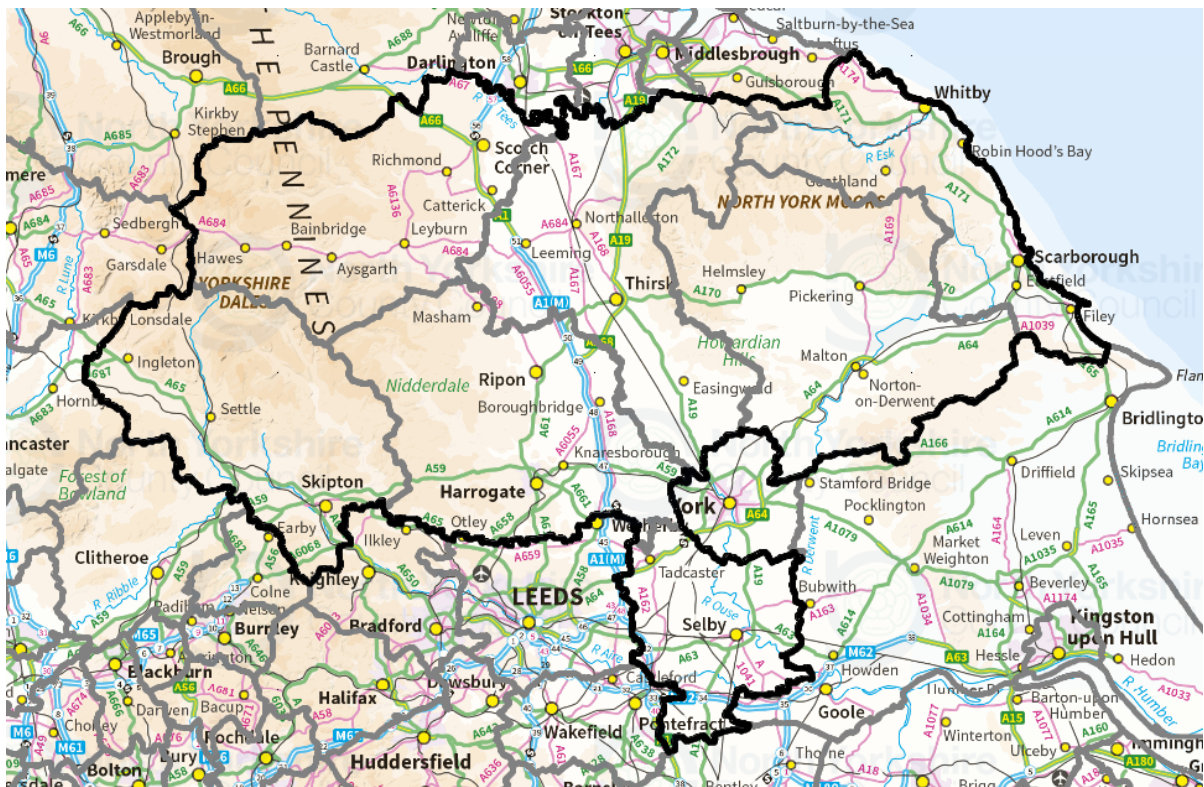


Childcare Sufficiency Report 2023

A report on the Early Years and Childcare sector in North Yorkshire Council



Based on Spring, Summer and Autumn Terms 2023
Report by Helen Smith, Early Years Strategy Manager

Contents

1. Introduction with completed actions
2. Demand for childcare
3. Supply of childcare
4. Early years government funding
5. Cost of childcare
6. Quality of childcare
7. Summary and recommendations

1. Introduction and completed actions

From 1st April 2023, North Yorkshire County Council (NYCC) became a unitary council as North Yorkshire Council (NYC). It is a large, rural county in the north of England. For reporting purposes, the seven former districts, Craven, Hambleton, Harrogate, Richmondshire, Ryedale, Scarborough and Selby are used.

This annual report updates elected members on how North Yorkshire Council is meeting its statutory duty under the Childcare Act 2006.

Section 6 places a duty on local authorities to secure sufficient childcare for working parents. The local authority is required to shape and support the development of childcare in their area in order to make it flexible, sustainable and responsible to the needs of the community. This is a market management function supporting the sector to meet the needs of parents, children and young people and stakeholders. Local authorities must ensure there is sufficient childcare “as far as is reasonably practicable, for working parents, or parents who are studying or training for employment, for children aged 0 – 14 (or up to 18 for disabled children).”

The local authority’s role is to:-

- Ensure that the childcare is available, accessible and affordable so that parents have the opportunity to use childcare in their area
- Ensure the childcare is of good quality so it benefits the child
- Provide parents with a choice of childcare so they can choose suitable childcare that meets their needs.

Section 7 requires local authorities to secure early years provision “free” of charge for eligible two, three and four year old children (570 hours a year).

Section 12 places a duty on local authorities to provide information, advice and assistance to parents and prospective parents relating to the provision of childcare and services or facilities that may be of benefit to parents and prospective parents, children and young people. This is through the Families Information Service.

Section 13 places a duty to provide information, advice and training to childcare providers. This is through the Families Information Service.

Section 18 defines childcare as any form of care for a child including education for a child and any other supervised activity. In North Yorkshire, we refer to Early Years and Childcare as the full range of provision on offer for 0 – 14 year olds (up to 18 years old for children with Special Educational Needs or a disability) across the Private, Voluntary, Independent (PVI) and Maintained sectors.

