

CHILDCARE SUFFICIENCY ASSESSMENT

2021 – 2022

This document provides a review of the sufficiency of early years education in Derbyshire.

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Childcare Sufficiency Assessment

2021-2022

1. INTRODUCTION

- 1.1 The last 20 months have seen unprecedented times for the UK population and, indeed the rest of the world, as the COVID-19 pandemic has taken hold. The implementation of three national lockdowns has undoubtedly changed the economy and the childcare industry as a part of this.
- 1.2 As a result the childcare market is in a dynamic state of flux, the external employment market, the internal childcare workforce, parental preferences and the economy are all highly fluid at present and it is not known when or if the market will return to something similar to the pre-COVID and pre-BREXIT position.
- 1.3 It is expected that the childcare market will continue to change in various ways, creating new challenges for local authorities in meeting their childcare sufficiency duty. These challenges are significant due to uncertainty and change across the market's supply and demand.
- 1.4 Whilst the pandemic is by no means over, with the vaccination programmes and wider testing available it is hoped that we will not return to the conditions we experienced throughout the three lockdowns. The purpose of this report is to evaluate the current childcare market in Derbyshire, in light of the changes brought by the pandemic and attempt to identify where there may be issues and what can be done to mitigate these.
- 1.5 The childcare sufficiency duties outlined in the government's statutory guidance remain the same, but the childcare market is likely to have changed and adapted to the changing situation throughout the pandemic.

2. THE CHILDCARE DUTY

- 2.1 The statutory duty under sections 6, and 7 of the Childcare Act 2006 requires the local authority 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 years for disabled children).

2.2 The local authority must report annually to elected members and make this report available and accessible to parents. The report should include specific information about:

- How the local authority is ensuring there is sufficient childcare to meet needs of parents
- Supply and demand of childcare, affordability, accessibility and quality of childcare provision
- Details of how any gaps in childcare provision will be addressed.

2.3 Whilst the production of the report remains a statutory duty local authorities are responsible for determining the appropriate level of detail in their report, therefore this report focusses primarily on the impact that COVID-19 may have on the early years free entitlements for two, three and four year olds.

2.4 As this is a changing market, the data in this report can only provide a snapshot and can change on a daily basis. While Derbyshire County Council believes this information to be correct, it does not guarantee its accuracy nor does the Council accept any liability for any direct or indirect loss or damage or other consequences arising from the use of such information supplied.

3. DEMAND FOR CHILDCARE

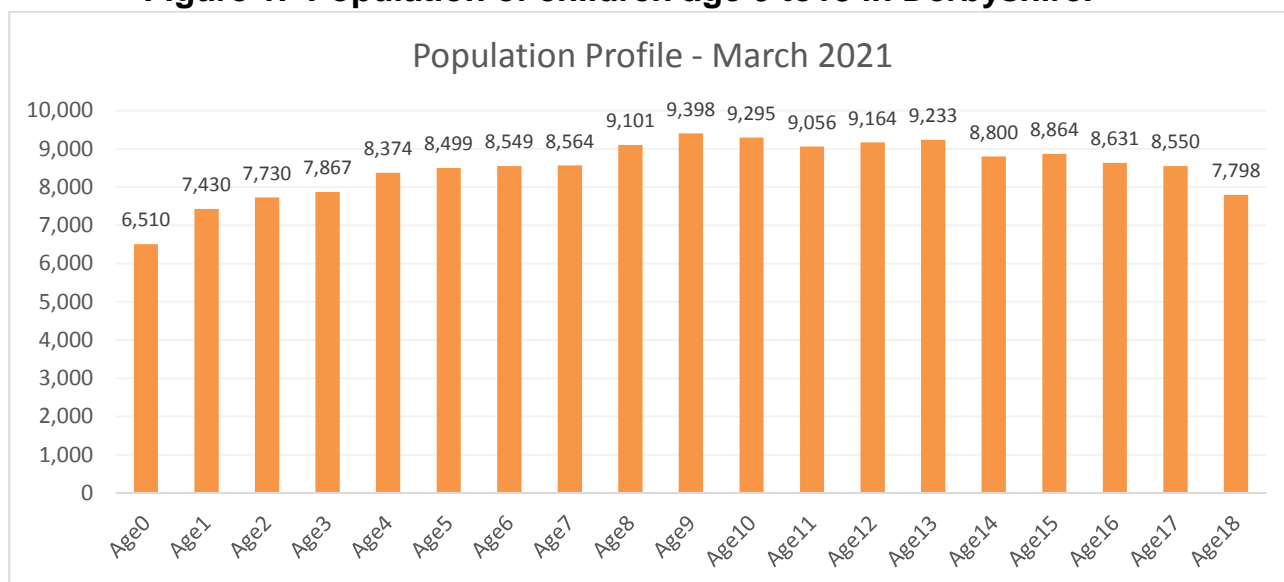
Population of children in Derbyshire

3.1 Understanding the population of children in Derbyshire is a key tool in estimating the potential demand for childcare to ensure there are sufficient childcare places, where reasonably practicable, for children age 0 – 14 and disabled children/young adults up to the age of 18 as required by the legislation.

3.2 Population data provided by NHS Digital based on the number of children on GP registers suggests a decline in the birth rate in recent years which could have implications for the demand for childcare now and in the foreseeable future (figure 1).

- 3.3 The demand and type of childcare will differ in each age group, and as a child gets older the need for childcare will change or reduce. There are several age groups that will require differing types of childcare and this can be found in figure 2 which shows the population of Derbyshire by district and the differing age groups.

Figure 1. Population of children age 0 to18 in Derbyshire.



Source: NHS Digital, March 2021

Types of childcare

- 3.4 Children aged 0 - 2 years mainly require day care, usually provided by day nurseries and childminders (although some pre-schools and schools are registered to care for two-year old children). Approximately, 40% of two-year olds are eligible for 570 hours per year of free funded childcare (often taken as 15 hours per week over 38 weeks of term time). This is known as the two- year old entitlement (see paragraph 3.20).
- 3.5 All three and four-year olds are entitled to 570 hours of funded early education or childcare per year (the universal entitlement) which again is often taken as 15 hours a week for 38 weeks of the year. Working families may be entitled to a further 570 hours per year or 30 hours per week term time for their three or four-year old (the extended entitlement). These hours alone are often enough to meet the childcare needs of many families although the option to pay for additional hours is available if needed. This type of provision can be provided by day nurseries, childminders, pre-schools and school nurseries.

