,354**
Battle Hill	556	1156
Howdon	630	1340
Killingworth	652	1314
Riverside (c. 1/3 SW)	243	456
Wallsend	615	1088

Source: ONS mid-2020 population estimates

Across North Tyneside, 32% of the 0-14 population are aged 0-4. The South West locality has the highest proportion of 0-14-year-olds who are aged 0-4 (33.5%), and in particular 36.1% of the 0-14 population in Wallsend are aged 0-4. On the other hand, the Coast locality has 28.2% aged 0-4; in St Marys ward this percentage is 23.6%.

Deprivation

High levels of deprivation are associated with reduced demand for paid childcare. The 2018 national childcare and early years survey found that 62% of children living in the least deprived areas received formal childcare, compared to 44% of children living in the most deprived communities. The map below shows the geographical distribution of deprivation in North Tyneside.



North Tyneside's least deprived communities are located in the coastal areas, in the east of the borough. These communities would be expected to display strong local demand for formal paid childcare and funded 3 and 4 year old places, particularly the 30 hours childcare entitlement and paid for wraparound care. Higher deprivation levels in the North-West of the borough and the communities running along the Tyne, will reduce demand for formal paid childcare in these localities. Eligibility for the funded 2 year old entitlements will be higher in areas experiencing greater deprivation, which will raise demand for funded 2 year old places. Areas with high deprivation will also have demand for universal 3 and 4 year old funded placements. It is important that funded early years places are available in deprived communities, as high quality early years provision can significantly enhance the life chances of children experiencing deprivation.

The Economy

The Office of National Statistics annual population survey indicates that between March 2020 and June 2021 there has been a fall in the percentage of economically active people in North Tyneside who are in employment; from 79.3% (March 2020) to 73.2% (June 2021). These figures are higher than the comparative regional figures (71.1% and 70.5%). The picture nationally is also one of a decreasing percentage in employment from 75.9% to 74.4%, however North Tyneside's relative position has changed from better than average to below average. A reduction in paid employment could potentially reduce the demand for paid for childcare and the 30 hours entitlement, however this will depend on whether fewer families with children are economically active.

The benefits claimant count in North Tyneside, regionally and nationally can be seen in the table below.

Benefits Claimants in North Tyneside and Compared to Region and GB average

Claimant count by age - not seasonally adjusted (September 2021)

	North Tyneside (Level)	North Tyneside (%)	North East (%)	Great Britain (%)
Aged 16+	6,295	4.9	5.7	5.0
Aged 16 To 17	15	0.3	0.4	0.3
Aged 18 To 24	1,225	8.9	7.6	6.5
Aged 18 To 21	715	10.0	7.9	6.5
Aged 25 To 49	3,450	5.1	6.6	5.6
Aged 50+	1,600	3.7	4.2	3.9

Source: ONS Claimant count by sex and age
Note: % is number of claimants as a proportion of resident population of the same age

There are a higher proportion of claimants of the main unemployment benefits in the younger age bands 18-24, and especially 18-21, compared to England.

Childcare Sufficiency Survey 2021

This section of the report outlines the findings that were obtained from the electronic survey undertaken in June 2021.

Overall provider response rate for childcare providers was high. (n=141 responses)

The overall response to the audit is significantly higher than the previous exercise in 2019 where n= 105.

The table below shows the response rate for each type of provision offered. Note that some providers offer a variety of options, so the sum of provisions is greater than the number of respondents.

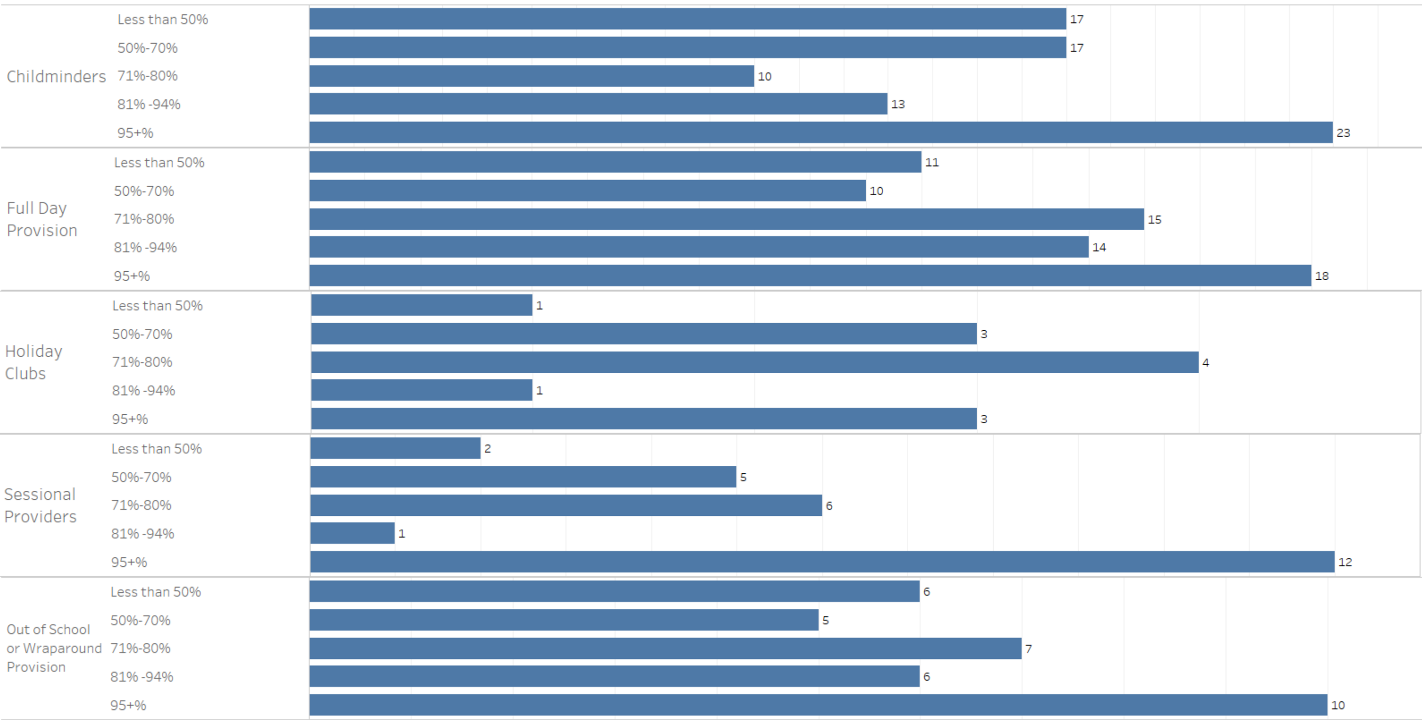
Table Provider survey responses

Group	Number of providers offering:
All	141
Full day provision for early years children	69
Sessional early years provision	26
Out of school and / or wraparound provision	35
Childminding	81
Holiday activity club	12

A high number of responses was received from all sectors of the childcare market, which helps ensure the survey is representative of North Tyneside's childcare sector.

Overall Occupancy Rate:

Providers were asked to describe their weekly occupancy on the week the survey was carried out. The table below shows the responses broken down by provider type.

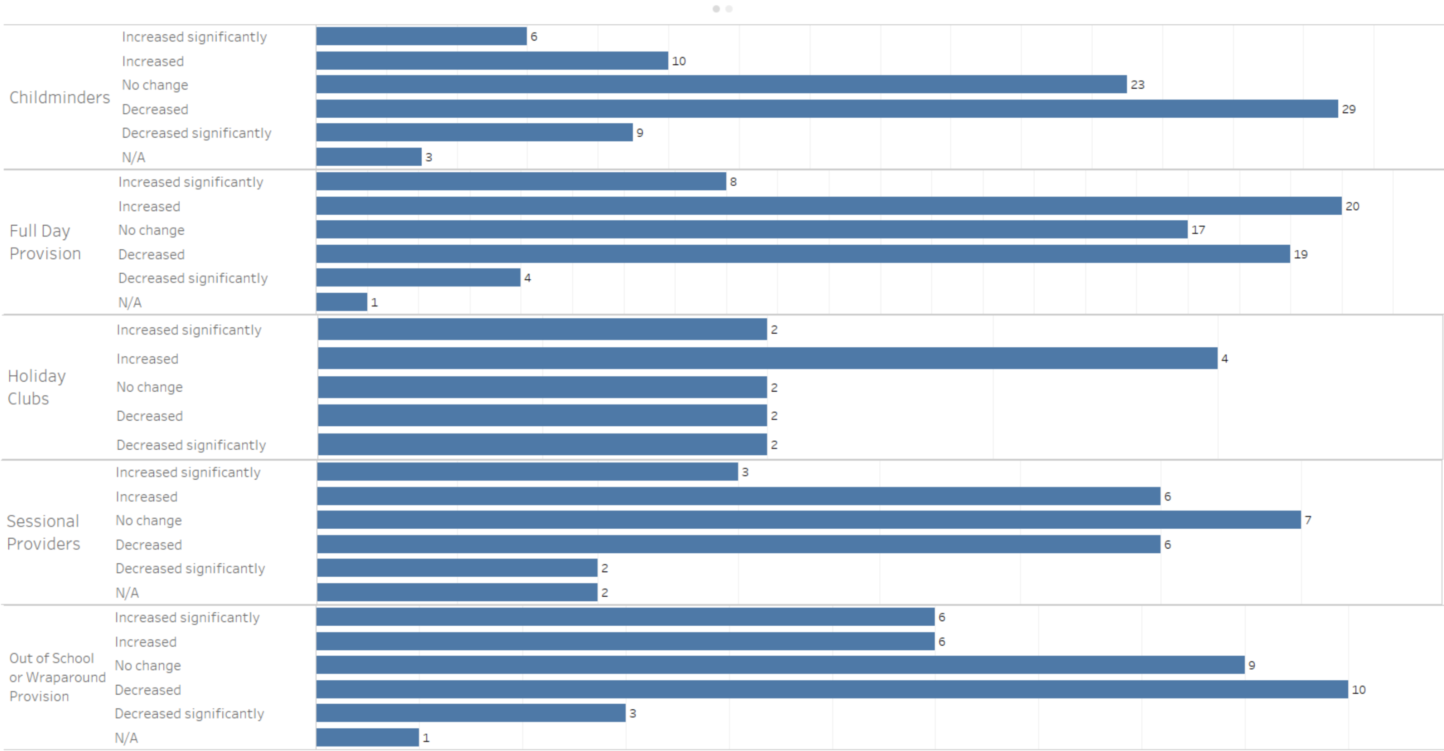


- 23 Childminders (29%) report greater than 95% occupancy, while 34 childminders report less than 70% occupancy (43%).
- The most common response for Full Day provision is greater than 95% occupancy (26%).
- The most common response for providers of Holiday Clubs is 71 to 80% occupancy (33%).
- Half of Sessional providers report greater than or equal to 95% occupancy.
- The most common response for out of school provision is 95%+ occupancy (29%).

