



Gloucestershire Childcare Interim Sufficiency Duty Report

Produced by the Early Years Sufficiency /
Business Team & the Education Data Hub

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Introduction

The Local Authority has a duty to ensure, as far as reasonably able, that there is sufficient childcare provision available to all children across the county and to publish an annual sufficiency duty report. The annual Child Care Sufficiency Duty Report provides an analysis of the countywide childcare market across the county by type, location and availability for all children aged 0-14 years old (and up to 18 years old for disabled children). Cabinet approved Gloucestershire's most recent annual Childcare Sufficiency Duty Report in October 2022. The report was based on data relating to end May 2022, and included the following elements:

- The current position of the childcare market across the county with comparison to previous years
- A summary of work already undertaken and ongoing to support the childcare market and to deliver the LA sufficiency duties
- An overview of the localities starting to be challenged around sufficiency and what action is being taken to address this.
- The challenges faced by the Early Years Service in addressing the identified sufficiency risks, such as available resources, budget and buildings
- The challenges faced by the Early Years sector – impact of Covid and “cost of living crisis”, staff recruitment and retention, rising numbers of children with additional needs

Given the significant challenges that are being faced nationally and locally, the sufficiency and quality of the EY sector in Gloucestershire has been, and continues to be, closely monitored to ensure that, as far as is reasonably possible, the LA are meeting statutory sufficiency duties.

The following report provides an interim analysis of the Early Years sector, data relates to end December 2022.

Childcare Sufficiency – the national picture

The Early Years sector faces unprecedented challenges, with Ofsted's latest figures showing that there has been a consistent reduction in the number of early education and childcare providers, particularly among the Private, Voluntary, and Independent (PVI) sector which support the majority of our children. Rising business rates and the cost-of-living crisis are forcing many towards closure, leaving parents and children, including those with SEND and/or from disadvantaged backgrounds, without access to an essential part of our national education infrastructure.

Ofsted report that between August 2021 and August 2022 there was a net loss of 300 nurseries with the number of childminders joining the sector the lowest recorded. On 31 August 2022, there 65,600 childcare providers, across the country registered with Ofsted, a decrease of 5,400 since 31 August 2021.

However, while the number of providers has fallen by 8 per cent since 31 August 2021, the number of places has declined by only 2 per cent. This is due to an increase in the number of places offered by each provider over time. On 31 August 2022, there were 1.28 million childcare places offered by providers registered on the Early Years Register (EYR).

Most of the overall decline nationally is due to a loss in the number of childminders. Since 31 August 2021, more than three times as many childminders have left the sector – with 5,600 childminders leaving and 1,500 childminders joining, which Ofsted report was 'the lowest number of annual joiners to date'.

The Chief Executive of National Day Nurseries Association (NDNA) recently advised that *'A further drop in the numbers of places mirrors local authorities' concerns about sufficiency of childcare. This could be because more providers are either closing or reducing the numbers of funded places they can offer in an attempt to reduce their losses. This data shows that chronic underfunding is crippling the early years sector.'*

In an online event to celebrate the sector during Childcare and Early Education Week (January 2023), the group's chair Steve Brine MP invited speakers to share their thoughts on the challenges facing the sector. Julie Hyde of NCFE, director of external and regulatory affairs, said that the problem was not attracting people into the early years workforce, but retaining them, with more than 110,000 people gaining early years qualifications in the past three year.

In December 2022 the DfE announced that in 2023-24, all local authorities would receive average funding increases of 3.4 per cent for three and four-year-olds and 4 per cent for eligible two-year-olds, compared to their 2022-23 rates. All local authorities will benefit from at least a 1 per cent increase in their funding rates in 2023-24, with increases for some of up to 4.9 per cent for three and four-year-olds, and up to 10 per cent for two-year-olds.

The Early Years Alliance calculated that whilst the funding each child gets will increase on average by 3.4percent, the real costs for providers will be well over 10 per cent higher.

In Gloucestershire funding rates have been increased by 8p per hour for 2-year-olds, bringing the hourly rate to £5.36 and by 26p per hour for 3 & 4 year olds bringing the hourly base rate to £4.50.

Local providers are currently setting their budgets for the new financial year. Many are now reporting that even with the increase in the hourly rate, due to significant increases in overhead costs, including the increase in the minimum living wage, they have calculated a funding deficit of between £8K and £20k per year. Whilst most providers anticipate a need to increase the hourly rate charged to parents for childcare hours delivered outside of the funded EY entitlement, this will generate little income as numbers of fee paying parents have significantly decreased over the past few years.

The CEO of the EY Alliance stated *“The government had the opportunity to tackle this crisis at the recent Autumn Statement – but despite managing to somehow find an extra £2.3bn for schools, opted to completely ignore the early years. If this approach continues, there is absolutely no doubt we will continue to see further closures on an ever-increasing scale.”*

Steve Brine, chair of the APPG for Childcare & Early Education and MP for Winchester set out his concerns as follows:

“Given that the wage bill for providers alone amounts to 76 per cent of nurseries’ operating costs further funding from central government is needed. Pay must be reflective of the vital work early years educators do in order to stem the staffing crisis, and settings cannot seriously invest in their staff when they face so many financial challenges.

There is an economic and social imperative to tackle these issues now. It is clear that early education, and the support this provides for parents, is a part of the infrastructure of this country that is under-funded at our peril.

It is clear that the challenges faced by providers across the country and the county, pose a real risk to childcare sufficiency and subsequently the potential risk to outcomes for children, particularly those most in need of the opportunities that early childcare offers.

Catherine McLeod, chief executive, Dingley's Promise, which supports young children with special, educational needs and their families, said that there had been ‘a big rise’ in the number of children with SEND that are not able to access early years settings.

She said, *‘I think sometimes what is forgotten is that when there is an issue with sufficiency, it's often the children with SEND, who get turned away first. It has an impact on their outcomes, an impact on how much education costs later, and also has a massive impact on families who then have to care for their children rather than be able to go back to work. So, for us at the moment, it's a really, really worrying time, we're seeing more exclusion than there's been for some time.’*

Gloucestershire - current childcare market position

There are currently 647 childcare settings across the county, providing 15,292 childcare places for children aged 0-5 years. These are made up of 282 childminders, 156 day nurseries, and 194 pre-schools, 14 Nursery units in independent schools and 1 creche.

Although since March 2019 there has been an overall loss of 926 Early Years places, since the data in the previous sufficiency report (end May 2022) whilst the number of providers has reduced by – 30 over all , the number of EY places has increased by +83 . This is largely due to the closure of a signifincat number of childminders and smaller settings being relaced with larger provisions offering more childcare places.

The quality of childcare in Gloucestershire is high; 90.1% of childminders and 91.4% of day care providers are rated as a ‘good’ or ‘outstanding’. 8.1% of childminders are rated as Met as are 2.3% of Daycare providers.

There are two childminder agencies with membership in Gloucestershire, Ofsted inspect and grade the childminder agencies, both of these agencies have achieved an Ofsted CM Agency Inspection grade of effective. There are 31 childminders in Gloucestershire registered with these agencies rather than registered independently with Ofsted. The agencies carry out monitoring inspections of the childminders registered to them. To date 15 of these have received a childminder agency monitoring inspection with 93.3% achieving a grade of good or outstanding and 6.7% achieving a grade of effective.

The ongoing demand for childcare in Gloucestershire has been measured through direct consultation with parents and carers, early years and childcare providers, employers and agencies. The childcare market remains extremely fluid, some areas are reporting increased demand for childcare places and have therefore considered expansion to meet demand with others reporting reduced capacity. Staff shortages and problems in recruiting staff is a major concern for providers. Feedback from managers highlights the increased demands on their time and the requirement for them to cover staff shortages, and staff absence due to staff sickness which is in turn impacting on their time devoted to management duties and responsibilities

Overall, Gloucestershire appears to be meeting the demands for childcare places however we are aware that with continued flexible working patterns being offered to parents, the demand for childcare places may be reduced at this time. Analysis of the locality data currently highlights areas of weakness in some localities in relation to meeting the current demand for childcare places.

Areas of sufficiency concern, and actions being taken to mitigate risk, are highlighted in this report. The current sustainability of the childcare market reflects the ongoing collaborative work between the early years’ service and local providers that ensured provider concerns were understood and addressed, so far as was practicable, at both local and national levels. The major concern for providers both locally and nationally is the financial impact of rising costs associated with the delivery of Early Years provision and recruitment and retention of staff and the low funding rates.

Please note that data contained in this report includes childcare/holiday provision, as well as EY Education and childcare provision and reflects the position as of end December 2022. The information highlights an increase in Holiday and OOS provision, in some areas, however this is potentially due to our access to additional information regarding the places available which was not previously available .

Number of early years providers and places

	No of providers	% of Providers	No of registered places
Childminders	282	31%	1848
Day Nursery (non gov run)	149	17%	7602
Day Nursery (gov run)	4	0%	179
Day Nursery (academy trust gov run)	3	0%	70
Pre-School Playgroup (non gov run)	125	14%	3501
Pre-School Playgroup (gov run)	51	6%	1333
Pre-School Playgroup (academy trust gov run)	18	2%	426
Nursery Unit of Independent Schools	14	2%	307
Creche	1	0%	26
Out of school (non gov run)	102	11%	2575
Out of School (gov run)	58	6%	1199
Out of School (academy trust gov run)	7	1%	184
Holiday (non gov run)	83	9%	1861
Holiday (gov run)	2	0%	58
Holiday (academy trust gov run)	2	0%	62

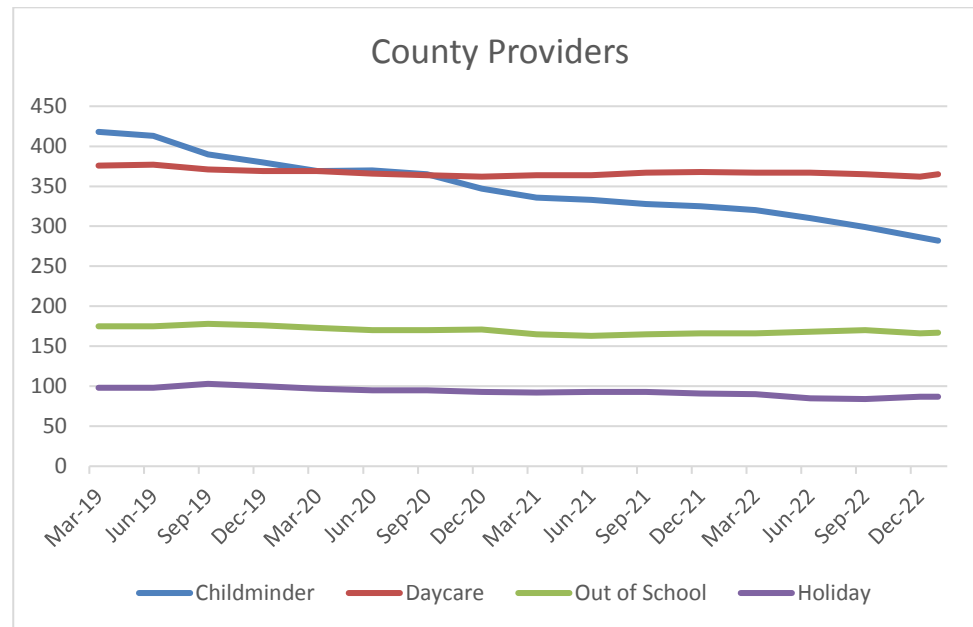
For private, voluntary, and independent nurseries and childminders, the number of registered places represents the maximum number of children who can be on the premises at any given time. In practice, many providers choose to operate below their number of registered places. Children may attend childcare full time or part time. This table records places for children who are attending full time, or for as many hours as the setting is open. In some cases, two or more children attending part time may use one full time equivalent place. For example, one child may attend in the morning and one child may attend in the afternoon.

Change in providers and places since last sufficiency report

Since the data in the previous sufficiency report (end May 2022) there has been **a 4.4% decrease in the number of early years providers and a 0.5% increase in the overall number of places. For Out of School/Holiday providers there has been a 0.4% increase in providers and a 10.8% increase in places (58% of OOS/HOL increase is due to confirmation of existing OOS places).**

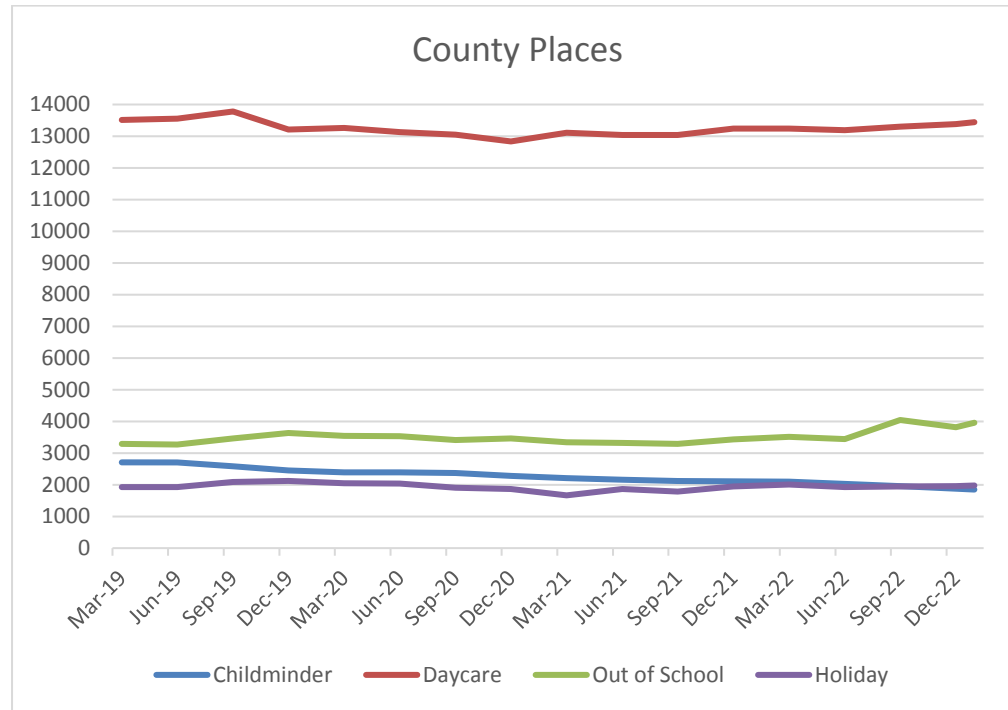
Change in provider numbers yearly comparison

The Following graphs show the total number of providers and places available since March 2019. The tables show the yearly percentage change in providers and places from March 2019 to end Dec 2022. This covers the year preceding the pandemic, years one and two of the pandemic and ten months of year three.



