

Leicestershire Market Position Statement

July 2017

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1. Introduction:

Leicestershire's early years providers offer a diverse range of childcare provision for parents to choose from in order to return to work. Providers help support Leicestershire's priorities and deliver a valuable service to families, ensuring the best start for children and that they are ready for school.

Key priorities

Children and young people achieve their potential

Children and young people have their health, wellbeing and life chances improved

Children, young people and their families live with in thriving communities

Securing sufficient childcare:

Leicestershire County Council has a statutory duty to secure sufficient childcare places, as far as is reasonably practicable, to meet the requirements of working parents/ carers, or parents/carers who are studying or training for employment, for children aged 0-14 (or up to 18 for disabled children).

We have created this report, setting out our understanding of the current market position, to support and enable new and existing providers to better understand the childcare market and consider whether to expand their existing provision or for new provision to enter the local childcare market.

2. Purpose:

This market position statement is for:

- settings in Leicestershire
- families.

The document (MPS) is designed to assist new and existing providers looking to expand or open new businesses within the childcare market.

Families – we want parents/ carers to help shape the market by providing details about about their working patterns, where and when they need childcare. This will influence

settings, so that they can focus on meeting the needs of families in the local area and where necessary work with other providers to offer a blended service.

To understand the market place we will bring together key information on what the market needs to know to plan for future services.

The key elements are:

- information about supply and demand of childcare for particular age ranges of children
- the affordability, accessibility and quality of provision and
- details of how any gaps in childcare provision can be addressed.

Our goal is to facilitate a diverse and active market. The way that we facilitate the market can be broken into 4 stages – Understand, Plan, Do and Review.

Understand:

We gather information together so that we can better understand what is being delivered throughout Leicestershire.

Plan:

We map out provision and identify where there may be gaps and the size and nature of those gaps.

Do:

We will support existing and new providers to set up or expand provision in areas where gaps have been identified. Access [information on the support available to new and existing providers](#).

Review:

The local authority will consider the data, working with partners to see how far the gaps are being closed, and identify where new gaps are emerging.

3. Context of Leicestershire:

Leicestershire has a diverse range of providers and we strive to maintain the range of providers to ensure parents have flexibility and choice when choosing childcare.

It is vital when looking at developing high quality early learning and childcare that staff qualifications and experience are taken into account and on-going training and support is given, enabling staff to work effectively with children and families. Access [further information on training and staff qualifications](#).

The Free Early Education Entitlement (FEEE) is available for all 3 and 4 year old children from the term after their third birthday. This universal entitlement is for 570 hours annually.

As of the Autumn term 2017, funding will be available for eligible 3 and 4 year olds of working parents for up to 1140 hours per year. All funded places can be accessed over a maximum of 15 hours (or 30 hours for eligible children) for 38 weeks per year.

Leicestershire administers the funding on behalf of the Department for Education (DfE) and implements an Early Years Single Funding Formula (EYSFF) to calculate an individual hourly rate for each early year's provider. For more information around the EYSFF you can access [Leicestershire's guidance documents on the administration of the FEEE](#).

The FEEE is also available for targeted 2 year olds. Around 40% of 2 year olds are entitled to 570 hours of FEEE with a maximum of 15 hours available per week.

Leicestershire is working hard to identify these children, along with partners, so they can access their free place. Funding for eligible 2 year olds is based on a flat rate of funding per hour per child and all providers receive the same hourly rate.

To further support children and families in areas of deprivation, there are two further payments to ensure vulnerable children do not fall behind their peers. Click on the links below to access further information:

- [Deprivation Payment](#)
- [Early Years Pupil Premium \(EYPP\)](#).

The MPS also contains data relevant to school and holiday care provision. When children reach school age, there is still a need for before and after school and holiday childcare. As not all out of school provisions need to register with Ofsted, the LA can only collect data on those who are registered with Ofsted or from those who have informed the LA that they are running a provision.

Parents/carers who are looking for childcare can visit the [Family Information website](#). This website allows parents/carers to check their entitlement to the 2 year old funding, find early years providers in their area and useful information on what you should look for when choosing childcare.