North Tyneside has sufficient childcare places, with availability across all provider types during summer term, which is the busiest term. A number of settings reported operating with an occupancy rate of ‘less than 50%’, particularly amongst childminders. Prolonged periods of low occupancy could impact upon settings’ sustainability, potentially reducing childcare places in the borough in the longer term.

Demand for Paid Hours

Providers were asked how demand for paid hours of childcare had changed during the preceding 12 months. The table below shows the responses broken down by provider type**.**

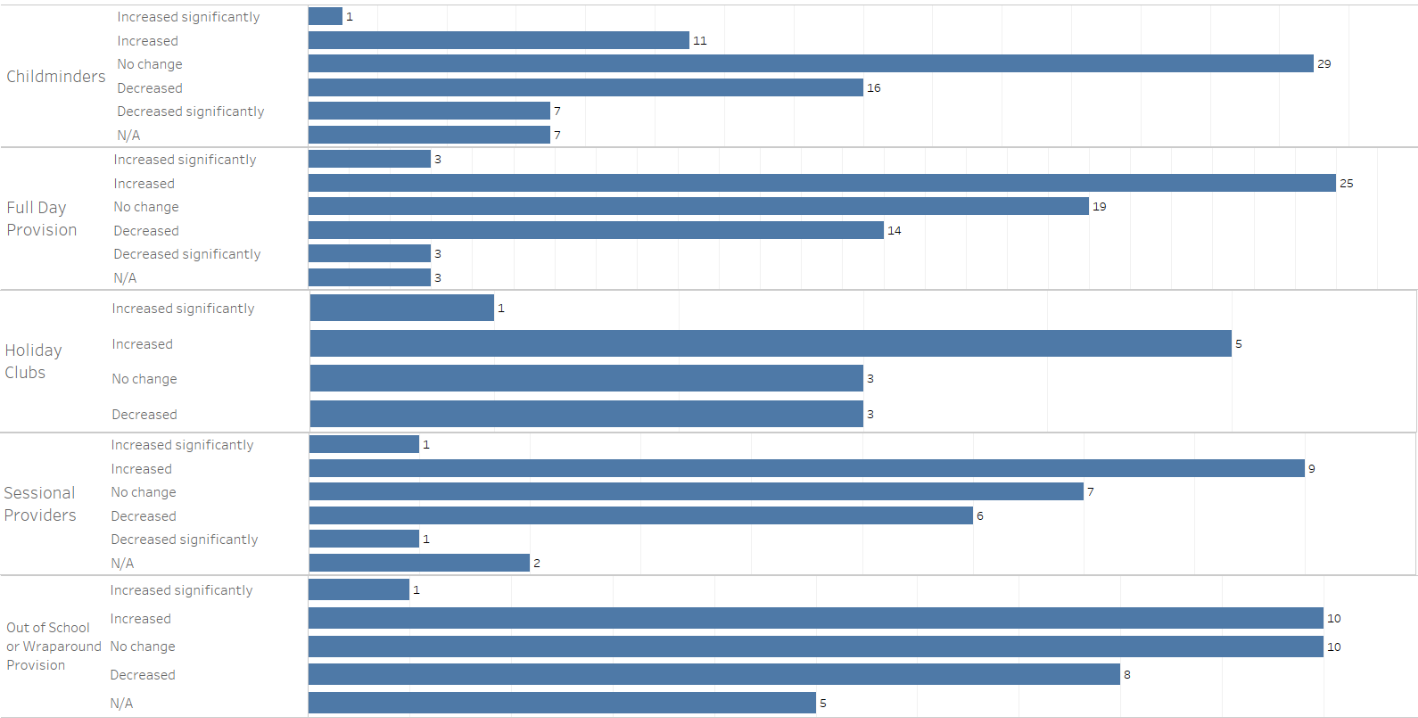


- 20% of childminders feel that demand has increased or increased significantly. The most common response amongst the childminder respondents was that demand had decreased.
- For those offering full day provision approximately equal numbers reported increases and decreases (19 compared to 20 providers).
- The majority of holiday clubs responded that demand had increased.
- Broadly the same number of sessional providers reported increases and decreases.
- The most common response from providers of out of school care was that demand had decreased.

Providers' responses vary significantly, demonstrating that the pandemic has impacted upon each setting differently. A majority of providers, across all provider types, reported demand had either increased or remained unchanged, which should support provider sustainability, with the exception of out of school providers. However, a significant proportion of settings, across all provider types, reported reduced demand. Further monitoring is required to understand if demand for paid hours has been temporarily suppressed by the pandemic or whether there have been permanent changes to the childcare market.

Demand for Government Funded Places

Providers were asked how demand for Government funded childcare places had changed during the preceding 12 months. The table below shows the responses broken down by provider types.

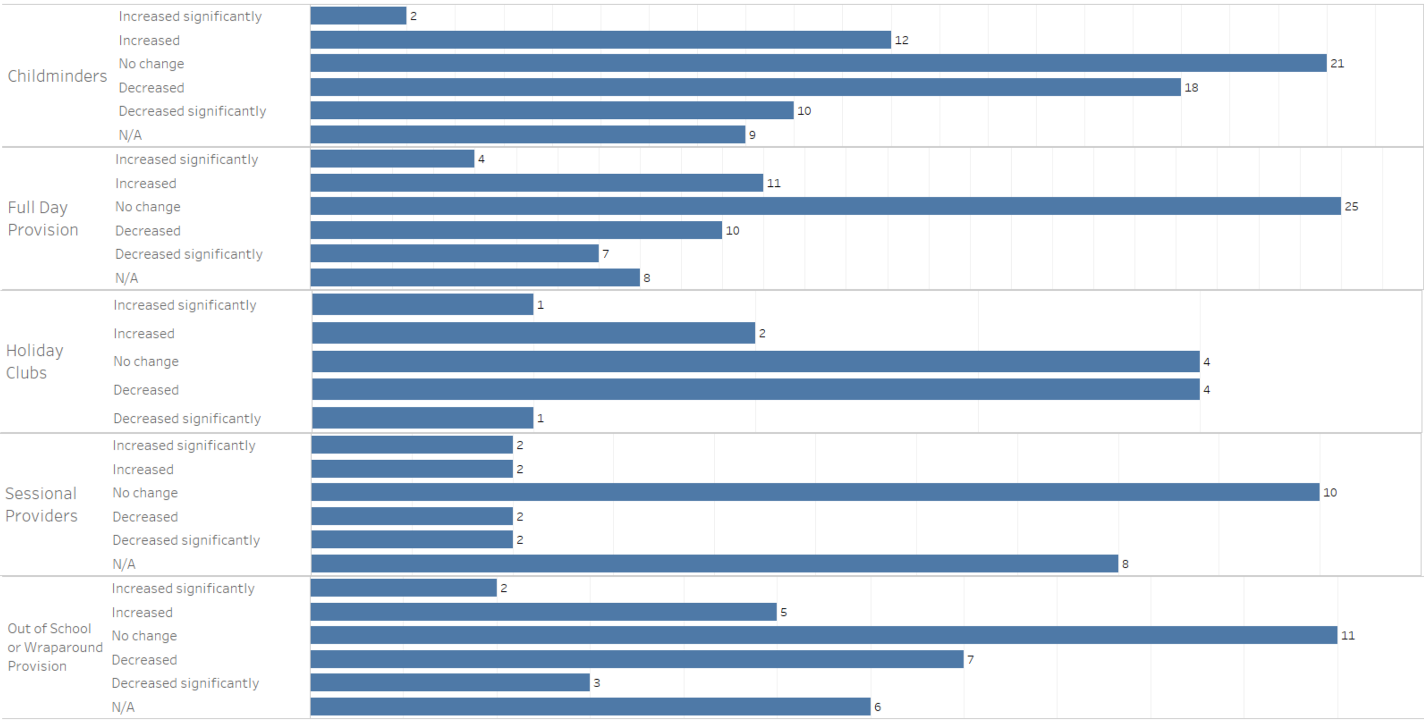


- The most common response from childminders was that demand for government funded childcare remained the same, more childminders thought demand had decreased than increased.
- The distribution of responses from Full Day, Sessional and Holiday Club providers suggest that demand has increased in a majority of settings.
- The demand for out of school provision is also largely unchanged or increased.

The pandemic does not appear to have resulted in a consistent impact on the funded childcare entitlements. The majority of providers believe that demand for Government childcare entitlements has increased or remained unchanged, across all provider types, except childminders. This will help support the sustainability of these providers. A significant minority however reported decreased demand. Ongoing monitoring will be required to establish whether these changes are temporary or could signal a shift in parental preference for certain providers or provider types.

Demand for childcare during school holidays

Providers were asked how demand for childcare during the school holidays has changed during the past 12 months. The table below shows the responses by provider type.

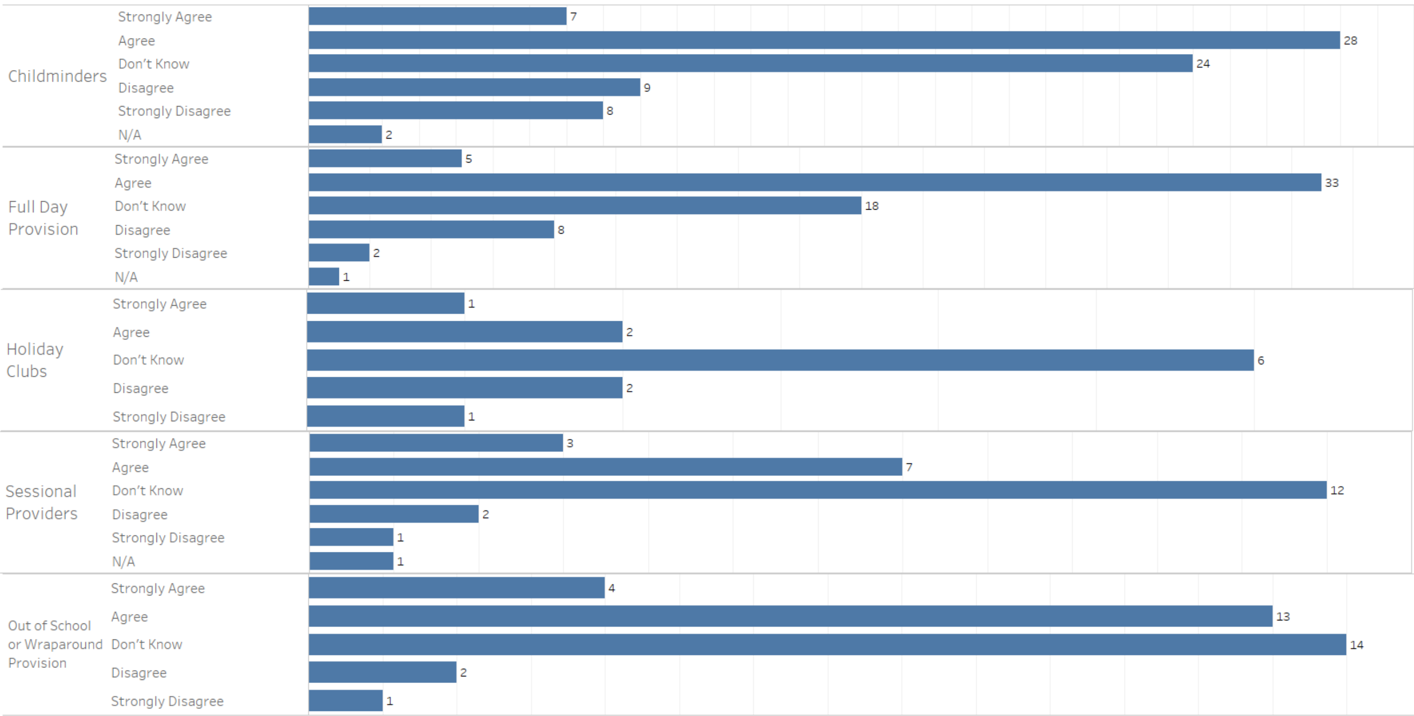


- More childminders reported that demand during the holidays, had decreased than increased.
- The most common responses from full day provision, sessional providers and out of school holiday provision were that demand stayed the same.
- More holiday clubs reported demand had decreased rather than increased.