	% Change Mar 19 to end Feb 20	% Change Mar 20 to end Feb 21	% Change Mar 21 to end Feb 22	% Change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-11.7%	-8.9%	-4.8%	-11.9%	-32.5%
Day-care	-1.9%	-1.3%	+0.8%	-0.5%	-2.9%
Out of School	-1.1%	-4.6%	+0.6%	+0.6%	-4.6%
Holiday	-1.0%	-5.1%	-2.2%	-3.3%	-11.2%
Overall Total	-5.5	-5.0%	-1.5%	-4.5%	-15.6%

Change in number of childcare places yearly comparison



	% Change Mar 19 to end Feb 20	% Change Mar 20 to end Feb 21	% Change Mar 21 to end Feb 22	% Change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-11.6%	-7.6%	-5.3%	-11.7%	-31.7%
Day-care	-1.9%	-1.1%	+1.0%	+1.5%	-0.5%
Out of School	+7.7%	-4.6%	+5.4%	+12.6%	+20.4%
Holiday	+6.6%	-18.9%	+20.7%	-1.4%	+2.9%
Overall Total	-0.9%	-4.3%	+2.6%	+1.8%	-0.9%

Quality of childcare in Gloucestershire

Ofsted inspection grades end Dec 22

Gloucestershire currently has 118 Early Years providers that are awaiting their first graded inspection (usually within 30 months of registration)

Of those providers inspected Gloucestershire currently has 90.1% of childminders with a good or outstanding Ofsted outcome and 8.1% compliant met. There are 91.4% of day care providers with a good or outstanding Ofsted outcome and 2.3% with compliant met.

Compared to data in the latest Childcare Sufficiency Duty Report (end May 22) this is an increase of 0.6% of good or outstanding childminders and a 1.2% decrease graded compliant/met. For day care this is a decrease of 0.5% graded good or outstanding and a decrease of 0.1% graded compliant/met.

Private and voluntary providers who care for children from birth to 18 years must register with Ofsted on the Early Years Register. Childminders have the option to either register on the Early Years Register with Ofsted or with a Childminder Agency. Schools and standalone maintained nursery schools are on the Schools Register. The grades for both registers are equivalent. Schools with nurseries have an overall inspection grade for the whole school and most will also have a separate early year's grade within the whole school inspection report

Both schools and early years providers have four possible Ofsted grades: 'outstanding', 'good', 'requires improvement', and 'inadequate'. Childminders on the Childminder Agency would be independently graded by the agency using the same inspection outcomes. Some providers will still be awaiting their first full inspection. These providers are excluded from our calculation. Nursery classes in independent schools do not generally have an Ofsted grade.

	Number & % achieving good or outstanding	Number & % achieving requires improvement	Number & % achieving inadequate	Number & % achieving Compliant / Met	Number & % Non Compliant / Not Met
Childminders	201 (90.1%)	1 (0.4%)	1 (0.4%)	18 (8.1%)	2 (0.9%)
Agency Childminders	14 (100%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Day Nursery (non gov run)	124 (95.4%)	4 (3.1%)	2 (1.5%)	0 (0%)	0 (0%)
Day Nursery (gov run)	3 (100%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Day Nursery (academy trust run)	n/a	n/a	n/a	n/a	n/a
Pre-School Playgroup (non gov run)	117 (95.9%)	1 (0.8%)	4 (3.3%)	0 (0%)	0 (0%)
Pre-School Playgroup (gov run)	16 (69.6%)	4 (17.4%)	2 (8.7%)	1 (4.3%)	0 (0%)
Pre-School Playgroup (academy trust run)	10 (83.3%)	1 (8.3%)	1 (8.3%)	0 (0%)	0 (0%)
Nursery Unit of Independent Schools	7 (58.3%)	0 (0%)	0 (0%)	5 (41.7%)	0 (0%)
Creche	0 (0%)	0 (0%)	0 (0%)	1 (100%)	0 (0%)
Out of school (non gov run)	50 (72.5%)	1 (1.4%)	0 (0%)	17 (24.6%)	1 (1.4%)
Out of School (gov run)	10 (83.3%)	1 (8.3%)	0 (0%)	1 (8.3%)	0 (0%)
Out of School (academy trust gov run)	4 (100%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)
Holiday (non gov run)	37 (60.7%)	3 (4.9%)	0 (0%)	20 (32.8%)	1 (1.6%)
Holiday (gov run)	n/a	n/a	n/a	n/a	n/a
Holiday (academy trust gov run)	1 (100%)	0 (0%)	0 (0%)	0 (0%)	0 (0%)

* n/a - all settings in category awaiting inspection

Providers with met / not met grade

When providers do not have any children on site at the time of their inspection, they are not graded but given an Ofsted outcome of 'met' or 'not met'. This shows whether they are meeting the requirements for Ofsted registration. 'Met' indicates that they are meeting all legal requirements of registration; 'Not Met' means that there are some areas for improvement. At present, we have 25 providers with a 'Met' grade and 2 provider with a 'Not Met' grade.

Childminder Agency

There are currently 31 Gloucestershire childminders who have registered with a Childminder Agency rather than with Ofsted since 2019, 15 have received a quality monitoring inspection visit, 5 achieved Outstanding, 9 achieved Good, 1 received Effective.

Quality Improvement

Providers who receive Inadequate, Requires Improvement, or Not Met inspection outcomes are encouraged to sign up to the Early Years' Service - Early Years Intervention Programme of support to improve outcomes and are regularly monitored until their next graded Good or Outstanding inspection outcome.

Forest of Dean

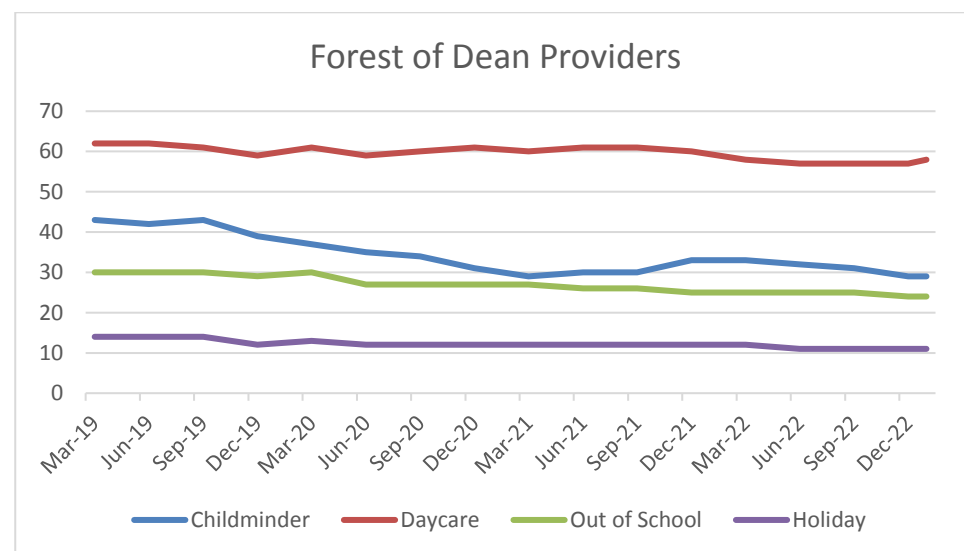


Change in providers and places since last sufficiency report

Since the data in the previous sufficiency report (end May 2022) there has been a 2.2% decrease in the number of early years providers and a 1.2% increase in the overall number of places. For Out of School/Holiday providers there has been a 2.7% decrease in providers and a 1.4% increase in places (the OOS/HOL increase is due to confirmation of existing places). Based on provider data available the planning areas of Brooks Dean, Cinderford, Lydney and Newent are currently still showing a predicted shortfall of childcare places required. We continue to work with childcare providers and GCC colleagues to support the sustainability of current provision and the development of additional childcare places in these areas.

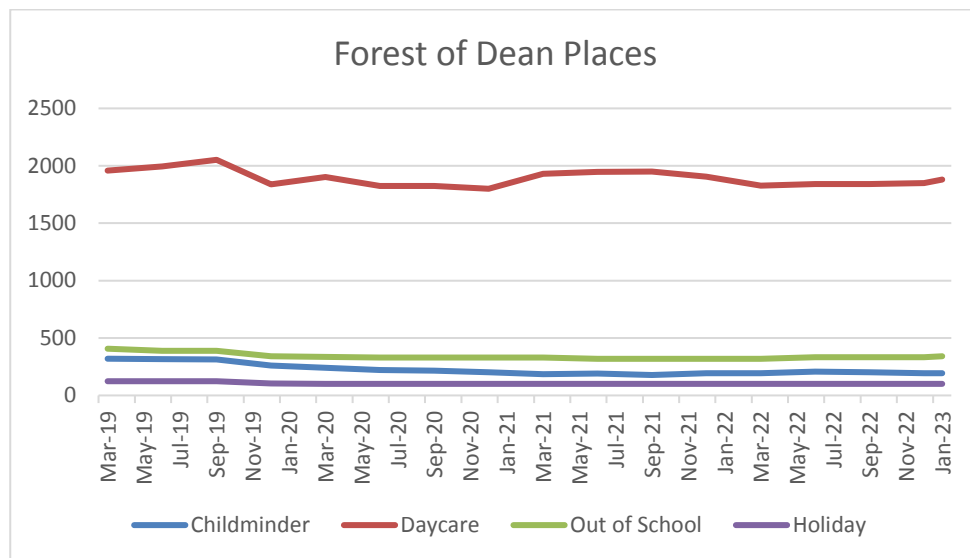
Change in provider numbers yearly comparison

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	% Change Mar 19 to end Feb 20	% Change Mar 20 to end Feb 21	% Change Mar 21 to end Feb 22	% Change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-13.9%	-21.6%	+13.8%	-12.1%	-32.5%
Day-care	-1.6%	-1.6%	-3.3%	0%	-6.4%
Out of School	0%	-10.0%	-7.4%	-4.0%	-20.0%
Holiday	-7.1%	-7.7%	0%	-8.3%	-21.4%
Overall Total	-5.4	-9.2%	0%	-4.7%	-18.1

Change in places yearly comparison



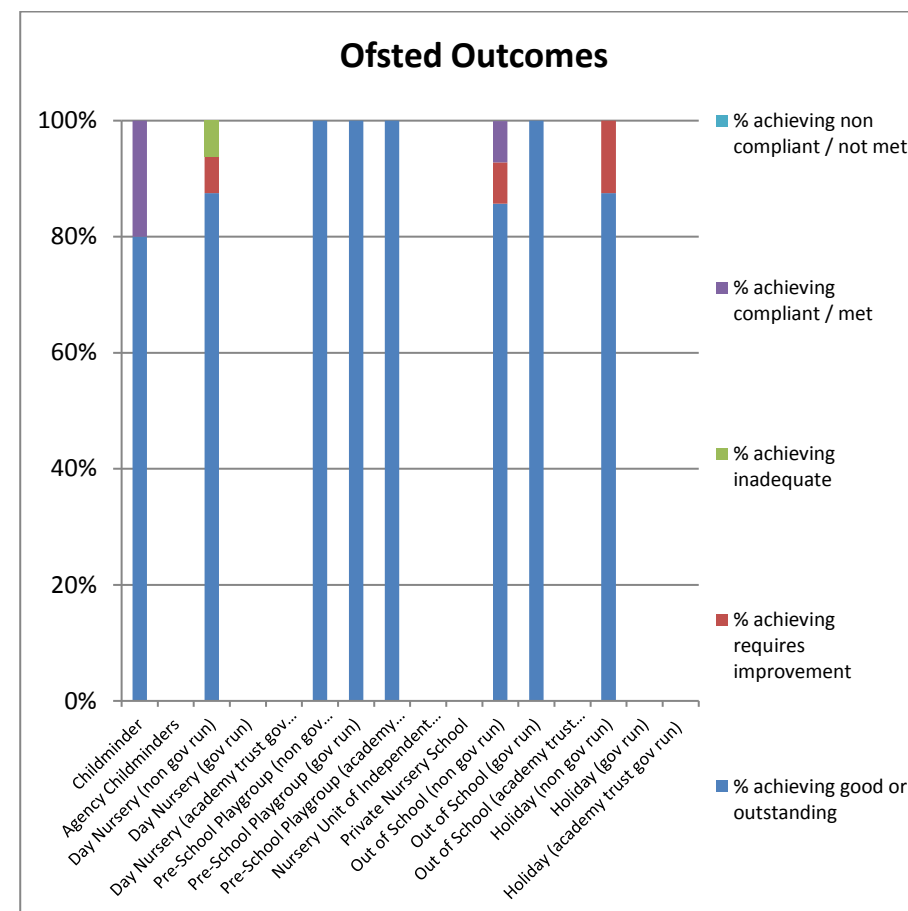
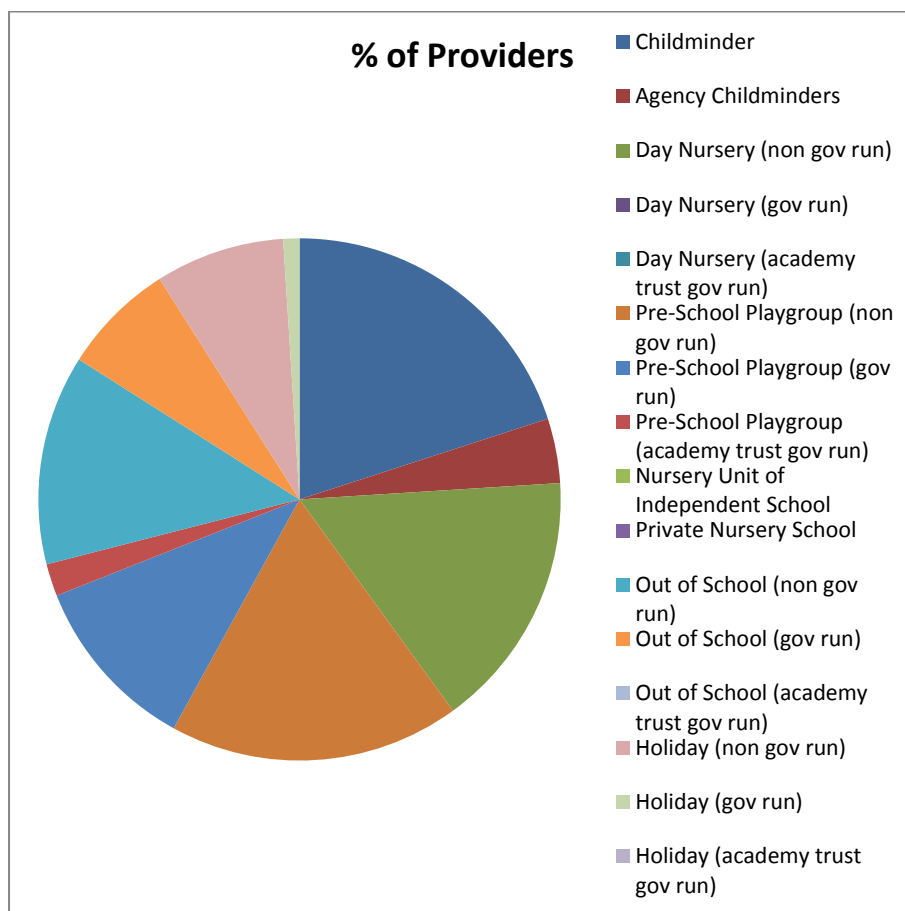
	% Change Mar 19 to end Feb 20	% Change Mar 20 to end Feb 21	% Change Mar 21 to end Feb 22	% Change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-25.0%	-23.3%	+6.0%	-1.0%	-39.7%
Daycare	-2.9%	+1.4%	-5.3%	+2.9%	-4.0%
Out of School	-17.4%	-1.5%	-3.6%	+6.6%	-16.5%
Holiday	-18.5%	0%	0%	0%	-18.5%
Overall Total	-8.2	-1.3%	-4.0%	+2.9%	-10.5%