- 3.6 As children aged 5-11 will be in full-time education, this group may require wrap around childcare before or after school or in the holidays, again this can be provided by the childcare providers listed above or by stand-alone out of school provision either on or off school sites.
- 3.7 As a child reaches secondary school age the need for childcare diminishes as they become more independent. Figure 2 shows there are around 27,197 children age 12 – 14 years in Derbyshire that could potentially require childcare. The demand here is significantly less than other age groups. Official consultation results released by the Department of Education (DfE) in 2018¹ suggests only 26% of this age group require formal childcare, therefore this figure could be as low as 7003.

Figure 2. Population by age group 0 – 18

DISTRICT	Age 0 - 2	Age 3 & 4	Age 5 - 11	Age 12 - 14	Age 15 – 18 (SEND)	TOTAL
Amber Valley	3373	2618	9812	4215	309	20327
Bolsover	2423	1684	6505	2793	202	13607
Chesterfield	2930	2138	8171	3523	252	17014
Derbyshire Dales	1460	1115	4827	2354	190	9946
Erewash	3105	2395	9274	3847	292	18913
High Peak	2426	1865	7019	3187	236	14733
North East Derbyshire	2660	2060	7600	3245	246	15811
South Derbyshire	3293	2366	9254	4033	303	19249
TOTAL	21670	16241	62462	27197	2031	129601

Source: NHS Digital March 2021

- 3.8 In general, young people in the 15 -18 age group who require childcare are those with additional needs or disabilities. It is difficult to estimate the number of children and young people in Derbyshire with a disability or additional need but the Office for Disability Issues (Dept. for Work and Pensions) estimates that 6% of children are disabled². Using this figure it is estimated that there are currently approximately 2031 young people in Derbyshire aged 15 to 18 with an additional need or disability that may require childcare.

¹ www.gov.uk/government/statistics/childcare-and-early-years-survey-of-parents-2018

² <https://www.gov.uk/government/publications/disability-facts-and-figures/disability-facts-and-figures#fnref:3>

- 3.9 Childcare provision for disabled children/young people with special educational needs and disabilities (SEND) is provided by mainstream childcare settings and a number of specialist services in both the maintained and PVI sectors. All childcare provision must be inclusive and not treat children less favourably because of a disability or additional need and is required by law to make 'reasonable adjustments'. The Derbyshire Local Offer brings together information about the services and support available for children/young people with SEND, and their families; <https://localoffer.derbyshire.gov.uk/>
- 3.10 As shown in figure 2, there are approximately 129,601 children in Derbyshire that could potentially require childcare of some form, but not all will. Not all families have both parents in employment, some may have working patterns that mean formal childcare is not required and others may prefer to rely upon friends and family to provide informal childcare.
- 3.11 The population of two, three and four-year olds in Derbyshire, who may be entitled for the free early year's entitlements (see paragraphs 3.4 and 3.5) has reduced by 251 since March 2020. This may have some implications for the sufficiency of childcare places in the County.

Potential impact of COVID-19 on demand for childcare

- 3.12 Whilst it is still too early to measure the full extent of the pandemic on the demand for childcare, there are a number of issues that should be considered. Prior to the pandemic some parents relied upon friends and family members such as grandparents to meet their childcare needs rather than use formal childcare but it may be that some families may no longer have this option.
- 3.13 Changes in employment legislation and working patterns can impact upon the demand for childcare. During the pandemic many employees found themselves working from home using technology to support this. Many employers and employees have continued with these flexible working practices and this could impact upon the demand and type of childcare required in the future. A parent who now works from home may no longer require wrap-around childcare as they have the flexibility to take a break mid-afternoon to collect their child from school then continue with their working day.
- 3.14 Other potential longer-term impacts of the pandemic upon the childcare market could include a reduction in demand if local businesses close or large employers have to make redundancies. Higher unemployment can reduce the numbers of parents who require childcare places or are eligible for the extended entitlement. This drop in demand may affect the sustainability of early years provision. The furlough scheme finished on 30

September 2021 so at the time of writing this report the impact on the jobs market is still not fully evident.

- 3.15 Because of all of the above factors it is only possible to estimate the potential numbers of children that will require childcare. In this changing environment it will be a continually evolving picture, particularly if there is a period of global recession or higher unemployment.

Universal entitlement for three and four-year olds

- 3.16 Prior to the pandemic in Derbyshire the number of parents who chose to take up some or all of their universal entitlement for three and four year olds was consistently around 99% each year, this compared favourably to the pre-pandemic national average of 94% in England and 96% in the East Midlands region³. Data has shown that nationally the number of children accessing their entitlement has reduced since 2019⁴. Nationally the number of three and four-year-olds registered with a provider to receive **funded** early education has fallen by 5% to **1,212,000** in 2021.
- 3.17 Further clarification as to the reasons behind this downturn may need to be undertaken, but government studies have indicated that the decrease in the number and percentage of children registered with a provider to receive funded entitlements reflect the impact of COVID-19 uncertainty on supply (providers) and demand (parents) for early years provision in January 2021

Lost children

- 3.18 Any downturn in take up of early years education is a cause for concern if it continues to have a significant impact upon the numbers of children going into reception classes without having had any form of early years education (termed 'lost children'). This may have consequences for the 'school readiness' of children in future years.
- 3.19 As part of the Education Recovery Package, announced in June 2021, the government made available up to £153 million of new funding for training for early years staff to support the very youngest children's learning and development. Training programmes, and targeted additional whole setting support, will focus on key skills such as children's speech & language, and physical & emotional development.