There is also information available through The Parent Participation Group in Leicestershire that supports parents, including those families with children with special education needs and disabilities (SEND). The [Family Information Directory](#) includes details of the local offer to help parents/carers of children with SEND in choosing appropriate childcare.

Leicestershire has 7 district councils covering 7 geographic areas; Blaby, Hinckley & Bosworth, Melton, Harborough, Oadby & Wigston, Charnwood and North West Leicestershire. As you'd expect the demographic make-up of each area is distinct and we must take this into account.

Leicestershire's county wide Children Centre programme is aligned with these geographic areas. We have used data to shape and develop these programmes in each area so they meet the needs of the population living locally.

An [overview of this Children Centre information can be accessed online](#). The children centre programme and local settings work closely together to support parents in

promoting the free early education entitlement (FEEE) for eligible 2 year olds, the 15 hour universal offer for all 3 and 4 year olds and the extended entitlement of 30 hours.

4. Data to support planning childcare provision

Our analysis of the potential demand for childcare in Leicestershire, the needs of pre-school children and the extent to which the market is able to meet these needs is shaped by the various data sets which are available. Some of these are set out below:

Population data

Local demographic information is available for providers to work out how many child care places may be needed across the county. This includes how many children currently require places and how many may need it in the future.

For more information on a range of economic and social information about Leicestershire and the East Midlands, please visit <http://www.lsr-online.org/>

School Pupil Census data

Information is available about children attending schools across Leicestershire. This can be used to estimate the population of school aged children. It also helps us estimate the numbers of children who may attend out of school care.

FEEE data

Information is available where children are attending early year's provision and the number of hours attended. We can also map, with information from the Department of Work and Pensions (DWP, where the 2 year old FEEE places are likely to be.

Indices of Multiple Deprivation (IMD)

IMD attempts to provide a constant measure of the level of deprivation for local areas across England. Within the IMD there are sub-domains. The scale known as IDACI, is used to measure the level of income deprivation affecting children. This information is used to map where the 2 year old FEEE is likely to be at its highest take-up rate.

[Further IMD information.](#)

Urban Rural Classification

[The Office of National Statistics, Urban Rural Classification](#) is used to categorise communities as either Urban or Rural, dependent upon the distribution and density of the population.

Planning

Where there is extensive house building activity, we link with our partners in school place planning to identify if there may be a need for the Local Authority to alert the market to this and support them in building capacity with additional child care places.

5. The Current position in Leicestershire

This section summarises our analysis of the market position;

Sufficiency

- currently in Leicestershire we are seeing a downward trend in the number of childcare providers.
- in March 2012 there were 1382 childcare providers (excluding holiday care)

- in March 2015, this figure was 1334
- in July 2017, it stands at 1269 childcare providers.

Historically these numbers have tended to fluctuate. There are a number of factors which we believe have affected this trend.

Whilst the overall picture suggests that we are meeting our sufficiency duty, when we look at individual district and children centre areas, we are able to use our data to drill down further to fully explore and investigate the situation.

This further investigation has shown us that there are pockets of need in each locality across the county. Below are some of the key indicators that identify the gaps of sufficiency within Leicestershire childcare:

- low take up of 2 year old FEEE
- where previous settings are closing down
- parental demand for places.

The information we have used is available for review: [statistical data by district](#).

In Leicestershire when we talk about sufficiency, we take into account the quality of provision. This is because we are focused on helping children achieve the best possible outcomes. We know that the learning and development of children in the early years is critical to their overall development and preparation for school. High quality child care is key.

Cross Border Considerations

Leicestershire borders seven other local authorities. Where provision is close to the borders, migration into and out of county needs to be taken into account. The trends suggest that children from other local authorities access Leicestershire provision as can be seen from the table below illustrated by 2 and 3 year old FEEE take up.

			Leics	Leics (inc. out of county)
2 year FEEE	Summer 2017 Term	Number on DWP list	1,672	
		Taken up	1,178	
		% take-up	70.5%	76.9%
3 year FEEE		% take-up	89.3%	97.3%

Estimated population mid-year 2017 (gov't 2015 mid-year rolled forward) for 3 yr olds (Finance Headcount Database) expressed as %age of 3/4 yr olds from Population Estimated number of families from Department of Work and Pensions for 2 yr olds Finance Headcount Database) expressed as %age of 2 yr olds places available.