Childcare Provision

	No of providers	% Of Providers	No of registered places	No & % achieving good or outstanding	No & % achieving requires improvement	No & % achieving inadequate	No & % achieving compliant / met	No & % achieving non-compliant / not met
Childminders	24	20%	145	16 (80.0%)			4 (20.0%)	
Agency Childminders	5	4%	48					
Day Nursery (non gov run)	20	16%	1006	16 (87.5%)	1 (6.3%)	1 (6.3%)		
Day Nursery (gov run)								
Day Nursery (academy trust gov run)								
Pre-School Playgroup (non gov run)	22	18%	610	21 (100%)				
Pre-School Playgroup (gov run)	13	11%	236	4 (100%)				
Pre-School Playgroup (academy trust gov run)	3	2%	28	1 (100%)				
Nursery Unit of Independent Schools								
Private Nursery School								
Out of school (non gov run)	16	13%	187	12 (85.7%)	1 (7.1%)		1 (7.1%)	
Out of School (gov run)	8	7%	153	3 (100%)				
Out of School (academy trust gov run)								
Holiday (non gov run)	10	8%	75	7 (87.5%)	1 (12.5%)			
Holiday (gov run)	1	1%	26					
Holiday (academy trust gov run)								

NB: Totals will not always add up as some settings will be awaiting an Ofsted outcome and some governor run settings will come under schools Ofsted.

Since the data in the previous sufficiency duty report, in the Forest of Dean locality, there has been a 4% increase in childminders graded good or outstanding and a 4% decrease graded compliant/met. For day care providers there has been a 2.4 % increase graded good or outstanding and no change graded compliant/met.



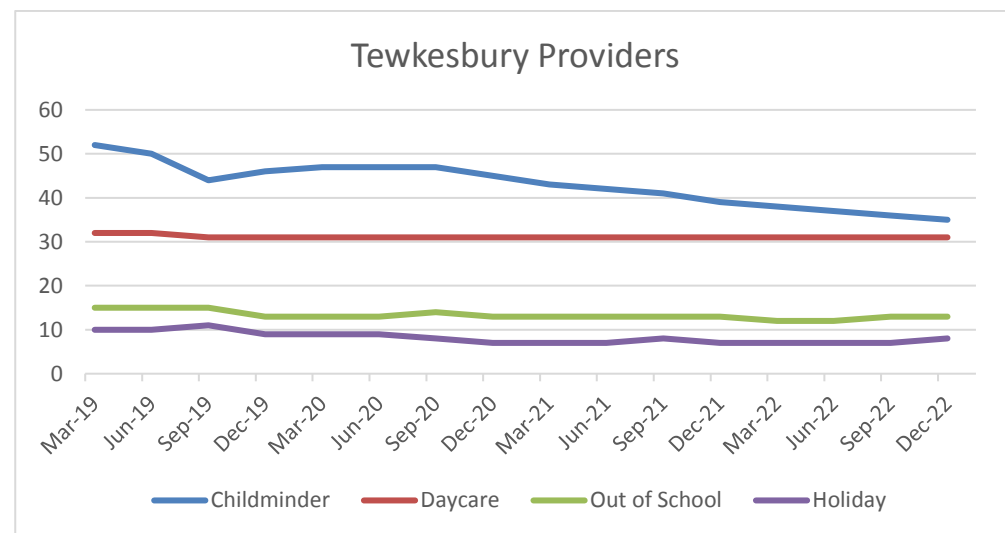
Tewkesbury

Change in providers and places since last sufficiency report

Since the data in the previous sufficiency report (end May 2022) there has been a 2.9% decrease in the number of early years providers and a 1.9% increase in the overall number of places. For Out of School/Holiday providers there has been a 10.5% increase in providers and a 21.5% increase in places. Based on provider data available, the planning areas within this locality are currently still showing sufficient childcare places in Tewkesbury locality, however, as reported in the previous full Sufficiency Duty report there are major business developments underway in this area with completion due in Spring 2024. We continue to closely monitor that development to ascertain demand for additional childcare places and investment required to ensure sufficient childcare places.

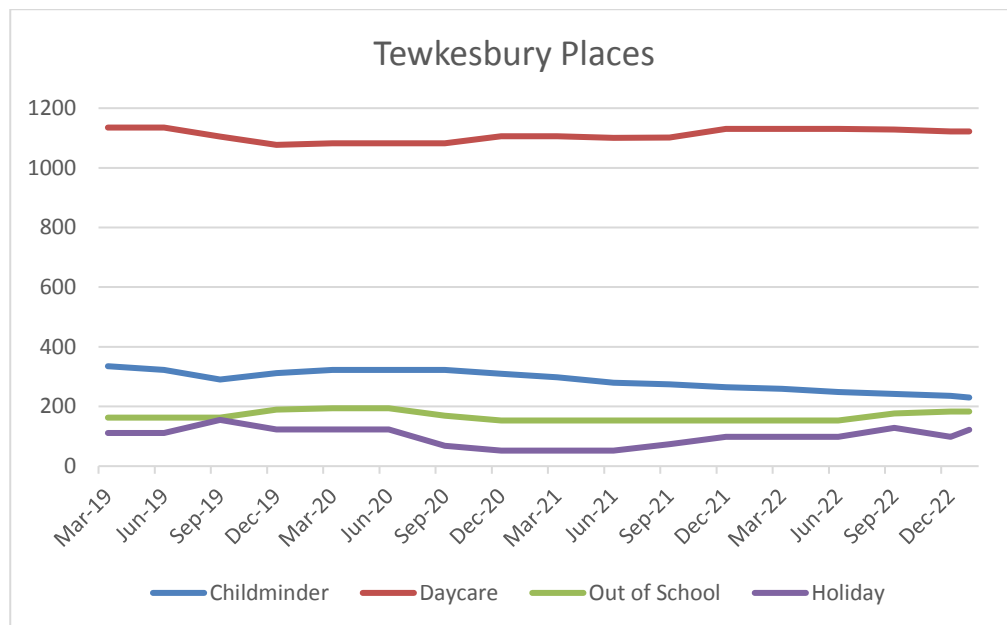
Change in provider numbers yearly comparison

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	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-9.6%	-8.5%	-11.6%	-10.5%	-34.6%
Day-care	-3.1%	0%	0%	+3.2%	0.0%
Out of School	-13.3%	0%	-7.7%	+8.3%	-13.3%
Holiday	-10.0%	-22.2%	0%	+14.2%	-20.0%
Overall Total	-8.2	-6.0%	-6.4%	-1.1%	-20.2%

Change in places yearly comparison



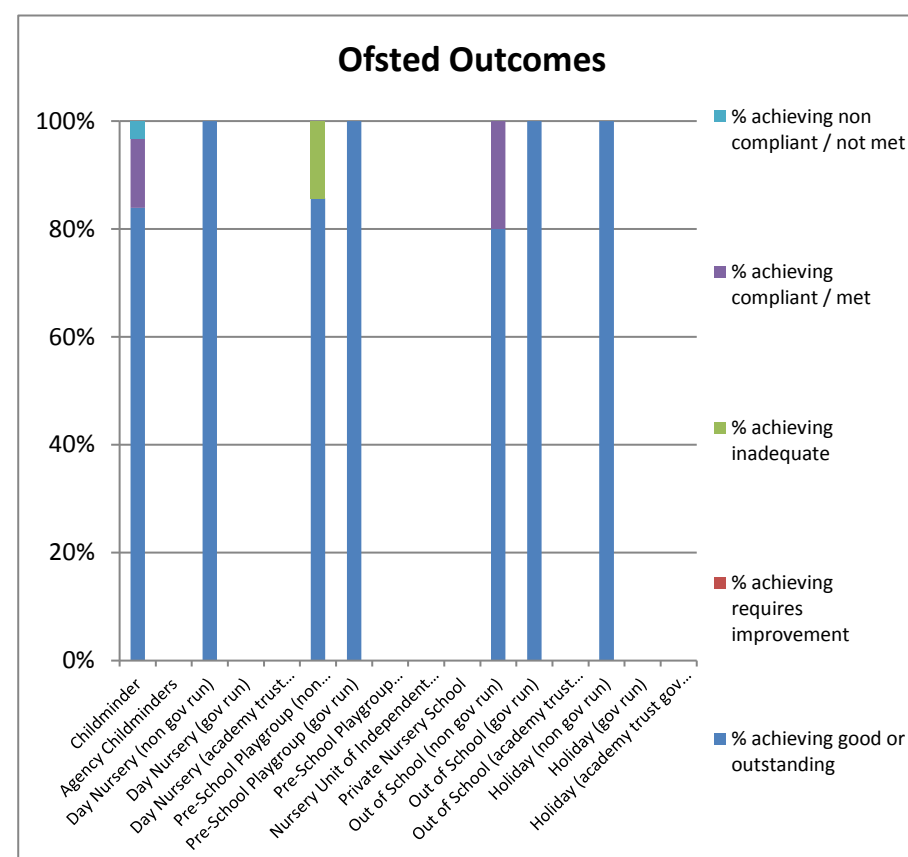
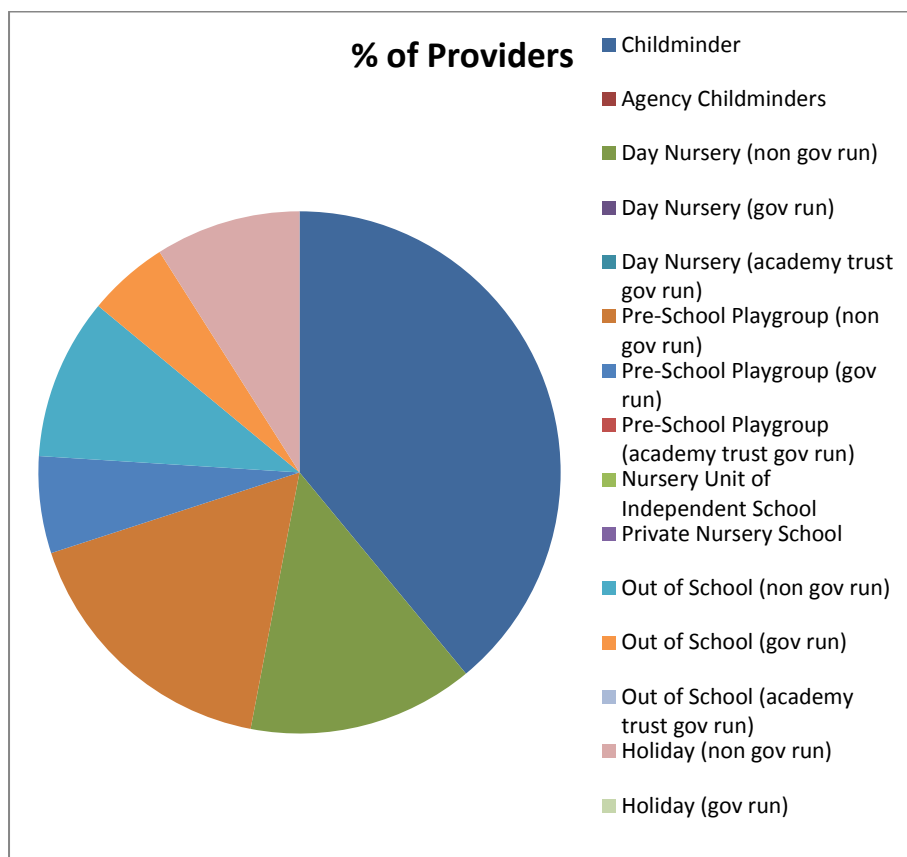
	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-3.9%	-7.4%	-13.1%	-11.2%	-31.3%
Day-care	-4.7%	+2.2%	-2.2%	-0.7%	-1.1%
Out of School	+19.0%	-21.1%	0%	+19.6%	+12.3%
Holiday	+10.8%	-57.7%	+88.5%	+24.5%	+9.9%
Overall Total	-1.31%	-6.5%	+1.9%	+1.0%	-5.0%

Childcare Provision

	No of providers	% of Providers	No of registered places	No & % achieving good or outstanding	No % achieving requires improvement	No & % achieving inadequate	No & % achieving compliant / met	No % achieving non-compliant / not met
Childminders	34	39%	230	26 (83.9%)			4 (12.9%)	1 (3.2%)
Agency Childminders								
Day Nursery (non gov run)	12	14%	594	9 (100%)				
Day Nursery (gov run)								
Day Nursery (academy trust gov run)								
Pre-School Playgroup (non gov run)	15	17%	407	12 (85.7%)		2 (14.3%)		
Pre-School Playgroup (gov run)	5	6%	121	3 (100%)				
Pre-School Playgroup (academy trust gov run)								
Nursery Unit of Independent Schools								
Private Nursery School								
Out of school (non gov run)	9	10%	95	4 (80.0%)			1 (20.0%)	
Out of School (gov run)	4	5%	88	1 (100%)				
Out of School (academy trust gov run)								
Holiday (non gov run)	8	9%	122	3 (100%)				
Holiday (gov run)								
Holiday (academy trust gov run)								

NB: Totals will not always add up as some settings will be awaiting an Ofsted outcome and some governor run settings will come under schools Ofsted.