The results show that demand for holiday childcare has varied across settings. The most frequent response was that demand has remained unchanged, however more providers reported reduced demand than reported increased demand. This may partly reflect covid related restrictions and changes in behaviour. Ongoing monitoring is required to establish whether demand for holiday care has significantly changed.

Expected Demand: Return to pre-pandemic levels?

Providers were asked the extent to which they agreed with statement ‘I expect childcare demand to return to pre pandemic levels during the next 12 months’. The table below shows the responses by provider type.

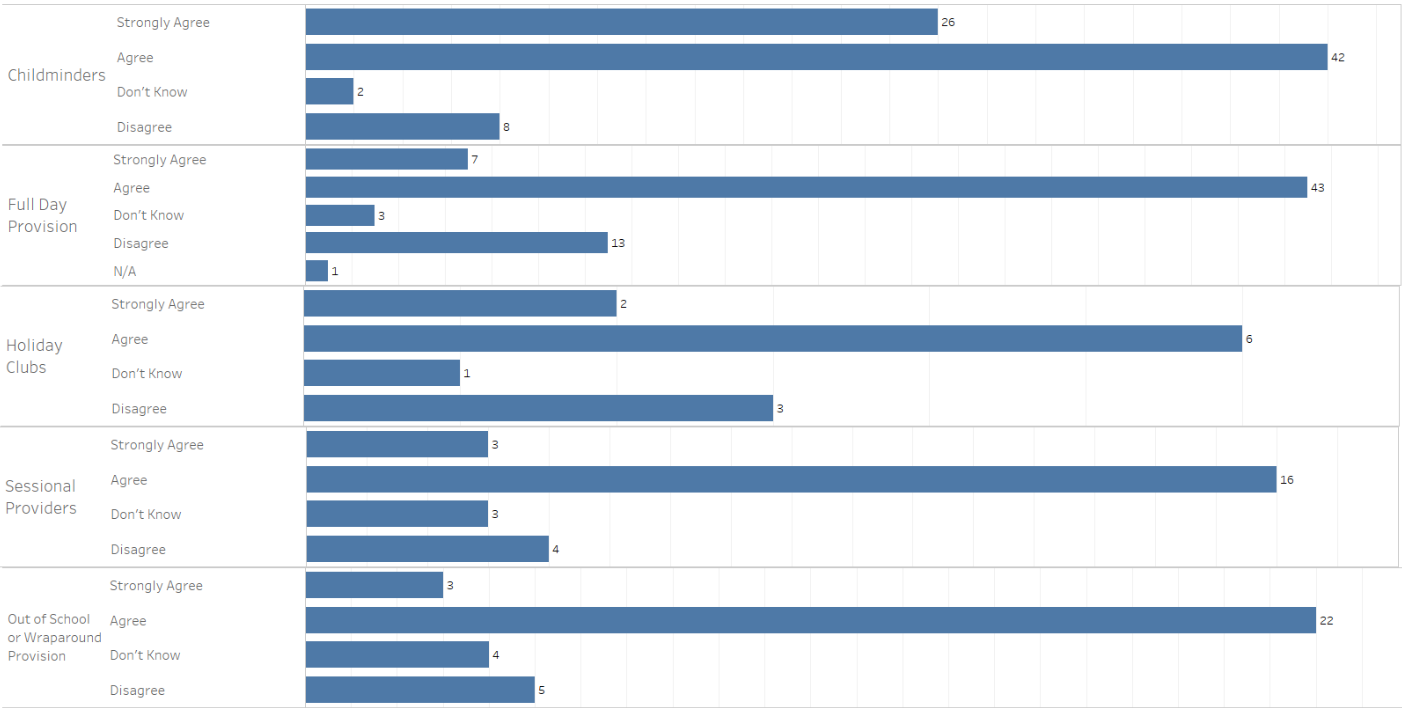


- The most common response for providers of Holiday Clubs, Sessional care and out of school care was “don’t know”.
- For Holiday Clubs, as many providers agreed as disagreed with the statement.
- For all other providers more agreed than disagreed.
- Responders from Childminders and Full Day provision were more likely to ‘agree’ than ‘not know’ or ‘disagree’.

Continued uncertainty exists about the future of demand for childcare, however only a minority of settings felt that demand would not return to pre Covid levels. This suggests that at the time of the questionnaire, the majority of providers were positive about future demand.

Changes in work patterns have changed demand for childcare.

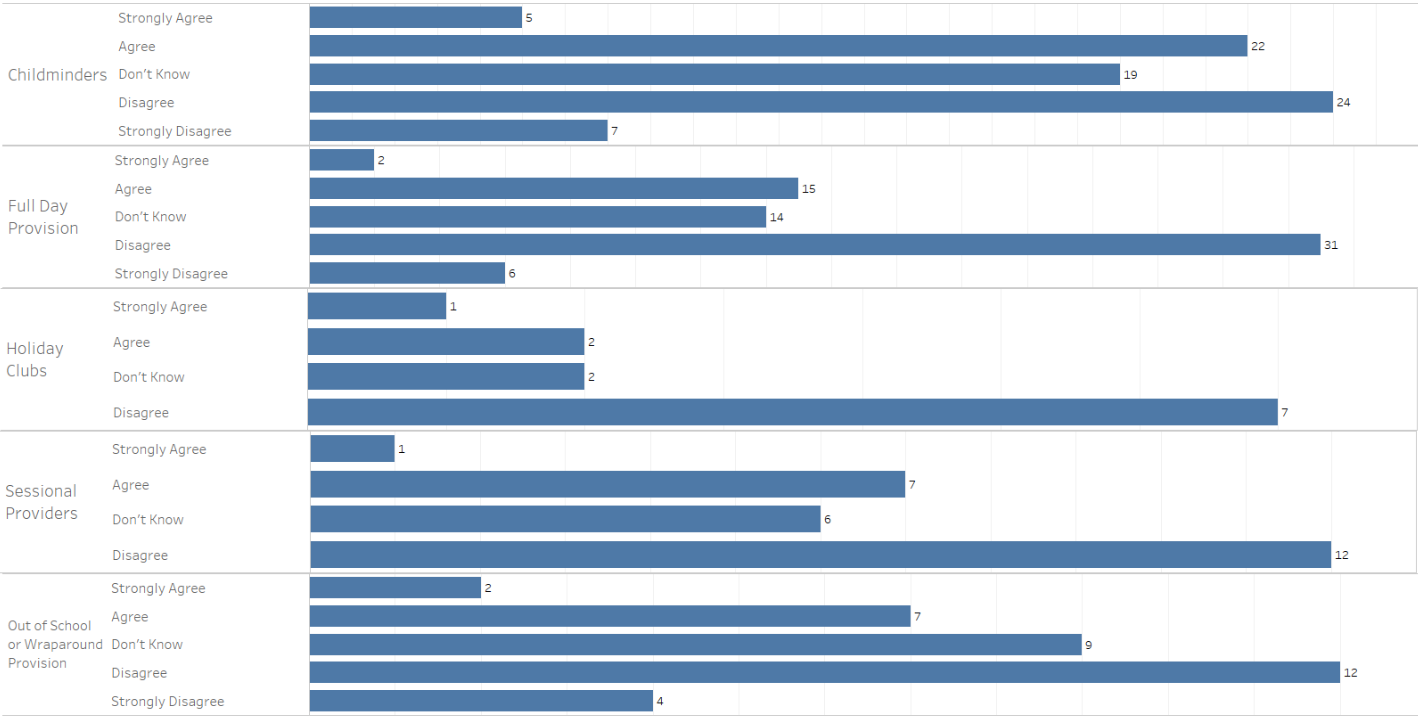
Providers were asked the extent to which they agreed with statement ‘The way families are working, following the pandemic, has changed demand for childcare’. The table below shows the responses by provider type.



There was a general consensus that changing work patterns have impacted upon the demand for childcare. It is important to understand the context in which providers were completing their survey. Government advice was for people to work from home where possible, which is likely to have shaped the results. The subsequent lifting of this advice may well result in different behaviours amongst families. The pandemic has clearly transformed working patterns for many families, however we cannot determine the extent to which these changes are permanent and will change demand for childcare in the longer term.

Families are less confident about using formal childcare as a result of the covid pandemic?

Providers were asked the extent to which they agreed with statement 'Families are less confident about using formal childcare as a result of the Covid pandemic'. The table below shows the responses by provider type.

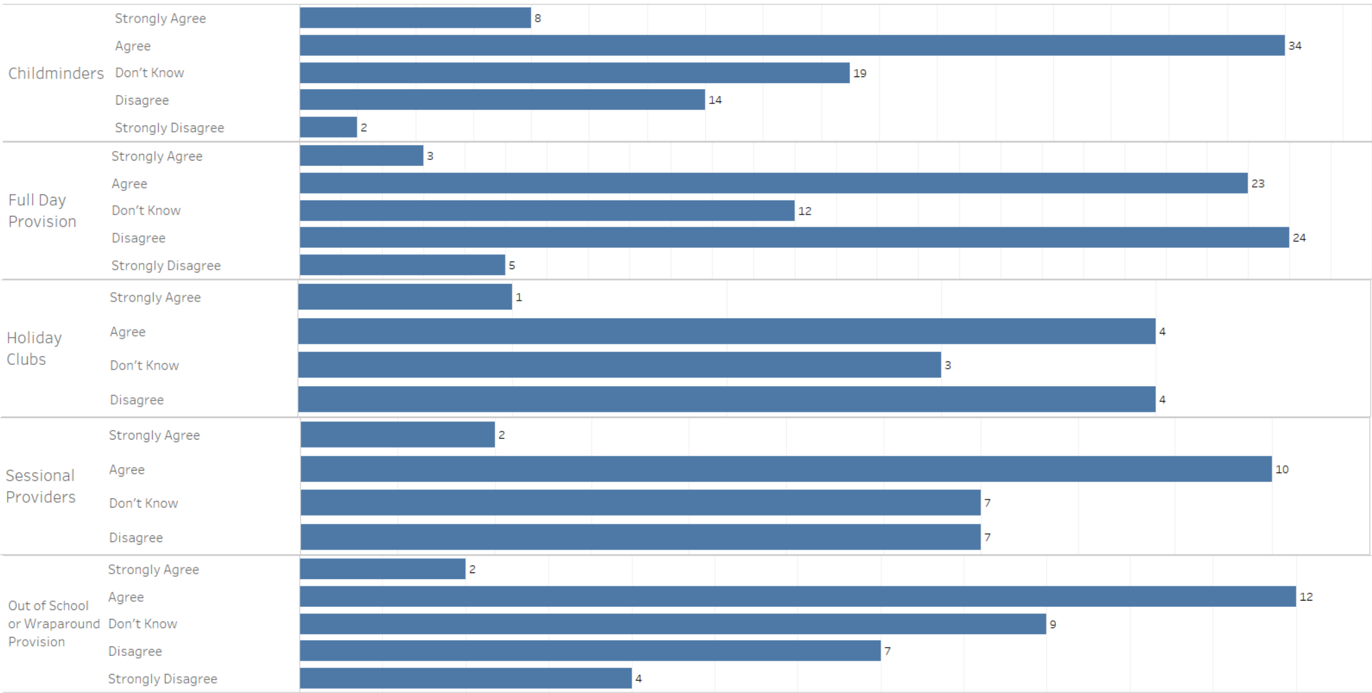


- Childminders are divided on this question, almost as many agree as disagree and 23% don't know.
- All other providers are more likely to disagree with this statement.