³ <https://www.gov.uk/government/statistics/education-provision-children-under-5-years-of-age-january-2019>
Table 8LA

⁴ [Education provision: children under 5 years of age, Reporting Year 2021 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](https://www.gov.uk/government/statistics/education-provision-children-under-5-years-of-age-january-2019)

- 3.20 Schools have also received Catch Up premium of £650 million to support them to help all pupils make up for missed learning, including an oral language intervention programme for reception-aged children who, due to the pandemic, may have missed out on attending an early years setting and not developed the vital language skills needed to be school ready.
- 3.21 127 Derbyshire schools have registered for the Nuffield Early Language Intervention (NELI) programme in the autumn 2020 term and 38 Derbyshire schools and early years providers are engaged in the Early Years Professional Development Programme.

30 hours extended entitlement

- 3.22 Despite an ongoing twitter and media campaign from Derbyshire, fewer parents applied for their 30-hour code during the pandemic and in response Derbyshire took measures to support parents by being flexible with the funding deadline in several terms.

Figure 3. No. of 30-hour codes received by Derbyshire

	Autumn term 2019/2020	Autumn term 2020/2021	Autumn term 2021/2022
No of 30-hour codes funded	3416	3103	3244

Source: Derbyshire County Council, Information and ICT, Children's Services, Oct 2021

- 3.23 The number of 30-hour code applications has increased since autumn 2020 but they are still below pre-pandemic numbers. This pattern is also reflected in the latest Government figures, that report that the number of three and four-year-olds registered with a provider to receive extended early education originally fell by 5%, however numbers are now at a similar level to 2019⁴.
- 3.24 This will need to continue to be monitored to confirm if fewer parents are eligible due to loss of employment now the financial support for employees and businesses has ended.

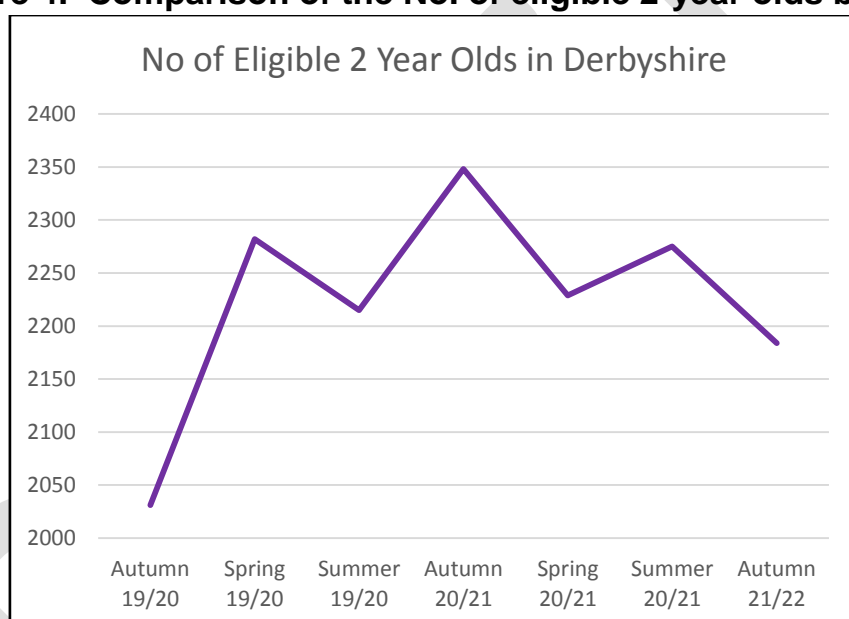
Two-year old entitlement

- 3.25 Eligibility for the two-year old entitlement is determined by the Department for Work and Pensions (DWP). To be eligible parents/carers must meet certain financial criteria which includes receiving income base Job Seekers allowance, Working Tax Credit or Universal Credit; but there are also some non-economic criteria. The full list of criteria can be found at www.gov.uk/help-with-childcare-costs/free-childcare-2-year-olds.

3.26 This means that the demand for two-year old funded places could increase if more parents/carers claim these benefits due to unemployment.

3.27 The number of eligible two-year olds on the DWP list has increased since autumn 2019 as is shown in figure 4 below. Numbers of eligible children were at the highest in autumn 2021, this may have been due to some families becoming eligible due to pandemic related job losses. Since this period the numbers eligible have reduced again slightly which could in part be due to universal credit thresholds changing. This will need monitoring over the next academic year to see whether numbers continue to reduce or increase if there is a downturn in the economy.

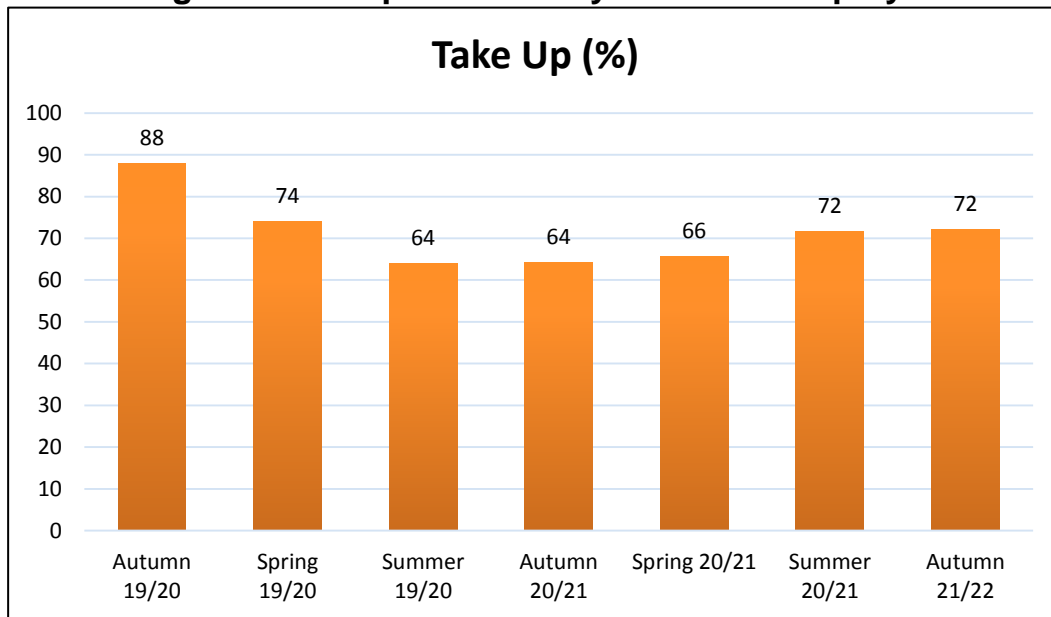
Figure 4. Comparison of the No. of eligible 2-year olds by term



Source: Derbyshire County Council, Information and ICT, Children's Services, Oct 2021

3.28 Take up levels reduced during the COVID-19 pandemic despite funding levels being maintained by the local authority see fig 5 (below). This may be due to parents keeping their children at home due to health concerns or flexible working patterns being available to them.

