

Government Office for the East Midlands

Increasing the take-up of formal childcare

Updated final report following issue of HMRC data August 2009

Hempsall
Consultancies



Working to provide equal chances, challenge disadvantage
and promote best practice in services for children and families

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I Introduction

Hempsall Consultancies was commissioned by Government Office for East Midlands in December 2009 to work with the nine local authorities in the East Midlands region¹. The commissioned consultancy aimed to support the actions identified in the local authorities' childcare sufficiency assessments, particularly but not necessarily limited to:

- Working closely with local authorities to assess the levels of take up of formal childcare, as defined by national indicator I18
- Identify barriers within the region that are preventing this rate of take-up increasing, focussing particularly on areas of low income families and deprivation. These may be practical concerns or more deeply rooted cultural issues
- Working with local authorities to identify actions that could start to remove these barriers and create an action plan that could increase demand for formal childcare, particularly within low income families
- Sourcing examples of good practice lessons learned for dissemination at Childcare Regional Network meetings, and in a report format for GOEM.

The project was structured around the delivery of approximately 25 days consultancy between December 2008 and March 2009. Activities included:

- Referencing all nine local authority childcare sufficiency assessment review reports completed on behalf of GOEM
- Considering the childcare sufficiency action plans for all nine local authorities (with reference to the full childcare sufficiency assessment reports)
- Individual meetings with all nine local authorities to review the focus and activities relating to the increasing of the take-up of formal childcare of low income families

¹ Derby, Derbyshire, Leicester, Leicestershire, Lincolnshire, Northamptonshire, Nottingham, Nottinghamshire and Rutland

- Consultancy support to improve the quality, appropriateness and impact of childcare sufficiency action plans, thereby increasing childcare sufficiency outcomes in relation to the take-up of childcare
- Responsive consultancy support on childcare take up according to the individual needs of each local authority

Individual meetings sought to offer individual support and external challenge to the childcare sufficiency action plans, the areas of investigation are shown at appendix one. Meeting notes are also appended to this report. Opportunities were offered to all local authorities to verify, approve and comment upon the notes. This process aimed to develop a regional overview of the current status of formal childcare take-up. It also aimed to identify regional and local authority trends and perceived barriers to take-up of formal childcare across the region.

Further consultancy support was offered for individual local authorities to develop specific actions within their childcare sufficiency action plans, and to address perceived and actual barriers to formal take up of childcare.

During the meetings, local authorities identified that the following support would be useful outcomes of this project:

- Examples of what works well/good practice in the region and beyond
- Increasing strategic buy-in at local authority level and Jobcentre Plus
- Establishing local data collection and measuring outcomes
- Improved links to national data sets and ability to use and access available data
- Better promotion of childminding
- Promotion of the voluntary childcare register
- Share examples of internal delivery structures including extended services, children's centres and FIS
- Share examples of external delivery structures including HMRC input
- Share examples of marketing campaigns and materials, and employer engagement

In addition, Hempsall Consultancies brought inter-regional added value by linking the GOEM regional findings and outcomes of concurrent projects (including the development of tool-kit resources) for Govt. Offices: West Midlands; Yorkshire and The Humber; and North East.

The findings and action planning suggestions will be widely disseminated at regional meetings and events. Recommendations are made as to how these suggestions can be embedded into further support in 2009-2010.

2 Key findings and recommendations

2.1 Examples of good practice

Many examples of good practice were identified in the individual meetings with local authorities. There are creative and proactive strategies that focus on specific elements of the actions required to increase the take-up of formal childcare. Some are emerging strategies and many are not aligned with outcome based measurement, therefore the success and impact of such strategies is not wholly proven.

Recommendation A

Local authorities should build outcome measurement into all projects, plans and strategies at the outset.

Recommendation B

Examples of good practice contained within this report could inform other local authorities' future actions. This information should also be enhanced by further network opportunities that can share approaches to the increasing of the take-up of formal childcare in the East Midlands.

2.1.2 Need for strategic alignment

The contribution of early years and childcare teams was not clearly linked or reported to be associated with strategic planning and actions within local authorities. Further investigation may ascertain if actions are linked or not, and whether the issue is merely an internal communication issue.

Recommendation C

Information in this report outlines how the increase of take-up of formal childcare links to other national indicators and public service agreements. All childcare sufficiency action plans should contain clear information to support alignment with such strategies within each local authority.

2.1.3 Coordinated actions – making it happen together

Whilst individual and specific actions exist and aim to contribute to the childcare take-up objective, little evidence was collected that identified local authorities had widely coordinated and strategically linked childcare take-up strategies beyond that which is in place for emerging childcare sufficiency action plans.

Leadership was not always identified and clear. The contributions of early years and childcare, FIS and Jobcentre Plus were not always formalised nor did they include accountability beyond initial agreements.

Recommendation D

There appears to be benefit in coordinating actions contributing to childcare take-up under a sub-heading of the childcare sufficiency action plans. This may support the identification of clear leadership for this objective and the setting and monitoring of accountable contributions.

2.1.4 Consistency across the region

Examples of collaborative work between local authorities and other agencies including Jobcentre Plus have been described. There is some suggestion that these relationships are inconsistent in the region and are open to the challenges presented by local resources, capacity and geographical challenges.

Recommendation E

A regional overview of collaborative working across the region would support and challenge consistency in delivery across all nine local authorities.

2.1.5 The difference between need and demand

If early years and childcare services are going to effectively contribute to the anti-poverty strategy then a distinct and considered approach to meeting not only demand but also need is required. The childcare sufficiency assessments are tasked to collect need and demand. Therefore, childcare sufficiency action plans should specify how

actions will support low income families and areas of disadvantage to raise awareness of childcare, support aspirations and broker childcare and employment solutions.

Recommendation F

Childcare sufficiency assessments should clearly describe findings against identified demand and need. Consequentially, sufficiency action plans need to outline specific actions that aim to support areas of need, raise awareness of childcare and link to long-term strategies for increasing the take-up of formal childcare.

2.1.6 Using local and national data – being outcomes focused

Access to and use of HMRC/DWP data was found to vary. In some circumstances, data was not found to be used. In others, basic data was accessed. Use of the data at sub-locality area was not widely believed to be possible. Whilst the data available is published one calendar year following the end of the period, its potential is not always maximised, this is a concern given that local data sets between local action and national data are not established.

Recommendation G

Clear guidance is given and supported on the availability of data and the potential for its use. Some of this information is given in this report. Guidance should be supported by training or consultancy support to enable this to inform childcare sufficiency assessment annual updates and for shaping sufficiency action plans.

2.1.7 Being proactive with tax credits

The presence of tax credit information and support needs to be boosted at all levels along with all other forms of financial support for childcare costs. This will be supported by the DCSF's aim to roll-out a tax credit ready reckoner as outlined in the Next Steps for Early Learning and Childcare – refresh of the 10 year childcare strategy (January 2009). Early years and childcare providers and FIS have capacity to include or enhance initial advice and information about tax credits within their services.

Recommendation H

Local authorities should map opportunities to provide front-line or initial information on tax credits and take action to build the capacity of appropriate services. There should also be clear information about tax credits (including the DCSF's ready reckoner) and other sources of support to pay for childcare. There should be an expectation of the role of FIS in providing such information within the brokerage role with effective baton passing for further support from other sources.

2.1.8 What should happen in 2009-2010?

This project has used the opportunity to consider each local authority's strategy to support the increase of take-up of formal childcare of low income families. This data collection and relationship building has resulted in a body of evidence and suggested actions for future strategy. There remain opportunities to maximise the effect of this learning to shape strategy in each of the nine local authority areas in the region.

Recommendation I

This report should be disseminated to all local authorities in the region and supported with network opportunities to move identified recommendations forward in a project style approach. An offer of individual consultancy to shape local plans and actions should also be made. A 6 and 12 month group progress meeting would also be beneficial.

3 NI 118 The take up of formal childcare of low income families

3.1 The policy context

As part of the Comprehensive Spending Review (2007) central Government introduced a single set of 198 national indicators that would be the only measures on which central Government will performance manage outcomes delivered by local government working alone or in partnership². The national indicators measure success in local delivery of the central Government's priority outcomes expressed through the Public Service Agreements (PSAs) set out in the Comprehensive Spending Review, or Department's Strategic Objectives (DSOs).

Local area agreements (LAAs) demonstrate how local strategic partnerships will deliver measurable improvements to where people live. Local Area agreements are structured around four policy areas or indicative themes:

- Children and young people
- Safer and stronger communities
- Healthier communities and older people
- Economic development and environment

Local authorities will have chosen up to 35 national indicators as 'designated targets' for improvement when developing their Local Area Agreements 'Take-up of formal childcare by low income working families' is a national performance indicator (NI 118) and as such may form part of a local authority's Local Area Agreement.

Whether or not a local authority elected NI 118 as a designated target, increasing the take-up of formal childcare by low income working families remains a priority nationally and regionally, and has direct impacts on the sufficiency agenda – in particular addressing

² National Indicators for Local Authorities and Local Authority Partnerships, Communities and Local Government
www.communities.gov.uk/localgovernment/performanceframeworkpartnerships/nationalindicators/

need, anti-poverty strategies and the sustainability of childcare. NI 118 is one of a set of five indicators related to the Department of Work and Pension (DWP) target to maximise employment opportunity for all³. It is linked to PSA 11 (to narrow the gap in educational achievement between low income families and disadvantaged backgrounds and their peers) and is a key driver for PSA 9 (to halve the number of children in poverty by 2010-2011, on the way to eradicating child poverty by 2020)⁴. NI 118 is also relevant to childcare sufficiency and the requirement on local authorities to assess the provision of childcare to meet the needs of working parents and those undertaking training that will support employment, including an assessment of affordability and groups of parents with the greatest affordability problems.

3.2 The rationale and definition of NI 118

The rationale and definition for NI 118 is incorporated into the Annex 2 'Children and Young People - National Indicators for Local Authorities and Local Partnerships: Handbook of Definitions' (HM Government April 2008) under the economic wellbeing outcome, which states:

“Driving take-up of formal childcare by low income families brings benefits to children’s learning and development. Formal childcare has positive benefits for children in terms of their social and emotional development as well as giving young children a head start in life and is a key indicator in closing the gap in attainment between children from low income families and their more affluent peers. Research from the Effective Provision of Pre-School Education (EPPE) project shows there is a strong body of evidence that indicates that good quality childcare and pre-school provision, especially from age 2 upwards, has positive benefits on children’s all round development and that these benefits last through primary school to age 10/11. For older children, research has shown that the

³ Improvement and Development Agency for Local Government (IDeA)
www.idea.gov.uk/idk/core/page.do?pagelid=8496128

⁴ National Indicators for Local Authorities and Local Authority Partnerships: Handbook of Definitions, Annex 2: Children and Young People, HM Government
www.communities.gov.uk/documents/localgovernment/pdf/735125.pdf

benefits of participation in out of school hours activities are considerable, regardless of the activity undertaken. It shows that young people who participate in activities do better than would have been expected from baseline measures in academic attainment. In addition, participants often show an improvement in their behaviour and attendance in school, and increased confidence and self-esteem. This indicator is linked to PSA 11 (narrow the gap in educational achievement between children from low income and disadvantaged backgrounds and their peers) but is also a key driver for PSA 9 (halve the number of children in poverty by 2010-2011, on the way to eradicating child poverty by 2020). Provision for childcare is a key enabler to work and contributes to successful entry into the labour market and sustained employment opportunities". (Pp 176)

3.3 Definition and measure

Take up of formal childcare is defined as the number of families who benefit from the childcare element of Working Tax Credit, as a percentage of the number of working families receiving more than the family element of Child Tax Credit.

Take up of formal childcare by low income working families is measured by take up of the childcare element of Working Tax Credit. The Guidance states that:

"The childcare element of WTC is part of the wider tax credit system and is dependent on families being eligible for claiming both Child Tax Credit (CTC) at more than the family element and being in work. The take up of both of these elements is crucial for low income families to claim as part of the package of support to lift families and children out of poverty.

Childcare costs can be a financial burden for families on low income and especially for those families who may be moving from benefit into work. The childcare element is income dependent and for those on the lowest incomes

80% of eligible childcare costs can be claimed each week up to a maximum claim of £140 for 1 child and £240 for 2 or more children.

Success will be an increase in the numbers benefiting from the childcare element of WTC. Such an increase and an upward trajectory of the childcare element figures will demonstrate that childcare is flexible and affordable for parents and will also ensure that the children from low income/poor families are not deprived of the early education and/or the Extended Schools/formal childcare provision that is enjoyed by more affluent peers and which has a positive impact on outcomes and attainment” (Pp 176-177)

3.4 Take-up data and performance

The Parent Childcare Survey 2005 found that take-up of formal childcare by low income families is lower than for higher income families (46% of families in the least deprived quintile used formal childcare compared to 36% in the most deprived quintile). 77% of 3 and 4 year olds had used early education provision in the past week (2004-2005) compared to 88% (in the general population). Take-up was considerably lower amongst Pakistani and Bangladeshi groups, and some other BME groups.

Data regarding the number of families receiving the childcare element of Working Tax Credit is released once a year by Her Majesty’s Revenue and Customs (HMRC) in May. Base-line data is from 2005-2006. The release in May 2009 will relate to the period 2007-2008. The latest confirmed figures are for 2006-2007; data relating to later periods is provisional and should therefore be treated as provisional only.

Where a local authority is at or above the national average figure, good performance will mirror the average percentage increase in numbers benefiting each year.

For local authorities that are currently below the national average, good performance will show them reaching the national average within two years and then maintaining an upward trajectory. (Pp 179-180)

3.5 Low income

The most commonly used threshold of low income is a household income that is 60% or less than the average British household income. Based on 2006/2007 data the 60% threshold was worth £189 a week for a single adult with 2 dependent children under 14 years and £270 a week for a couple with 2 dependent children aged under 14 years. Sums are measured after income tax, council tax and housing costs have been deducted. In 2006/2007 13 million people (22% of the population) were living in households below this income threshold⁵.

3.6 Pilot programmes

The DCSF is working with the 15 local authorities (East Midlands – Leicester) that have adopted NI 118 (12 have adopted the indicator as the national indicator, and three as the local indicator). The department and the participating local authorities consider that the increase of take-up of formal childcare is dependent upon the return to work journeys of parents.

The projects recognise that the (low income) parental journey into work and the take-up of formal childcare is a complex one and requires effective baton-passing across services.