The majority of providers across all provider types disagree that parental confidence in childcare has been reduced by the pandemic, although a proportion believed it had negatively impacted upon provider perceptions. The results are a snapshot of perceptions during summer 2021. Parental confidence is likely to change over time to reflect the pandemic's progression.

Families are using more informal childcare as a result of covid-19?

Providers were asked the extent to which they agreed with statement ‘Families are using more informal childcare (i.e., family members / friends) as a result of Covid 19’. The table below shows the responses by provider type.



- The most common response from Childminders, Sessional Providers and Out of school provision was to agree with this statement.
- Holiday Clubs and Full Daycare Provision were more divided, with as many agreeing as disagreeing.

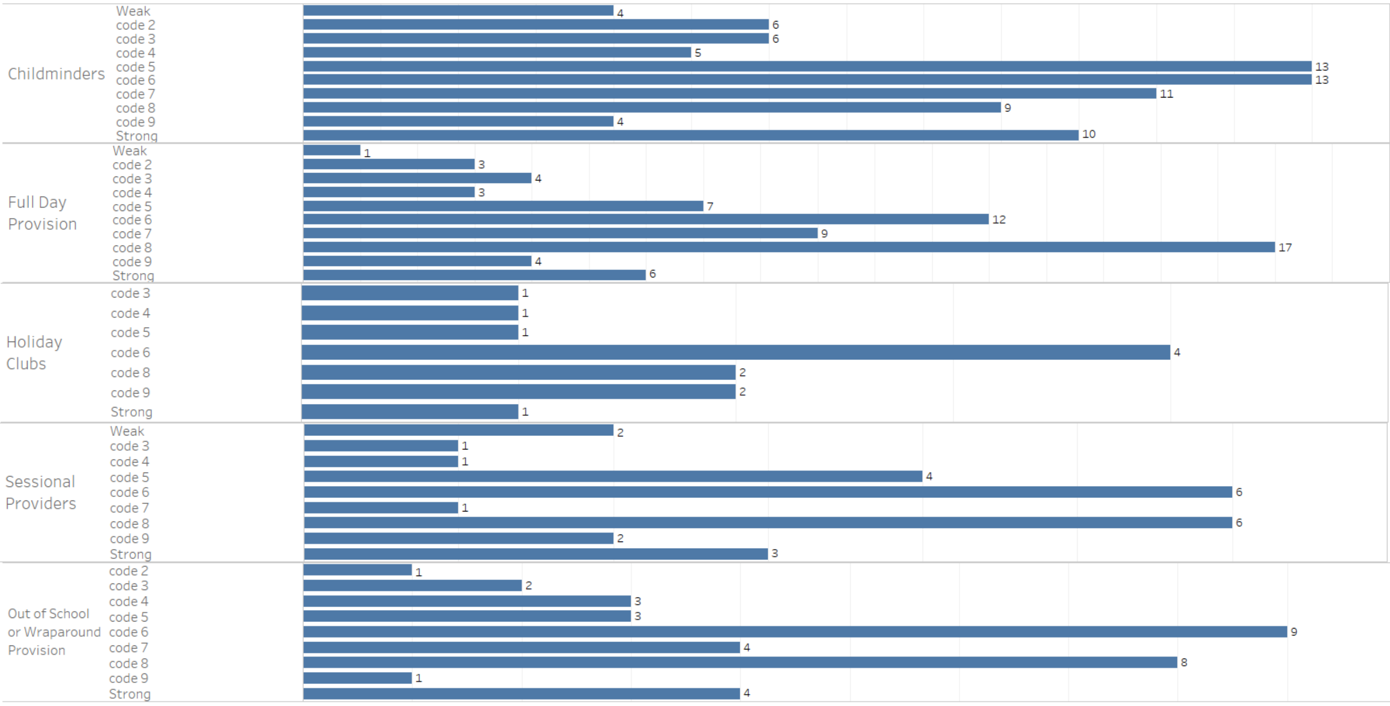
The results suggest that some parents and carers have made different childcare choices during the course of the pandemic, but the impact has varied across settings. It is unclear whether any shift to informal childcare represents a temporary solution for families, in the face of Covid-19 or a long term behavioural change.

Financial Sustainability

Providers were asked to rate their financial sustainability on a 10 point scale from 1 (weak) to 10 (strong). Average responses were:

Financial Sustainability	Average
Full day provision for early years children	6.56
Sessional early years provision	6.46
Out of school and / or wraparound provision	6.57
Childminding	5.95
Holiday activity club	6.67

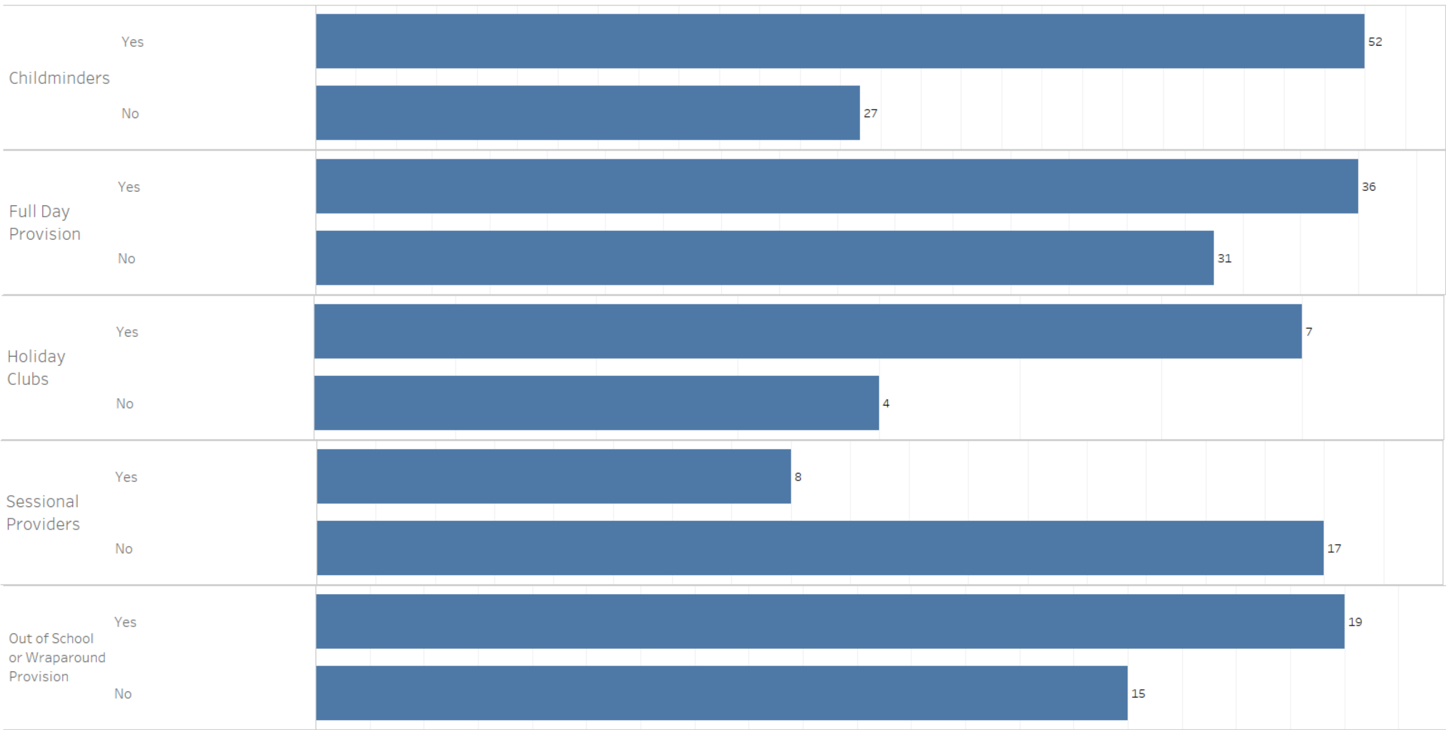
The table below shows responses broken down by provider type.



Financial sustainability varies across settings, once again highlighting that each setting faces unique challenges and has a different experience during the pandemic. A minority of settings report weak financial sustainability, with the greatest number of settings reporting poor financial sustainability amongst childminders. Overall financial sustainability appears to be reasonable, given the challenges facing the sector. A number of settings are however, reporting weaknesses that could potentially result in sufficiency issues. The local authority will need to continue monitoring the situation to ensure sufficient provision is available in the future.

Government or LA financial Support

Providers were asked if they have accessed any of the Government or local authority business support schemes?



- Only Sessional Providers were more likely to respond that they haven't accessed support.
- A sizable minority of all other providers have not accessed government or local financial support

The local authority promoted a range of local and national financial support to providers during the pandemic. The majority of providers have accessed one or more source of Covid related financial support, to support their sustainability. A significant proportion of respondents reported that they had not accessed local authority or Government support. The support available to childcare providers appears to have enabled providers to navigate the immediate challenges posed by Covid.