Ratios

The childcare ratios have been calculated as follows:

0-2 year olds	1:3
3-4 year olds	1:3
5-7 year olds	1:6
8-10 year olds	1:7
11-14 year olds	1:12

These childcare ratios indicate that Leicestershire, as a whole is sufficient at present for pre-school children. Further analysis will be undertaken with the new extended entitlement of 30 hours as Leicestershire are predicted to require further places. However we do not have sufficient provision for Out of School/ Holiday play schemes (for children aged 5-7). We currently have a 1:7 ratio, where it should be 1:6. This means that parents may be using informal childcare to meet their needs. Parents and providers have the right to request wraparound and holiday childcare from schools and academies. Providers can also approach schools to utilise unused space.

Quality

When we look at the overall quality of settings and childminders we use the Ofsted inspection grades. These tell us that:

- 84.5% are assessed as outstanding or good,
- 14.5% require improvement

The LA works with those providers who are less than good and [the package of support can be accessed online](#).

Free Early Educational Entitlement (FEEE)

Within Leicestershire there are:

611 childminders, of these

- 263 offer FEEE places for 3 and 4 year olds and
- 136 offer FEEE places for 2 year olds.

159 day nurseries, of these

- 153 offer FEEE places for 3 and 4 year olds
- 117 of these offer FEEE places for 2 year olds.

226 pre-schools, of these

- 223 offer FEEE places for 3 and 4 year olds
- 180 of these offer FEEE places for 2 year olds.

273 out of school and play schemes.

Support to vulnerable children

The LA continue to focus on those children who are most vulnerable.

Our priorities to support this are:

- work with partners to support vulnerable families
- increase the take-up of 2, 3 and 4 year old FEEE
- continue to support the expansion and creation of 2 year old FEEE places
- identify where there are gaps in provision for 2, 3 and 4 year olds, out of school provision and children with SEND
- continue to support families to identify eligibility for 2 year old FEEE
- promote the Early Years Pupil Premium to eligible parents/carers early years providers and partners
- support the Integrated Health Review with early years providers and health partners to identify children at risk of delay
- promote school readiness and language development
- meet the needs of children with SEND, vulnerable and disadvantages children
- ensure effective safeguarding and child protection practice.

To support Leicestershire's most significant and complex children we know that currently Leicestershire have identified through educational health care plans, SEN statements, school action, school action plus and SEN support for;

- 11,574 5-19 year olds and
- 303 0-5year olds in Leicestershire.

Consideration for out of school and holiday provision needs to be developed for these children.

6. Summary

There are a number of challenges which we are actively working to address. We will need to continue to work collaboratively with all local providers in addressing these. Key challenges include:

- further places are required across the county for two year olds who have not yet taken up a place, can do so
- providers have indicated that the impact on sufficiency with the Government's new proposal for the expansion of 15 hours to 30 hours of FEEE for working parents/carers from September 2017 will have an impact on places available
- parents/carers with children who have SEND find it difficult to access early learning and childcare places, after school care and holiday places
- parents find wraparound care as well as holiday care difficult to access.

7. Local Authority Support to the market:

The Early Learning and Childcare Service offers support to all new providers entering the market as well as existing childcare providers looking to expand or set up new provision within the locality.

There is also support for those providers who have a less than good Ofsted Inspection grade. Officers support key Ofsted actions to improve quality and outcomes for children. Find out about [available support](#).

Additionally there is useful information aimed at providers contained on the [Leicestershire County Council web page](#).

The links below are of particular use to those considering starting or expanding child care provision.

[Local Authority quality improvements](#)

[Support to new Providers](#)

[Support specific to those wishing to become a childminder](#)

[Free Early Education Entitlement \(FEEE\)](#)

[Family Information Service](#)

[Information on Special Educational Needs and Disabilities \(SEND\)](#)

[Joint Strategic Needs Assessment](#)