Pilot programmes are organised into seven themes⁶:

Encouraging the take-up of formal childcare	These programmes recognise that many families and communities avoid the use of formal childcare either because parents believe that the child is better with them, negative perceptions of formal childcare or because they prefer the use of family and
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⁵ www.poverty.gov.uk

⁶ Increasing the take-up of formal childcare and the childcare element of WTC DCSF

	friends as care providers.
Establishing the awareness of FIS and childcare options	The FIS provides the clearing house and brokerage service between formal care providers and parents. Ensuring that parents contact FIS when considering returning to work and/or looking for childcare that they will get the most accurate information available.
Improving the quality and availability of the supply of affordable childcare	The supporting of childminders and other childcare providers with a range of business and marketing support materials.
Implementing systems via FIS to ensure that supply and demand are linked	Ensuring that parents do receive accurate and appropriate information, and that providers do have occupancy levels that sustain their business, requires excellent information streams, software and IT systems and trained personnel to make the best use of them.
Baton passing – joining up the departments to facilitate the customer journey into work	Considered to be a significant challenge for local authorities – vital that agencies including Jobcentre Plus, DWP, HMRC, local health partners, schools etc. work together at key ‘pinch’ points to facilitate the journey into work and the take-up of tax credits.
Facilitating take-up specifically of childcare element of WTC	The complexity of the application process is exacerbated by parental fear of overpayments and repayment requirements.
Employers’ programmes	Employers need to be supported and

	encouraged to implement information programmes and providing help for applying for tax credits. Employer programmes are currently scarce.
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3.7 Social and scientific marketing

The DCSF's social and scientific models of marketing are reinforced within these programmes. Social marketing aims to change behaviours, attitudes and beliefs specifically about formal childcare. This includes targeting households that are traditionally less well reached. The model has three basic approaches:

- Outreach – household visiting, working with community groups
- Local publicity/advertising campaigns – targeted at areas of low take-up – using door drops, posters etc.
- Taster sessions – childcare chats, stay and play, fathers groups, open days and childcare taster sessions

The DCSF's scientific marketing model includes:

- Targeted campaigns for childcare tax credit in areas where take-up is low
- Working with partners to disseminate information and act as information hubs e.g. employers, early years and childcare providers, children's centres, extended schools, Jobcentre Plus, CAB etc.
- Using Jobcentre Plus and DWP data to target households around children's centres
- Training for early years and childcare providers, staff in children's centres, the whole range of information providers to provide application and access support
- Web-based tools for parents to find childcare provision, financial support, and activities for older children

- Enhanced information exchange between early years, childcare and activity providers with FIS (including vacancies, waiting lists, costs) and availability of this information for parents

4 Assessing levels of take-up of the childcare element of working tax credit

This section includes information about the region's tax credit position and brief observations of relevant contents of the childcare sufficiency assessments. Data presented in the following tables has been updated following the release of the 2007/2008 Child and Working Tax Credits Statistics data (HMRC July 2009).

4.1 The national, regional and local authority position

Local authority	Childcare element ratio in 2004-2005 (per cent)	Childcare element ratio in 2005-2006 (per cent)	Childcare element ratio in 2006-2007 (per cent)	Difference from previous year
England	14%	16%	17%	1%
East Midlands Region⁷	14%	16%	17%	1.0%
Derby	16%	17%	18%	1%
Derbyshire	13%	14%	16%	2%
Leicester	11%	12%	12%	0%
Leicestershire	16%	17%	19%	2%
Lincolnshire	14%	15%	16%	1%
Northamptonshire	17%	19%	20%	1%
Nottingham	16%	18%	19%	1%
Nottinghamshire	14%	16%	17%	1%
Rutland	18%	20%	22%	2%

The East Midlands take-up rate of the childcare element of working tax credit show that the region was approximately in line with the national average 2004 – 2007.

It has been identified (section 2.4) that where a local authority is at or above the national average figure, good performance will mirror the average percentage increase in numbers benefiting each year. Against these criteria, Derby, Leicestershire, Northamptonshire, Nottingham, Nottinghamshire and Rutland are at or above the national average and of those, all mirror the average annual increase for 2006-2007 with Leicestershire and Rutland achieving a 2% increase for the year.

⁷ Average figures calculated from data shown in the table only, approximate figures

Leicester's take-up rates are not so good, as they have plateaued 2005-2007, and remain the lowest take-up rate in the region at 12%. Rutland's take-up rate was the highest in the region's recent history in 2006-2007 at 22%. The progress of take-up rates in Northamptonshire, Nottingham and Nottinghamshire has been steady, with the latter exactly mirroring the national average.

Latest data released (HMRC, July 2009) shows the take-up of the childcare element of Working Tax Credit for 2007-2008. Across the East Midlands region take-up rates have increased year on year by 0.79%. However, Derby and Rutland show very small decreases. It should be noted that in the following table the percentages are shown to two decimal points, not rounded, and this can make a difference in the assessment of year on year performance.

Finalised award data 2007-2008

	Childcare element ratio 2006/07	Childcare element ratio 2007/08	Difference 2007/08 over 2006/07
England	16.95%	17.76%	0.81%
East Midlands	17.05%	17.84%	0.79%
Derby	18.33%	18.28%	-0.50%
Leicester	12.26%	12.61%	0.35%
Nottingham	18.69%	19.71%	1.02%
Derbyshire	15.68%	16.69%	1.01%
Leicestershire	18.99%	19.79%	0.80%
Lincolnshire	16.17%	17.16%	0.99%
Northamptonshire	19.66%	20.11%	0.45%
Nottinghamshire	16.96%	18.15%	1.19%
Rutland	21.77%	21.67%	-0.10%

Source: Take-up of the childcare element of WTC July 2009, HMRC

4.2 East Midlands Childcare Sufficiency Assessments

Local authorities completed their first childcare sufficiency assessments in March 2008, and are required to update the assessments as and when new data is available, at least annually. The childcare sufficiency assessment should be fully reviewed every three years (next full review due for March 2011).

This project occurred at the time that most local authorities were preparing their first annual update reports. There were examples of how the childcare sufficiency assessment updates were aiming to build upon the original assessments completed in March 2008. In relation to supporting childcare take-up:

- Support providers to develop a view on the level of childcare tax credit take-up as a proportion of their customer base

- Measure the perceived and actual impact of the recession on supply, demand and need
- Further develop robust analysis of the measurement of need and demand
- Include data where it was not included before e.g. Jobcentre Plus, teenage pregnancies (Derby), Care to Learn take-up (Derby)

All nine 2008 childcare sufficiency assessment reports were accessed to identify a representative range of issues pertinent to the take-up of childcare.

In **Derby** there is an identified need for linking childcare strategies to training and employment initiative to tackle high levels of economic inactivity, particularly amongst women. Childcare providers' ability to respond to the changing needs of the market was identified as key. Alongside further CIS outreach (including the promotion of childcare and financial support) to address high levels of perceptions that childcare is unaffordable, and that choice and availability is a barrier.

The **Derbyshire** assessment surveyed a large number of parents (13,000) and explored the barriers and unmet demand for childcare. 50% reported that they were using formal childcare, with a strong preference for using family and friends. The inflexibility of childcare providers or a lack of provision of choice were cited as a reason to use informal childcare in preference to formal provision. 45% of those using formal childcare reported that they were receiving support from the childcare element of Working Tax Credit.

The **Leicester** assessment considered the differing needs of BME groups across the city and their future childcare needs compared to patterns of use in the past. The assessment recognised that take-up of the childcare element of Working Tax Credit was low.

In **Leicestershire**, the assessment's recommendations called for: outreach work and childcare taster sessions to address low take-up in identified areas; promotion of tax

credits; brokerage and outreach support linked to children's centres for BME groups and other needs; and that lone parent discretionary funds from Jobcentre Plus are maximised.

In **Lincolnshire**, the assessment found that over nine in ten parents were happy with all aspects of their use of formal childcare, with the exception of its cost. Although use of formal childcare, compared to the numbers of working parents, was considered to be low. The assessment found that lone parents were more likely to need formal childcare. It was reported that almost all parents responding to the survey were aware of Working Tax Credit, with a third accessing it and a lower than national average take-up of the childcare element. Overpayments and delayed payments were cited as barriers to taking up tax credits.

Nottingham's assessment identified the need to match vacant supply in the city to the parental demand collected in the survey. To support this there should be an improved marketing and communication plan to support access and affordability as 62% children live in non-working or low income families, and the cost of childcare is a clear barrier.

The **Nottinghamshire** assessment identified the majority of childcare gaps were geographical and by childcare type. Many rural areas will rely on childminding supply and extended schools and other provision under the voluntary childcare register as demand is insufficient to sustain group childcare provision. The use of informal childcare was thought to be an indicator of income gaps.

The **Northamptonshire** assessment concluded that four out of ten parents were using Ofsted registered childcare, with more affluent parents more likely to access registered childcare. Almost all of the parents responding to the survey were aware of tax credits, however less than two in ten were accessing the childcare element. Non use was attributed to higher earnings or non-use of formal registered childcare. Around one fifth of parents not using registered childcare stated this was due to cost being the

main barrier across all ACORN⁸ categories. The assessment found that fewer than one third knew about the FIS, and less had used it. The Nottinghamshire assessment report stated the need for promoting registered childcare instead of using “informal, unregistered and unlawful” care. It also linked this need to PSA 2b (To reduce the proportion of children living in households where no one is working, by 2008 increase the number of children in lower income working families using formal childcare by 120,000). The report highlights a detailed geographical approach to the need for specified numbers of additional childcare places attached to schools across the county.

In **Rutland**, the assessment found that parents cited their income was too high for tax credit eligibility. However, in contrast, there was evidence that parents lacked accurate information about tax credit eligibility and claim process. It was identified that individual settings needed to adopt childcare take-up strategies to increase occupancy where vacancies exist.

⁸ Acorn is a geodemographic tool used to identify and understand the UK population and the demand for products and services.

5 Childcare sufficiency action plans

The childcare sufficiency action plans formed the basis of discussions in the individual meetings with all nine local authorities. The action plans were received in December 2008 and many were still in draft format. In addition to the issues documented in these meetings, this section summarises an indicative range of applicable issues for increasing the take-up of formal childcare of low income working families.

Many actions identified in childcare sufficiency action plans can arguably directly contribute to the increase of take-up. This report identifies potential benefits for coordinating such actions under a sub-heading of action plans to ensure a focused and effective approach. Examples highlighted in this section are actions that can be argued directly impact on take-up alongside general childcare development objectives.

Derby's action plan contains a large number of actions that may be considered directly impact on take-up these include: Developing a protocol for data sharing where childcare is identified as a barrier, and providing an improved childcare information link between the CIS and Jobcentre Plus - with one primary outcome of providing tax credit information in all children's centres. Working in partnership with the local LSC to promote free childcare for training and work. Setting up new childcare forums to enable a joint dialogue for meeting market needs, and improving providers' knowledge of Working Tax Credit and how this is promoted to families. Enhancing key partners' understanding of the role and function of the CIS, supported by a new stakeholders' pack, and the provision of drop-in sessions in children's centres, and a key link between the CIS brokerage officer and partners working with targeted groups.

The **Derbyshire** action plan identifies a need to consider one-off and long term funding for providers in 'certain circumstances'. It also aims to develop 'safe places to be' within extended schools for older children, alongside a range of inclusion strategies. The need to develop a method for monitoring tax credits has been recognised, as well as the promotion of financial support for parents' childcare costs. This is complemented by a

focus on pricing strategies to support lower income families, charges and an assessment of parents' views on appropriate charges.

Leicester's action plan includes objectives to increase the take-up of early education and the promotion of childcare affordability by the CIS measured by increased occupancy levels. Monitoring and evaluation of unmet childcare demand will be undertaken by the CIS, and tax credit take-up by the childcare strategy manager. The authority is conducting a NI 118 journey into work pilot in two contrasting children's centre areas. Leicester will also monitor the provision of childcare vouchers and salary sacrifice by medium and large employers.

The **Leicestershire** action plan focused on support to settings, reflecting Leicestershire's operational structure. Therefore, actions focused primarily on addressing identified gaps in direct provision (type, geographical), and did not include actions on information or wider activities that may benefit childcare take-up.

Lincolnshire aims to support the affordability of childcare through the provision of a county wide subsidised childcare places scheme through children's centres. The marketing of tax credits will be delivered through a joint strategy for raising awareness in localities, through new FIS outreach, Jobcentre Plus, providers and a dedicated project officer.

Northamptonshire's action plan identifies new processes for drilling down assessment findings into district priorities to drive local developments. There is an aim to increase the flexibility of childcare particularly in out of school and holiday provision to support commuting times. A range of actions relating to the engagement of employers have a focus on childcare vouchers rather than tax credits which was also recommended by the assessment. The action plan makes reference to 118. There is enhanced FIS outreach to children's centres through the appointment of four Families Information Outreach Officers. In addition, the FIS strategic plan identifies a range of methods for information provision including joint work with Jobcentre Plus and health.

In **Nottingham**, the action plan contains objectives for marketing and communication strategies to match demand to vacant supply. A marketing approach will also be used to promote tax credits to improve take-up rates, with plans to support the journey from unemployment to employment. It is also intended to include HMRC tax credit data in the update of the assessment.

The action plan provided by **Nottinghamshire** contains an aim for enhanced brokerage via the FIS. Take-up is one of four improvement priorities, delivered through activities including the promotion of tax credits through children's centres. A target of increasing to 20% take-up of the childcare element has been set, with promotion of other forms of childcare funding support along the journey into work (Care 2 Learn and LSC etc.) also identified.

Rutland's action plan outlined how the local authority would be supporting settings' marketing skills through a review of training and raising awareness. Actions for the FIS, including the promotion of affordability support and tax credits were referenced to appendix A of the action plan.

6 Identifying barriers to childcare take-up

Many barriers to supporting the take-up of formal childcare of low income working families were identified by local authority officers during individual meetings. Barriers included:

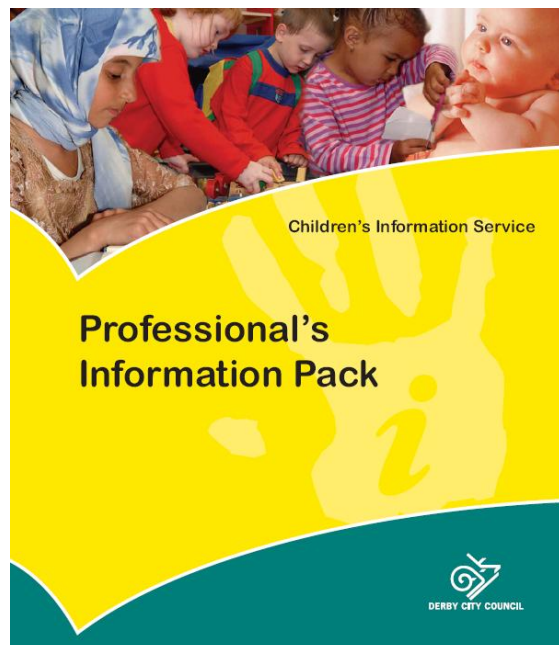
- A need to develop local authority policy wider than early years and childcare teams to promote engagement
- Varying levels of Jobcentre Plus engagement and delivery across the region due to capacity, staffing and competing demands
- The ability and capacity of early years and childcare providers to promote tax credits and referring to further support
- A need to increase early years and childcare providers' understanding of their markets and customers
- The impact of the recession and its effect on changing childcare needs
- The current ability of FIS to deliver outreach, working towards meeting the section 12 duty, and the promotion of tax credits
- Current and traditional patterns of childcare use, and entrenched community preferences for informal childcare
- Sustaining provision and supply in areas of low income
- Countering the effect of bad news stories relating to tax credit payments
- Accessing and using DWP/HMRC data
- Implementing the Voluntary Childcare Register to support tax credit take-up for provision for older children linked to extended schools
- Achieving a strategic link between the operational aspects of increasing take-up with wider local authority objectives e.g. poverty

7 Case studies, models and follow-up support

This section includes summaries of information extracted from meeting notes and documents supplied by local authorities, other collected case studies, and materials developed through the additional support available through this project. They are documented to offer ideas and suggestions for future action across the region.