Anticipated levels of challenge

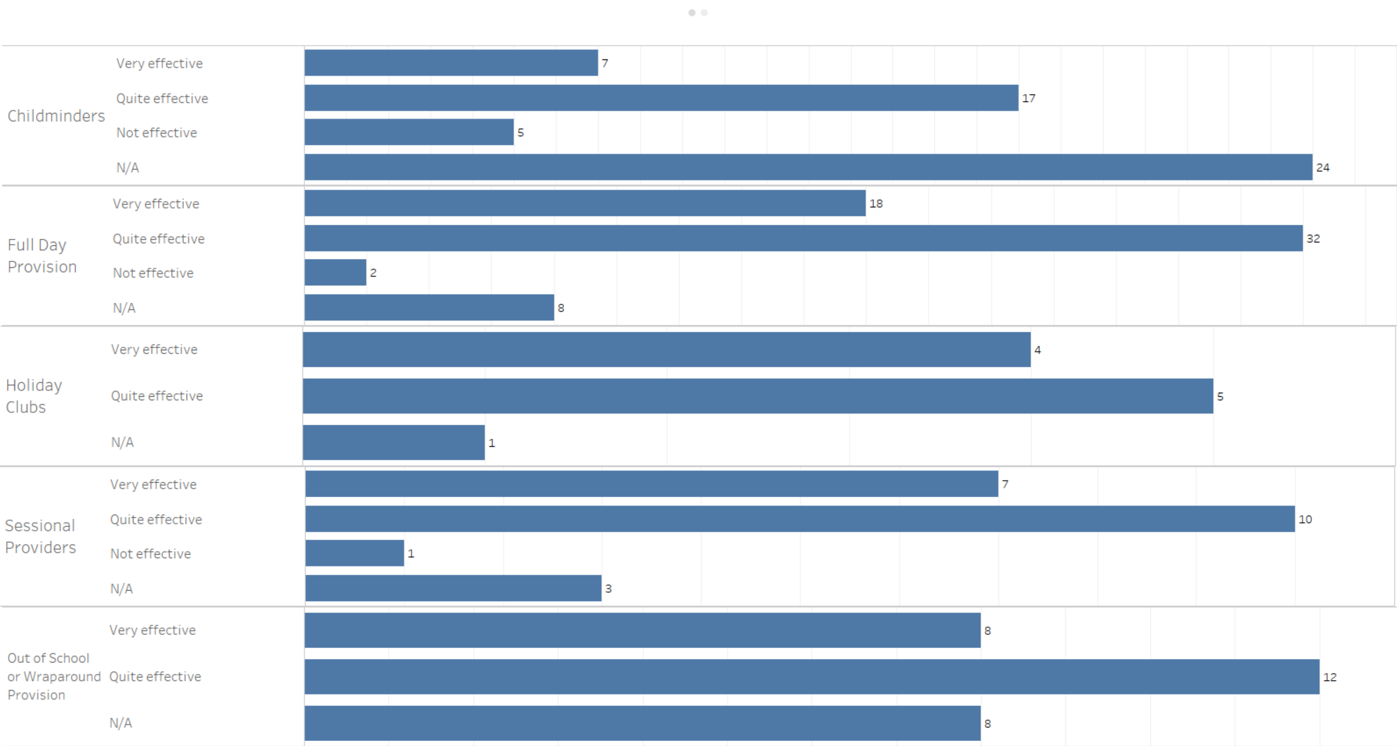
Providers were asked to rate levels of challenge expected for aspects of their business. Averages are shown below (1 = Not a challenge to 10 = Significant challenge):

Question	Childminders	Full Day Provision	Holiday Clubs	Out of School Provision	Sessional Providers
Ability of setting to meet families' need for childcare.	2.7	3.4	2.6	2.8	2.9
Availability of workforce.	2.4	5.6	5.3	4.2	4.9
Demand for childcare.	4.6	4.6	4.7	4.4	5.0
Government guidance relating to Covid-19.	3.8	5.1	5.2	5.2	6.0
Income / finances.	5.1	5.2	4.9	4.6	5.7
Increasing costs.	4.1	4.9	4.3	4.8	5.4
Meeting the needs of vulnerable children and their families.	2.6	3.6	2.0	2.3	3.6
Premises.	1.9	2.7	2.1	2.5	3.0
Protective equipment.	2.9	4.0	3.5	3.9	4.0
Restructuring the business.	2.4	3.9	3.9	3.4	4.2
Welfare and wellbeing of children.	2.5	3.5	2.7	3.0	3.4

- All types of providers are confident that they can meet the needs of families.
- Workforce is identified as a challenge for all group settings.
- All provider types see moderate challenge in meeting demand.
- All provider types see moderate challenge in income and increasing costs. Sessional Providers reporting the most challenge for both.
- All provider types are confident that they can meet the needs of vulnerable children.
- Similarly, no provider type foresees challenge around premises.
- All provider types other than Childminders expect moderate challenge with protective equipment and restructuring their businesses.
- The welfare and wellbeing of children is not seen as a significant challenge by most providers.

The local authority will have to continue monitoring the impact or workforce availability and rising costs upon childcare sufficiency.

Effectiveness of SEN Support



- Only 8 providers of any type responded that SEN support was not effective.
- Only 5 providers were not aware that the LA had an Early Years SENCO (not shown, Qu 11: 3 Childminders, 1 Full Day provider and 1 Sessional provider reported that they were unaware of the area SENCO)

The majority of providers who felt able to comment, found SEN support to be effective. This suggests that most providers are confident that they can access support that will enable children with low level and emerging SEN to access provision, particularly around the Government funded childcare entitlements.

Hourly Charges

Providers were asked about the hourly rates they charge for childcare.

Group	Question	Average	Minimum	Maximum
Childminders	Childminders: hourly charge	£4.52	£3.50	£5.75
Daycare Providers	hourly charge for early years daycare: Under 2s	£4.88	£3.00	£7.50
Daycare Providers	hourly charge for early years daycare: 2 year olds	£4.79	£2.50	£7.00
Daycare Providers	hourly charge for early years daycare: 3 & 4 year olds	£4.78	£3.00	£6.56
Holiday Activity Clubs	Holiday Clubs: hourly charge	£3.90	£2.30	£6.00
Out of School	Out of School: hourly charge	£4.93	£3.00	£6.00
Sessional early years provision	hourly charge for sessional early years childcare: Under 2s	£5.27	£3.40	£8.10
Sessional early years provision	hourly charge for sessional early years childcare: 2 year olds	£4.78	£2.83	£8.10
Sessional early years provision	hourly charge for sessional early years childcare: 3 & 4 year olds	£4.87	£2.83	£8.10

- Providers were asked to provide their hourly rates, dividing their daily rate by the typical session length where necessary.
- Some providers still only provided a daily rate and this has been converted based on their session length.
- Some providers provided a range of rates, the minimum rate has been used to calculate the table above.

The reported average remains affordable across all provider types and age groups but there is significant variation in the hourly rates charged by providers. A range of process can ensure that the market is able to meet the needs of different families.

Age Range for provision

Childminders, Holiday Clubs and Out of School clubs were asked to provide their age ranges.

Group	Question	Min	Max
Childminders	Minimum age	0	16
Childminders	Maximum age	0	16
Holiday Activity Clubs	Minimum age	0	4
Holiday Activity Clubs	Maximum age	5	15
Out of School	Minimum age	0	5
Out of School	Maximum age	4	16

All provider responses have been converted to decimal age.

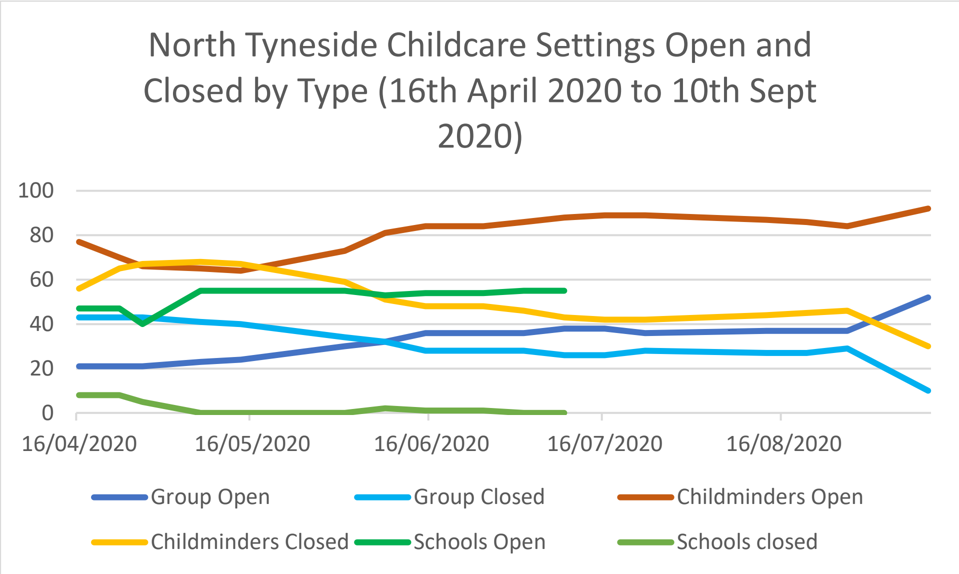
The following provider types were also asked about the start and finish time of their provision.

Question	Mode	Min	Max
Childminders: Start	07:30:00	06:00:00	11:00:00
Childminders: Finish	18:00:00	14:45:00	18:30:00
Holiday Club: Start	08:00:00	07:30:00	09:00:00
Holiday Club: Finish	18:00:00	16:00:00	18:00:00
Out of School: Before school session: Start	07:30:00	06:45:00	08:10:00
Out of School: Before school session: Finish	09:00:00	08:30:00	09:00:00
Out of School: After school session: Start	15:15:00	11:30:00	15:30:00
Out of School: After school session: Finish	18:00:00	06:00:00	18:30:00

Providers have a range of start and finish times that can meet the needs of families. None of the respondents provide evening childcare beyond 18:30.

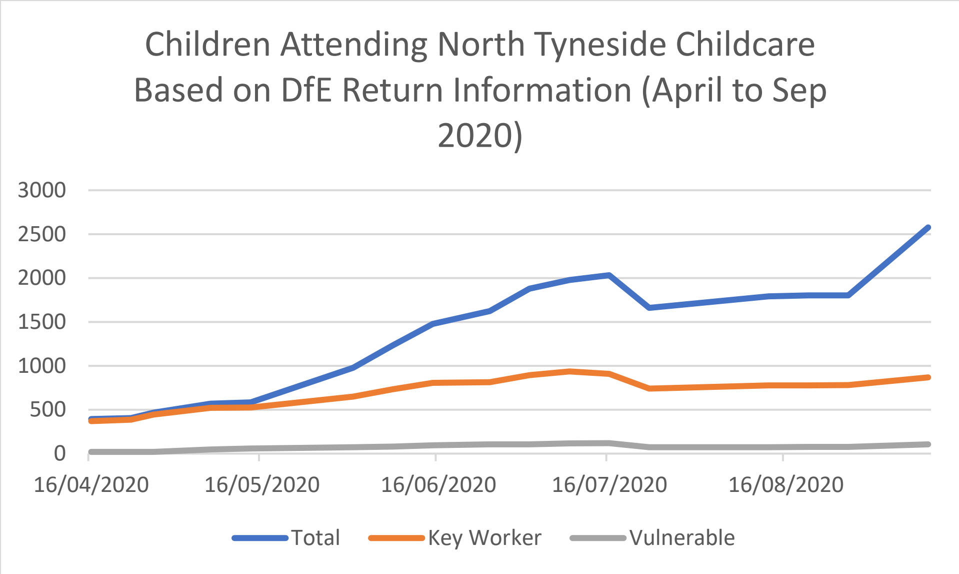
North Tyneside Covid Response

In March 2020, as part of the national lockdown measures, the Government announced that attendance at early years childcare provision would be limited to vulnerable children and the children of critical workers. The majority of early years providers (including schools) in North Tyneside reported that they remained open to care for children during lockdown, providing care for those in greatest need and key worker families. A majority of private, voluntary and independent providers including childminders closed during the early part of the lockdown (see graph below). Nationally on the 16th of April 2020, 52% of settings reported that they were closed, 32% were open and the status of 12% was unknown. All group settings and the overwhelming majority of childminders reported that they had reopened at the start of autumn term 2020.