Figure 5. Comparison of 2-year old take up by term



Source: Derbyshire County Council, Information and ICT, Children's Services, Oct 2021

- 3.29 The figures above may differ from official DfE figures as data on take up is submitted to the DfE within the first 3 weeks of the term, however as two year olds can take up a place at any point throughout the term the data above shows the end of term position.

Wraparound childcare

- 3.30 Out of school provision (before and after school and holiday care) was instructed to close when the country first went into lockdown. Out of school providers operating on a school site were allowed to re-open from 1 June 2020 and those operating off school sites from 4 July 2020.
- 3.31 The demand for wrap around childcare may be reduced if more parents are working from home or experience a period of unemployment as they will be at home when children return from schools and during school holidays. This potential fall in demand will need to be monitored going forward.
- 3.32 It is proposed that a mapping exercise on the out of school provision is undertaken in 2022 to understand what is available in Derbyshire and any impact the pandemic may have had on this.

Affordability

- 3.33 During the COVID-19 pandemic the local authority received no feedback from parents regarding affordability, moreover the authority became aware

of a few providers who were waiving fees for critical worker parents as a way of supporting the effort of the NHS staff.

- 3.34 Going forward the local authority will monitor providers implementing ‘top up’ to offset any loss in income during the lockdown period. The definition of ‘top up’ as per A1.30 in the ‘Early Education and Childcare Statutory Guidance for Local Authorities’ June 2018 is:

- charge parents “top-up” fees (any difference between a provider’s normal charge to parents and the funding they receive from the local authority to deliver free places).
- require parents to pay a registration fee as a condition of taking up their child’s free place.

- 3.35 It is a legal duty for local authorities to ensure providers do not charge top up and to work with providers and parents to ensure all parents, including disadvantaged families, have fair access to a free place, which must be delivered completely free of charge.

4. SUPPLY OF EARLY YEARS PLACES

Number of early years providers in Derbyshire

- 4.1 The number of early years childcare providers in the county registered to deliver early years funded places has reduced from 712 in September 2019 (pre-pandemic) to 686 in September 2021 see figure 6.

Figure 6. No. of providers delivering early years funded places

	Sep-19	Sep-20	Sep-21	Change
Day Nurseries	143	141	141	-2
Pre-Schools	110	107	103	-7
Childminders	328	319	300	-28
School run provision	121	127	133	12
Independent schools	10	11	9	-1
TOTAL	712	705	686	-26

Source: Derbyshire County Council, Information and ICT, Children’s Services, Sep 2021

- 4.2 The table shows a reduction in the number of providers over the last 24 months by 26 in total. The national picture shows a general downward trend in the number of providers of a reduction of 5% fewer providers registered nationally with Ofsted since August 2021 and 27% reduction since August 2015.

- 4.3 The childminding sector has seen the largest reduction which is an 8.5% reduction over the period of the pandemic. The number of childminders has fallen nationally over an extended period and have reduced by 9,500 (20%) since 31 August 2015.⁵ Childminder closures have a smaller impact on the number of overall places than the closure of group care settings as they generally care for fewer children.
- 4.5 The provider type that has seen the area of growth in over last 24 months is school run provision. This is mainly due to schools creating existing provision using the governor run model.

Potential impact of COVID-19 on the supply of early years places.

- 4.6 Early years childcare providers had to work extremely hard to sustain their businesses throughout the COVID-19 pandemic where normal income streams were reduced. To survive the financial uncertainty of the COVID-19 pandemic, settings had to make necessary changes to services including being more flexible and re-assessing future models of delivery
- 4.7 To support providers through the financial difficulties caused by the pandemic, and in line with government guidance, Derbyshire funded childcare settings at 2019 pre-pandemic levels throughout the Summer and Autumn 2020 terms until numbers of attendance started to return to previous and sustainable levels from January 2021 (see section 6 for further details of this and the other financial support that was available to childcare settings).