Professionals' pack and easy laminate - Derby

A 'professionals' pack' has been developed by Derby in the form of an A5 directory of useful information for key partners and early years and childcare providers. The pack contains information about core services and useful contacts to aid 'baton passing' and easy referrals. Supporting information includes tax credits and offer forms of financial support for childcare. The pack will be supported by an 'easy laminate' which outlines key contact numbers for ready access.



Tax credit road shows – Leicester

As part of Leicester's 118 pilot, there will be a rolling roadshow of 40 in-setting training sessions for early years and childcare providers and other community based groups. The 40 minutes sessions aim to raise front-line workers' awareness of childcare take-up issues, barriers and solutions with a particular focus on promoting the childcare element of Working Tax Credit. The roadshows will be undertaken in two strategically targeted and contrasting areas of the city where a further programme of combined actions will form the basis of a holistic take-up strategy. Other activities include: community launches; leaflets and posters (shown); displays; web-space; DVD; parent champions; and a stakeholders' pack.

Out of school childcare – it works for me, it could work for you

Good quality childcare and activities provide the care your children need when you are at work or studying, and there's help to pay for it.

I am a student. I get help from my college towards my child's after school club fees **Maryam**

I'm looking for work and I'm getting help to find a holiday playscheme, and help with costs when attending job interviews **Tameisha**

My boss gives me childcare vouchers as part of my pay. It saves me up to £1196 a year and my child has a great start in life **Tejan and Malvi**

Our daughter is disabled and we got help to find great activities for her and her friends **David and Theresa**

I work 16 hours a week, for every £1 spent I get up to 80p back in Tax Credit which really helps me to pay for my childminder **Maryam**

Out of school childcare – it works for me, it could work for you

Leicester Children's Information Service
12 Bishop Street, Leicester LE1 6AF

Call for free
0800 952 5678

Tax Credit Helpline 0845 300 3900
Or contact your Jobcentre Plus Adviser

Leicester City Council

Examples are shown as a general guide only. We aim to be accurate at the time of publication (March 2009). All support is subject to individual circumstances, household income levels and benefits.

Joint workshops with HMRC - Leicestershire

The delivery of joint workshops and events with HMRC is considered to be very successful by Leicestershire. This has additional benefits for providers who have been able to access one-to-one problem solving in particular. They utilise the HMRC to offer advice to existing providers and those prospective providers considering joining the childcare market. Involvement is reported to be in a positive capacity (e.g. the tax benefits available to childcare settings). Contact has always been through a named contact, and involvement has been an integral part of campaigns such as childminder recruitment, community outreach and facilitated access to their target audience etc. Stands at any relevant events (seminar, conference etc.) are always offered to HMRC.

Preferred provider list - Nottinghamshire

Nottinghamshire's approach to developing childcare places is in response to the findings of the CSA and other identified needs including special needs adaptations. The assessment informed a strategy for developing places and to achieve this strategy a preferred provider list (PPL) was established of organisations that meet quality criteria. After which, when funding is allocated to specific childcare place targets in geographical areas, those organisations on the PPL are invited to submit a 'mini-tender'.

Childcare development is steered by the FIS with input from development teams. Termly meetings are held where development teams input into the updating of the childcare sufficiency assessment. After which a strategic meeting is held to prioritise and agree proposals for developments and to decide implementation processes. This meeting includes extended services, the early years and childcare service manager and children's centres.

Providers' conference workshops 30th March 2009 - Derby

As part of the additional consultancy support offered within this project, Derby City Council asked for a 45 minute workshop to be researched and delivered at

a providers' conference on 30th March 2009. The workshop aimed to introduce the issues around childcare take-up and to equip providers with clear and practical ideas of how they can support take-up of childcare and funding support including tax credits.

The 45 minute 'Take 10 for Take Up' workshop was delivered twice and followed the following format:

- Introduction to the take-up of formal childcare, what it means and why it is important
- A 10 question multiple choice quiz on subjects from the childcare sufficiency assessment, marketing, tax credits, childcare vouchers, FIS, the journey into work, monitoring the impact of the recession and other funding support for childcare costs.
- An information sheet containing all the answers to the questions
- An information sheet: 10 things you could do after today's workshop

All materials are provided in the appendices of this report.

Childcare support scheme – Nottinghamshire

Nottinghamshire County Council operates a ‘childcare support scheme’ which is described as a “last ditch” fund to provide support for childcare costs where all other funds, including tax credits, are unable to do so (due to criteria or capacity). The fund is for low income families and will pay for 70% of childcare costs for a maximum of 26 weeks. The fund also supports informal childcare provision to become registered. Details are shown in the fund’s leaflet which also promotes tax credits and the free flexible entitlement shown below:

If you are using a family member to provide your childcare there are a few things to note.

Firstly, you can only claim a maximum of £55 per week.

Secondly, four weeks into the scheme we will contact the family member that is providing your childcare to start the process of getting them to become a registered childminder, which will enable you to claim the childcare element of Working Tax Credit. If the family member does not want, or is unable to register as a childminder, you will not be eligible for support from our scheme.

Finally, if you are interested, we can arrange a FREE trial session with a day nursery, a pre-school, playgroup, out of school care or a registered childminder in your local area.

Nottinghamshire Families Information Service

We are open from 8.30 am until 5.30 pm Monday to Thursday, and until 4.30 pm on Fridays.

An answer phone service is available at all other times.

FREEPHONE 0800 781 2168

Email us at fis@nottscc.gov.uk

Information is available 24 hours a day over the internet www.childcarelink.gov.uk/notts

To find out if you are eligible for any tax credits contact the Inland Revenue on 0845 300 3900 or at www.taxcredits.inlandrevenue.gov.uk

Contacting us
email: fis@nottscc.gov.uk
phone: 0800 781 2168
post: Children and Young People's Department, Families Information Service, Wolbeck House, Darwin Drive, Sherwood Energy Village, Olton, Notts. NG22 9FF
internet: www.childcarelink.gov.uk/notts
published: July 2008

Childcare Support Scheme
Helping families pay for childcare

What is the Childcare Support Scheme?

The aim of our scheme is to support parents and carers into work, or vocational training by helping to meet the cost of childcare.

The childcare element of Working Tax Credit (WTC) can help parents and carers who work more than 16 hours and use registered childcare to get up to 80% of their childcare costs back. If you do not qualify for WTC then you may be eligible for financial support from our Childcare Support Scheme.

We also support informal childcare providers to become registered so that you can access alternative financial support once your payments from our scheme have ended.

Who can access the scheme?

Our scheme is aimed at parents and carers who want to work, or access vocational training.

To find out if you are eligible, call us on FREEPHONE 0800 781 2168

If you are claiming the childcare element of Working Tax Credit, we will be unable to provide any further help with the cost of your childcare.

If you are a student, your college should provide financial support towards the cost of your childcare through schemes such as the Childcare Grant for Students.

How does the scheme work?

To apply, simply call us on FREEPHONE 0800 781 2168.

We will take all your details over the telephone and then send you a copy of your completed application form to check, sign and return in a pre-paid envelope.

We also need you to send us evidence that confirms you are eligible.

We will write to you to confirm if your application has been successful.

Applications take 5 working days to process from the date we receive your signed application form and supporting evidence.

If your application is successful, you will be required to complete and return a monthly time sheet, which your employer, tutor or trainer must counter sign. Your childcare provider will also need to complete and return a similar time sheet.

What does the scheme offer?

We cover up to 70% of your total childcare costs for up to 26 weeks. If you use registered care*, this will be based on the actual hourly rate you pay. If you use a family member** to provide your childcare this will be based on an hourly rate of £1 per child per hour. Below are some examples:

Type of childcare	Hourly rate (£5 hours)	Total Cost	Childcare Support Scheme (70% of total cost)
Childminders	£2.50	£12.50	£8.75
Day Nursery	£3.50	£17.50	£12.25
Grandparent	£1.00	£5.00	£3.50

*Registered care - includes day nurseries, pre-school, playgroups, out of school care and childminders. **Family member - includes your child's grandparents, uncles, aunts, brothers and sisters over the age of 18.

If your child is aged three or four, you should be claiming a Free Entitlement Education place, which entitles you to 5 FREE 2 1/2 hour sessions per week over 38 weeks per year. For details of registered providers in your area call us on Freephone 0800 781 2168. You can then apply for support from our scheme to cover the cost of any childcare you need before or after the free sessions.

Payment is made monthly, by cheque, and sent directly to your childcare provider once we have received and checked completed time sheets from you and your childcare provider.

FREEPHONE 0800 781 2168

Range of marketing materials – various

Many local authorities across the region provided examples of booklets, leaflets, posters and other marketing materials, a selection are shown here for information alongside nationally produced resources from DCSF:

Help with childcare costs

Early years education places for all three and four year olds

Hi I'm Sara and this is my husband Ahmed. We both work so our four year old son goes to a day nursery from 9am to 5pm. The cost is reduced because he is certified to free and a half hours of free care a day.

My name is Hilda. I have just started training at my local college and while I am there my mum looks after my daughter. My mum can get up to £25 a week for this. People on some benefits, low income or returning to work can also benefit.

Get up to £55 per week through Childrens Support Scheme

Save up to 85% on childcare through the Childcare Grant for Students

Hi I'm Matthew and these are my son Jonathan and Julia. While I'm at work and they're not at school they go to an out of school club. The cost is reduced because I get Working Tax Credit

Working parents can save up to 80% on childcare costs through the childcare element of Working Tax Credit

Hi I'm Gemma and this is my partner Paul. We are full time students. While we go to college our daughter goes to a childminder and is a preceptor. This cost is less because we get the Childcare Grant for Students and support through the Care to Learn scheme.

To find out more call Nottinghamshire Families Information Service 0800 781 2168 or visit www.childcarelink.gov.uk/notts

Tell everyone about the benefits of affordable childcare

A Communications Toolkit for Local Authorities

LOOKING FOR CHILDCARE?
A SureStart guide to help you make the right choices

How much will it cost?
Comparing the different types of childcare available

How to arrange childcare
Do's and don'ts and what to look out for

What are my childcare choices?
Know your childcare options and make an

Is my child in safe hands?
A guide to quality and safety standards in childcare

Guide to Financial Support

Information for parents and carers

Nottingham City Council
Children and Families Information Service
Freephone: 0800 458 4114
Please note that calls from mobiles will be charged at your network provider's standard rate.

Using housing benefit data - Leicester

Leicester has been working in partnership with the housing department to access housing benefit data to identify target families in children's centre catchment areas. This has been found to be a reliable source of current data on the income levels of families with children. Information has been passed to children's centre outreach and other field worker staff to enable them to reach individual households to provide childcare take-up support and the accessing of the free flexible entitlement.

Promoting childcare vouchers – Northamptonshire

Northamptonshire operate a campaign that promotes childcare vouchers. The campaign includes attendance at business focused meetings, input to the Chamber of Commerce magazine (shown) including advertising and direct work with employers. A comprehensive information pack (shown) has been developed and includes leaflets about childcare vouchers, a brochure and factsheets and links to HMRC and Daycare Trust that support orientation to childcare voucher scheme providers.



BUSINESS NEWS

Simple guide to childcare vouchers



National childcare voucher schemes are becoming increasingly popular, but many employers and employees are still confused by or completely unaware of them.

Employers offering childcare vouchers can save payment of National Insurance Contributions (NIC) for each employee participating in the scheme, whilst employees save money by not getting taxed or paying NIC on the amount of their wages they receive in vouchers.

If a company offers a childcare voucher scheme, the employee wishing to claim a voucher opts to make a monthly salary sacrifice and receive that amount in childcare vouchers instead. Childcare vouchers, up to a limit of £55 per week or £243 a month, are exempt from NIC for employers and exempt from tax and NIC for employees.

If you are an employer interested in the scheme, call the Families Information Service at Northamptonshire County Council on 01604 237935 and ask for the Employer's Guide to Childcare Vouchers. This contains information about the initiative and the benefits you can gain as an employer.

8 Creating an action plan

Meetings with local authorities have identified that there are various areas of strength and identified areas for development across all aspects of the take-up agenda. This self-assessment framework identified the key aspects of a strategy with descriptive detail and can be used by local authorities to identify priority actions. It is organised into the five themes of: planning; data; delivery; roles and partnership; and getting the message across.

	Activity area	Description	R	A	G
1	Planning	The case for NI 118 has been made strategically and is present in plans			
		All operational elements are in place and people have clear actions that link to NI 118			
		Strategic and operational leadership is identified and effective			
2	Data	HMRC data is accessed and effectively used across the local authority area			
		HMRC data is accessed at snapshot and lower super output area levels			
		Childcare take-up is explicitly identified in the childcare sufficiency assessment			
		There are systems in place to measure local outcomes – bridging the gap between local action and HMRC data and following the journey into work			
3	Delivery	Childcare development strategies include childcare take-up promotion within market management role			
		Direct projects are in place including test projects			

	Activity area	Description	R	A	G
		with proactive local targeting			
4	Roles and partnership	The role and contribution of the FIS is clear and actions are taking place including outreach and brokerage			
		The role and contribution of Jobcentre Plus is agreed and delivered across the local authority area			
		Early years and childcare settings are enabled to play their part in supporting parents to enter the employment market (including training)			
		Children's centres are clear about their role and action is taking place			
		Other information services are included e.g. Citizens' Advice Bureau			
5	Getting the message across	External communication – all external partners are informed of the strategy and their expected contributions			
		Internal communication – all external partners are informed of the strategy and their expected contributions			
		Marketing – key messages are communicated to parents at all points of the journey into work, with positive news stories			
		Working Tax Credits – childcare element are promoted including positive news stories			
		All partners are aware of the tax credit ready reckoner and it is being widely and effectively used			
		There is a clear and outcomes focused plan for			

	Activity area	Description	R	A	G
		employer engagement implemented			
		Direct work with early years and childcare providers supports the offer of front-line information and support for tax credit take-up			
		Direct work with information and other partners supports the offer of front-line information and support for tax credit take-up			

Appendices

- 1 Briefing for local authorities and areas of questioning
- 2 Derby City Council meeting notes
- 3 Derbyshire County Council meeting notes
- 4 Leicester City Council meeting notes
- 5 Leicestershire County Council meeting notes
- 6 Lincolnshire County Council meeting notes
- 7 Northamptonshire County Council meeting notes
- 8 Nottingham City Council meeting notes
- 9 Nottinghamshire County Council meeting notes
- 10 Rutland County Council meeting notes

- 11 The recession – summary of local authorities' views
- 12 Take 10 for take up – training for providers
- 13 A briefing for I18
- 14 Further reading

Appendix One Briefing for local authorities and areas of questioning

Hempsall Consultancies has been commissioned by GOEM to undertake a project to examine the childcare sufficiency action plans and the take up of formal childcare (NI 118) for the nine local authorities in the region. This project will provide independent support and challenge for the childcare sufficiency action plans, offer an independent and objective view of the action plans and make available additional support where it would benefit the local authority.