Reported Childcare Attendance

In mid-April 2020 childcare settings reported that less than 400 children were attending childcare places (including school nurseries), which mainly comprised key worker children. This number steadily rose, until the full reopening of childcare to all families in June 2020, which resulted in numbers increase more rapidly, as more families were allowed to access childcare.



The local authority, in line with Government guidance, funded childcare providers as normal during the initial national lockdown, supporting their financial sustainability. The local authority funded providers based on their autumn 2020 or autumn 2019 attendance depending on which figure was higher.

The Early Years Commissioning Team signposted providers to the national financial support schemes available to businesses and childcare providers during the lockdown period.

The local authority administered a range of support that could be accessed by eligible childcare providers. These included:

North Tyneside Council Discretionary Grant The Discretionary Grant Fund supports small and micro businesses that are not eligible for other grant schemes.

Small Business Grant The Small Business Grant Scheme supports small businesses that already pay little or no business rates because of small business rate relief (SBRR). Eligible properties receive a one-off grant of £10,000.

Business Rate Holiday a 100% business rates holiday for many nurseries in England for the 2020 to 2021 tax year.

Early Years Entitlements for Eligible 2, 3 and 4 Year Olds

2 Year Old Entitlement

The two year old entitlement provides eligible children with 15 hours of free childcare a week, for 38 weeks (a maximum entitlement of 570 hours). Eligibility is based on a series of economic and non-economic criteria. The two year old offer supports some of the most disadvantaged children. It is therefore important that eligible children can take up their entitlement, in high quality provision within their local communities. This section considers whether North Tyneside's has sufficient childcare to ensure eligible 2 year olds can take up their funded entitlement.

2 Year Old % Uptake (Jan census)

The table below shows the percentage uptake of the 2 year old entitlement between 2018 and 2021, the figures are based on the annual early years census in January.

	2018	2019	2020	2021
North Tyneside	85%	84%	85%	81%
North East	84%	82%	83%	75%
England	72%	68%	69%	62%

The proportion of eligible 2 year olds accessing their funded childcare entitlement decreased between 2020 and 2021. This may in part reflect lockdown regulations that were introduced in early January 2021, just before the annual census. North Tyneside continued to exceed the regional and national averages, which saw a greater fall in the proportion of children accessing their 2 year old entitlement.

North Tyneside - 2 Year Old Actual Number

The table below shows the actual number of children accessing their 2 year old entitlement broken down by the eligibility criteria through which they applied for the funding.

	2018	2019	2020	2021
Economic criteria	590	591	564	525
High level Special Educational Needs or disability	11	11	12	18
Looked after or adopted from care	23	33	36	33
Total	622	632	607	573

The overwhelming majority of eligible 2 year olds access their 2 year old entitlement under the economic criteria. The number of children accessing the entitlement through economic criteria has fallen since 2019. The number who qualify for the entitlement due to high level special educational needs of disabilities increased from 12 in 2020 to 18 in 2021. The number children who are looked after or adopted from care has reduced slightly to 33, from 36 the previous year.

Number and Percentage of Children Accessing Their 2 Year Old Entitlements by Ofsted Grade of Provider (2021 Census)

Access to high quality childcare places is particularly important during the critical early years of a child's life. The table below shows the breakdown of children attending 2 year old entitlement places by the Ofsted rating of the provider.

	Outstanding	Good	Requires Improvement	Inadequate
2 Year Old - Number	129	357	0	0
2 Year Old - %	27%	73%	0%	0%

All children are accessing their 2 year old entitlement in North Tyneside setting rated ‘good’ or ‘outstanding’ by Ofsted, ensuring funded 2 year old children enjoy high quality childcare.   A number of 2 year olds receive their entitlement in settings that were awaiting an Ofsted inspection.

SEN - 2 Year Old Extended Entitlement

North Tyneside has a range of support available for funded 2 year old children with special educational needs. This includes Early Years Inclusion Fund and the Early Years SENCO. The table below shows the number and proportion of children accessing their Government funded entitlements between 2018 and 2021.

	2018	2019	2020	2021
EHC Plans - Number of children	0	5	0	1
EHC Plans - % of total funded children	0%	0.8%	0%	0.2%
SEN Support – Number of children	11	11	14	17
SEN Support – % of total funded children	1.8%	1.7%	2.3%	3%
All SEN Children - Number	11	16	14	18
All SEN Children –	1.8%	2.5%	2.3%	3.1%

The total number of funded 2 year old children receiving special educational needs support increased from 14 in 2020 to 18 in 2021.

The table below shows how the percentage of children accessing their 2 year old entitlement with SEN in North Tyneside compares with the England average.

	North Tyneside 2021	England Ave 2021
Funded 2 Year Olds with EHC Plans - % of total funded children	0.2%	0.6%
Funded 2 Year Olds with SEN Support – % of total funded children	3%	2.9%
All funded 2 year olds receiving SEN support as % of total funded children	3.1%	3.5%

The proportion of children taking up their extended entitlement who receive SEND support is broadly in line with the national average.

Table showing 'Percentage and Number of 2 Year Old funded Children by Hours Per Week for All providers and maintained schools (2021)

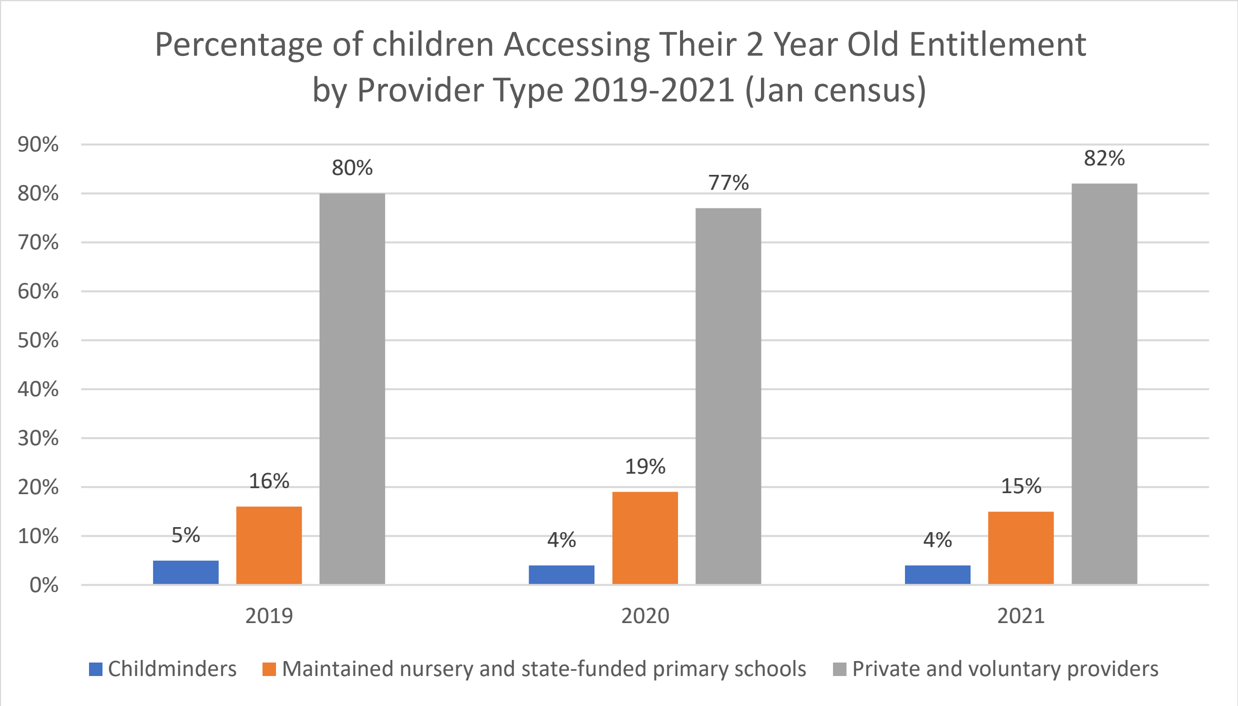
The table below shows the number of hours taken by children accessing their 2 year old entitlement at the January 2021 census in North Tyneside and compared to the North East and England averages.

	North Tyneside	North East	England
12.51 to 15.00 hours	96%	97.40%	88.40%
10.01 to 12.50 hours	0.50%	1.60%	6.80%
5.01 to 10.00 hours	3.50%	1%	4.30%
0.01 to 5.00 hours	0%	0%	0.40%

Almost all eligible 2 year old children in North Tyneside take up 12.5 - 15 hours of their entitlement each week. This suggests there is sufficient childcare for families to access their full entitlement should they wish.

2 Year Old Entitlement – Percentage Take up by Provider

The table below shows the percentage take up of universal 3 and 4 year old places by provider type between 2019 and 2021. The figures are based upon the January census figures.



The percentage of eligible children accessing their entitlement in private and voluntary sector provision increased to 82% in 2021, compared to 77% the previous year. Maintained nursery schools and state funded primary schools provided 15% of 2 year old places in 2021, a reduction from 19% the previous year. The 2021 census figures may be impacted by the lockdown, which may have potentially had an impact upon take up of places in school based early years placements. The local authority will continue to monitor the uptake of school based 2 year old places.

2 Year Old Entitlement Uptake by Ethnicity

The table below shows a breakdown of children accessing their 2 year old entitlement by ethnicity.

	2 Year Old - number	2 Year Old - % of total
Asian	6	1%
Black	4	1%
Mixed	12	2%
White	493	86%
Other	3	0.5%
Refused / not obtained	55	9.5%
Total Children	573	

The ethnicity of the majority of children accessing their funded childcare entitlements is ‘white’, across each of the entitlements.

Universal 3 & 4 Year Old Entitlement

All 3 and 4 year olds are eligible for 15 hours of free childcare a week, for 38 weeks a year, which is equivalent to a maximum annual entitlement of 570 hours.

Number of Children Accessing the Universal 3 and 4 Year Old Entitlement

The table below shows the number of children accessing their universal 3 and 4 year old entitlement at the January census, in the years 2018 to 2021.

	2018	2019	2020	2021
Universal	4,698	4,603	4,541	4,484

The total number of children accessing the entitlement has declined year on year since 2018. The total number of children accessing their entitlement was 4.6% lower in 2021 than it was in 2018. Reducing numbers of eligible children may have implications on the sustainability of some settings in the medium term.