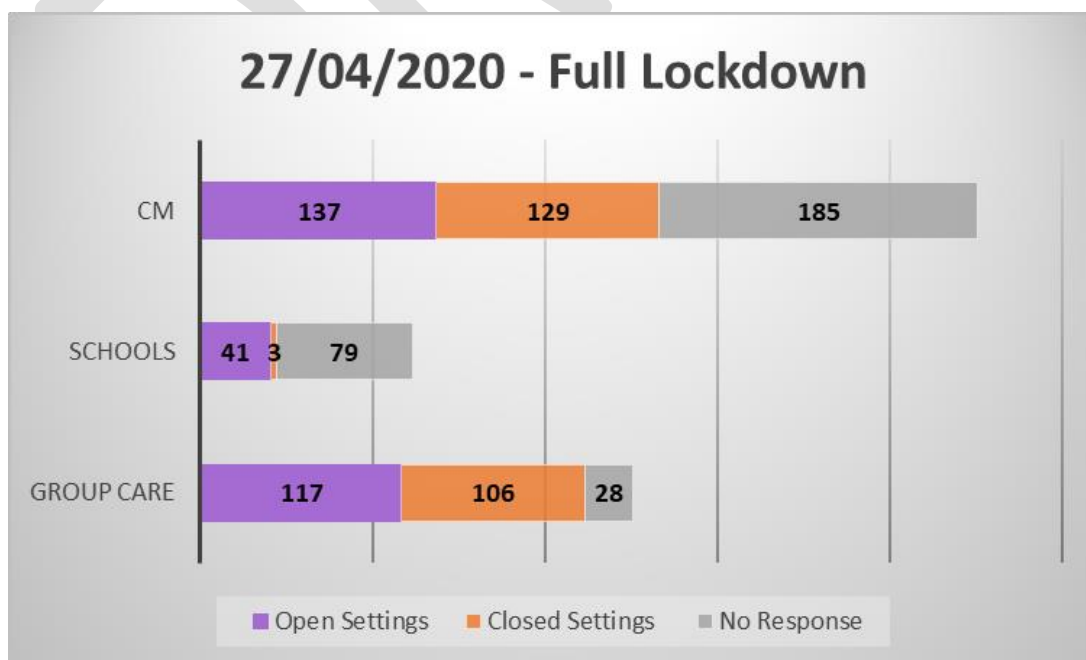
5. SUFFICIENCY OF CHILDCARE DURING PANDEMIC

- 5.1 On 23 March 2020 the Government took the unprecedented decision to put the country into its first lockdown and as part of that measure all schools and childcare providers were closed to all but vulnerable children and children of critical workers. Providers were expected to remain open for these groups of children unless they were forced to close their doors due to low numbers and/or health concerns or positive COVID-19 cases.
- 5.2 When the second month long lockdown came into force on 31 October 2020, all schools and childcare settings were expected to remain open unless unsustainable numbers or health issues forced them to close.

⁵ <https://www.gov.uk/government/statistics/childcare-providers-and-inspections-as-at-31-march-2021/main-findings-childcare-providers-and-inspections-as-at-31-march-2021>

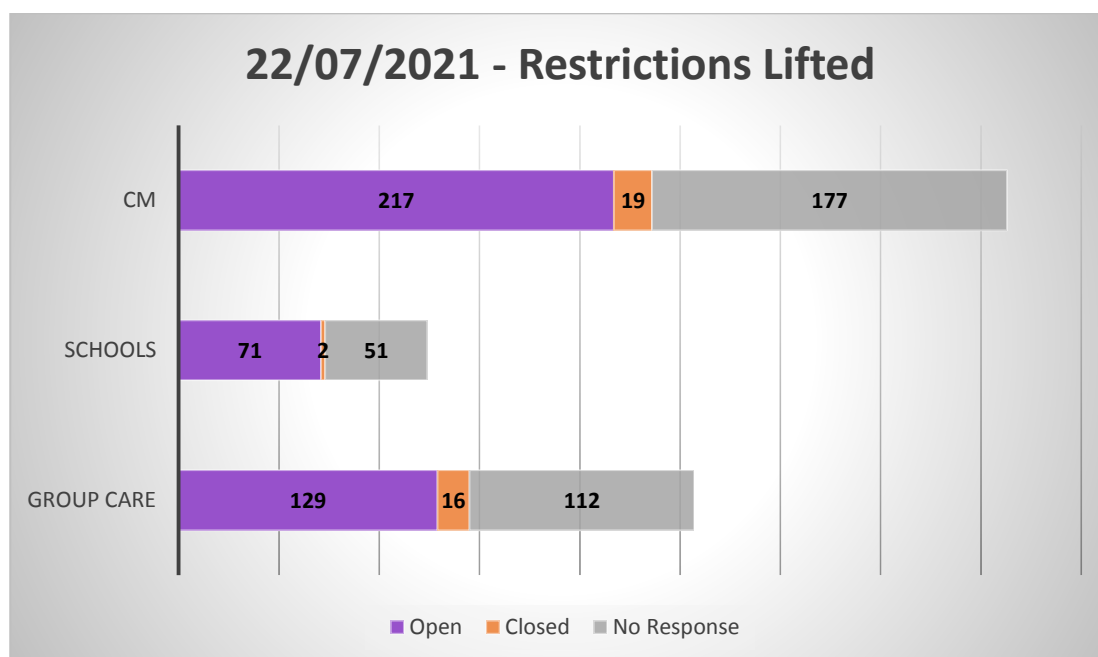
- 5.3 In the lockdown period from 6 January 2021 to 8 March 2021 schools and childcare providers were again only open to vulnerable children or those with critical worker parents. During this period many providers saw greater numbers of children attending when compared to the first lockdown due to the definition of key/critical worker being widened.
- 5.4 It has been a requirement during the pandemic for all schools and childcare providers reported weekly to the DfE to confirm if they were closed or open, and the number of children attending if open.
- 5.5 Figures 7, and 8, compare the numbers of providers that were open and closed in the first lockdown compared to the end of the summer 2021 term. All children were expected to be back in school/childcare settings and it was anticipated numbers of attendance had returned to relatively normal levels following the lifting of all COVID-19 restrictions from 19 July 2021.
- 5.6 Figure 8 illustrates that the majority of childcare settings that responded were fully open again in July 2021. Some settings may have been forced to close again temporarily due to confirmed cases of COVID-19 or staffing issues. At the start of the new academic year in September 2021 virtually all settings were open as figure 9 shows.
- 5.7 The Early Years Sufficiency Team supported parents to find suitable alternative provision for children where their normal childcare provider was closed during the lockdowns.

Figure 7. No. of open and closed settings in Derbyshire during First full lockdown period