There will be a particular focus on:

- The assessment of the take-up of formal childcare
- Identifying practical and cultural barriers preventing the increase of childcare take-up rates (particularly focusing on low income families and disadvantaged areas)
- Identifying actions that could start to remove these barriers
- Developing an action plan, tools and resources to increase demand for formal childcare, particularly from low income families

Project plan – summary:

- 1 Consideration of each local authority's childcare sufficiency assessment, the review of the reports completed by Neil Stuart on behalf of GOEM, and completed childcare sufficiency action plans.
- 2 A meeting with each local authority in January 2009 to:
 - Examine the assessment of levels of take-up of formal childcare
 - Identify barriers to increase take-up levels – especially by low income families (practical and cultural)
 - Start to identify actions to remove barriers and create an action plan
- 3 A regional overview report will be published describing the action plans and identifying support needs.
- 4 Additional one to one support will be made available at this time.

- 5 The project will identify and share good practice and provide support/materials to inform action planning and the development of childcare take-up strategies.
- 6 The outcomes of the project will be presented by the end of March 2009.

Areas of discussion and questioning for the initial meetings in January 2009:

- 1 What does the childcare sufficiency assessment identify in terms of issues relating to the take-up of formal childcare?
 - By low income families?
 - Other groups e.g. one parent families, BME groups
 - Is the level of take-up of formal childcare assessed?
- 2 Does childcare sufficiency action plan contain specific actions, informed by the childcare sufficiency assessment that aim to increase the take-up of formal childcare?
 - What are these actions?
 - Generally, and specifically for low income families?
 - What are the identified barriers to increasing the take-up of formal childcare?
 - How is the action plan linked to strategic plans and initiatives?
 - How are outcomes measured?
- 3 Are there any barriers that appear to be insurmountable, or are providing a particular challenge?
 - Is additional support required?
 - What type of support is required?
- 4 What potential outcomes of this project/consultancy support would be of particular use and benefit to you?

Appendix Two Derby City Council
Meeting notes 20th January 2009 1pm

Heather Ryder Carrington – Team Leader, Sufficiency and Access

Jayne Woodward – Recruitment and Retention Officer

James Hempsall - Director, Hempsall Consultancies

The Derby childcare sufficiency assessment looked at providers' occupancy levels, waiting lists and took a view on demand for take up of formal childcare. Updates could in the future, through provider surveys, support providers to develop an understanding of which parents are claiming tax credits. Using DWP data on take-up of formal childcare and including it in the CSA update is recommended. A copy of the DWP data was requested. A consideration of agreed definition of 'low income' was requested to ensure that action is appropriately targeted (is it eligibility for tax credits? Teenage parents? Lone parents? Benefit claimants? Disadvantaged areas?).

The action plan highlights that Derby has NI 118 in its Local Area Agreement (this was checked and found not to be the case), and contains many specific actions that contribute to the increase of formal childcare take-up. Many are planned actions and some will be put in place before the end of the financial year. All need to link to a framework for measuring outcomes. Key actions are outlined as follows:

Jobcentre Plus. In the past, the service has linked with the Jobcentre Plus team by: speaking with advisers; providing FIS surgery style drop-ins at the job centre (which have both recruited childcare workers and provided childcare information); allocating a key liaison worker for each of the four job centres in Derby. Briefings and joint work may have experienced some "communication breakdowns", resulting in reduced numbers, outputs and outcomes. Levels of contact/calls from Jobcentre Plus are reported to be low. An expressed challenge was the perceived stretched resource of one Jobcentre Plus childcare partnership manager for Derby and Derbyshire, considering its large geographical area. Future plans include: It is felt that more can be done to support

advisers to reach childcare solutions, and data has been requested from Jobcentre Plus to support the service to identify trends or opportunities to support the breaking down of childcare as a barrier to employment through improved information and counseling (banishing stigmas, prejudices and assumptions to build levels of trust resulting in childcare use). There remain opportunities to refresh joint working with Jobcentre Plus and to link to outreach in children's centres. One idea is that Jobcentre Plus advisers are identified to take a lead on this issue, and perhaps link to locality areas.

Children's centres: Children's centres are to be encouraged further to play their role in promoting childcare take-up, linking to brokerage and reaching childcare solutions. There are aspirations to provide childcare taster sessions in areas of disadvantage/targeted at low income families.

Childcare providers' role: It is believed that providers hold and offer low levels of tax credit information for parents and do not routinely promote its availability. This is an identified issue to address by raising providers' market awareness, analysis of customer demographics and developing marketing plans. This will include strategies for welcoming, enrolling, maintaining contact details, building general contact and partnership, understanding parents' working commitments, promoting childcare vouchers and tax credits etc.

New data: Work has been undertaken to gain new data for teenage pregnancies to establish new baselines, and to understand take-up and case loads for Care to Learn via Connexions.

Professional packs: Packs are being developed this year to provide an A5 directory of useful information for front-line workers (inc. family visitors). The pack will contain information on childcare, financial support, tax credits and easy referral information. The pack will be enhanced by parenting information.

Childcare forums: Childcare forums are being developed in each locality with the objective of supporting settings to improve market awareness and flexibility.

Strategic links: Whilst strategic links are identified in the action plan, it was considered that the local authority strategic buy-in remains an area for development.

Childcare tax credit promotion: It has been identified that more regular and proactive promotion of tax credits is necessary. To this end, an employer event is planned to promote childcare vouchers and tax credits.

Disabled children: An Aiming High for Disabled Children event is in early development, and aims to fact find, establish new links and to clarify the objectives of the childcare sufficiency duty and align it with other strategies for disabled children.

The potential effect of the economic downturn was discussed. Some positive and some negative examples were given, as follows: some providers not willing to be as flexible as parents would like them to be, when circumstances have changed; increase of baby places as women return to work earlier; increase of demand for breakfast and after school childcare; women returning to work after having children, or starting work when they have not worked previously requiring childcare; reduced overtime/hours reducing childcare demand and ability to pay; increase of family providing part of the childcare mix; some settings have increased their prices (including some that have increased twice in one year).

Summary of activities before 31st March 2009:

- A sustainability and sufficiency of childcare event for childcare providers to highlight current issues and offer workshops to examine issues in detail.
- Professional packs.
- Promoting LSC childcare funding support in the provider newsletter.
- Provide briefings for children's centre managers.

- Establishing commitments from front-line staff for supporting the childcare agenda.
- Require settings receiving nursery education funding/grant to return 'business forms' outlining places and occupancy levels.

Summary of identified gaps:

- Need to look deeper in local areas to identify barriers to take-up and include in childcare sufficiency assessment update.
- Supporting providers to understand their local markets and customer demographics, developing marketing plans.
- Achieving strategic contributions – shared inputs and outcomes for NI I18.
- Actions need to incorporate evaluation and measurement frameworks to ensure focus on outcomes.

Desirable outcomes from the project:

- Examples shared of what works well in local authorities in the region and beyond.
- Increase strategic buy-in at a local authority level and with Jobcentre Plus. Ensuring all recognise shared inputs and outcomes.
- Establishing local data collection, analysis and links to national data sets.

Appendix Three Derbyshire County Council
Meeting notes 18th February 2009 10.00am

Debbie Andrews - Childcare Coordinator

Amanda Gordon - Childcare Manager

James Hemsall - Director, Hemsall Consultancies

As the pre-meeting paperwork had not been passed to Amanda and Debbie, an outline of the meeting's aim and purpose was given verbally and in writing.

Derbyshire does not have N1118 within its LAA. It was reported that neither officers has direct responsibility for NI 118, although the Assistant Director with named responsibility was stated as David Connor. Amanda and Debbie are responsible for the childcare sufficiency assessment and the childcare sufficiency duty.

An updated version of the sufficiency action plan (January 2009) was provided by Amanda and Debbie. The 2008 childcare sufficiency assessment was said to have identified issues relating to accessing and taking-up childcare:

- affordability/cost generally not an issue for 60% of parents surveyed
- for 40% of parents surveyed, and the lower the income of the family, the more affordability became an issue, and reduced ability to pay
- the report did not specifically identify/analyse/report the needs of low income parents – even though income levels were collected by the survey (the response rate for the parents' survey was circa 14,000). However, this has been identified as a priority for 2009/2010.
- for BME families, The childcare sufficiency assessment reported that of a child population aged 0-14 years of circa 130,000, 2.5% were BME. This was calculated, during the meeting, as 3,250 BME children. It was recommended (and agreed) that this large cohort of children would benefit from future

consideration in childcare sufficiency assessment updates. It was agreed to make this a priority for 2009/2010.

Update of the childcare sufficiency assessment 2008-2009

- This year, the childcare sufficiency assessment has been broken down into district reports (June 2008) and disseminated to district managers (example copy requested – not received). It has been intended that these district reports inform locally based staff and drive local childcare development
- Childcare development strategy for 2008/2009 has focused on the shortfall of places across the county, including extended services core offer, all types of childcare, three and four year old nursery education provision. It has also aimed to “manage” the spare capacity of three and four year olds provision and to examine ways of delivering this more flexibly.

The role of the sufficiency team

The primary purpose of the sufficiency team was described as managing supply and demand for childcare and extended services, and to manage the childcare sufficiency assessment. Priorities for this year were reported to be: extending the 5+ provision with phase I children’s centre reach areas, breakfast and after school childcare; meeting the September 2010 core offer target for extended schools (current workload of 20 schools, with 25 recently identified in addition). Officers were aware of the need in the next two years to be more proactive in stimulating demand and in addressing the gaps in terms of quality and affordability.

Where the county-wide childcare sufficiency assessment has identified a local need, this prompts the team to undertake local market research in partnership with local providers, including schools. This local market research aims to qualify whether a local supply or demand issue would be addressed by the development of new childcare provision.

Local development work includes business development/support, start up, help with staff recruitment, quality improvement and marketing and is made available to both new and existing childcare providers. There are four childcare coordinators based in districts (seven) and they in turn manage teams of development workers (two) per district.

Early years quality support for day nurseries and pre-schools is provided by early years officers within the Education Improvement Service. The responsibility for supporting schools which directly deliver childcare is yet to be confirmed.

Childcare sufficiency assessment annual update

It was explained and clarified that legislation and guidance requires that: childcare sufficiency assessments are updated as and when further data is available, at least annually, and that a full review is undertaken every three years. It was recommended that the update is informed by internal review of the assessment, external review (undertaken on behalf of GOEM); and what is possible within timescales. Derbyshire has not yet put in place any formal plans to publish the updated assessment. However, the information was reported to have been collated internally. It was recommended that the assessment is updated as far as reasonably practicable and that a clear plan of further updates to be undertaken in 2009-2010 is specified prior to the end of March 2009. This work should be published (and readily accessible) on the local authority's website by 1st April 2009.

The childcare sufficiency action plan

The childcare sufficiency action plan is led and coordinated by Amanda working with other teams and external partners. Work is being started to confirm and initiate the significant number and range of roles of internal and external delivery partners as identified and assigned roles in the action plan. This work will need to confirm and

shape outcome measurement arrangements and to chase the reporting of progress to feed into the central coordination offered by Amanda.

The FIS

The FIS is part of 'Call Derbyshire', the local authority's central information service for citizens. It was reported that more outreach is occurring in districts (it should be acknowledged that representation from the FIS was not at the meeting). Call Derbyshire has a script and it is not clear whether this includes the promotion of tax credits for childcare. Copies of FIS print materials were requested.

Children's centre workers are expected to be identifying individual families for targeted take-up support. The local authority's welfare rights service offers benefits and tax credit take-up advice, information and calculations. Closer and more explicit links with the sufficiency team are planned.

DWP/HMRC data

Data available at district level has been recently received and has been examined, but not yet acted upon. This is said to form part of the 2009/2010 action plan.

Tax credit take-up

The team is expecting children's centres amongst others (detail not given) to deliver front-line tax credit support. There is an assumption that this is happening, although a contact in each centre has yet to be identified. It was agreed that there is a role for development workers to include tax credit promotion in their work with childcare providers. The team is said to be promoting 'as much as possible' the opportunities presented by the voluntary childcare register for good practice and accessing tax credits.

Jobcentre Plus

Jobcentre Plus is reported to meet with the FIS on a monthly basis to share 'childcare as a barrier to work' data. If a trend for unmet demand is identified it is passed to the sufficiency team for brokerage or to develop further provision. It was agreed that a sufficiency officer to attend these meetings in the future.

Recession

Intelligence gained from childcare development workers includes:

- increase of demand stemming from the 'second' parent entering the employment market;
- no noticeable rise in providers identifying sustainability issues;
- a "spike" in people applying to become childminders – induction training courses offered by the authority (16 places every two weeks) are fully booked through to May 2009. It was believed that this may be due to people entering employment and choosing childminding as a career, or introducing a second income into the household; additional briefing sessions have been developed to reduce the time people are waiting to access the courses.
- levels of childminders has remained static, despite usual churn and EYFS implementation.

Challenges

- Breaking the preference for informal childcare provision in identified communities, by getting the message across re: affordability and quality.
- Sustaining childcare provision in areas where traditionally this has not been sustained.

Additional support

- Information on what needs to be done, what other local authorities are doing
- Leverage to initiate actions internally
- Share good practice

Appendix Four Leicester City Council
Meeting notes 13th February 2009 12.30pm

Val McCarthy - Childcare Strategy Manager

James Hemsall - Director, Hemsall Consultancies

It was thought that the childcare sufficiency assessment reported 'general' findings; and that more information has been collected since via the wider strategic work that the local authority has been delivering in the BME and I18 pilots. It is expected that these will be incorporated into the childcare sufficiency assessment update for 2008-2009.

A stakeholder event had been held to explore the meaning of childcare sufficiency for: parents, providers; and children. The event was attended by parents, providers, children's centres, early years and childcare team, voluntary sector, and the quality, recruitment and training representatives.

The CSA will continue to be localised across the city, including a survey of parent/carers through primary schools.