Since the data in the previous sufficiency report, in the Tewkesbury locality there has been a 1.5% increase in childminders graded good or outstanding and a 1.8% decrease graded compliant/met. For day care providers there has been a 7.7 % decrease graded good or outstanding and no change graded compliant/met.



Cotswolds

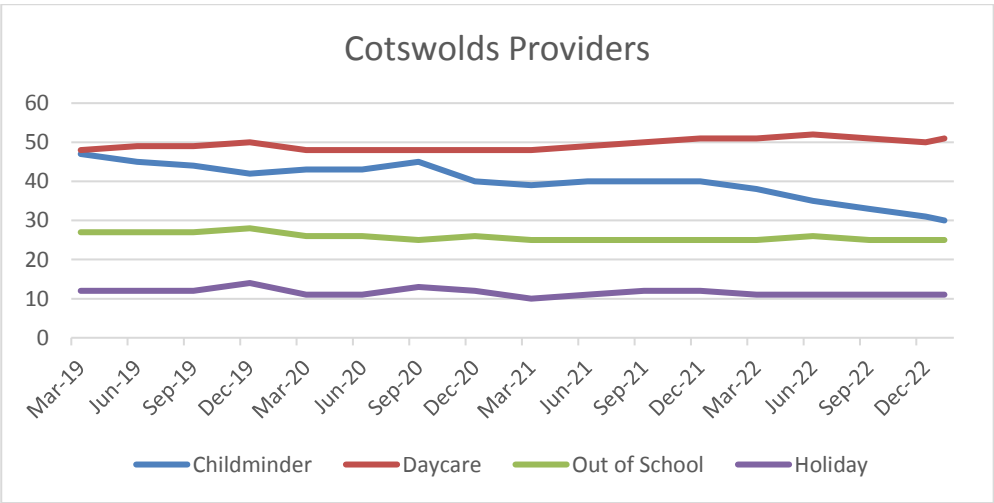


Change in providers and places since last sufficiency report

Since the data in the previous sufficiency report (end May 2022) there has been a 6.9% decrease in the number of early years providers and a 0.7% decrease in the overall number of places. For Out of School/Holiday providers there has been a 2.7% decrease in providers and a 2.8% decrease in places. Based on provider data available, the planning areas of Chipping Campden/Moreton in Marsh and Tetbury are currently still showing a predicted shortfall of childcare places required. We continue to work with childcare providers and GCC colleagues to support the development of additional childcare places in these areas.

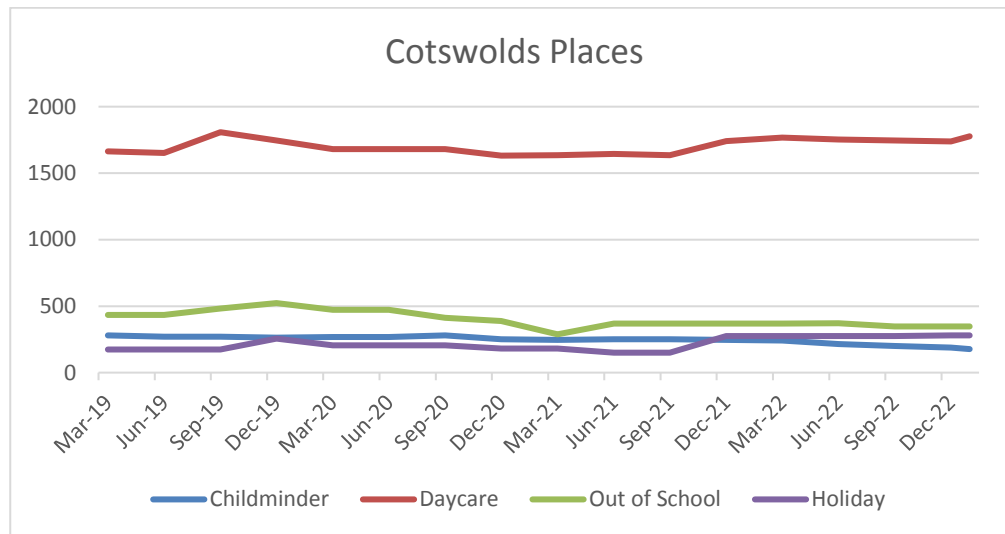
Change in provider numbers yearly comparison

The Following graphs show the total number of providers and places available since March 2019. The tables show the yearly percentage change in providers and places from March 2019 to end Dec 2022. This covers the year preceding the pandemic, years one and two of the pandemic and ten months of year three.



	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% Change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-8.5%	-9.3%	-2.6%	-21.0%	-36.2%
Day-care	0%	0%	-6.2%	0%	+6.2%
Out of School	-3.7%	-3.8%	0%	0%	-7.4%
Holiday	-8.3%	-9.0%	+10.0%	0%	-8.3%
Overall Total	-4.5%	-4.7%	+2.4%	-6.4%	-12.7%

Change in places yearly comparison



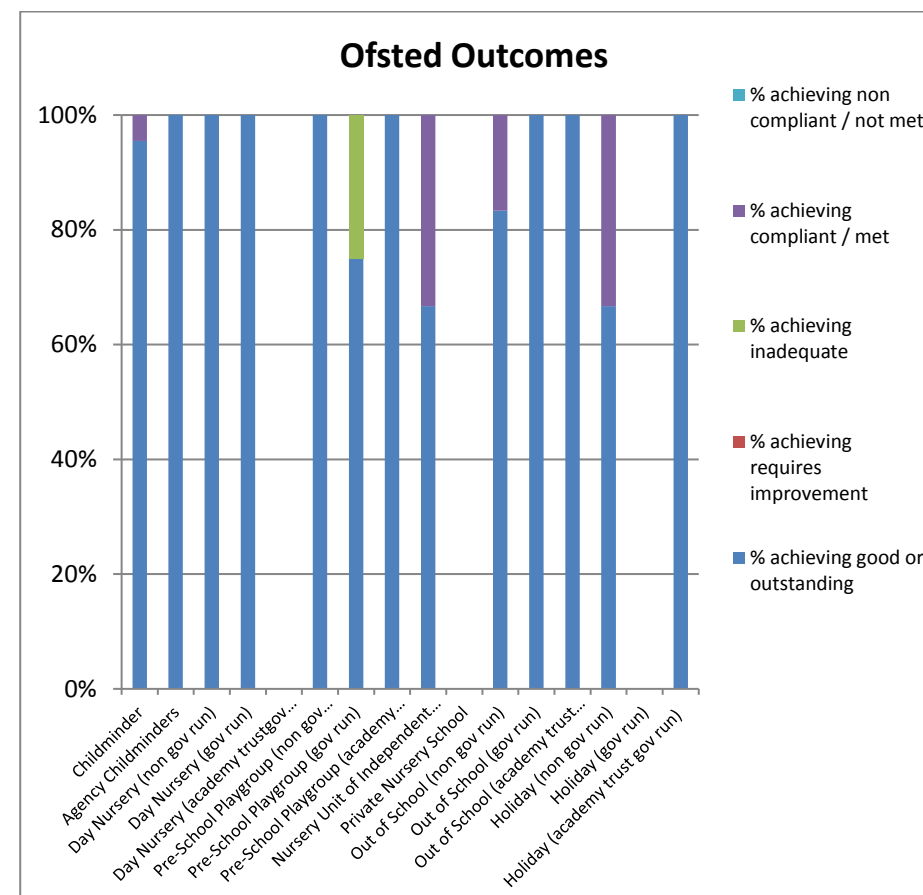
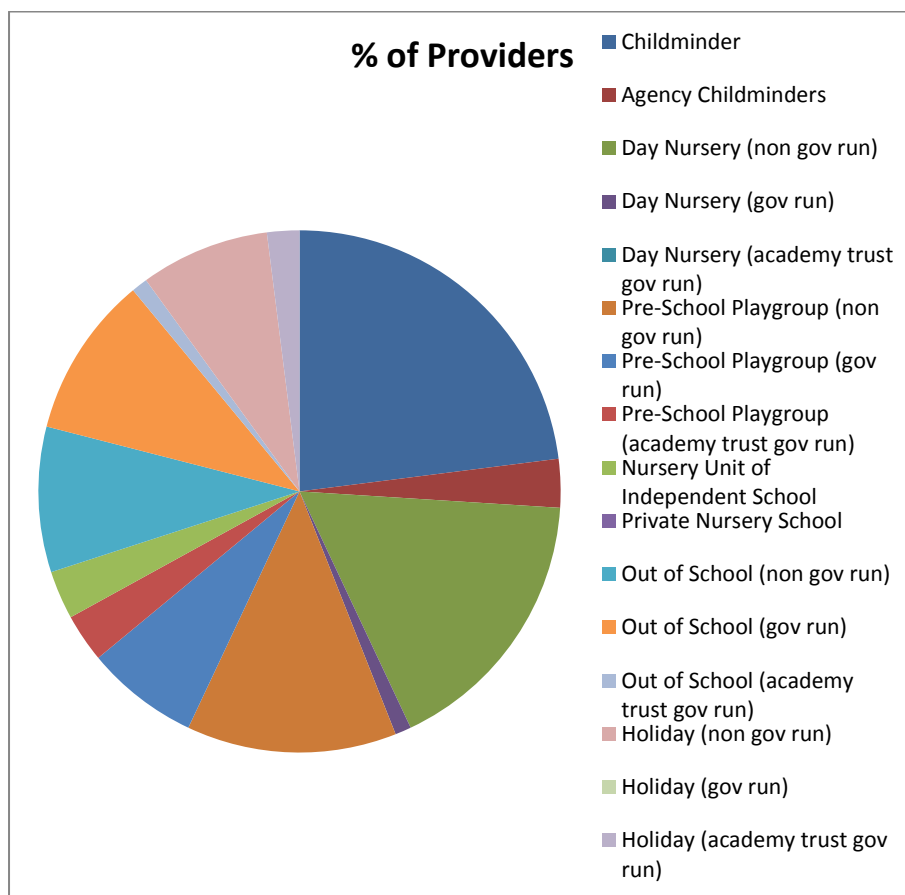
	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-4.3%	-8.2%	+2.0%	-26.5%	-36.8%
Day-care	+1.0%	-2.6%	+8.0%	+0.5%	+6.8%
Out of School	+9.2%	-39.1%	+27.8%	-5.7%	-19.9%
Holiday	+17.8%	-12.2%	+52.2%	+2.2%	+61.0%
Overall Total	+2.9%	-10.5%	+12.8%	-2.6%	+1.2.%

Childcare Provision

	No of providers	% of Providers	No of registered places	No & % achieving good or outstanding	No & % achieving requires improvement	No & % achieving inadequate	No & % achieving compliant / met	No & % achieving non compliant / not met
Childminders	27	23%	159	21 (95.5%)			1 (4.5%)	
Agency Childminders	3	3%	18	1 (100%)				
Day Nursery (non gov run)	20	17%	977	16 (100%)				
Day Nursery (gov run)	2	1%	32	1 (100%)				
Day Nursery (academy trust gov run)								
Pre-School Playgroup (non gov run)	15	13%	429	14 (100%)				
Pre-School Playgroup (gov run)	8	7%	199	3 (75.0%)		1 (25.0%)		
Pre-School Playgroup (academy trust gov run)	3	3%	74	1 (100%)				
Nursery Unit of Independent Schools	3	3%	66	2 (66.7%)			1 (33.3%)	
Private Nursery School								
Out of school (non gov run)	11	9%	80	5 (83.3%)			1 (16.7%)	
Out of School (gov run)	12	10%	205	4 (100%)				
Out of School (academy trust gov run)	2	1%	62	1 (100%)				
Holiday (non gov run)	9	8%	218	4 (66.7%)			2 (33.3%)	
Holiday (gov run)								
Holiday (academy trust gov run)	2	2%	62	1 (100%)				

NB: Totals will not always add up as some settings will be awaiting an Ofsted outcome and some governor run settings will come under schools Ofsted.

Since the data in the previous sufficiency report, in the Cotswolds locality, there has been a 0.5% decrease in childminders graded good or outstanding and a 0.5% increase graded compliant/met. For day care providers there has been a 2.4 % increase graded good or outstanding and a 2.6% increase graded compliant/met.