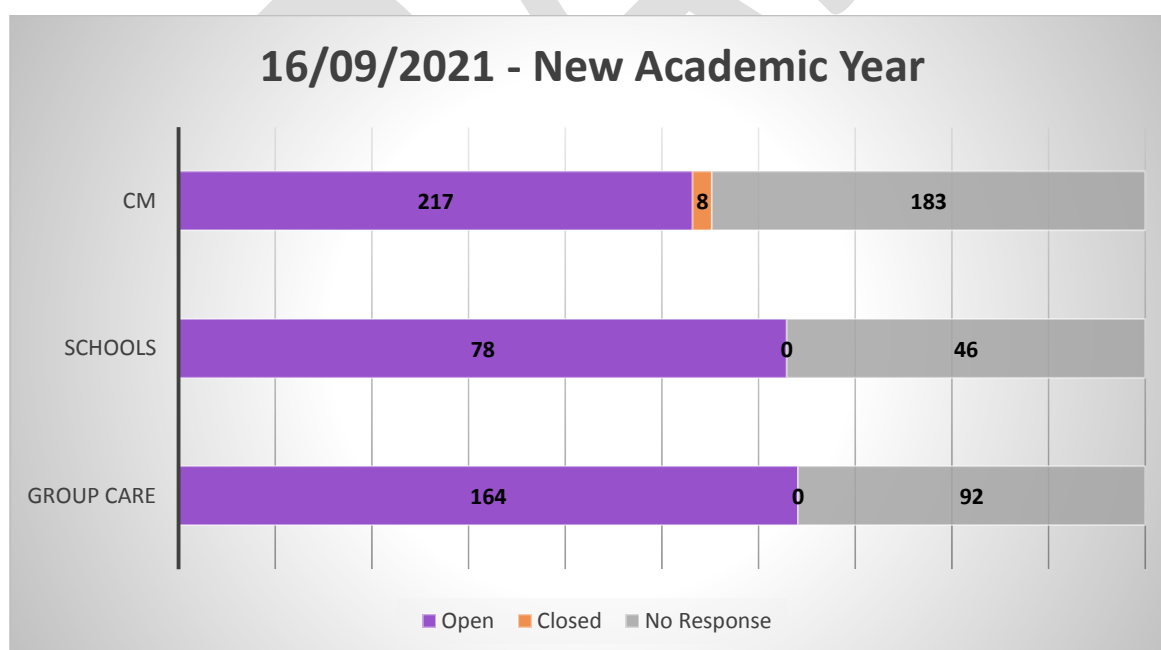
Source: Derbyshire County Council, Information and ICT, Children's Services, Sep 2020

Figure 8. No. of open and closed settings in Derbyshire in July 2021



Source: Derbyshire County Council, Information and ICT, Children's Services, Oct 2021

Figure 9. No. of open and closed settings in Derbyshire in September 2021 – New Academic Year



Source: Derbyshire County Council, Information and ICT, Children's Services, Oct 2021

Permanent childcare closures

- 5.8 An increase in the number of private sector provider closures (non-schools) could be an indication of the negative impact COVID-19 has had on the childcare market.

Figure 10. No of closures compared to openings over the pandemic

	Closures				Openings			
	CM	DN	PS	IND	CM	DN	PS	IND
Amber Valley	9	0	1	0	10	1	0	0
Bolsover	3	0	0	0	0	0	0	0
Chesterfield	7	2	0	0	7	1	1	0
Derbyshire Dales	6	3	2	0	1	1	0	0
Erewash	10	2	1	1	5	0	1	0
High Peak	8	1	2	0	4	3	0	0
North East Derbyshire	2	2	1	0	4	1	0	0
South Derbyshire	15	1	1	0	8	2	2	0
TOTAL	60	11	8	1	39	9	4	0
	80				52			
Difference	21	2	4	1				

Source: Derbyshire County Council, Information and ICT, Children's Services, Oct 2021

- 5.9 To measure this the number of closures and openings between 23 March 2020 and 7 September 2021 has been recorded in figure10, however it is imperative to compare the number of closures against the number of opening to get a balanced view.
- 5.10 Whilst the overall number of providers has reduced since the start of the pandemic there has been a relatively normal amount of market activity in the form of new providers opening to offset the closures.
- 5.11 The table above illustrates that in the group care sector there has been a decrease of 28 providers overall, with childminders making up the largest number of closures. The childminding sector sees a greater number of both opening and closures over the course of a normal year as the personal circumstances of childminders can change relatively frequently which can impact on their ability to provide childcare. The impact on childminders will continue to be monitored to see if they have been disproportionately affected by the pandemic.
- 5.12 Where possible the reason for the closures have been recorded. Many closures have been attributed to non-pandemic related reasons such as retirement and previous ongoing financial issues.

- 5.13 The number of setting closures will be monitored further in the coming months as the financial support schemes provided are phased out and as demand from parents could potentially change.

Quality of provision during the COVID-19 pandemic

- 5.14 On 17 March 2020, all routine Ofsted inspections for early years and childcare providers were suspended. Between September and December 2020, Childcare Register (CR) inspections and interim visits were restarted as part of a phased return to routine inspections. During this period 25 early years providers received an interim Ofsted and achieved a successful 'Met' outcome.
- 5.15 Ofsted routine inspections for early years providers were reinstated May 2021 and 70% of the Ofsted inspections since have been judged to be 'good'.
- 5.16 In April, temporary dis-applications to the Early Years Foundation Stage (EYFS) came into force. This was to allow providers greater flexibility to respond to changes in workforce availability and potential fluctuations in demand, while still providing care that is high quality and safe. Between the period 28 September and 25 November 2020 these statutory requirements were re-instated.
- 5.17 The department for education published an amended EYFS in March 2021 with changes becoming law from September 2021, however in Derbyshire there were 47 Early Adopter Schools.
- 5.18 250 Derbyshire schools and PVI settings accessed a 'Derbyshire virtual conference' hosting national speakers and collection of webinars to explore the key features of effective practice; principles into practice with case studies from Derbyshire EY providers and early adopter schools.
- 5.19 To further to support providers with the quality of provision throughout the pandemic Derbyshire also put in place:
- Frequently Asked Questions (FAQs) circulation
 - Key information and messages shared through virtual Leaders and Managers Briefings.
 - Monthly newsletters issued to the sector with key information, links to support and share good practice.
 - Virtual support and keeping-in-touch meetings delivered on a one to one basis with individual settings.

6. SUFFICIENCY ASSESSMENT OF EARLY YEARS PLACES

- 6.1 The Early Years Sufficiency Team undertakes ongoing monitoring at both a district and ward level to identify any areas of concern or any specific geographical areas that may have pockets of undersupply.
- 6.2 This monitoring compares the estimated number of early years childcare places required based on the population of two, three and four year olds in each individual ward and compares it to the number of early year's places offered by the providers located in the ward.
- 6.3 Not every ward will have a childcare setting located within it but will have population data, therefore some wards will show a deficit of places.
- 6.4 Generally where one ward shows a deficit this is offset by the number of places available in neighbouring wards where there may be one or several childcare providers offering sufficient places to meet the needs of the population. This means that not all parents will access childcare within the ward in which they live and may be using childcare in neighbouring wards, districts or even other local authorities.
- 6.5 At present the data indicates there are sufficient early years funded places for two, three and four-year olds. Across Derbyshire as a whole there is an estimated oversupply of 1709 places in total but there are differences in the individual districts, the results of which have been indicated in the following RAG (red, amber green) rating in Figure 11.
- 6.7 One district indicates a shortfall in places, but there are sufficient early years places in the whole of Derbyshire based on the population figures.