It was recommended that the updates of the CSA are published alongside the 2008 report on the local authority website. The revised sufficiency action plan is being prepared in time for the Childcare Regional Network meeting on 19th February 2009 (received).

Nursery education grant (NEG) is the top priority for Leicester's take-up and sufficiency strategy. The NEG review for three and four year olds focused on reach and impact for each children's centre area, backed up with on-the-ground work to verify the data by prioritised areas (as live birth data seems inaccurate) – an example of which is Eyres Monsell that is reported to have 76% take-up and low levels of provision. Targets across the city have been set at: three year olds 70%, and four year olds 80%.

Current actions include:

- verifying data
- identifying children's centres with the greatest challenges
- holding local area meetings with childcare providers, early prevention team leaders, children's centres and head teachers to develop action plans to raise awareness and develop provision e.g. extend current provision, and developing Saturday 'catch up' sessions for children previously not accessing their early years entitlement
- home visiting – to explain the benefits of childcare for children; linking to provision of Parents as Partners in Early Learning (PPEL) if childcare provision not available locally
- a DVD of families' experiences of early years education – in different languages for the BME pilot
- coordinating waiting lists at children's centres – a named person in each centre coordinating the information on waiting lists and vacancies to enable effective local brokerage

The 118 pilot projects, in targeted areas of the city, are stimulating a range of new initiatives including:

- welfare rights support
- volunteering programmes
- route ways training (into work)
- job fairs in schools
- tasters and brokerage for out of school childcare
- range of publicity and campaign materials

Citywide, there were plans to repeat the 'It works for me, it could work for you' childcare affordability campaign (2007) developed with Hempsall Consultancies. Over

recent times, the work on the various pilots has taken priority. The I18 pilot has recently revisited the campaign and revised materials are being produced currently.

CIS – outreach work is available in children’s centres. Three years ago, arrangements were put in place to enable access to the CIS database (this will remain when the ISPP is implemented). 0-19 information will be included in the new system, including direct links to appropriate websites, disabled children’s database and workforce information.

Tax credit – it was reported that 10 roadshows have been held with Jobcentre Plus and other partner agencies. The strategy is that small local events are preferred over and above larger central ones. All enquiries to the CIS are said to be offered tax credit information and this is also included in the information pack mailed afterwards. Sustainability and marketing development work with settings, and business skills training, includes tax credits promotion.

The local authority wants to do more for childminders to raise awareness and promote services and take-up of places.

Recession: it was reported that there was increased demand for registrations to become a childminder.

Outcome measurement: it was identified that a form of tracking and measurement was needed to bridge the gap between local authority work and the tax credit take-up data from DWP. Data from DWP was reported to have improved, and is used at SOA level through the pilot. Leicester has accessed data from the housing benefits team to identify individual families claiming family tax credit, but not childcare tax credit. This enables the targeting of families through the BME pilot and welfare rights advice.

Voluntary childcare register – this is being made a requirement of playscheme funding. There are generally very few regulations, so it is intended that the CIS service level

agreement will require them to recruit settings onto the register as a condition of promoting and marketing activities.

Short breaks – it is proposed that short breaks will purchase out of school provision for children with additional needs/disabled children.

Additional support:

- better promotion of childminding
- promotion of registration on the voluntary childcare register
- measuring outcomes

Appendix Five Leicestershire County Council
Meeting notes 17th February 2009 3pm

Michelle Foulds - Strategic lead on take-up of formal childcare

Ed Harris - Lead childcare sufficiency assessment and duty

Kate Parkinson - Children's Centre Coordinator

Michelle currently holds the role of strategic lead for the take-up of formal childcare for low income families. Current internal discussions are focusing on whether the lead should be placed within the extended services/children's centres team.

The Early Learning and Childcare Service (ELCS) aims to support early years and childcare providers as its core aim. The FIS is centrally located. The FIS provides information, advice, support, publicity materials, and an updated parent pack. They are reported to be working with Jobcentre Plus, voluntary organisations and other front-line services to "up skill" them to deliver information.

The service works to address childcare places gaps as identified by the childcare sufficiency assessment.

Children's centres have Family Outreach Workers who, it was reported, prioritise the increase of NEG take-up (as take-up in areas of disadvantage and with vulnerable families is said to be low), promote their own stay and play sessions, and in time will provide a range of outreach and local workers to provide parent support.

Supporting early years and childcare providers – settings are supported to offer family services such as signposting families to support agencies, working with parents as partners, hosting family learning sessions; articles in Partnership Plus (the service's newsletter) and various leaflets; workshops on sustainability highlight financial support; capital funding has enabled providers to increase their resources and capacity in

delivering services for children with additional needs/disabled children; there has been an increase in playscheme provision in the holidays.

Tax credit promotion – FIS have a tax credit calculator, and are piloting information champions out in the field, new childcare providers are given ‘induction’ support including business support, Ofsted registration and supply and demand information from the childcare sufficiency assessment. Joint work is considered to be very successful with HMRC through joint workshops and events – it is believed to be very beneficial for providers for detailed one to one problem solving in particular.

The childcare sufficiency assessment reported that 17% of parents identified that the cost of childcare is a barrier. Lone parents, through a small sample of focus groups, highlighted confidence as a barrier to access. There were some levels of misunderstanding of the market and perhaps some self-imposed barriers to participation identified. For BME groups, the childcare sufficiency assessment seemed to identify that there was high levels of awareness and widespread use of childcare. Mid-range earners, out of the tax credit eligibility parameters, seem to be not receiving sufficient support from their employers in the form of vouchers etc. In particular, the high cost of childcare for children under the age of three years old was described as a significant barrier. In line with other studies and strategies, the childcare sufficiency assessment found that childcare demand tailed off at the age of 11 years old – as older children and parents are demanding a similar but different service not branded as childcare. Parents’ awareness and understanding of childcare for disabled children were mismatched from the realities of provision (low demand, as expectations low, providers not approached).

Actions in response to the childcare sufficiency assessment findings were described as:

- Continued information services: FIS
- Using capital funding in different and targeted ways – additional support and equipment
- Training for working with disabled children

- Marketing e.g. Leicestershire Matters (the local authority's newsletter delivered free to every household) e.g. SEN/disabled childcare
- Joint work to coordinate extended services for a "more viable offer"
- Consultation on extended services for older children – feeding into the childcare sufficiency assessment update
- Identifying demand and needs at ward level through a system that integrates socio-demographic information, the nine sufficiency indicators, and RAG ratings to flag up the need for further local work (yet to be implemented). For example, quality is rated by including Ofsted inspection outcomes, workforce qualifications at level three, vacancy information and NEG take-up. Tax credit data is included at district level – it was not thought that this data was available at any other level

Jobcentre Plus – the key relationship is with the FIS and children's centres. It was described as being affected by resources and capacity issues at Jobcentre Plus, despite a memorandum of understanding being in place. In Melton, it has been agreed to hold one drop-in session per month. This is reported to have been raised with Together for Children. A meeting is being planned to build on the current working relationships with a particular focus on two year olds. Whilst relations between ELCS and FIS were described as "good", the relationship between ELCS and extended services was described as "patchy".

Employers – a relationship exists with the Chamber of Commerce, particularly for cascading information about the free flexible entitlement. Also, the local authority is said to convene a group of major employers for consultation and the dissemination of information. Aspirations include: the completion of direct research with employers' workforces, and the promotion of tax credits and childcare vouchers.

Recession – there is a reported increase in closures and providers contacting the service to raise funding/finance issues. Parents' ability to pay is also thought to be affecting cashflow, bad debts and the reduction of charges.

Voluntary childcare register – the “vast majority” of extended services were reported to be operating for less than two hours and therefore not eligible for registration on the voluntary childcare register. Current arrangements allow for the service to fund an activity for £100 to cover registration costs – however this has had no take-up and may not be available in the future.

Outcome measurement – a memorandum of understanding with the FIS requires the collection of data on enquiries and referrals. Children’s centres are still looking at possible indicators. A performance management officer has recently been recruited to undertake this task.

Challenges – making affordable childcare sustainable, further funding for out of school provision.

Additional support

- Confirm the availability of DWP tax credit data at SOA level
- Share examples of internal delivery structures (FIS, early years and childcare, children’s centres and extended services)
- Information strategy
- Partnership working – external delivery partners

Appendix Six Lincolnshire County Council
Meeting notes 7th February 2009 10am

*Julie Grindley - Childcare Sufficiency Officer
James Hemsall - Director, Hemsall Consultancies

*The meeting was scheduled to be held with Meredith Teasdale. Unfortunately, Meredith was unavailable immediately prior to the meeting and Julie was asked to cover at short notice.

Julie was appointed as childcare sufficiency officer in October 2008. She is responsible for childcare sufficiency/development and the strategic function of the FIS (which is based in central information services). Julie was previously based at Children's Links and is currently establishing a new development team by recruiting childcare development officers. Lincolnshire have a "small" central support team linking to locality based teams and children's centres.

Tax credit take-up

James explained Lincolnshire's position on the DWP tax credit take-up snapshot data. Julie asked for a copy of the data (supplied), and the regional/national average figures (supplied after the meeting by email)

At the beginning of the meeting, explicit actions that contribute to the increase of take-up of formal childcare were not identified by Julie. The perceived lack of direct planned actions had, it was reported, been identified internally in the previous week. Discussions to address this issue are scheduled.

However, after a little consideration of the childcare sufficiency action plan, two actions that could relate to childcare take-up were identified and discussed in more detail, namely:

- Target: 'Affordability of childcare and access to childcare'

A copy of a draft document was provided showing initial scoping of actions and direction for this objective. It described how financial support for childcare is currently made available to families in need through children's centres. The aim is to develop a consistent approach across the county through all children's centres, and to extend the focus of the initiative from 0-5 year olds to 0-11 year olds. It was recommended that the strategy may be further extended to include 11-14 year olds (to match the aspirations contained within the refresh of the 10 year childcare strategy: Next Steps for Early Learning and Childcare, DCSF, launched 28th January 2009). The links to providing childcare for working families, or those working towards employment could be made more explicit in the strategy, as could the contribution of other sources of financial support – especially from Jobcentre Plus – so that the local authority can achieve its aim of funding only those families that are unable to claim funding elsewhere. [Note: Lincolnshire may wish to consult with Nottinghamshire who operate a similar fund].

- Target two 'Excluded families better supported'

This target did not have milestones or timescales attached in the 'draft' action plan version three dated: 16th December 2008 provided to GOEM. The FIS will be in place from April 2009 to meet the requirements of the information duty, section 12 Childcare Act 2006. At this point, the FIS will be able to offer outreach – which is a role that is said to be not currently offered. After which a training and implementation plan will be initiated. It is expected that this plan will be implemented by November 2009. The childcare sufficiency assessment found a noticeable reduction in public and professional awareness of the CIS/FIS over recent times. This has stimulated actions to strengthen the service, and has been complemented by the information duty as a driver.

It was recommended that the promotion of childcare tax credit should be a key priority for the above two objectives.

Initially, the take-up of formal childcare of low income families (NI 118) was considered to be a target for Jobcentre Plus. It is now acknowledged that this target will benefit from joint working with Jobcentre Plus, childcare sufficiency/development team and FIS.

There is a memorandum of understanding with Jobcentre Plus and the relationship was said to be strengthening between the two organisations. Julie's recently appointed colleague, Michelle Andrews (Children's Services Team Manager) is responsible for working with Jobcentre Plus. Julie was unable to comment on their involvement with children's centres.

The supply-side data contained within the childcare sufficiency assessment has been identified internally (and supported by the GOEM review) as an area for development. The report was not thought to be reflective of Lincolnshire. No specific actions could be identified for how this may be addressed in 2008-2009 as part of the legal duty to complete an annual update of the assessment. Rather, actions were childcare development actions in response to the assessment and other information. However, the development team is not currently in place. The local authority's sufficiency and demand tool is being examined by GOEM as a model. Notes of the meeting with Neil Stuart were received during the past week and this may prompt actions to further develop the childcare sufficiency assessment.

Some work was reported on consulting with migrant worker families and it was felt that services were currently providing childcare to meet needs.

The expectation to annually update the childcare sufficiency assessment, publication and to undertake a full review every three years (next full review due for March 2011) was explained. The importance of the audit trail from assessment through to policy and actions to secure the sufficiency duty was highlighted. It was recommended that further information and a clarification of expectations is sought from GOEM.

The section 12 (Childcare Act 2006) information duty has steered a review of information provision in Lincolnshire, following the transfer of CIS services to the local authority's central information team from the contactor: Children's Links.

A single document, sourcing the different types of funding available for parents' use of childcare was requested.

The provision of childcare for disabled children was identified by Julie as an area for development.

Copies of the local authority's range of information leaflets for providers and parents were requested. These will be forwarded.

After the meeting, Julie asked (by email) for information about the DWP data – when published and how available. This was made available.

Supplementary information provided by Meredith Teasdale by email following the receipt of the meeting notes:

“Lincolnshire has a range of activities that support the increase of take up of formal childcare. There is a close working relationship between Jobcentre Plus, children's centres and FIS that ensure that parents are supported in finding childcare. There is a memorandum of understanding, we have quarterly meetings between FIS, Jobcentre Plus and children's centres, there is an action plan from this setting out what we will do by when etc. Jobcentre Plus advisers feed into FIS with issues re: sufficiency and need for support to parents. Children's centres ensure advice on accessing childcare and signposting to Jobcentre Plus. Strong links that are constantly being built on. There are also plans to support further with brokerage support. A document is being taken to the departmental management team to extend the work of FIS to include brokerage. Looking to make changes for August 2009. The team is constantly

reflecting on their work and in internal meetings identified further ways that they could support the increase in take up of formal childcare through the integrated children's services teams in localities. In addition Jobcentre Plus meets with CSTMs and attend local children's partnership meetings raising issue of take up of formal childcare to reduce workless families with all organisations in an area and raising the profile.

Childcare Tax Credits are promoted by Jobcentre Plus, FIS and children's centres through local marketing, raising profile at local children's partnerships and with support from Citizens' Advice Bureau.

Lincolnshire County Council has a very strong link with Jobcentre Plus, with joint working, sharing of targets and regular meetings and a clear action plan of joint work.

A great deal of work is currently taking place within the authority around the provision of childcare for disabled children. This is linked into Short Term Breaks strategy which is being worked on across the local authority and led by AD Targeted, [text deleted] but not (a) development issue.”

Appendix Seven Northamptonshire
Meeting notes 23rd January 2009 1.30pm

David Perrin - Manager, Central Support Team

Anna Wong - Area Coordinator (Daventry)

Paul Crandley - Business Support Manager

James Hempsall - Director, Hempsall Consultancies

David provided an introduction to the service. He explained that he is based in the central support team that focuses on county-wide issues and includes the FIS and business support. There are area based teams based in seven districts across the county. Anna is an Area Coordinator for the Daventry district. Area Coordinators have overall responsibility for early years, childcare and extended services and work towards district targets for the numbers of eligible children accessing the free entitlement to early education take-up. Each of the Area Coordinators also has a subject lead e.g. PMI. Anna leads the area team's work on ensuring childcare sufficiency.