Universal 3 & 4 Year Old Entitlement - % Uptake (Jan census)

North Tyneside has achieved high levels of take up for the universal 3 & 4 year old entitlement over a number of years. The table below shows the percentage of eligible 3 and 4 year olds accessing their universal 15 hour entitlement in North Tyneside at the January census, between 2018 and 2021.

	2018	2019	2020	2021
North Tyneside	101%	99%	97%	98%
North East	99%	98%	98%	95%
England	94%	93%	93%	88%

The percentage of eligible children accessing their entitlement remained high in 2021, despite the reintroduction of lockdown regulations in January 2021. North Tyneside experienced a small increase in take up from 97% in 2020 to 98% in 2021. The percentage uptake at national and regional level declined during the same period. This suggests that North Tyneside has sufficient childcare to meet the needs of families wishing to access

SEN - 3 & 4 Year Old Universal Entitlement

North Tyneside has a range of support available for 3 and 4 year olds with SEN, such as the Early Years Inclusion Fund, Disability Access Fund and Early Years SENCO. The table below shows the number and proportion of children accessing their Government funded entitlements between 2018 and 2021.

	2018	2019	2020	2021
EHC Plans - Number of children	15	23	42	46
EHC Plans - % of total funded children	0.3%	0.5%	0.9%	1%
SEN Support – Number of children	332	307	300	275
SEN Support – % of total funded children	7.1%	6.7%	6.6%	6.1%
All SEN Children - Number	347	330	342	321
All SEN Children – % of total funded children	7.4%	7.2%	7.5%	7.2%

The number of children with special educational needs accessing their 3 and 4 year old universal entitlement decreased from 342 in 2020 to 321 in 2021. The number of children accessing their entitlement with an EHC Plan increased from 42 in 2020 to 46 in 2021, but the number of children accessing SEN support declined from 300 to 275.

The proportion of children taking up their universal entitlement who receive SEND support is broadly in line with the national average, as shown in the table below.

	North Tyneside 2021	England Ave 2021
Funded Universal Entitlement 3 & 4 Year Olds with EHC Plans - % of total funded children	1%	1%
Funded Universal Entitlement 3 & 4 Year Olds with SEN Support – % of total funded children	6.1%	5.3%
All Universal funded 3 & 4 year olds receiving SEN support as % of total funded children	7.2%	6.6%

Percentage of Children Accessing Their Universal 3 & 4 Year Old Entitlement by Ofsted Grade of Provider (2021 Census)

High quality childcare can support children's development during the early years. The table below shows the breakdown of children attending universal 3 & 4 year old entitlement places by the Ofsted rating of the provider.

	Outstanding	Good	Requires Improvement	Inadequate
Universal 3 & 4 Year Olds Year Old - %	35%	63%	3%	0%

Almost all children access their universal 3 and 4 year old entitlement in provision rated 'good' or 'outstanding' by Ofsted. North Tyneside has sufficient high quality childcare to meet the needs of children accessing their universal 3 and 4 year old entitlement.

Universal 15 Hour Entitlement Uptake by Ethnicity

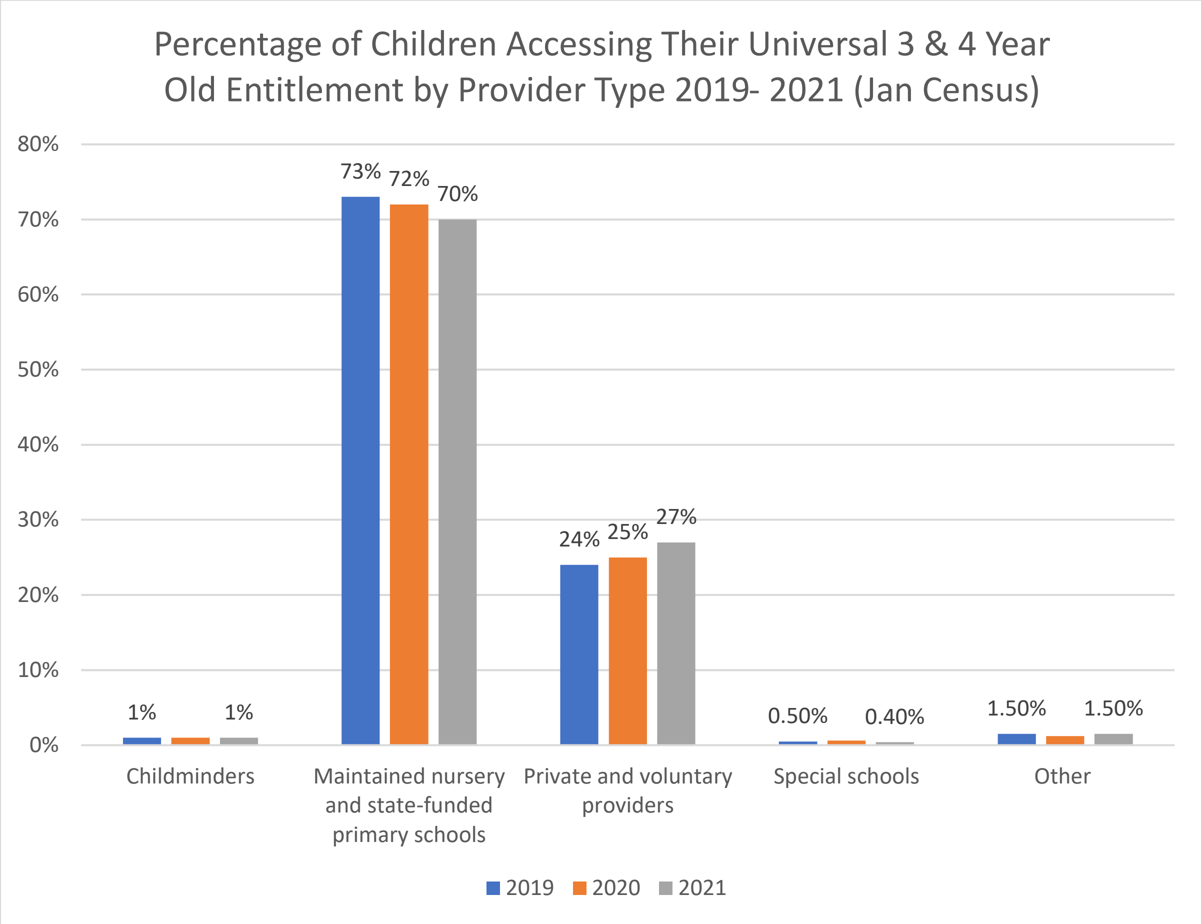
The table below shows the ethnicity of children taking their universal 3 and 4 year old entitlement.

	Universal 3&4 Year Old – number	Universal 3&4 Year old – % of total
Asian	116	2.5%
Black	28	0.5%
Mixed	147	3%
White	4068	91%
Other	46	1%
Refused / not obtained	79	2%
Total Children	4484	

The ethnicity of the majority of children accessing their funded childcare entitlements is 'white', across each of the entitlements.

3 and 4 Year Old Universal Entitlement – Percentage Take up by Provider

The graph below shows the percentage take up of the universal 3&4 year old entitlement by provider type.



The majority of children continue to access their universal 3 and 4 year old entitlement in maintained nursery and state funded primary schools. The proportion has declined slightly from 73% in 2019 to 70% in 2021. The private and voluntary sector has increased the proportion of 3 and 4 year olds they deliver the universal entitlement to from 24% in 2019 to 27% in 2021. The figures are based on January 2021 census data, which was carried out during a period of lockdown restrictions. It is not clear whether this has impacted upon early years uptake at schools or whether there is a growing demand for private and voluntary based universal childcare places.

Extended Entitlement for 3 & 4 Year Olds

The 30 hours free childcare entitlement is available to eligible working families of 3 and 4 year olds in England. It provides an additional 15 hours, in addition to the universal entitlement. This section assesses North Tyneside childcare market's ability to meet parental demand for the 30 hour entitlement by considering the number of 30 hours providers, and places, their quality and location.

Number of Children Accessing the Extended 3 and 4 Year Old Entitlement

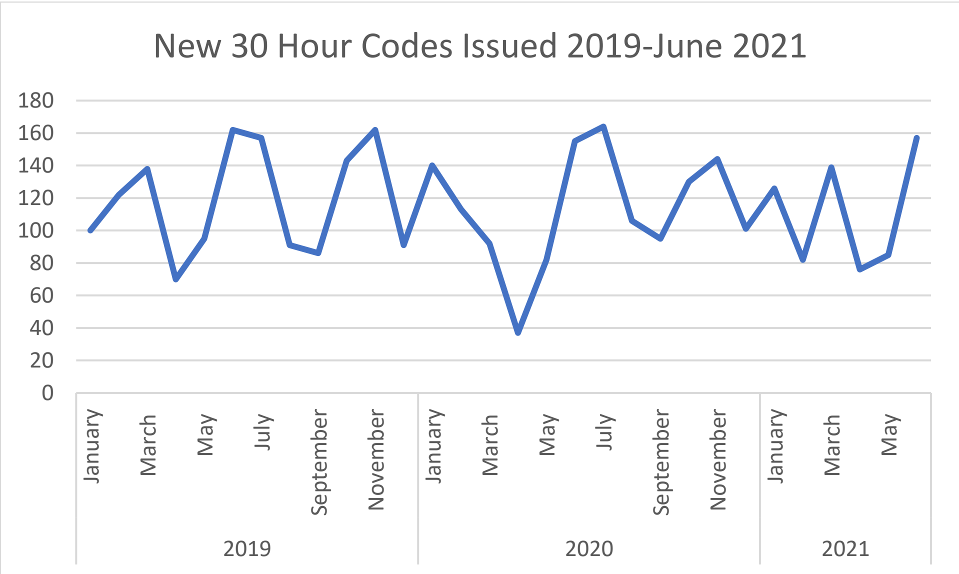
The table below shows the number of children accessing their extended 3 and 4 year old entitlement at the January census, in the years 2018 to 2021.

	2018	2019	2020	2021
Extended	1,390	1,500	1,561	1,493

The number of children accessing their extended entitlement declined by 4.4% between 2020 and 2021.