Figure 11. Sufficiency of places per district

District	Surplus/Deficit	RAG Rating
Amber Valley	-74	Undersupply
Bolsover	126	Oversupply
Chesterfield	120	Oversupply
Derbyshire Dales	94	Oversupply
Erewash	440	Oversupply
High Peak	465	Oversupply
North East Derbyshire	424	Oversupply
South Derbyshire	114	Oversupply
TOTALS	1709	Oversupply

Source: Derbyshire County Council, Early Years' Service, Oct 2021

6.8 There are several points to consider in the interpretation of this data:

- The oversupply of places has increased since September 2021 from 1197 to 1709, this could potentially be due to a reduction in the population of two, three and four-year olds of 251 overall. As a result of reducing population figures there are now more places across the county than the number of places required.
- Prior to the COVID-19 lockdown Derbyshire received no communications from parents/carers stating they are unable to find a suitable funded early years place for their child which is an indicator that there are sufficient places.
- Parents do not always access childcare within the boundaries of the districts and may use a setting from outside the area in which they live for a variety of reasons including work. A parent from Amber Valley may work in Derby City and use a childcare provider located in this authority or may use settings in neighbouring districts such as Erewash where there is a surplus in places.
- Whilst the figure of 1709 surplus places may seem significant, if averaged out across all providers this would result in only 2.5 surplus places per provider.

District sufficiency snapshots

6.9 A snapshot of the childcare sufficiency picture in each of the eight districts of Derbyshire has been created and can be found in the Appendices.

7. SUSTAINABILITY

- 7.1 When the pandemic initially took hold in the summer 2019-2020 term the government confirmed that early years funding would continue during any periods of nursery, preschool or childminder closures, or where children were unable to attend due to COVID-19.
- 7.2 This meant that settings could claim for those children that were definitely due to attend for the summer period. Where a child of a critical worker or vulnerable child had to change childcare provider due to the closure of their normal setting, the local authority took the decision that funding would follow the child to the new setting.

- 7.3 To provide additional support to providers in the autumn 2020 term, the DfE guidance stated that local authorities were to fund providers which were open at the levels they would have expected to see in the autumn term had there been no coronavirus outbreak.
- 7.4 Derbyshire followed these guidelines and in the autumn 2020 term funded providers based on their attendance figures for autumn 2019. There was no clawback of funding if actual attendance was lower. New providers or those who did not have funded children last year were paid on the actual attendance figures.
- 7.5 The guidance also recommended that providers which had been advised to close, or left with no option but to close, due to public health reasons should continue to be funded. Settings that were closed in the autumn 2020 term without public health guidance did not receive any funding.

Government support for early years businesses

- 7.6 In addition to the support offered from the local authority a range of support measures were introduced by the Government to support businesses such as early years providers and their employees including self-employed childminders who have been affected by COVID-19, these include:
- Coronavirus Job Retention Scheme (furlough scheme)
 - VAT and self-assessment payments deferred
 - Self-employment Income Support Scheme
 - Statutory sick pay relief package for small and medium sized businesses (SMEs)
 - 12-month business rates holiday for nursery businesses in England
 - Small business grant funding of £10,000 for all business in receipt of small business rate relief or rural rate relief
 - Coronavirus Business Interruption Loan Scheme offering loans of up to £5 million for SMEs through the British Business Bank
 - HMRC Time To Pay arrangements
 - Coronavirus Bounce Back Loan
 - Coronavirus Local Restrictions Support Grant
 - Information on data protection and the coronavirus provided by the Information Commissioner Office
 - School funding: Exceptional costs associated with coronavirus (COVID-19)
- 7.7 Many organisations may only be able to measure the impact on their sustainability following the end of the government's support schemes. This means that the full extent of the longer-term impact COVID-19 has on the childcare market may not be immediately apparent.

- 7.8 The announcement of the increase of the National Living Wage by 6.6% for employees 23 years and over is welcomed but will impact upon the sustainability of early years provision unless the early years' entitlement funding hourly rate is increased sufficiently to assist this.
- 7.9 Early years and childcare businesses will not qualify for the Business Rates discount announced as part of the government's Comprehensive Spending Review.

8. CONCLUSIONS

- 8.1 As the country is still in the grip of the COVID-19 pandemic, it is too early to tell if the pandemic will permanently change the shape of the childcare market. The virus still impacts upon everyday life of parents, children and childcare providers and it is difficult to anticipate how the demand for and supply of childcare will look post-pandemic
- 8.2 Many of the additional support mechanisms put in place by the government to support childcare businesses, schools and working parents were extended into 2021 and have only recently ended. The coming months may begin to reveal the true impact of the pandemic on the sustainability of childcare providers and the demand from parents for childcare.


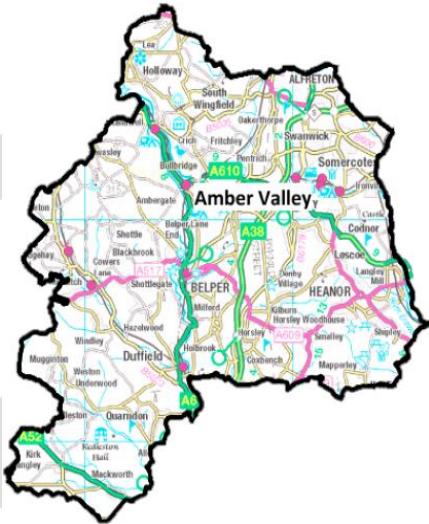




Actions

- 8.3 Further research and analysis on the longer-term effects of the pandemic on the sector will be required over the next year including the following:
- Establish if demand from parents has permanently changed and the reasons behind this.
 - Continued monitoring of the supply of places to identify any trends or areas that have been more adversely affected, including a mapping exercise of out of school provision.
 - Identify the support providers and parents require from the Early Years' Service and ensure this is responsive to changes in the childcare market.