Stroud

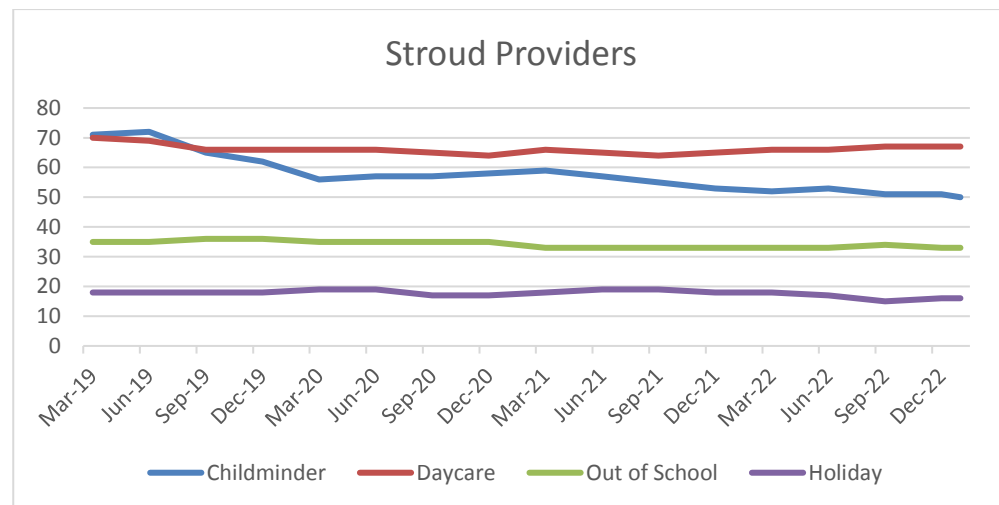


Change in providers and places since last sufficiency report

Since the data in the previous sufficiency report (end May 2022) there has been a 1.7% decrease in the number of early years providers and a 4.6% increase in the overall number of places. For Out of School/Holiday providers there has been a 2% decrease in providers and a 2.5% decrease in places. Based on provider data available the planning areas of Dursley, Painswick and Stroud Town are still showing a predicted shortfall of childcare places required. We are currently working with childcare providers and GCC colleagues to support the development of additional childcare places in these areas. We are finalising the licences for the provisions and still anticipate that 28 additional places will be available from Spring 2023.

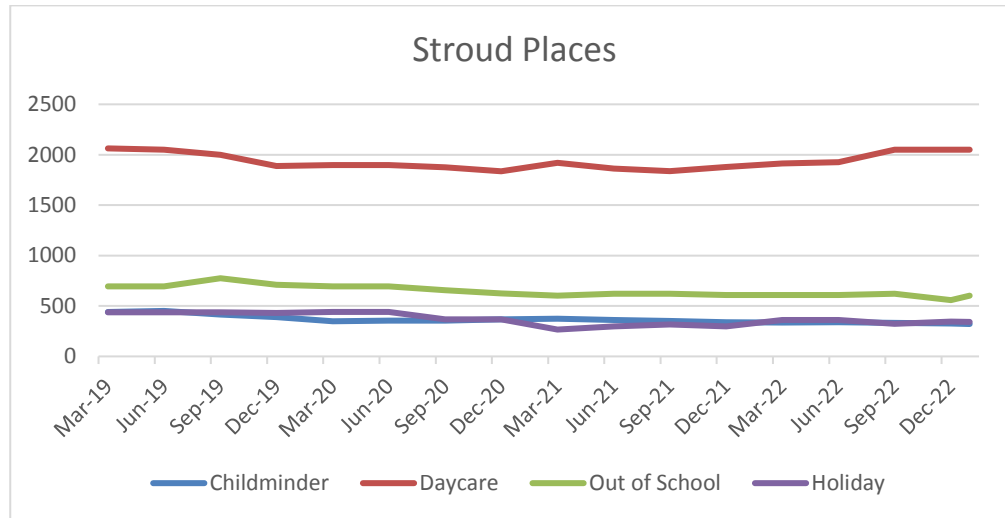
Change in provider numbers yearly comparison

The Following graphs show the total number of providers and places available since March 2019. The tables show the yearly percentage change in providers and places from March 2019 to end Dec 2022. This covers the year preceding the pandemic, years one and two of the pandemic and ten months of year three.



	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-21.1%	+5.3%	-11.9%	-3.8%	-29.6%
Day-care	-5.7%	0%	0%	+1.5%	-4.3%
Out of School	0%	-5.7%	0%	0%	-5.7%
Holiday	+5.5%	-5.3%	0%	-11.1%	-11.1%
Overall Total	-9.3%	0%	-4.0%	-1.8%	-14.4%

Change in places yearly comparison



	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-20.5%	+7.4%	-10.1%	-4.7%	-26.8%
Day-care	-7.9%	+1.1%	-0.4%	+7.1%	-0.7%
Out of School	0%	-13.5%	+1.2%	-1.0%	-13.4%
Holiday	+0.9%	-39.7%	+35.3%	-5.0%	-21.7%
Overall Total	-6.9%	-6.5%	+1.7%	+3.0%	-8.8%

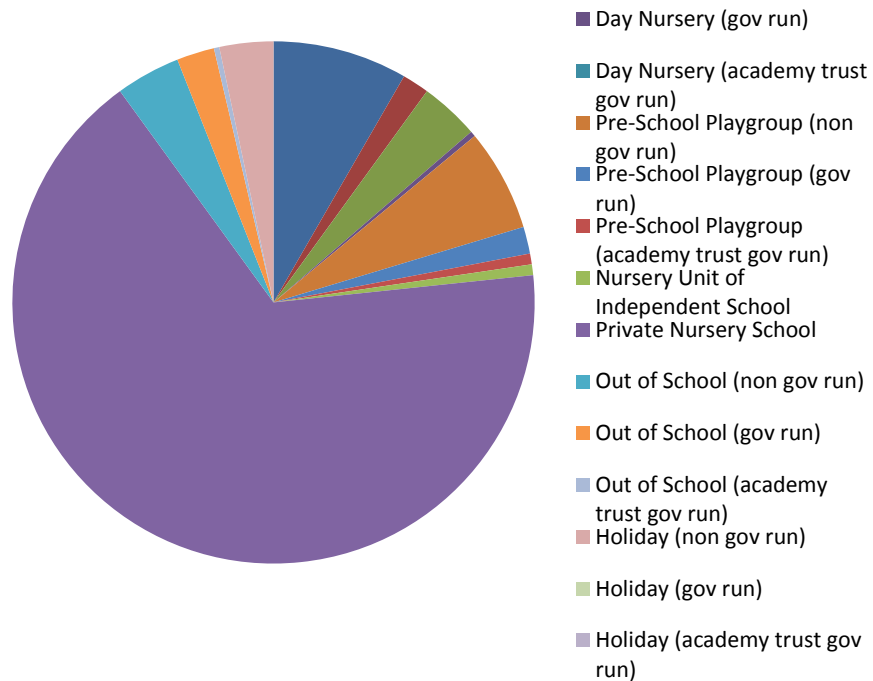
Childcare Provision

	No of providers	% of Providers	No of registered places	No & % achieving good or outstanding	No & % achieving requires improvement	No & % achieving inadequate	No % achieving compliant / met	No % achieving non compliant / not met
Childminders	42	25%	270	35 (94.6%)			2 (5.4%)	
Agency Childminders	8	5%	51	4 (100%)				
Day Nursery (non gov run)	18	11%	782	14 (100%)				
Day Nursery (gov run)	1	1%	46					
Day Nursery (academy trust gov run)								
Pre-School Playgroup (non gov run)	31	19%	808	30 (96.8%)		1 (3.2%)		
Pre-School Playgroup (gov run)	9	5%	211	2 (66.7%)		1 (33.3%)		
Pre-School Playgroup (academy trust gov run)	3	2%	76	3 (100%)				
Nursery Unit of Independent Schools	3	2%	84	1 (50.0%)			1 (50.0%)	
Private Nursery School	4	2	100					
Out of school (non gov run)	20	12%	396	10 (71.4%)			4 (28.6%)	
Out of School (gov run)	11	7%	170	1 (100%)				
Out of School (academy trust gov run)	1	1%	36	2 (100%)				
Holiday (non gov run)	16	10%	342	6 (54.5%)			5 (45.5%)	
Holiday (gov run)								
Holiday (academy trust gov run)								

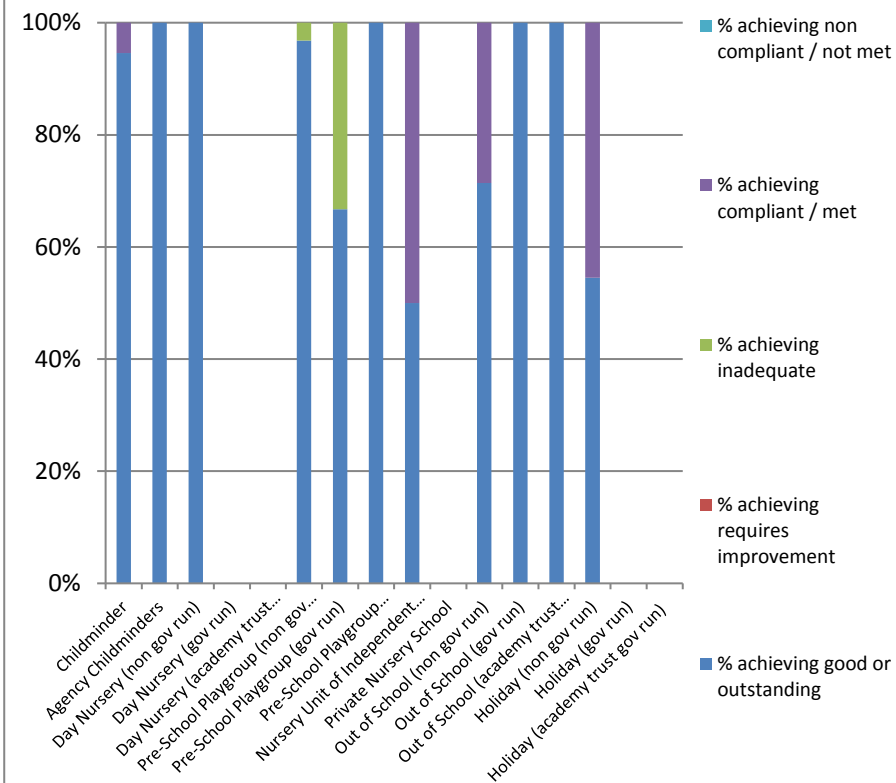
NB: Totals will not always add up as some settings will be awaiting an Ofsted outcome and some governor run settings will come under schools Ofsted.

Since the data in the previous sufficiency report, in the Stroud Locality, there has been a 2.3% increase in childminders graded good or outstanding and a 0.3% increase graded compliant/met. For day care providers there has been a 0.8 % increase graded good or outstanding and a 0.4% decrease graded compliant/met.

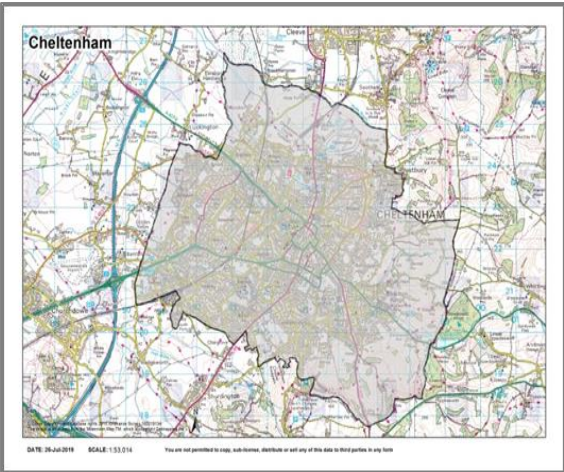
% of Providers



Ofsted Outcomes



Cheltenham

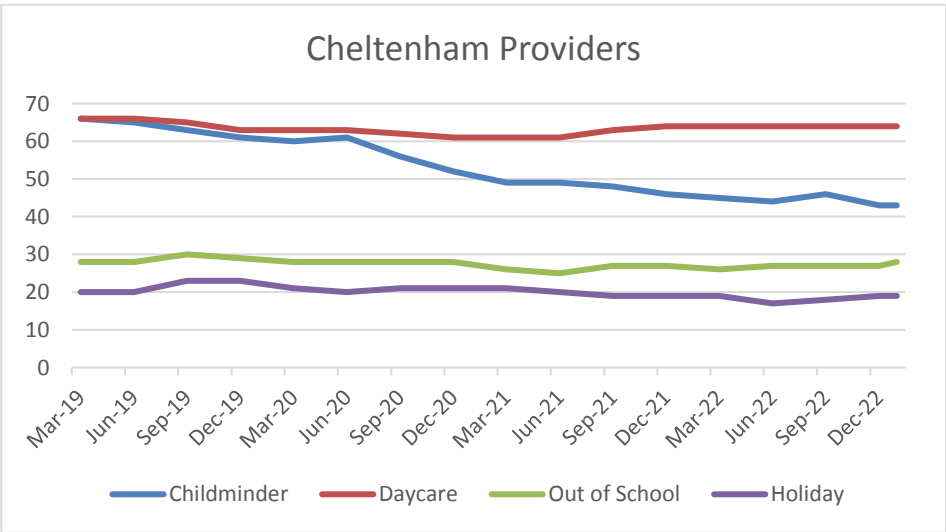


Change in providers and places since last sufficiency report

Since the data in the previous sufficiency report (end May 2022) there has been a 0.9% decrease in the number of early years providers and a 3.4% increase in the overall number of places. For Out of School/Holiday providers there has been a 0.4% increase in providers and a 14.9% increase in places (75% of OOS/HOL increase is due to confirmation of existing places). Based on birth data and provider data available the Hester’s Way planning area is showing the biggest predicted shortfall of childcare places required, Hatherley / Leckhampton area are also identified as an area for close monitoring. Whilst we are not aware of any children for whom a childcare place is not available, we will continue to work with childcare providers and GCC colleagues to support the development of additional childcare places in these areas as demand dictates.