Documents were shared outlining the structure of the service and links to the Children and Young People Board 0-12. The childcare sufficiency workstream is creating a new task group for NI 118. The first meeting is scheduled for 28th January 2009. Draft terms of reference show that expected membership will include: Jobcentre Plus, LSC, Connexions and Citizen's Advice Bureau. It was reported that the task group is being established to build upon previous work in this area and in recognition of the importance of the take-up of formal childcare (NI 118 is not in the local area agreement).

It was questioned whether issues relating to the take-up of formal childcare by low income families would be evident in the key findings and recommendations of childcare sufficiency assessments. Childcare sufficiency assessment guidance did not explicitly reference this, however it was explained that through the gap analysis of supply and demand an exploration of trends and need is implicit in its analysis of identifying

expectations, needs and demands for childcare for low income families. Whilst some parents may not be identifying childcare an issue now, they may need it in the future (an example of this would be the impact of lone parent obligations, although this was not shared at the meeting). The Northamptonshire CSA is based on the belief that “propensity to use childcare is generally better reflected by ACORN category rather than other indicators such as race or family structure”. The estimate of propensity to use was based on: actual use patterns; and likelihood to use (as expressed in the survey) within the next two years. E.g. 9% use – matched to nature of supply (vacancies, places available) and local development work.

A new task is the promoting of take-up, and strategies for creating and increasing demand. The take-up task group was reported to have been in existence for more than two years. This should be based on need. The issue of ‘need’ as opposed to “demand” was discussed in the meeting and clarification was provided.

The childcare sufficiency assessment used the ACORN geo-demographic classifications, which includes low income families. There was no separate analysis of the needs and demands of BME families, as it was believed that BME communities were represented in all ACORN categories. The contractor for the assessment developed a set of recommendations through consultation with the local authority and these recommendations form the basis of the action plan (including county-wide actions and district actions).

The county childcare sufficiency assessment is being rolled out on a district level to examine local details and local profiles. An early example was shared at the meeting.

When asked to summarise the assessment’s identified childcare issues, the following was identified:

- Quality was not identified as a barrier by families.

- Shortage of supply of suitable childcare/activities for older children of working parents.
- The supply of out of school childcare seemed inadequate to meet potential demand in some areas with occupancy levels high in existing provision. Holiday being the main issue.
- 10% of employers contacted stated that childcare is not supporting their employees at work.
- More flexibility required, particularly at the start and end of the day.
- There is a small theme relating to affordability as a barrier.
- 38% of ACORN 5 (lower income groups) are not aware of the childcare element of working tax credit.

When asked to summarise direct county-wide actions to increase the take-up of formal childcare, the following was identified:

- Establishing the NI 118 task group.
- Area Coordinators responding to district assessment reports (including at SOA level) and developing district action plans.
- Working to increase the take-up levels of the free flexible entitlement through advertising and promotional work, and children's centre outreach, etc
- Working with providers on the flexible offer and the free entitlement in general.
- Suite of FIS and childcare outreach activities and leaflets.
- Childcare vouchers campaign – attendance at business meetings, Chamber of Commerce magazine, direct contact with employers.
- New campaign for three and four year olds to replace the 'missing out' campaign previously delivered and reviewed/evaluated.
- Aiming High for Disabled Children – strategy in development with a draft action plan due to be published in February/March 2009.

A case study of a project in the Kettering district was shared where the Citizens' Advice Bureau employed a benefits project worker that was reported to have significantly

increased the take-up of tax credits. The project is now ended. The local authority is exploring how lessons from this and other examples can be rolled out in other children's centres. .

Identified barriers to the take-up of formal childcare were considered to be:

- Low willingness to engage with tax credits due to “national bad press”.
- The Citizens' Advice Bureau report that 20% of claims “go wrong”.
- Providers believe they do not receive the tax credit payments from parents. However, some providers are reported to be more business focused and positive case studies do exist in some areas, and maybe not in others.
- National data on the take-up of the childcare element of working tax credit was not thought to be available in a any usable form post 2007. Data supplied was said to be infrequent, inconsistent, out of date, and given without guidance notes on how to use/interpret the data). It would be useful to have a schedule of publication dates and to have some geographical breakdowns (SOA level?) and age breakdowns.

Local data is available for occupancy in childcare settings and measurements of the small campaign projects undertaken. The team had learned that live access to claims data might be available via the Citizens' Advice Bureau and this was thought to be potentially beneficial.

Working with Jobcentre Plus:

A memorandum of understanding is in place for joint working. As a minimum service delivery, notice board space is available in each children's centre. Jobcentre Plus has a place on the children's centre review panel and will be a member of the newly established NI 118 task group. Some drop-in sessions are held in children's centres including CV writing, tax credit information and other surgery style support.

Strategic links:

The structure documents provided show strategic and operational links, KPIs were also provided. There is an aspiration that NI 118 is placed on the divisional scorecard in the future. Recent input by Christine Cassell, Children's Services Adviser, GOEM was reported to have been very effective in raising the profile of the childcare sufficiency assessment and actions within the local authority and continued input is welcomed. Links with economic development and neighbourhood management were identified as an area for development and examples from other local authorities were requested.

Appendix Eight Nottingham City Council
Meeting notes 15th January 2009 10am

Paulette Thompson Omenka - Head of Service Curriculum and
Childcare 0 to 7

Chris Annable - Service Manager Sufficiency and Support

James Hempsall - Director, Hempsall Consultancies

Overall aim

Nottingham confirmed that increasing the take-up of formal childcare is a goal, particularly in some defined areas of the city to address gaps in supply as identified in the childcare sufficiency assessment. It was agreed that a coordinated strategy would be beneficial.

Summary actions

In summary, actions for supporting the take-up of formal childcare and tax credits were initially identified as:

- Jobcentre Plus (children's centre presence and relationship with FIS)
- Marketing (particularly for the three and four year old pathfinder and two year old pilot which supported health workers and social care workers to include promotion of these services alongside their core role, offering brokerage. This was reported to be very successful with placing disabled children in such provision via the Early Education and Portage team.) Marketing strategy was a key part of the project. Split into 3 elements:
 - initial workshops and briefing sessions aimed at the leads for key practitioners, Health Visitors, Midwives, Portage, etc. with a remit to recruit parents and children with targets for disabled children, etc.

- FIS as the main marketing and communication delivery channel with remit to support all the above.
- Production of high quality marketing material and resources e.g. activity box with specific learning materials.
- Three and four year old pathfinder project
- Two year pilot
- Parents as Partners – a Government initiative to engage parents in their children's learning which recognises that parents are their child's first and primary educators. The project in Nottingham: is built on existing services and resources and is delivered in children's centres by children's centre teachers; it has now extended to include delivery of sessions in some PVI provision. The project aims to: engage parents in their children's early learning at weekly sessions; provide opportunities for parents to support their child's play and learning at groups and sessions; model effective engagement; provide ideas/resources for parents to use at home with their children;

Identified gaps

Identified gaps in promoting take-up of formal childcare are included in the childcare sufficiency action plan and are as follows:

- Youth service involvement and synergy
- Encouraging providers and activities to register on the Voluntary Childcare Register
- Achieving a 'safe place to be' within extended schools/services

Local targets and local arrangements for data collection would be beneficial alongside national DWP data. It was suggested that DWP data would be useful if it were broken down into age cohorts e.g. 0-2, 3-4, 5-8, 9-14 years. National data was thought to be not suitable to place pressure on extended schools to increase take-up.

Information services

The FIS had recently moved to the children's centre team. To ensure that the information duty was embedded, the FIS had returned to the team for a period of six months and is due to return to the children's centre team shortly. Arrangements for the commissioning of these services need to be put in place.

The FIS commissioned a range of literature and provided the briefings for health and social care workers. An A5 booklet outlining all financial support was provided as an example.

The FIS was considered to have strengths in providing telephone services and in delivering targeted projects. The provision of outreach was less clear at this time. There is a desire to move to a more strategic service i.e. FIS managing marketing and communication and building capacity within other teams (Portage etc.).

Marketing

The FIS has previously delivered some tax credit workshops for local childcare providers, and some briefings for parents in children's centres. One of the FIS team is ex HMRC and this was thought to have some benefits. Inland Revenue was reported to have attended previously and provided briefings. There is not a rolling programme of such work in place currently, nor an explicit plan to promote take-up – it was recognised by Nottingham that this is a gap and would be useful.

Opportunities to piggy-back onto national campaigns would be welcomed. This depends upon information being readily available from the centre with enough notice given.

Nottingham has considered some of the initial messages from the NI 118 pilots, specifically the 'customer/parent journey' and identified that this needs to link with children's centres provision, outreach workers, equipping front-line staff and FIS

outreach. Whilst the FIS provides a central service and provides a 'script' – its application could be maximised to enable all appropriate front-line staff to deliver effective and supportive information services.

It was reported that there are three localities across the city, each managed by a lead officer. There remains potential to fully exploit each localities understanding and data for childcare take-up and to ensure that children's centres are fully integrated. Challenges may be presented by the divided roles between privately contracted childcare provision and wider services provided by the local authority in children's centres.

Jobcentre Plus provides surgery style services in approximately seven of the 13 children's centres for two days per week; it was reported that surgeries are operated alongside an FIS presence which aims to provide a seamless service. There is a protocol for the partnership working between Jobcentre Plus and Nottingham City Council – this is currently being revised.

Nottingham experiences a challenge as children's centres are not within the same structure as early years education and childcare aged 0-19 years. There is reported potential to maximise integration of services over above the co-location of services.

The Childcare Sufficiency Action Plan (informed by the childcare sufficiency assessment) identifies four priorities as follows:

- Affordability
- Disability
- Out of school childcare
- Matching places to demand

Nottingham is a pathfinder for the three and four year old free flexible entitlement and has the two year old pilot (providing 15 hours). The reported success of these

strategies may, in fact, be a contra-indication for increasing childcare take-up and tax credit claims as this provision is free and may provide the entirety of provision needed and demanded for children of these ages. Currently, 79% of all schools have taken up the free flexible entitlement (and growing) and 99% of settings in the PVI sectors have done so. This development has been significantly supported by the capital grant.

Take up of three and four year old places was reported to be very healthy. It is higher in disadvantaged areas compared to non disadvantaged areas. It remains to be proven whether this is due to other use of childcare patterns e.g. nannies, lack of need to use childcare to support employment, leisure based need

A gap for the city is the provision of childcare for children aged five to 14 years. Particularly because extended schools need to provide accessible and affordable services that are eligible for tax credits. The affordability of holiday childcare for older children has been identified in the childcare sufficiency assessment and the action plan, eligibility for claiming tax credits may be a possible opportunity to support this objective. However, it may also be possible that families outside of tax credit income ranges may experience other barriers to access such provision, and potential patterns of use are not those that are traditionally considered.

There is an identified need to improve access and applications to tax credits.

Identified preferred outcomes from this project are:

- Local, regional and other examples of marketing information to support take-up
- Considering what is possible for HMRC input
- Approaching 'big business' employers
- Coordinating an approach to incorporate FIS, extended schools, play, youth etc
- Data available in appropriate detail and support to establish local data sets.

Appendix Nine Nottinghamshire County Council
Meeting notes 27th January 2009 9.30am

Nicola Hughes - Early Years and Childcare Service Manager

James Hemsall - Director, Hemsall Consultancies

Nicola provided an introduction to the structure of the wider service. Activities are divided into: training; children's centres; childcare places; play; special needs family support; FIS; and early years education 0-5 years.

Nicola is responsible for the FIS team including: the childcare sufficiency assessment; the FIS (7 FTE +1 data base management post); business support; and marketing and publicity.

FIS workers are each allocated one of seven districts (central hot desk, children's centre bases and home working). FIS workers are in the field for seven days out of ten; three days out of ten are spent on the helpline. Duties include: face-to-face information provision; pre-registration training for childminders and group day care; extended services link; engaging with the development team's sufficiency agenda; working in children's centres and with community groups. The FIS receives an average of 550 calls per month.

A copy of the team business plan, and team structures was requested.

Childcare place creation in the county has a specific aim of reaching low income families and is primarily linked to PSA 2b:

“To reduce the proportion of children living in households where no one is working, by 2008 increase the number of children in lower income working families using formal childcare by 120,000”

A link has been established with the LSC free childcare for learning and training. This was due to be a pilot programme for Nottinghamshire, but now is universal. The county is said to have a tradition of LSC training into employment programmes (following mining industry and agricultural decline) and is embedded in local strategies e.g. children's centres have an emphasis on linking with training and employment initiatives.

The county is operating Disabled Children's Access to Childcare (DCATCH), transition and short breaks pathfinders. The FIS is playing a key brokerage role in these projects.

An increase of take-up has been noticed (doubled requests for support funding) relating to access and inclusion funding (revenue and capital) for parents at work with disabled children/children with additional needs. Before DCATCH, there appears to be a marked shift of the expectations and awareness of parents of disabled children/children with additional needs.

Challenges identified include:

- Delays in receiving DWP tax credit take-up data
- Snapshot data not in the same format as previously (Nottinghamshire consider that the data shows 21% take-up against a locally set target of 18% based on the national average last year - it was since reported to Nottinghamshire by DCSF that the figure is 31%)
- Extended services is not part of the early years and childcare service (instead it is placed in the inclusion and engagement division), despite the reliance on the core offer. Extended services are offered free of charge, and this is the reported policy intention, it has a big impact on the sustainability of childcare

Measurement of outcomes:

- Activities are measured on presence of officers, inclusion in children's centre operations/teams
- Work with Jobcentre Plus – attendance (SLA commitment, but capacity to reach 48 children's centres is a challenge)
- Evidence of take-up?
- Numbers accessing training, childcare training, voluntary work in childcare, childcare place brokerage

The voluntary childcare register:

In line with the national experience, local registration levels on the voluntary childcare register (VCR) are low. There is a target set to increase this. Not many out of school childcare providers are on the VCR – some are registered through the school's Ofsted registration, others are funded by extended services and are offered free of charge. Those settings that take three year olds are on the early years register.

Effects of the recession:

It was reported that during the early days of the economic downturn there was a reduction in the use of out of school places – mainly those places used for social/leisure purposes. Another change to patterns of use was the earlier placement of babies as women return or start work earlier. In some circumstance demand was outstripping supply. Childminding places have declined following the introduction of the Early Years Foundation Stage (EYFS) – which is also thought to be impacting on demand for full day care places. It is much less likely that new full day care is being set up.