- 8.4 Further develop and enhance the Families Information Service including the website and social media to improve parental and provider engagement.
- 8.5 Improve the outcomes for all children in Speech, Language and Communication (SLC)
- Implement the Early Years Professional Development Programme
 - Mapping integrated SLC pathway for Derbyshire - universal, targeted and specialist
 - Supporting and maximising opportunities to support the child's home learning environment







Amber Valley District Childcare Sufficiency Snapshot

October 2021

	Population of 3 & 4-year olds	2618	
2	No. of eligible 2-year olds	393	
	% of 2-year olds taking up a free place	70%	
	No. of Ofsted registered childcare providers	56 Childminders 16 Day Nurseries 14 Pre-Schools 1 Independent School 20 Maintained Schools and Academies	
	Potential risk factors	The district indicates an estimated deficit of approximately -74 places	
	Need to create any childcare places?	NO Oversupply in neighbouring districts will absorb the deficit.	







Bolsover District Childcare Sufficiency Snapshot

October 2021

	Population of 3 & 4-year olds	1684		
2	No. of eligible 2-year olds	283		
	% of 2-year olds taking up a free place	71%		
	No. of Ofsted registered childcare providers	15 Childminders 12 Day Nurseries 4 Pre-Schools 1 Independent School 19 Maintained Schools and Academies		
	Potential risk factors	There no potential local risk factors specific to the Bolsover district identified at present		
	Need to create any childcare places?	NO Estimated oversupply of 126 funded childcare places in district currently		







Chesterfield District Childcare Sufficiency Snapshot

October 2021

	Population of 3 & 4- year olds	2138		
2	No. of eligible 2- year olds	368		
	% of 2-year olds taking up a free place	70%		
	No. of Ofsted registered childcare providers	36 Childminders 18 Day Nurseries 5 Pre-Schools 1 Independent Schools 24 Maintained Schools and Academies		
	Potential risk factors	There no potential local risk factors specific to the Chesterfield district identified at present.		
	Need to create any childcare places?	NO Estimated oversupply of 120 funded childcare places in district currently		







Derbyshire Dales District Childcare Sufficiency Snapshot

October 2021

	Population of 3 & 4-year olds	1115		
2	No. of eligible 2-year olds	94		
	% of 2-year olds taking up a free place	73%		
	No. of Ofsted registered childcare providers	10 Childminders 9 Day Nurseries 20 Pre-Schools 2 Independent Schools 9 Maintained Schools and Academies		
	Potential risk factors	A significant proportion of the district is reliant on tourism which has been hit hard by the pandemic. The impact of this on the supply and demand of childcare in the district will be closely monitored.		
	Need to create any childcare places?	NO Estimated oversupply of 94 funded childcare places in district currently		







Erewash District Childcare Sufficiency Snapshot

October 2021

	Population of 3 & 4-year olds	2395		
2	No. of eligible 2-year olds	334		
	% of 2-year olds taking up a free place	69%		
	No. of Ofsted registered childcare providers	57 Childminders 17 Day Nurseries 14 Pre-Schools 1 Independent Schools 17 Maintained Schools and Academies		
	Potential risk factors	Job losses in large organisations based in neighbouring Derby City may impact upon this district due to numbers commuting. Ongoing monitoring will continue		
	Need to create any childcare places?	NO Estimated oversupply of 440 funded childcare places in district currently		







High Peak District Childcare Sufficiency Snapshot

October 2021

	Population of 3 & 4-year olds	1865		
2	No. of eligible 2-year olds	199		
	% of 2-year olds taking up a free place	83%		
	No. of Ofsted registered childcare providers	42 Childminders 27 Day Nurseries 13 Pre-Schools 0 Independent Schools 16 Maintained Schools and Academies		
	Potential risk factors	Parts of the district are reliant on tourism which has been hit hard by the pandemic. The impact of this on the supply and demand of childcare in the district will be closely monitored.		
	Need to create any childcare places?	NO Estimated oversupply of 465 funded childcare places in district currently		


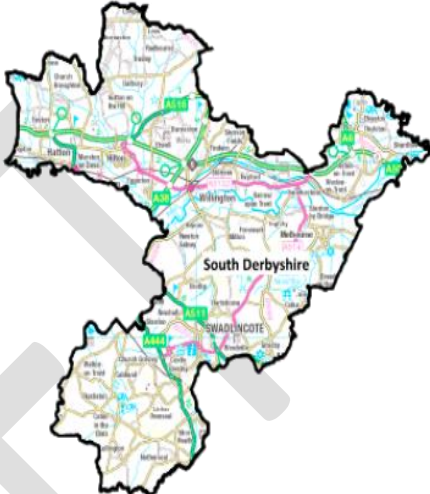




North East Derbyshire District Childcare Sufficiency Snapshot

October 2021

	Population of 3 & 4-year olds	2060		
2	No. of eligible 2-year olds	272		
	% of 2 year olds taking up a free place	68%		
	No. of Ofsted registered childcare providers	30 Childminders 17 Day Nurseries 13 Pre-Schools 0 Independent Schools 23 Maintained Schools and Academies		
	Potential risk factors	There are no potential local risk factors specific to the North East Derbyshire district identified at present		
	Need to create any childcare places?	NO Estimated oversupply of 424 funded childcare places in district currently		

South Derbyshire District Childcare Sufficiency Snapshot

October 2021

	Population of 3 & 4-year olds	2366	
2	No. of eligible 2-year olds	283	
	% of 2-year olds taking up a free place	63%	
	No. of Ofsted registered childcare providers	60 Childminders 25 Day Nurseries 20 Pre-Schools 3 Independent Schools 11 Maintained Schools and Academies	
	Potential risk factors	The air travel industry is a large local employer and has been hit hard by the pandemic. The impact of this on the supply and demand of childcare in the district will be closely monitored.	
	Need to create any childcare places?	NO Estimated oversupply of 114 funded childcare places in district currently	