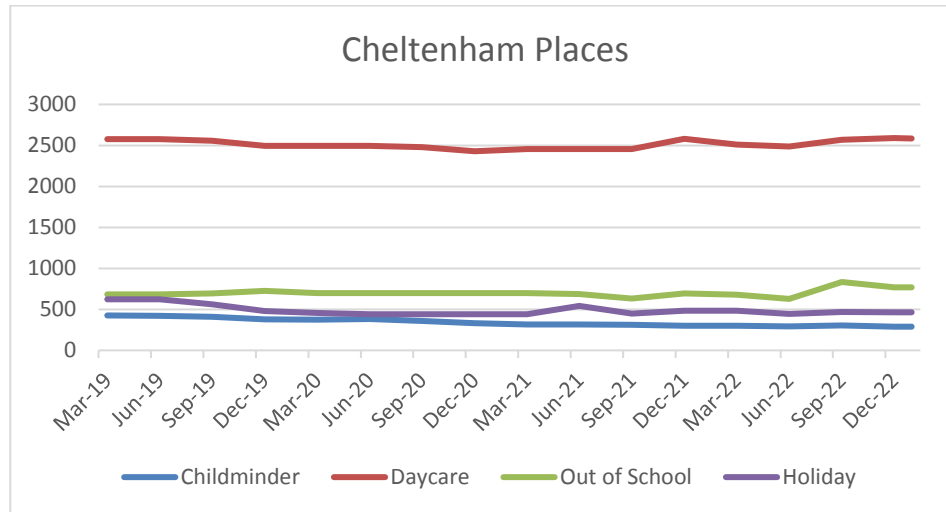
Change in provider numbers yearly comparison

The Following graphs show the total number of providers and places available since March 2019. The tables show the yearly percentage change in providers and places from March 2019 to end Dec 2022. This covers the year preceding the pandemic, years one and two of the pandemic and ten months of year three.



	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-9.1%	-18.3%	-8.2%	-4.4%	-34.8%
Day-care	-4.5%	-3.2%	+4.9%	0%	-3.0%
Out of School	0%	-7.1%	0%	+7.7%	0%
Holiday	+5.0%	0%	-9.5%	0%	-5.0%
Overall Total	-4.4%	-8.7%	-1.9%	0%	-14.4%

Change in places yearly comparison



	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-11.7%	-16.2%	-4.8%	+3.7%	-32.1%
Day-care	-3.1%	-1.6%	+2.3%	+3.0%	+0.4%
Out of School	+2.8%	0%	-3.1%	+13.3%	+12.8%
Holiday	-26.6%	-3.5%	+10.0%	-4.3%	-25.5%
Overall Total	-6.4%	-2.9%	+1.6%	+3.3%	-4.6%

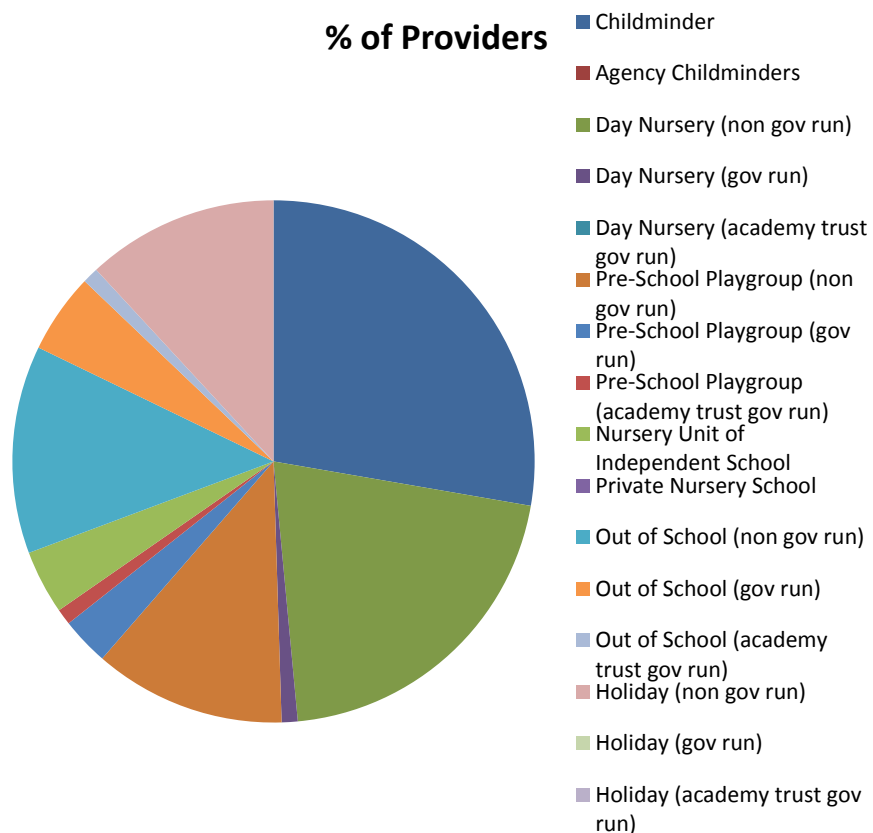
Childcare Provision

	No of providers	% of Providers	No of registered places	No & % achieving good or outstanding	No & % achieving requires improvement	No & % achieving inadequate	No & % achieving compliant / met	No & % achieving non compliant / not met
Childminders	42	28%	283	34 (82.9%)	1 (2.4%)	1 (2.4%)	4 (9.8%)	1 (2.4%)
Agency Childminders	1	0%	6	1 (100%)				
Day Nursery (non gov run)	33	21%	1764	30 (96.8%)		1 (3.25)		
Day Nursery (gov run)	1	1%	87	1 (100%)				
Day Nursery (academy trust gov run)								
Pre-School Playgroup (non gov run)	18	12%	440	17 (94.4%)		1 (5.6%)		
Pre-School Playgroup (gov run)	4	3%	128		1 (100%)			
Pre-School Playgroup (academy trust gov run)	2	1%	56	2 (100%)				
Nursery Unit of Independent Schools	6	4%	111	3 (50.0%)			3 (50.0%)	
Private Nursery School								
Out of school (non gov run)	20	13%	580	11 (78.6%)			3 (21.4%)	
Out of School (gov run)	7	5%	156				1 (100%)	
Out of School (academy trust gov run)	1	1%	32	1 (100%)				
Holiday (non gov run)	19	12%	464	8 (57.1%)			6 (42.9%)	
Holiday (gov run)								
Holiday (academy trust gov run)								

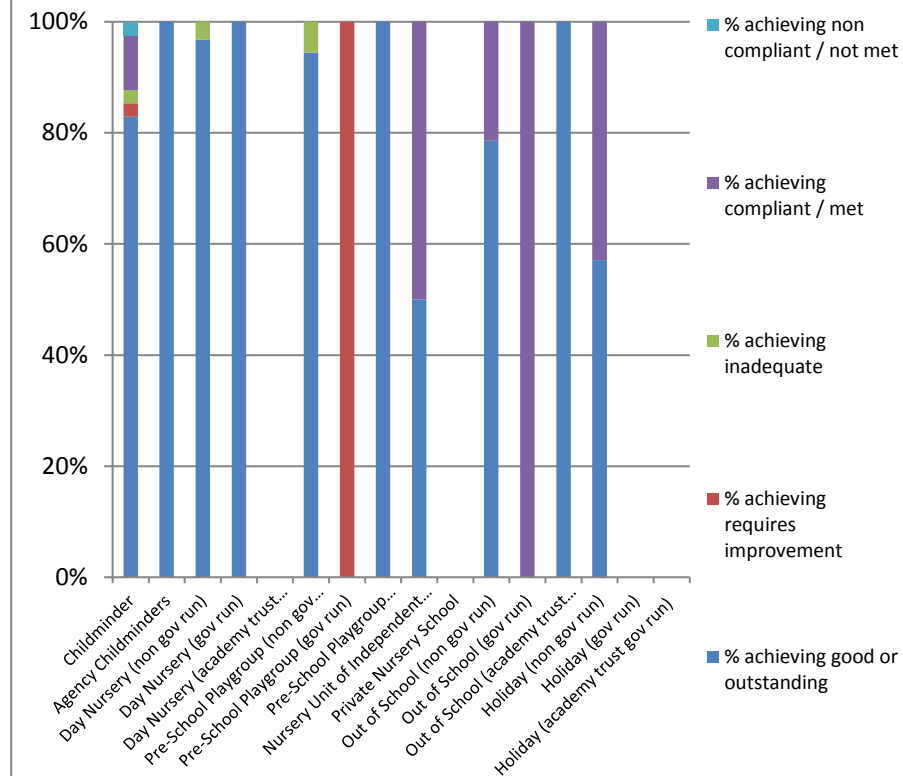
NB: Totals will not always add up as some settings will be awaiting an Ofsted outcome and some governor run settings will come under schools Ofsted.

Since the data in the previous sufficiency report , in the Cheltenham locality, there has been a 10.0% decrease in childminders graded good or outstanding and a 2.7% increase graded compliant/met. For day care providers there has been a 3.3 % decrease graded good or outstanding and a 0.1% decrease graded compliant/met.

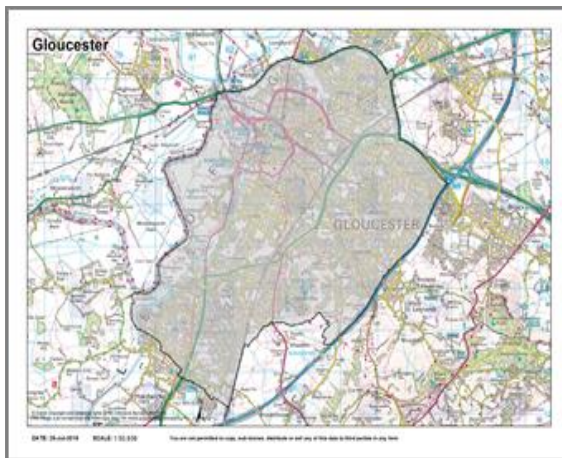
% of Providers



Ofsted Outcomes



Gloucester

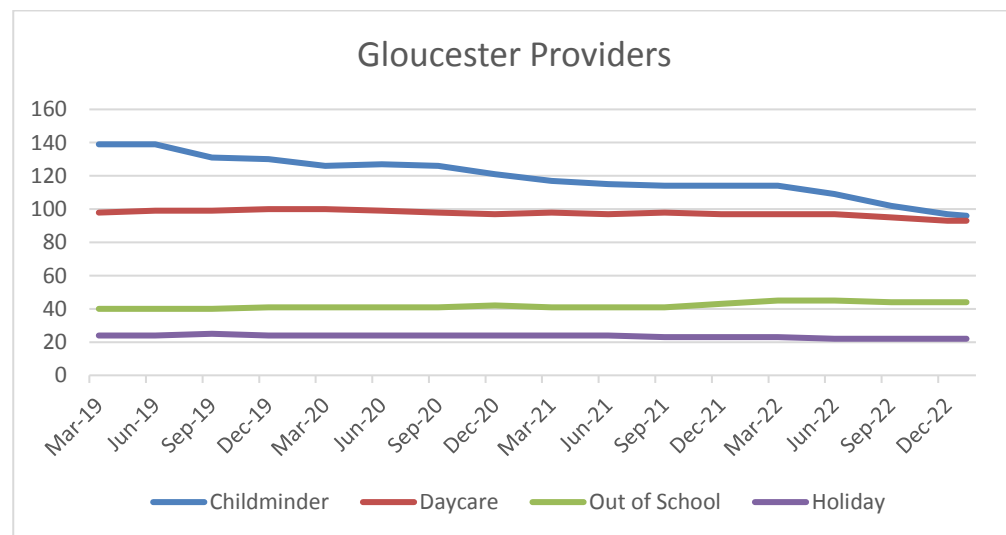


Change in providers and places since last sufficiency report

Since the data in the previous sufficiency report (end May 2022) there has been a 8.2% decrease in the number of early years providers and a 2.1% increase in the overall number of places. For Out of School/Holiday providers there has been a 1.5% increase in providers and a 20.1% increase in places (the OOS/HOL increase is due to confirmation of existing places). Barton and Tredworth, Quedgeley South East and Tuffley are still showing a predicted shortfall of childcare places required. Whilst there are currently no reported children for whom a childcare provision is not available, we continue to monitor and to work closely with childcare providers and GCC colleagues to support the development of additional childcare places in these areas.

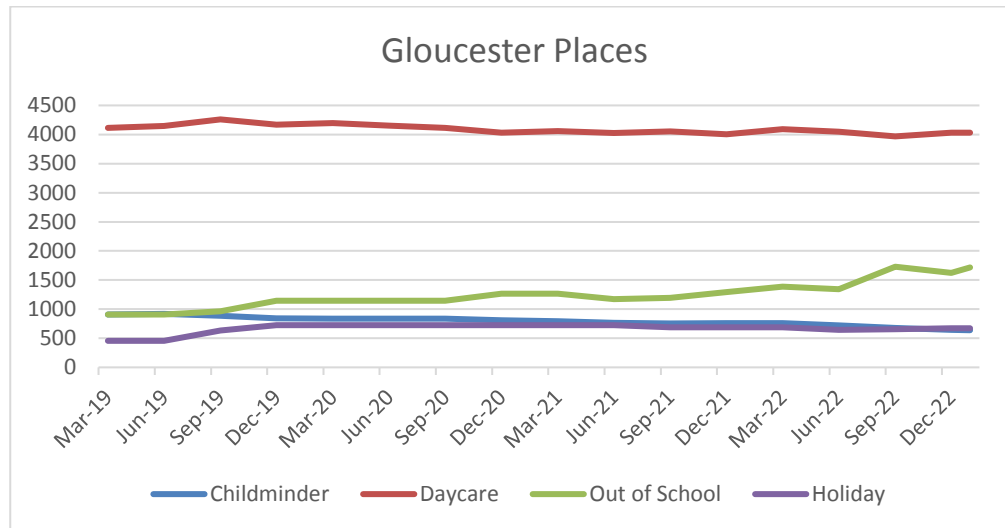
Change in provider numbers yearly comparison

The Following graphs show the total number of providers and places available since March 2019. The tables show the yearly percentage change in providers and places from March 2019 to end Dec 2022. This covers the year preceding the pandemic, years one and two of the pandemic and ten months of year three.