Childcare sufficiency assessment

The childcare sufficiency assessment was based on the families of schools model, and identified gaps at 'very local level'. Generally it was felt that the assessment found a sufficiency of childcare, although there may be some restricted choice in age/range and

rurality. These identified gaps in geographical areas are supporting the decisions on where to develop new childcare places. A flow chart structure for this process was provided. Other indicators such as a lack of provision and a likely sustainable population steer the need for further research. Places are monitored on a termly basis in each sub local authority district in coordination meetings led by FIS district officer with: children's centres; NCMA; PLA; NDNA to discuss district supply, changes, trends and closures, and to steer development work.

Since the initial childcare sufficiency assessment a 'preferred provider framework' has been established for the county and all seven districts. The framework requires an application, Ofsted inspection outcome of satisfactory or above, inclusivity, partnership working, and financial records. Providers on the framework are invited to submit proposals through a 'mini-tender' process to develop new childcare against identified priorities.

When asked to describe the headlines of strategy for increasing the take-up of formal childcare, the following was identified:

- Information to delivery partners on progress
- FIS outreach with extended services and children's centres targeted at low income families
- Marketing and publicity events to promote the availability of childcare, childcare vouchers and tax credits
- Promotion of free childcare for training and learning
- Business support to create marketing and publicity plans, training to support financial health
- District based childcare place creation
- Need: collect actual take-up of places in settings
- Reporting to the CYPP sub group 'economic well-being' – DWP take-up data is the measurement

- Jobcentre Plus: The county has a new childcare partnership manager (CPM) (October 2008) and work needs to build on existing links. The CPM attends the economic well-being sub group.

Marketing events and publicity:

There are a number of targeted campaigns held throughout the year: New year, new you (working for the first time, childcare needs); termly free entitlement; September – back to school, out of school childcare; links to play, children’s centre and other community events and special days on a ‘very local’ level.

Employer engagement is at planning stage. Only one questionnaire was returned for the childcare sufficiency assessment (400 sent). The aim is to promote messages, offer surgery style childcare availability, tax credit basic calculations and application support.

Staff have visited settings to offer tax credit take-up support for parents and often find the parents are not eligible but the staff working in the settings are. Many have changed their childcare arrangements as a result.

Newsletters are circulated to the public through children’s centres. Affordability is a regular feature. Some post event work was undertaken following the child benefit leaflets in December 2008. There are regular features in the ‘County News’ which is distributed to every household in the county by the local authority. Features include: start of summer holidays; tax credit case studies. Stories are also sent to local press.

There is a publications suite. Copies requested.

Other information:

The local authority also offers a funding stream “Childcare Support Scheme”, described as ‘last ditch’, to provide funding support for low income parents where all other

funding does not apply e.g. college funds depleted etc. The fund will pay for 70% of childcare costs for a maximum of 26 weeks.

An identified barrier was that tax credits are still not payable to family members (who are registered childminders).

Appendix Ten Rutland County Council
Meeting notes 15th January 2009 3pm

Caroline Garnett-Clarke - Extended Services Team Leader

Phil Taylor - Team Leader - Performance & Information

Jan Dick – Childcare Development Officer

James Hempsall - Director, Hempsall Consultancies

Introductory discussion

The economic downturn was raised and its possible effect on the reduction of demand for childcare, against the expectation that NI 118 seeks an increase in use of formal childcare. It was discussed that, whilst there is no formal evidence, childcare demand may increase or reduce, for example:

- Children may start childcare younger, as parents cut short their maternity/paternity/adoption leave entitlements
- Parents may increase working hours and/or take up more part-time employment
- Parents may be unemployed and able to provide their own childcare
- CWDC has stated that the numbers of childminders increased during the last recession⁹

It was suggested that an annual update of the childcare sufficiency assessment could consult a sample of providers to ascertain their experiences of changing patterns of use and withdrawal levels. It was reported that Govt. Office South West has commissioned research into the effect of the economic downturn on the childcare market (due to report in March 2009). In Rutland, it was thought that usage patterns of casual, convenience and 'disposable income' funded childcare may decline.

The negative publicity and public awareness of tax credits was raised (overpayments, word of mouth, reluctance to apply). It was discussed that negative examples were

⁹ Daycare Trust annual conference November 2008

promoted by the media e.g. overpayments as repayments. It was highlighted that repayments are due only when applicants have failed to provide details when circumstances have changed, and that local examples of positive outcomes are useful to promote a balanced experience of the impact of tax credits.

Rutland reported that they had lost a large number of childminders, which was attributed directly to the introduction of the Early Years Foundation Stage. An aspiration to develop new childminders was shared, particularly in areas where provision has disappeared.

Existing headline actions

When describing the headline activities that may contribute to the increase of take-up of formal childcare, the following was identified:

- FIS. Targeting of hard to reach groups through a pilot project (with Leicester and Leicestershire, now embedded) to reach the families of prisoners. The project, working with the parenting officer, promotes family support and parenting support, with a view to early intervention, linking to the local children's centre and offering practical parenting support. It was not clear how this would link to increasing the take-up of formal childcare. It was reported that there are "no significant BME groups" and it was thought that there no clear (or corporate) view about what the 'hard to reach' groups are, it was suggested that this may include disabled children – which was identified by the childcare sufficiency assessment consultation of parents – although the view was that a range of appropriate services were available.
- Development workers. The scale of provision in the county was reported to benefit close relationships between settings and development workers.
- Jobcentre Plus. There is no Jobcentre Plus service based in the county. Instead, clients are required to travel independently to Stamford in Lincolnshire to attend the job centre (Oakham to Stamford 11.4 miles; Uppingham to Stamford 13.9

miles; Whissendine to Stamford 17 miles). Jobcentre Plus was cited as being a key link with awareness of the FIS achieved, and an informal arrangement with the children's centre – however no services are delivered out of the children's centre (based on the county border in Great Casterton 2.3 miles from Stamford) or in the mobile service that outreaches from it (aiming to recruit for staff through the Big Lottery Fund play programme). Officers considered that Rutland had a low rate of unemployment¹⁰. A service level agreement is in place that ensures that enquiries received by the children's centre are referred to appointments at the Stamford office, it was reported that clients are required to travel independently to such appointments.

- Childcare places development. Historical childcare places development was said to have been wholly in response to market demand and forces. There are small pockets where supply is an issue. Group provision is reported to have been static for approximately two years – as it was considered that a saturation point had been reached, whilst childminding has depleted.

It was recognised that there is no overall strategy for promoting childcare take-up nor increasing demand for FIS services as capacity to deliver to increased demand was identified internally as a challenge. The FIS is not presently able to deliver an outreach or brokerage service – and it was agreed that more is needed to be done. The FIS is staffed by one FT officer with administrative support. Work is at an early stage with Jobcentre Plus and Citizens' Advice Bureau to develop "FIS by proxy" services. However, resources were not said to be secured for this objective.

Identified gaps in strategy

- 'Childcare Matters' newsletter was no longer published.
- The Marketing Officer post was not filled. This post previously delivered promotional activities such as supermarket road shows.

¹⁰ The childcare sufficiency assessment (May 2008) identified economic inactivity rates (2007) of 16.5% compared to 19.9% East Midlands and 21.5% GB

- No direct promotion to parents.
- Resource allocation has been channelled to other activity areas.

A customer journey of someone asking for tax credit information from the FIS was scoped:

- It was reported that callers would be asked if they needed information about tax credits, if the question was not asked.
- Information would be given on the telephone, by email or in hard copy, based on national information sources.
- There would be an opportunity to discuss on the telephone.
- An offer for follow up support would be made.
- Follow up support would be in the form of signposting to (possibly CAB to complete applications).
- Childcare providers are supported to hold tax credit information by development workers.

The sufficiency action plan is being reviewed currently as increased workloads have delayed some actions. The risk assessment paper identified in Objective 3: Filling Places (supporting settings to increase the take-up of places, linking with Jobcentre Plus and anti-poverty strategies) due to go to SMT in November 2008 is one of these delayed tasks. Many of the tasks are reported to “hinge” on the appointment of a business support officer and a dedicated childminding officer. When considering strategic links to and from the action plan, it was reported that Rutland has a Children and Young People Plan and that a key relationship is the FIS service plan. Strategic links could be more explicit and demonstrate the essential contribution that childcare sufficiency provides for: preventative action; early intervention; employment; anti-poverty; economic development etc.

Responsibility for promoting tax credits

Clarification was requested on who should be promoting tax credits, and on what basis is the local authority expected to do this. It was explained that as tax credits are a key source of support for parents' income to be spent on childcare that it is a vital resource for childcare providers in filling their places and achieving long-term sustainability. Accessing childcare has an important and central role in supporting parents' economic participation rates, anti-poverty and in children's learning and opportunities. Therefore, any role that the local authority can play in supporting tax credits on a local level is important as a key element of delivering the sufficiency duty. The role should and could involve family support, children's centre and adult education colleagues.

Rutland requested a copy of the DWP tax credit take up data.

Copies of leaflets available for parents through the FIS and satellite services will be provided.

Identified preferred outcomes from this project are:

- Clear examples of work in other local authorities
- Achieving strategic buy-in
- Developing good practice models
- Linking extended services, children's centres and FIS together
- Using mobile/outreach provision more effectively
- Tax credit data (national), suggestions for local data sets

Appendix II The recession

The potential and perceived impact of the recession on the early years and childcare sector was collected during some of the meetings undertaken for this project. The following information has been extracted from these discussions. Discussions, therefore, should be considered within this context.

Derby City Council

The potential effect of the economic downturn was discussed. Some positive and some negative examples were given, as follows:

- some providers not willing to be as flexible as parents would like them to be, when circumstances have changed;
- increase of baby places as women return to work earlier;
- increase of demand for breakfast and after school childcare;
- women returning to work after having children, or starting work when they have not worked previously requiring childcare;
- reduced overtime/hours reducing childcare demand and ability to pay;
- increase of family providing part of the childcare mix;
- some settings have increased their prices (including some that have increased twice in one year).

Derbyshire County Council

Intelligence gained from childcare development workers includes:

- increase of demand stemming from the 'second' parent entering the employment market;
- no noticeable rise in providers identifying sustainability issues;
- a "spike" in people applying to become childminders – induction training courses offered by the authority (16 places every two weeks) are fully booked through to May 2009. It was believed that this may be due to people entering employment and

choosing childminding as a career, or introducing a second income into the household;

- levels of childminders has remained static, despite usual churn and EYFS implementation.

Leicester City Council

It was reported that there was increased demand for registrations to become a childminder.

Leicestershire County Council

There is a reported increase in closures and providers contacting the service to raise funding/finance issues. Parents' ability to pay is also thought to be affecting cash flow, bad debts and the reduction of charges.

Lincolnshire County Council

No issues discussed.

Northamptonshire County Council

No issues discussed.

Nottingham City Council

No issues discussed.

Nottinghamshire County Council

It was reported that during the early days of the economic downturn there was a reduction in the use of out of school places – mainly those places used for social/leisure purposes. Another change to patterns of use was the earlier placement of babies as women return or start work earlier. In some circumstance demand was outstripping supply. Childminding places have declined following the introduction of the Early Years Foundation Stage (EYFS) – which is also thought to be impacting on demand for full day care places. It is much less likely that new full day care is being set up.

Rutland County Council

The economic downturn was raised by Rutland's officers and its possible effect on the reduction of demand for childcare, against the expectation that NI 118 seeks an increase in use of formal childcare. It was discussed that, whilst there is no formal evidence, childcare demand may increase or reduce, for example:

- Children may start childcare younger, as parents cut short their maternity/paternity/adoption leave entitlements
- Parents may increase working hours and/or take up more part-time employment
- Parents may be unemployed and able to provide their own childcare
- CWDC has stated that the numbers of childminders increased during the last recession¹¹

It was suggested that an annual update of the childcare sufficiency assessment could consult a sample of providers to ascertain their experiences of changing patterns of use and withdrawal levels. It was reported that Govt. Office South West has commissioned research into the effect of the economic downturn on the childcare market (due to report in March 2009). In Rutland, it was thought that usage patterns of casual, convenience and 'disposable income' funded childcare may decline.

¹¹ Daycare Trust annual conference November 2008

Appendix 12 Take 10 for take-up

Derby City Council 2 x 45 minute workshops

'Take 10 for childcare take-up'

This workshop is on the take-up of formal childcare.

We will explore what that means and why is it important for childcare providers

Supporting parents and carers to access high quality childcare:

- supports families' economic well-being
- enables parents to continue to work, enter the employment market, or access training and education
- contributes to the anti-poverty agenda
- helps families balance work and family life
- supports the narrowing of the gap in educational attainment between low income families and disadvantaged areas and their peers

The take-up of childcare is not always easy for parents, especially those with low incomes or living in disadvantaged areas:

- places may not always be available
- their working patterns may require flexible childcare
- places may not be accessible or reachable in local areas
- the quality they want (as judged by Ofsted) may not be available
- the range of provision may not meet their needs
- they may not have the knowledge and information needed to find and use childcare
- they may find it difficult to afford childcare
- their child may have additional needs and provision may not be sufficiently inclusive
- childcare settings may not be sustainable in disadvantaged areas and may experience business challenges everywhere

It is when the local authority has done whatever is practicably possible to address these challenges that a sufficiency of childcare has been achieved.

10 Quiz Questions

1 The childcare sufficiency assessment:

- a was a one off exercise undertaken about a year ago
- b is a vital part of the local authority's legal duties
- c has no impact on our childcare setting
- d is something I've never heard of

2 Marketing is:

- a leaflets, posters and that sort of thing
- b about understanding who your existing customers are
- c identifying future customers and designing services they will want to use
- d an essential part of every business

3 Collecting information about your customers is:

- a against data protection rules
- b an invasion of privacy
- c not our job
- d important so that we can understand needs and support our business

4 Childcare vouchers:

- a are like book tokens
- b could save a parent over £1,000 a year
- c costs employers money so it's not popular with them
- d could save two parents £2,392 a year

5 Working Tax Credit (childcare element):

- a can pay up to 80% of childcare costs
- b over pays claimants and then asks for the money back
- c pays parents money that does not reach childcare providers
- d is claimed by all the parents that are eligible for it

6 The Families Information Service (FIS):

- a is a phone and web based information service for parents
- b is an essential part of the matching of customer need and supply
- c is the CIS but with a new name
- d keep asking us for information about our service

7 The journey into work for parents is:

- a a piece of cake – how easy can starting work be?
- b difficult as there's lots to organise
- c supported by information and flexible services
- d pointless, parents are better off staying at home and claiming benefits

8 The recession

- a will reduce the demand for childcare
- b may increase the demand for childcare
- c will change the patterns of demand and use of childcare
- d means that childcare providers need to carefully manage their market and do whatever is reasonably practicable to secure business and meet needs

9 Who gets help to pay for childcare?

- a working parents
- b students
- c unemployed people
- d teenage parents

10 After today's workshop:

- a we will receive a 'professionals' pack' to help us make effective referrals
- b we will get an 'easy laminate' providing clear contact details
- c we'll do nothing
- d we could ask for further training and support

The answers...