30 Hour Codes Issued

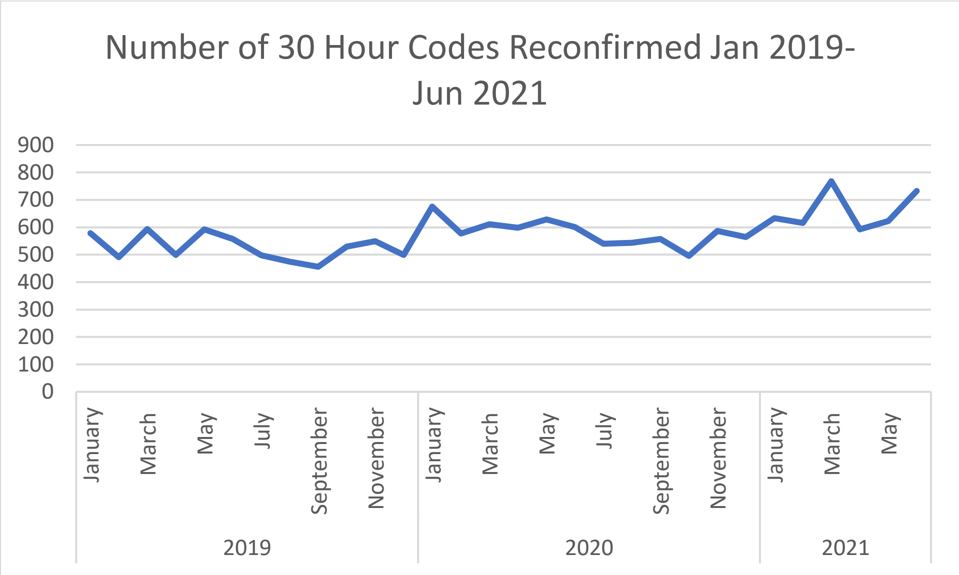
The table below shows the number of 30 hour codes issued by the Eligibility Checking Service from Jan 2019 to May 2021.



The figures show that there was a significant drop in 30 hour codes issued during the first lockdown period. Childcare was only open to vulnerable and keyworker children during this period. Childcare remained open during the subsequent lockdown periods in November 2020 and January 2021, the number of codes issued returned to pre pandemic levels once the first lockdown ended. This suggests that the pandemic and its potential impact upon the economy have not significantly reduced eligibility or demand for the extended entitlement to date.

30 Hour Codes Reconfirmed

Parents eligible for the 30 hours entitlement are required to update their code every 3 months to retain their eligibility. The table below shows the number of codes reconfirmed each month between January 2019 and May 2021.



The number of 30 hour codes reconfirmed has not been significantly impacted upon by the pandemic. In 2019 there were 6,318 reconfirmations, compared to 7,038 during 2020. Reconfirmations continued to rise in 2021. This suggests that most families retained their eligibility with the intention of accessing childcare.

Percentage of Children Accessing Their Extended 3&4 Year Old Entitlement by Ofsted Grade of Provider (2021 Census)

Parents and carers want to access the extended entitlement in high quality provision. The table below shows the breakdown of children attending extended 3 & 4 year old entitlement places by the provider's Ofsted rating.

	Outstanding	Good	Requires Improvement	Inadequate
Universal 3 & 4 Year Olds Year Old - %	37%	61%	2%	0%

Almost all children access their extended 3 and 4 year old entitlement in provision rated 'good' or 'outstanding' by Ofsted. North Tyneside has sufficient high quality childcare to meet the needs of children accessing their extended 3 and 4 year old entitlement.

SEN - 3 & 4 Year Old Extended Entitlement

The number of children with special educational needs accessing their 3 and 4 year old extended entitlement reduced from 47 in 2020 to 36 in 2021 in 2021. The number of children accessing their entitlement with an EHC Plan increased, but the number of children accessing SEN support declined from 44 to 31.

	2018	2019	2020	2021
EHC Plans - Number of children	0	3	3	5
EHC Plans - % of total funded children	0%	0.2%	0.2%	0.3%
SEN Support – Number of children	32	41	44	31
SEN Support – % of total funded children	2.3%	2.7%	2.8%	2.1%
All SEN Children - Number	32	44	47	36
All SEN Children –	2.3%	2.9%	3%	2.4%

The proportion of children taking up their extended entitlement who receive SEND support is broadly in line with the national average.

	North Tyneside 2021	England Ave 2021
Funded Extended Entitlement 3 & 4 Year Olds with EHC Plans - % of total funded children	0.3%	0.4%
Funded Extended Entitlement 3 & 4 Year Olds with SEN Support – % of total funded children	2.1%	2.4%
All extended funded 3 & 4 year olds receiving SEN support as % of total funded children	2.4%	2.8%

Extended 3 and 4 Year Old Entitlement Uptake by Ethnicity

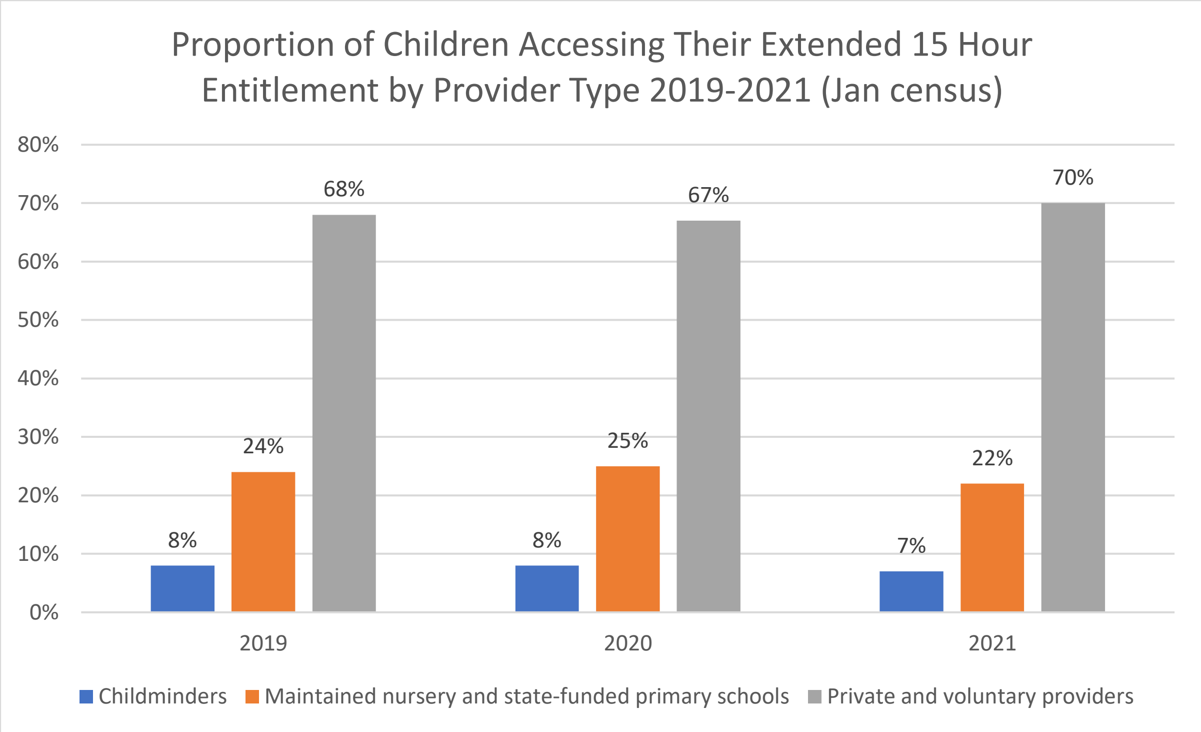
The table below shows the ethnicity of children taking up their extended 3 and 4 year old entitlement.

	Extended 3&4 Year old – number	Extended 3&4 Year Old – % of total
Asian	20	1.3%
Black	5	0.3%
Mixed	39	3%
White	1375	92%
Other	7	0.4%
Refused / not obtained	47	3%
Total Children	1493	

The majority of children accessing their extended entitlement are classed as 'white' under the 2021 census information.

3 and 4 Year Old Extended Entitlement – Percentage Take up by Provider

Extended places are delivered across a range of provider types, including a significant school based offer, however the dominant sector has been the private and voluntary sector.



The percentage of eligible children accessing their entitlement in private and voluntary sector provision increased to 70% in 2021, from 67% the previous year. Maintained nursery schools and state funded primary schools provided 22% of extended entitlement places in 2021, compared to 25% in 2020. The figures are based on the January 2021 census figures, during which time lockdown restrictions were in place. While the guidance was for early years providers to remain open, school age attendance was limited to vulnerable and keyworker children, this may have impacted upon early years school attendance during the period.

Summary of Findings

The Covid pandemic has highlighted the importance of childcare to North Tyneside's families. During the first lockdown, early years providers supported vulnerable children and enabled key workers to continue working. The early years sector has remained open during subsequent lockdowns, enabling families to work, and supporting the development of children during their formative years. The childcare sector has faced many challenges during this period but have continued to support children and families. This childcare sufficiency statement provides a snapshot of sufficiency during summer 2021, where the Covid pandemic continued to shape the childcare market.

Supply
Covid has impacted each childcare provider differently, with some settings and sectors (i.e., out of school providers) being particularly hard hit. Overall, the borough has maintained a diverse and comprehensive childcare offer, with the quality of provision high. The Holiday Activities and Food Programme (HAF) has complemented the borough's childcare offer. However, the pandemic's full impact may only be fully understood in the longer term. A minority of settings reported that they were concerned about their financial sustainability and were concerned about future demand for childcare. Staffing is an issue across group providers, and it remains unclear whether parental working patterns seen during the pandemic will lead to long term changes in demand for childcare. Workforce and rising costs are seen as significant challenges by providers and are likely to remain issues in the immediate term. All these factors may impact upon sufficiency in the longer term. The local authority will closely monitor provider numbers to ensure continued choice and sufficiency of childcare for families, with particular emphasis on out of school provision.

Demand
The demographic information suggests demand is likely to remain static or decline slightly in the short to medium term. This may help with sufficiency in the immediate term but could ultimately result in reduced capacity as the market adjusts to changes in demand. The highest demand for formal childcare is likely to continue being concentrated in the coastal areas, although demand exists across every ward. The impact of new house developments in the borough may alter the geographic distribution of demand at a local level, but will not necessarily result in significant additional demand. The proportion of eligible children taking up their funded early years entitlements remains high, although the number of children declined slightly in 2021. The majority of children access their government funded entitlement in high quality provision. Childcare providers responding to the North Tyneside Childcare Sufficiency Survey displayed overall confidence that demand for childcare would return. It will be important for the local authority to continue monitoring demand for paid provision and government funded childcare entitlements as we progress beyond the pandemic. The local authority will continue to promote the support available to families to help them meet the cost of childcare.

SEND
The quality of childcare provision is high and most children access their early years entitlements in settings rated 'good' or 'outstanding' by Ofsted. Support to enable early years children with low level and emerging SEN to access childcare, is established and effective. The joint area SEND inspection in North Tyneside, Nov 2021 found that 'early years providers receive highly effective specialist support' and 'are confident in using a graduated response to help identify emerging needs and support the children and young people in their care'. The local authority and its partners will continue working to ensure children are able to access high need

provision, where appropriate. The local authority will review support for SEND children and their families, accessing childcare.

Conclusion

Overall, the childcare sector is in a state of flux, as it emerges from the pandemic. North Tyneside retains a strong network of providers able to deliver high quality places, despite the turbulence it has experienced since March 2020. The local authority will continue to support and engage the sector, to help it meet the challenges of the future and support the needs of families. The pandemic's impact on the sector in the longer term will be monitored to ensure North Tyneside maintains sufficient childcare to meet the needs of our families.

North Tyneside continues to have sufficient childcare provision to allow eligible families to take up their funded childcare entitlements and meet the needs of working parents.