	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-9.3%	-7.1%	-2.6%	-15.8%	-30.9%
Day-care	+2.0%	-2.0%	-1.0%	-4.1%	-5.1%
Out of School	+2.5%	0%	+9.7%	-2.2%	+10.0%
Holiday	0%	0%	-4.1%	-4.3%	-8.3%
Overall Total	-3.3%	-3.8%	-0.3%	-8.6%	-15.3%

Change in places yearly comparison



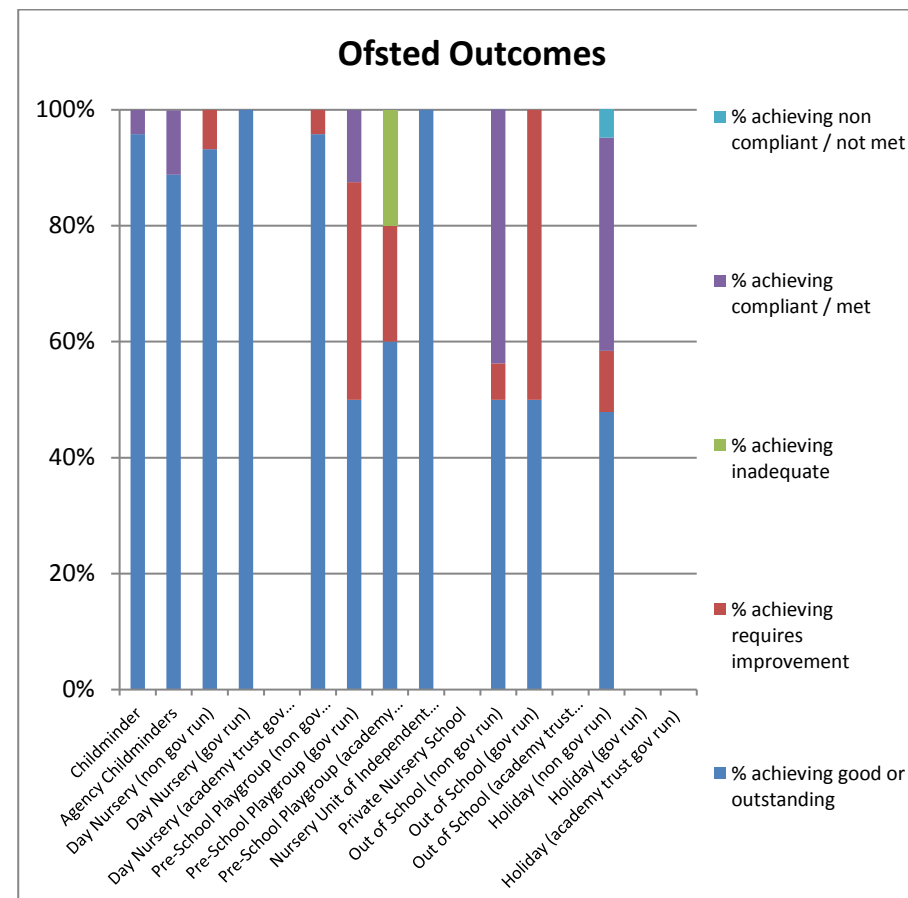
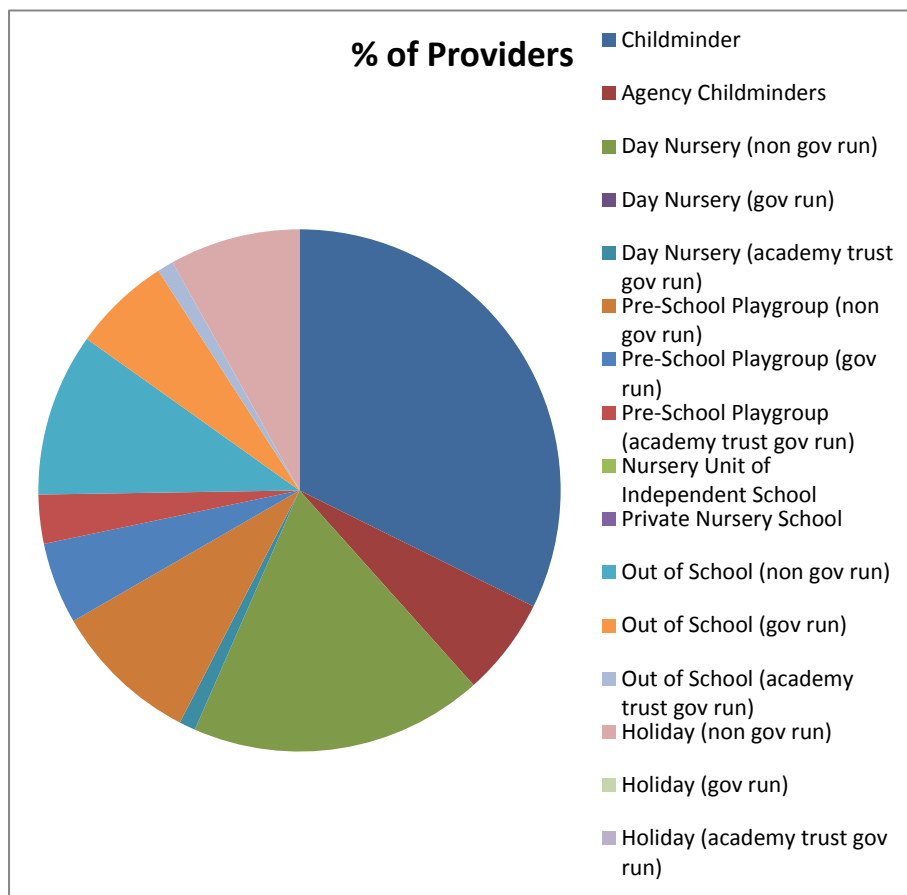
	% change Mar 19 to end Feb 20	% change Mar 20 to end Feb 21	% change Mar 21 to end Feb 22	% change Mar 22 to end Dec 22	Total % change since Mar 19
Childminders	-7.6%	-5.2%	-4.0%	-16.1%	-29.6%
Day-care	+2.0%	-3.3%	+0.7%	-1.5%	-2.1%
Out of School	+25.9%	+10.5%	+10.0%	+23.7%	+89.2%
Holiday	+59.0%	0%	-4.7%	-2.7%	+47.4%
Overall Total	+8.1%	-0.9%	+1.3%	+1.8%	+10.5%

Childcare Provision

	No of providers	% of Providers	No of registered places	No & % achieving good or outstanding	No & % achieving requires improvement	No & % achieving inadequate	No & % achieving compliant / met	No & % achieving non compliant / not met
Childminders	92	32%	554	69 (95.8%)			3 (4.2%)	
Agency Childminders	14	6%	84	8 (88.8%)			1 (11.1%)	
Day Nursery (non gov run)	46	18%	2479	41 (93.2%)	3 (6.8%)			
Day Nursery (gov run)	1	0%	60	1 (100%)				
Day Nursery (academy trust gov run)	2	1%	24					
Pre-School Playgroup (non gov run)	24	9%	807	23 (95.8%)	1 (4.2%)			
Pre-School Playgroup (gov run)	12	5%	438	4 (50.0%)	3 (37.5%)		1 (12.5%)	
Pre-School Playgroup (academy trust gov run)	7	3%	192	3 (60.0%)	1 (20.0%)	1 (20.0%)		
Nursery Unit of Independent Schools	1	0%	30	1 (100%)				
Private Nursery School								
Out of school (non gov run)	26	10%	1237	8 (50.0%)	1 (6.3%)		7 (43.8%)	1 (6.3%)
Out of School (gov run)	16	6%	427	1 (50%)	1 (50%)			
Out of School (academy trust gov run)	1	1%	54					
Holiday (non gov run)	21	8%	640	9 (47.4%)	2 (10.5%)		7 (36.8%)	1 (5.3%)
Holiday (gov run)	1	0%	32					
Holiday (academy trust gov run)								

NB: Totals will not always add up as some settings will be awaiting an Ofsted outcome and some governor run settings will come under schools Ofsted.

Since the data in the previous sufficiency report, in the Gloucester locality , there has been a 4.3% increase in childminders graded good or outstanding and a 3.1% decrease graded compliant/met. For day care providers there has been a 2.5 % increase graded good or outstanding and a 1.2% decrease graded compliant/met.



Supporting the Childcare sector

As part of the Early Years' service commitment to support all Early Years Providers in Gloucestershire, we offer every childcare provider a Quality and Inclusion support visit. The quality visits are scheduled to ensure that every childcare provider has an opportunity for one-to-one support. The locality teams plan these visits prioritising those who have not received a recent Ofsted Inspection, those expecting an inspection and those providers with whom the EY service has had no contact during the past 12 months. In addition to this, providers receive a weekly information update email from the Locality Quality and Inclusion teams highlighting key information. They also offer referral-based support for providers; this includes working with the providers to ensure that children with SEND access the resources required to ensure they are fully supported in the early years and to plan successful transitions to school.

A range of training is provided to the EY sector, this includes training delivered by the EY service and a number of programmes of training and mentoring opportunities provided as part of the Government's Covid Recovery programme.

The Early Years Business support team offer one to one fully funded business support to all Gloucestershire childcare providers via submission of a business referral request. In addition to this, all providers receive a monthly business update communication which highlights sector changes, future grants, training opportunities and funding updates. The support ranges from business health checks, marketing, occupancy, financial planning and additional specific business processes such as working with committee members to ensure compliance and upskilled to meet their requirements for the role of senior management teams overseeing Early Years provision, and working with schools and pre schools through amalgamation processes. There has been a marked increase in requests for business support over the past 6 months with most requesting support with business sustainability or recruitment of staff. The team offer business training to large groups or bespoke business training including support with using the Nursery Funding Portal

GCC investment to support sufficiency

In 2021/2022 a programme was implemented to offer providers specific business support and Early Years one off financial grants to support future sustainability, 39 providers were successful in their bid for support funding and engaged with the monitoring process. Of those, 38 remain operational today, achieving the aims and objectives of their business plans submitted. One year on, impact statements are being collated, to date 10 have been received with extremely positive outcomes

After the success of the grant allocation 2021/2022, a further sufficiency budget was allocated from DSG underspend to support sufficiency for the year 2022/2023. The Early Years Business team have carried out a similar programme of support this year. As previously, a robust application process was implemented with providers in areas of identified sufficiency need invited to submit an application for a grant. 33 providers applied for the grant of which 31 were identified to be in areas that, were they to close their provision, could potentially create a sufficiency problem for the local authority. Applicants were asked to detail the anticipated impact of additional funding and commit to intensive business support to further develop flexibility of their childcare offer to meet parents needs and increase potential to create additional places for 2,3 and 4 year olds. All 31 settings have been awarded a grant amount to support sufficiency. Impact will be closely monitored by the Business Support Team.

Whereas this does not give a guarantee of business survival, to mitigate risk, we continue to provide funded business support. Engagement with the Early Years Service Business Support team enables providers to take the opportunity to fully analyse their business model, revisit business planning, occupancy and marketing, which in turn will support the provider to maintain their provision, where without this support, it may have resulted in a closure situation.

The impact of national factors and risks to sustained sufficient childcare provision

Changes to parental employment

As many parents working patterns changed to more agile working resulting in more parents working from home, the demand for full time childcare places has reduced significantly. Providers are reporting more parents requesting fewer days or shorter hours of childcare with parents reducing additional childcare costs by taking advantage of the Early Years Entitlements funded hours only rather than adding additional paid for hours to the funded hours of childcare. Parents childcare requests show an increase in demand for Home Childcarer arrangements ie a nanny / home childcarer looking after child/ children in their own home rather than attending a childcare provision.

With many parents working from home due to employer flexibility around working patterns, not requiring formal childcare has affected the demand for childcare places and resulted in several providers reducing their service delivery via reduced operating hours. The current financial crisis has shown a number of parents evaluating the costs and making changes to reduce outgoings, childcare support from grandparents and extended family members has been a key additional factor in this change also.

The Business support team have developed strong partnerships with Job Centre Plus (JCP) teams across the county. Feedback from the JCP work place coaches and advisers highlights that some parents are still reluctant to use childcare citing lack of confidence as a main factor. The legacy of COVID infection is still impacting on many. In addition to this, many parents who are eligible for Early Years Entitlements funding report that the additional 'voluntary charges' implemented by childcare providers makes it unaffordable so many are choosing to keep their child at home rather than attending a childcare provision. JCP advisers report that some parents have cited lack of childcare as a reason for not returning to work, we are monitoring this closely and have requested detailed information from the JCP to enable us to establish whether this is correct. Initial findings show that there is no evidence that there is a lack of provision, it has been identified that a parents first choice childcare provider may be full to capacity however other local providers are able to offer places but the parent would prefer not to take the place at the alternative provision.

The team are working with JCP attending community events across Gloucestershire to promote the benefits of Early Education and Childcare, making links with partner organisations to raise awareness of the Early Years Entitlements. We have supplied promotional material to JCP offices across the county for work coaches to distribute to their customers to ensure that the families are able to access all of the entitlements available to them.

In addition to this the team are working on recruitment into the Early Years and Childcare sector and have delivered training sessions to JCP work coaches to raise awareness of Early years and Childcare as a career path and the options available to enable them to discuss these career paths with customers looking to return to the workplace.

Challenges for the Early Years sector

As previously reported, the cost of living crisis is impacting on the Early Years workforce. Qualified staff are withdrawing from the sector to pursue better paid employment with less pressure and less responsibility. Staff are experiencing burn out post Covid, many report that increased numbers of children attending the provision are presenting with additional support needs including behavioural challenges. DfE have acknowledged this as a national issue and have invested in a programme of training and support for EY practitioners. However, take up has been lower than anticipated due to staffing constraints, with settings being unable to release staff to undertake the training offer. Despite the acknowledgment of the increased number of young children with significant additional needs, statutory staff ratios remain the same and funding has not increased to reflect the increased support needs of the children.

In Gloucestershire, providers are already contacting the Early Years Business support team with concerns about increased overhead costs and impact of the National Minimum wage increase from April 2023. The recently published hourly rate increase being devolved to LAs is likely to have a detrimental effect on future sustainability for some settings, particularly on those settings that are heavily dependent on LA funded childcare places. It was hoped that the increase in the funding rate from April 2023 would help providers to address some of their operational costs, however the changes in National Living wage (NLW) and National Minimum Wage (NMW) rate increases alongside the rising utilities costs are unlikely to be counterbalanced by the increased funding rates. This has created a huge degree of nervousness and unrest highlighting extreme concern about the future security of the Early Years sector both locally and nationally.