1 The childcare sufficiency assessment:

Is a new statutory duty for the local authority within the Childcare Act 2006. The Childcare Act places a requirement on the local authority to ensure a sufficiency of childcare in their area for working parents/carers, parents who are on the journey into work (in training, education etc.) and disabled children.

Sufficiency of childcare is indicated by: places overall being available in each sub-locality area; flexibility; accessibility in local areas; quality as judged by Ofsted; range of provision; knowledge and information; affordability; inclusivity; and sustainability.

The first childcare sufficiency assessment (CSA) was completed in March 2008. CSAs are undertaken fully every three years and updated at least every year as and when new data is available.

The CSA impacts on every childcare setting as it informs the local authority's plans to ensure sufficiency against the nine indicators. Support, training, resources and funding are allocated within the plan to work with providers to achieve the sufficiency duty. Providers are included in the CSA process through questionnaires, focus groups and forum meetings.

2 Marketing:

Marketing is all of the following: leaflets, posters and that sort of thing; understanding who existing customers are; identifying future customers and designing services they will want to use; an essential part of every business.

Sometimes people think that marketing is just about printed material. It is more about understanding who your customers are and could be, identifying what they want now and in the future and working to provide a product or service that will meet their needs.

It is a business priority for all childcare settings. The childcare sufficiency assessment provides market research information across the city. You will also need to regularly undertake your own formal (questionnaires etc.) or informal (discussions) research.

3 Collecting information about your customers:

Collecting information about your customers is not against data protection rules – as long as the information you collect is only used to support you to meet their needs and not given to second parties. Parents should be made aware of the reasons why you are collecting the information and how it will be used and stored. If this is achieved, it is not an invasion of privacy.

Engaging and understanding customers is the job of any business, especially a childcare service. It is important so that we can understand needs and sustain the business.

Do you know: why parents are using childcare; where they work and what they do; what their work plans are; what their future childcare needs are etc.

4 Childcare vouchers:

If parents are working, they could get part of their pay in childcare vouchers. Vouchers up to a limit of £55 per week are free from tax and national insurance, and could save a parent up to £1,196 a year. Each employed parent can use vouchers, so a two parent family could save up to £2,392 per year. It can also save employers money – the savings usually outweigh the cost of administering vouchers. The exact amount depends upon individual circumstances and vouchers can affect tax credit payments.

Many childcare settings find that in addition to vouchers being beneficial for customers, they are very useful for staff too.

5 Working Tax Credit (childcare element):

Tax credits can pay up to 80% of childcare costs. There is a maximum of £175 for the first child and £300 for two or more children – if the parent works at least 16 hours or more (for couples, both parents must work, unless one is unable to work due to incapacity).

There have been examples and national media stories of errors in claims. When there have been administrative errors, tax credits have not required repayments. In the case of inaccurate applications, or when circumstances have changed and tax credits have not been informed, repayments are required. Therefore it is important that parents receive good quality support to apply for tax credits. There are plans to match payments more closely with outgoings which will support tax credit income to reach childcare providers.

Childcare tax credit is only claimed by about 20% of those parents eligible. Therefore there is real potential to support parents and providers more with childcare fees and costs.

6 The Families Information Service (FIS):

The Childcare Act (2006) required local authorities to meet a new information duty, which includes rebranding the CIS (children's information service) into a FIS (families' information service). It should operate a telephone and web based information service for parents for all matters relating to children aged 0-20 years. The service should also offer brokerage (additional support for those parents that need it to find suitable childcare) and outreach (taking information out to disadvantaged areas, reaching low income families, promoting childcare and information services).

All childcare providers should actively engage with the FIS, providing detailed information about the setting to support parents' choices. The FIS can provide a range of other services to support settings including brokerage and outreach services.

7 The journey into work for parents:

The journey into work can be daunting for parents and fraught with barriers at all levels. Traditions of work and childcare use can be low in disadvantaged areas. Balancing low paid work with the costs of working, compared to living on benefits can appear to be impossible and 'not worth it'. There are lots of things to organise – training/education, preparing for interviews, finding employment, knowledge and information about childcare, funding childcare to match working hours, paying for childcare and applying for financial support etc.

This journey is made even more difficult when parents have low confidence and trust. Parents can also feel like they are passed 'from pillar to post' during the journey. Therefore it is essential that all parts of the journey are effectively managed, referrals are good and support is achieved.

8 The recession:

We cannot make assumptions on how the recession will affect childcare demand and supply. The Children's Workforce Development Council report that in the last recession in the early 1990s, the number of childminders increased. The childcare market is very different now.

It is possible that the recession will reduce the demand for childcare. However, it may also increase the demand for childcare. It will certainly change the patterns of demand and use of childcare – this means that childcare providers need to carefully manage their market and do whatever is reasonably practicable to secure business and respond to needs and demand.

9 Who gets help to pay for childcare?

There is lots of help for parents to afford childcare costs.

- Working parents can access Working Tax Credit and childcare vouchers as described in this information sheet.
- Students: FE students on benefits, low incomes or lone parents may get support from the Learner Support Fund. Full-time HE students may be eligible for Childcare Grant or a Parents' Learning Allowance. Students receiving the NHS bursary can apply for Childcare Allowance. Students aged under 20 years old can apply for Care to Learn. LSC funded training may be eligible for free childcare. There is also support from Access Funds, Hardship Funds and trusts and charities.
- Jobcentre Plus provides a range of financial support for parents – this may include transport, childcare and tax credit application support.

10 After today's workshop:

Don't do nothing! You will receive a professionals' pack to help us make effective referrals and it will contain other information too. You will also soon receive an 'easy laminate' providing clear contact details. You could ask for further training and support and make more effective links with the FIS. We have 10 ideas for you...

10 things you could do after today's workshop

- 1** **Childcare sufficiency.** Read a copy of the childcare sufficiency assessment and talk to Derby City Council about what it means for your childcare setting.
- 2** **Get involved.** Take an active role when asked to contribute to the childcare sufficiency assessment, complete questionnaires, attend focus groups and forums
- 3** **Know your customers.** Think about your current customers – who are they? where do they live? where do they work? what are their work plans? what are their childcare plans? If you don't know, start to find out and identify what the findings mean for your setting.
- 4** **Tax credits.** Obtain information on Working Tax Credit – childcare element. Are your customers aware of it? How many are claiming it? Talk to them about it and if you need extra support contact the FIS. Talk to your staff about childcare tax credits too – it may be beneficial to them as well.
- 5** **Spread the word.** Display information about funding support and let parents know you are there to help – or know people that can!
- 6** **All the information.** Do the same (actions 4 and 5) for childcare vouchers and the whole range of other funding support available for parents.
- 7** **Work with the FIS.** Ensure the FIS has up to date details on your setting and engage in developing outreach and brokerage services.
- 8** **Work as a team.** Make the whole staff team aware of the complexities of the journey into work and how your service can make it easier to support childcare take-up. This will be easier for childminders.
- 9** **Watch the recession.** Monitor impact of the recession and how it is changing the needs, demands and patterns of use of your customers, people contacting you about using your childcare, and future customers. Responding to change will support your sustainability and parents' ability to take-up childcare.
- 10** Look out for the professionals' pack and the easy laminate!

Appendix 13 A briefing on childcare take-up

Measuring the take-up of the childcare element of Working Tax Credit

Take up of formal childcare by low income working families is measured by take up of the childcare element of Working Tax Credit. Whilst there are other measures that may support parent/carers to take-up formal childcare (notably the early years free entitlement and childcare voucher schemes) take-up of the childcare element of Working Tax Credit is the primary measure by which local authority's performance is assessed.

The childcare element of Working Tax Credit

All families with children, with an income of up to £58,000 a year (or up to £66,000 a year if a child is under 1 year old) can claim Child Tax Credit, with awards being income-related. Working Tax Credit is a payment to top up the earnings of low-paid working people (including those who do not have children). Those with children may also be entitled to the childcare element of Working Tax Credit.

To be eligible for the childcare element of WTC, families need to be claiming both the child Tax Credit at more than the family element, and be in work.

The childcare element of WTC can cover up to 80% of childcare costs (childcare must be registered with Ofsted to be eligible) up to a maximum of £175 per week for one child and £300 per week for two or more children. This means that the childcare element is worth up to an extra:

- £140 per week ($£175 \times 80\%$) for families with one child and;
- £240 a week ($£300 \times 80\%$) for families with two or more children.

The actual amount received depends on income and is paid to the main carer. To be eligible for the childcare element of Working Tax Credit, parent/carers must:

- be aged over 16 years;
- work 16 hours a week or more;
- be the main carer of a child or children aged up to 16 years old;
- be using registered childcare

Full details of eligibility criteria are available via HMRC. A comprehensive guide is available (April 2009) that provides information on Child Tax Credit and Working Tax Credit with worked examples of how awards are calculated:

HMRC (2008) WTC2 – Child Tax Credit and Working Tax Credit – A Guide’
<http://www.hmrc.gov.uk/leaflets/wtc2.pdf>

Measuring take-up

Data is readily available via HMRC that shows the take-up of the childcare element of working tax credit in a number of formats:

- provisional awards at snapshot dates (April and December)
- finalised awards for entitlement years, available in May of the following year
- small area data – LSOA and data zone

To locate data:

<http://www.hmrc.gov.uk/stats/personal-tax-credits/menu.htm>

This takes you to a Personal Tax Credit page, from where you can access take-up rates and small area data for the childcare element of WTC.

Data showing finalised awards from 2003-2004 to the current time and provisional awards at snapshot dates (current and historical) is available.

Provisional awards at snapshot dates are more up to date but are subject to retrospective change. They may be useful in tracking the impact or potential impact of strategies to increase take-up, but take-up rates should be treated with caution as they may change when finalised awards are produced. Geographical data (by local authority, Westminster constituency and Government Office region) showing finalised awards is available at:

<http://www.hmrc.gov.uk/stats/personal-tax-credits/cwtc-geog-stats.htm>

Small area data, also accessed via the HMRC website, shows LSOA and Data Zone data by Government Office region and LSOA for local authority's within each region. Data shows the number of families benefiting from Child Tax Credit and Working Tax Credit (including the number benefiting from the childcare element), and the number of children in those families, by LSOA or Data Zone.

<http://www.hmrc.gov.uk/stats/personal-tax-credits/ctc-small-areas.htm>

Appendix 14 Further reading

Understanding the indicator and the formal measure

Communities and Local Government produced a Handbook of Definitions to support the National Indicators for Local Authorities and Local Authority Partnerships. The handbook gives detail of full definitions and measurements for the indicators: annex 2 focuses on children and young people, including NI 118. The handbook (annex 2) is available at:

<http://www.communities.gov.uk/documents/localgovernment/pdf/735125.pdf>

Developing a communications strategy

The DCSF commissioned research to identify the most potent message or mix of messages to maximise take-up of formal childcare primarily amongst low-income families¹². The research explored barriers to take-up and the effectiveness of different messages in terms of how childcare was promoted. Recommendations based on findings include general guidelines for developing a communications strategy; the report can be accessed at:

<http://www.dcsf.gov.uk/research/data/uploadfiles/DCSF-RW068.pdf>

Affordable Childcare Campaign Toolkit

A DCSF resource designed to help local authorities and Family Information Services develop and extend the affordable childcare campaign in their areas. The campaign aims to encourage parents of 2 – 14 year olds earning less than £20,000 a year to take up formal childcare:

<http://www.dcsf.gov.uk/localauthorities/index.cfm?action=content&contentID=10460&subjectID=8&subsubjectID=140>

¹² Andrew Irving Associates (2008) DCSF Research Report DCSF-RW068 'Promoting Take-up of formal childcare Among Low-Income families: Message testing research

Patterns of take-up nationally

The 2007 Childcare and Early Years Survey of Parents was commissioned by DCSF and carried out by the National Centre for Social Research. The research report¹³ details the use of childcare, patterns of take-up and barriers to access, funding and a range of other relevant findings. Whilst presented at a national level there is some regional data and findings may be useful to either compare to local data or to inform the collection of local data. The report can be accessed at:

<http://www.dcsf.gov.uk/research/data/uploadfiles/DCSF-RR025A.pdf>

Tax credit take-up in higher performing local authority areas

The NDNA as part of the DCSF/NDNA Strategic Contract 2008/09 undertook research with 6 local authority areas with high tax credit take-up to investigate the reasons with a view to sharing information nationally. The report concludes that the participating higher performing local authorities did not themselves perceive that they were doing anything particularly different to other local authorities. The report¹⁴ detailing findings is available at:

<http://www.ndna.org.uk/ONESTOPCMS/Core/CrawlerResourceServer.aspx?resource=B D84ED5C-CD66-40B8-868D->

[45E1F4C2D9BF&mode=link&guid=09f1e281fd0747a5a5006ea8e093cbcc](http://www.ndna.org.uk/ONESTOPCMS/Core/CrawlerResourceServer.aspx?resource=B D84ED5C-CD66-40B8-868D-45E1F4C2D9BF&mode=link&guid=09f1e281fd0747a5a5006ea8e093cbcc)

‘Work Works’

In 2003 Central Government asked the National Employment Panel (NEP) to convene a steering group of business leaders to look at what might be done, particularly by employers, to increase the number of lone parents who get, stay and progress in work. Final evaluation of the ‘Work works’ initiatives focussed on Discovery Weeks, Childcare Tasters, In-Work Emergency Fund, NVQ level 3 and a lone parent marketing video.

¹³ ‘Childcare and Early Years Survey 2007: Parents’ use, views and experiences, DCSF Research Report DCSF-RR025

¹⁴ NDNA 2009 ‘Report Into Tax Credit Take-up’

This report¹⁵ highlights evidence from analysis of data, information and feedback for key initiatives: <http://www.dwp.gov.uk/asd/asd5/WP35.pdf>

Indicator for Deprivation in 2009-11 School Funding Allocations

A new indicator was introduced to distribute funding for deprivation in some school funding allocations. The new deprivation indicator uses tax Credit data from HMRC. A report¹⁶ provides information about the new indicator and how it can be used to identify small area pockets of deprivation and to describe pupils who attend schools within a local authority.

[http://www.teachernet.gov.uk/_doc/12225/Guidance%20on%20the%20Tax%20Credit%20Deprivation%20Indicator\[1\].doc](http://www.teachernet.gov.uk/_doc/12225/Guidance%20on%20the%20Tax%20Credit%20Deprivation%20Indicator[1].doc)

The following link (to Teachernet) provides access to a number of websites and/or departments that provide information relevant to the take-up of formal childcare (including information on tax credits and deprivation):

http://www.teachernet.gov.uk/_doc/12225/Indicator%20Frequently%20asked%20questions.doc

¹⁵ Department for Work and Pensions (2006) Working paper No 35 'Work works' final evaluation report

¹⁶ Teachernet '07 School funding deprivation indicator' 02 Guidance on the Tax Credit Deprivation Indicator