As a county, we have a large proportion of voluntary providers who deliver a childcare service for children eligible for Early Years Entitlements Funding. As already highlighted this limits the ability to receive income from (parental) paid for hours at a higher hourly rate. The current Early Years Entitlements funding rate in Gloucestershire is £4.24 for 3- and 4-year-olds and £5.28 per hour for eligible 2-year-olds. These settings are therefore reliant on the funding rate covering all operational costs associated with the provision. The percentage increase is a starting point for staff and does not consider the impact on the more qualified experienced staff who naturally dictate a higher salary. This is even more imperative presently due to the recruitment crisis, which is being experienced both nationally and locally. We anticipate that settings that are finding sustainability challenging on the existing rates (2022) will find the new rates provide even further challenges to their sustainability especially when considering the ongoing increase in utility charges and premises costs such as mortgage/rent and business rates.

Local intelligence indicates that several providers, although currently reporting that they are sustainable, are extremely concerned for their ongoing financial viability for the coming financial year in the absence of any additional support funding. Some report that in order to remain sustainable they

have had to make the difficult decision to reduce staff numbers with a knock-on effect on the number of childcare places they are currently able to offer, others have had to reduce the number of places on offer due to staff leaving.

The challenges to the Early Years Service in addressing the identified sufficiency risks such as budget and buildings – this remains the same as reflected in annual report 2022.

Available resources

Budget

There is no specific ongoing annual sufficiency budget (capital nor revenue) within the Early Years Service, despite the LAs duty to provide sufficiency childcare sitting within the Education service.. The current sufficiency grant funding offered has been allocated from the previous years DSG underspend, whilst this is welcome, we envisage that the requests for support funding to support sufficiency will increase as financial demands on the sector heighten, there is a need for an allocated on-going sufficiency budget to continue to support the market.

Early Years Premises

Last year several local providers demonstrated a willingness to support the Early Years Service with the delivery of childcare places to ensure sufficiency of places and were eager to expand their current provision into the areas of need. However, none of the interested providers have been able to identify their own premises from which to establish childcare provision and subsequently we were required to support this in order to secure additional childcare places. Whilst we are working closely with our colleagues in the Place Planning team and Property Services the current processes to secure agreement for these premises and then to agree and identify funding for, remedial building works was lengthy and dependant on AMPs, commissioning and place planning to respond in order to progress. This has proven to be a huge challenge particularly in respect of establishing additional childcare in the Stroud and Dursley areas. The identified premises have now had the necessary remedial work carried out however the time taken to receive information regarding anticipated costs for the percentage of the premises allocated meant that interested parties have withdrawn their interest. We are awaiting final costings and draft licences to be drawn up and hope that we will be in a position to secure these additional childcare

places before summer term 2023, that is very much dependant on whether interested parties feel that this will be a financially viable business for them to commit to once the financial costings are analysed.

Historically when school population numbers were much lower, early years' providers were invited onto school sites to make use of surplus accommodation previously occupied by the school or to purchase their own accommodation (usually a modular building) and locate it by agreement on a school site. The Early Years Service offered business support to stimulate the market to encourage private, voluntary and independent providers to set up provision where a sufficiency need was identified. This introduction of additional places also supported the roll out of the Achieving Two-year-old funding initiative for funded Early Years entitlements for eligible two-year-olds. This opportunity to operate from a school site has enabled the development of closer partnership working between the Early Years sector and schools supporting children's transitions.

Modular buildings by the nature of their construction have a limited lifespan and we have identified that a number of these modular buildings are now in need of significant costly maintenance which is unlikely to be cost effective given the limited life span of these structures. Whilst it is acknowledged that Early years' provision is non-statutory and the responsibility for the costs of maintenance or replacement pre-school facilities, either new buildings or relocating to rent alternative accommodation within the community, must lie with the Early Years providers, we do need to ensure that that the Local Authority's sufficiency duties are met. If providers in this situation are unable to fund necessary building works or to source alternative suitable accommodation and it is identified that this will cause a significant shortfall of places in the area, the Early Years Service will need to explore options for Capital funding to support this situation. Given the length of time, and the number of Early Years providers currently operating from these temporary buildings this may be a significant challenge. The Early Years Service, is working closely with both internal property services and the Early Years providers to understand and monitor the scale of the potential premises issue; this includes identifying all EY provision being delivered from buildings leased from GCC, the terms of the lease in respect of maintenance responsibilities and the potential for alternative premises to be identified where needed.

The implications for the EY sector arising from commissioning activity

With the potential development of Children and Family Hubs and re-commissioning Children & Family Centre, and other commissioning activity in Children's services ; consideration must be given to the existing sector providers in Gloucestershire. Lessons learnt from past schemes such as Sure Start indicate that the services offered should feed into and complement existing providers who are presently experiencing and forecasting fragility concerning sustainability. It would be recommended that any emerging GCC funded/contracted services should be based around forging strong partnership working with existing services opposed to the creation of new stand-alone services, which could increase this fragility and potentially dilute the success of current services provided within Gloucestershire.

Reasons for closure

Exit interviews have been carried out with most providers who have closed. The most common reasons for closure are listed below and are in the main the same reasons as previously reported

- Many reported that COVID had enabled them to have time to reflect on their personal circumstances and that this time had helped them make the decision, after considering the risk, work/life balance and impact on their own family's well-being. This was especially relevant for childminders who were opening their homes to other families, which they felt made, them extremely vulnerable.
- Committee run provision faced challenges regarding recruitment of committee members, with the increased demands and responsibilities placed on volunteer's time and commitment many committees were struggling to meet constitution and charity commission requirements.
- Several providers, mostly childminders, had brought forward their retirement plans, some had moved onto other career paths feeling that the demands on childcare providers were extreme and this in turn made them feel undervalued especially when comparing salary pay scales offered to other jobs i.e., retail.
- Some providers who had previously been self-employed subsequently moved into an employed position as they felt this offered more financial security

The Ey Business Support team have worked with five daycare settings in relation to their closure plans and supported them to identify potential interested replacement providers to take over the provision to retain childcare places and ensure the provision stays operational. 3 of these have continued operating under new ownership and two others are finalising the sale transfer.

We are working with known local partners to ensure that provision that requires a new operator remains local to ensure understanding of the demographics of Gloucestershire

Our charity risk analysis work supports identification of charity run provision that is vulnerable, we continue to work with a number of schools supporting with amalgamation and those who are interested in opening up their own pre school facility

An overview of those localities starting to be challenged around sufficiency

Although the data shows a number of closures the number of places available in Gloucestershire have not reduced significantly, this is not reflective of the sufficiency needs within individual localities and we continue to identify hot spot areas where sufficiency and available places are being challenged. The greatest movement in provision is with childminders – many are reporting that opening their homes to families makes them and their families feel more vulnerable especially since COVID, this has resulted in many childminders considering their future. We continue to deliver pre-registration briefings for those interested in registering as childminders to ensure that families have options with regards to their preferred childcare choices, however these are not well attended and we have recently cancelled due to no bookings. This mass exodus from the childminding sector is mirrored nationally.

Areas of concern are

- **Cheltenham Locality - Hester's Way**, whilst the data for this area is showing a shortfall of places compared to the number of children in the area, providers are reporting plenty of capacity. This would indicate that parents are not taking up childcare, we are working with local partners to support and promote the benefits of Early Years Education and Childcare to families in this area.
- **Cotswolds Locality - Chipping Campden / Moreton**, the concern in this area relates to additional capacity requirements in this area due to new large housing developments increasing the demand for places. As reported previously S106 funds for early years have been allocated and discussions have taken place with local providers regarding expansion. Restrictions on premises use with current providers shows that this is not an option. The original site identified for development of an additional facility was deemed not suitable due to historic flooding issues therefore we continue working with the place planning team to identify suitable alternative locations for additional provision to meet the predicted additional demand
- **Forest of Dean Locality - Newent, Brooks Dean, Lydney**, as above there has been and continues to be large housing developments within this locality. Allocation of S106 funding for Early Years development within the area is yet to be committed to a specific provider - options appraisal work will identify the best location for additional places to meet demand. One provider recently closed in Newent however a new business owner has been identified and opens the door in January 2023 with increased places and extended service delivery
- **Gloucester Locality - Abbey/Matson /Upton, Barton / Tredworth, Tuffley**, previously reported services delivered from shared community buildings, pack away playgroups, proved restrictive, as often there is no opportunity to offer additional sessions due to bookings by other community groups. Whilst one provider closed in the area another provider moved premises and created additional places to support the number of childcare places required, additional support funding has enabled this provider to offer further additional places to support increased demand. Barton and Tredworth area whilst showing an area of concern mirrors the situation in Hesters Way with reduced numbers of families accessing childcare places

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- **Stroud Locality - Dursley, Stroud Town,** - these continue to be areas of concern. In liaison with Property Services, we have identified 2 GCC properties that have been utilised to support providers to increase their places and service delivery. For both Dursley and Stroud town, building works have been completed ready for childcare delivery. We are finalising the costings and licence information and doing all we can to develop this additional provision and are confident that additional childcare places will be secured at the end of the process.
- **Tewkesbury Locality - Bishops Cleeve and Tewkesbury/Ashchurch** – the picture in Bishops Cleeve remains extremely busy, as previously reported it is an area of massive growth; recent housing development has increased demand for places with new families moving into the area. The current provision in the area is a good mix of day nursery, pre-school playgroups and childminders who are all reporting increased demand. There is little opportunity for current providers to expand their facilities due to the location of their facility. The service offered gives good extended hours with the majority offering full day-care all year-round provision with options for those requiring term time only childcare to access the local community pre-school provision. There is a well established group of Childminders in the area, however many who have been registered for many years are reporting that they will be considering reducing their hours and some have reduced service to certain days and term time only delivery in the future. Due to the extensive housing development in this area, there are plans for a new primary school to open in 2023 with early year's provision on site to support the demand for additional places. Tewkesbury /Ashchurch locality has seen recent housing development that will increase demand for Early Years places, an options appraisal has been carried out and a suitable provision for expansion of service delivery identified. We are working with the place planning team on this allocation of S106 for Early Years to ensure that the allocation of the additional funding will bring maximum benefit to the area.

In most of these areas, new housing developments are either planned or already underway with, in some cases, families already occupying the homes. We are working closely with the Place Planning team to ensure that consideration be given for the potential increased demand for Early Years places within these areas. The lengthy process involved in this means that there is often a delay in the additional places being created especially if it is new provision opening who must start the registration process with Ofsted. Closer working partnerships with place planning and sharing of information regarding potential future development at the earliest opportunity would enable business support to start some initial feasibility work in readiness for any potential allocations of S106 funding specifically to support Early Years places and manage the childcare market to ensure sufficient places are available

We are continuing to closely monitor the Early Years market and working with providers in the county to revisit their business planning, revise their business offer to enable them to adapt their service delivery to meet the parents' changing demands for childcare, particularly as the longer-term impact of COVID and the now standard agile working practice offering flexibility for parents, on our childcare offer continues to be an ever-changing picture.

Overall Conclusion

The Early Years Sector, both nationally and locally, remains very fragile. Post Covid, and in the current cost of living climate, the challenges have increased for early years providers - with increased numbers of children require additional support, funding levels not aligned to cost of living and national minimum wage increases, staff are experiencing burn out and are leaving the sector. Increased business rates, staff salaries, pensions and holiday pay are presenting significant challenges which to a lot of providers seem unachievable.

Overall, in Gloucestershire we have seen an increase in the number of early years/childcare places since May 2022. In all localities, except Cotswolds, there has been a decrease in the number of providers but an increase in the number of places. In the Cotswolds both provider and place numbers have reduced.

Sufficiency analysis identifies areas of concern within specific localities as reported in the section above, particularly in the Stroud Town and Dursley areas; we are working to address these. Whilst there are no immediate concerns raised about children not having access to provision where and when they need it, we need to respond to these concerns and increase childcare places in those localities as quickly as possible. Close working and decision making with partner teams across GCC is critical to secure childcare places where needed and to protect the sustainability of existing provision.

The lengthy process involved in developing new provision using 106 funding and in securing GCC properties for provider lease, means that there is often a delay in the additional places being created especially if it is new provider opening that must start the registration process with Ofsted. Closer working partnerships with place planning, AMPS, Commissioning and sharing of information regarding potential future development at the earliest opportunity would enable business support to start some initial feasibility work in readiness for any potential allocations of S106 funding specifically to support Early Years places and manage the childcare market to ensure sufficient places are available

The loss of childminders presents specific challenges; childminders are often able to offer more flexibility of hours to support parental employment and a smaller, calmer childcare option for children whose needs are better met in a quieter environment. Close working with the Job Centre offers opportunity to encourage parents wishing to return to work to consider childminding as an employment option. The EY Business Team are planning an active childminder recruitment drive.

We need to think carefully about how we support the increasing numbers of children with additional needs, SEN and disabilities so that not only are they able to access their entitlement of early education but that they have access to environments and teaching practice that supports their potential and provides a clear assessment of and planning for their support needs as they move in to school. As part of the work to address this area the delivery of a 12 month pilot EY SEN childcare assessment provision has been commissioned, this is due to open on 31 January 2023. The EY service are working with providers to ensure that they are aware of and accessing all available grants to support their business and to support individual children with additional needs, including the Disability Access Fund (DAF) and EY Inclusion funding.

Nationally and locally there are major concerns across the Early Years sector mainly associated to the funding rates for Early Years Entitlement delivery and the increases in operational costs as well as the challenges around recruitment and retention of staff. The spending review announcement of an increase in EY DSG funding will go some way to address the increase in operational delivery costs; however we anticipate that some providers will remain at risk of financial instability. It is therefore critical that there are funds available to address any immediate business sustainability risks in order to maintain a sufficient provision of early education and childcare.

We are experiencing many changes in parental preferences, the external employment market and the internal childcare workforce. These challenges are significant due to uncertainty and changes across the markets supply and demand. We therefore expect the childcare market to continue to change in various ways, creating new challenges in meeting childcare sufficiency duties. We will continue to monitor the market closely and support providers to manage these business challenges to support our ongoing service delivery for children and families in Gloucestershire.