The report shows take up of two, three and four-year-old funded places, 30 hours funded places and gives an update on previous recommendations from the 2022-2023 report.

In the Spring Budget 2023, the Chancellor announced an expansion in childcare [Early education entitlements and funding update: March 2023 - GOV.UK \(www.gov.uk\)](#):-

- From April 2024 – 15 hours funded childcare for working parents of two year olds
- From September 2024 – 15 hours funded childcare for working parents of children aged 9 months upwards
- From September 2025 – 30 hours childcare for every child over age of 9 months with working parents
- Expansion of “wraparound” childcare for all parents of primary school aged children in their local area between 8 am – 6pm [Government funding boost kickstarts delivery of historic new free childcare offers - GOV.UK \(www.gov.uk\)](#)

It continued to resonate that some aspects of the childcare market were still feeling the impact of the pandemic such as children’s development and parental working patterns.

Nationally, the retention and recruitment of staff in the sector remained a concern as well as changes to the minimum wage and increased operational costs.

The government's proposed expansion of the national childcare offer from April 2024 would present new opportunities for growth within the sector.

Government funded places in North Yorkshire from April 2023 were paid at the following base rates:-

- Eligible two-year-olds in all settings £5.64 per hour
- Eligible two-year-olds in all settings £7.49 per hour (from September 2023)
- Eligible three and four-year-olds in all settings £4.57 per hour

Two-year-old government funding is paid to providers for children who meet the eligibility criteria set by the DfE. This starts the term following their second birthday and is up to 15 hours per week for 38 weeks per year. The higher rate of two-year-old funding for Autumn Term 2023 (and Spring Term 2024) was due to the increase in funding the government announced in the Spring Budget 2023 and changes to the two-year-old entitlement formula.

All three and four-year-old children in England are eligible for 570 hours of funded childcare per year the term after their third birthday. Working parents of three and four-year-old children may be eligible for a further 15 hours per week for 38 weeks per year (1,140 hours per year). National criteria for eligibility of all government funding can be found on the Childcare Choices website

<https://www.childcarechoices.gov.uk/>

Additional Inclusion Funding is available for children with emerging, targeted and higher level of Special Educational Needs and Disabilities (SEND). Additional Disability Access Funding (DAF) is payable to settings for children in receipt of Disability Living Allowance (DLA).

Additional deprivation funding and Early Years Pupil Premium payments are made to supplement the hourly funding rate for children from disadvantaged backgrounds.

Early Years Projects

In addition to the daily operational work and support for providers and families through the Families Information Service and wider service teams, the local authority continues to support the sector through various opportunities including:-

- Twice yearly NYSCP Early Years Safeguarding Masterclasses
- DfE Recovery Programme – including the Early Years Professional Development Programme; Experts and Mentors Programme and setting up Stronger Practice Hubs
- Ministry of Defence – Thriving Lives Toolkit for Early Years
- Dingley's Promise Inclusion Project
- Active Start Physical Development Project
- Healthy Catering in schools and early years
- Termly Early Years SEND Forums and SENCo network meetings
- Termly Early Years Leaders' Forums
- Healthy Early Years Award Scheme
- Healthy Start Scheme
- Under 5's Week at libraries
- Grow and Learn

Changes to EYFS Statutory Framework

From 4th September 2023, the Statutory Framework for the EYFS was revised with the following amendments:-

3.29. Whilst eating, children must be within sight and hearing of a member of staff.

3.33. For children aged two: there must be at least one member of staff for every five children.

3.43.If a childminder can demonstrate to parents and/or carers and Ofsted inspectors or their childminder agency that the individual needs of all the children are being met, exceptions to the usual ratios can be made for example:

- when childminders are caring for siblings, or
- when caring for their own child, or
- to maintain continuity of care,

The DfE undertook further consultation regarding changes to the Statutory Framework for the EYFS during 2023. The revised EYFS Statutory Framework will be published and live from 4th January 2024.

The Council’s Strategic Priorities: January 2023 – December 2023

The following priorities have been actioned:-

1. To continue the work through the Early Years Strategy to provide an overarching framework of services working together to achieve the best start for every child and their family across the county. **Work on the Early Years Strategy has now been transferred to the Transformation work taking place across the county following LGR**
2. Look at opportunities created by Local Government Reorganisation in 2023 to have closer links with Housing and possible use of any available Section 106 funding for additional places. **This is being addressed as part of the Transformation work.**
3. Continue to promote the understanding and take up of early years education and childcare places with families and develop relationships with different services such as Job Centre Plus especially around the two year old entitlement offer. **Opportunities to work with Job Centre Plus have been taken including attendance at Job Fairs and Job Centre Plus meetings to promote the childcare offer available for families.**
4. Develop the use of text service and emailing to contact families on DWP list to promote and follow up on two year old funding applications and possible take up. **The use of text and emails to promote applications for two year old funding was successfully implemented from Spring 2023.**
5. Continue to monitor and risk assess sufficiency of places across the sector including schools considering early years provision, quality of provision, out of school provision and the potential growth of larger chains. **The childcare market is closely monitored to ensure there is a balance of sufficient childcare available for parents which meets their needs and provides flexibility throughout the year.**
6. Promote the registration of Tax-Free Childcare with childcare providers and schools and to promote to families to ensure possible government support with childcare costs is being accessed. **Tax Free Childcare continues to be promoted with childcare providers and with strategic partners. Tax Free Childcare has been promoted on the NYC Intranet for staff awareness and enquiries have been made to promote it on NYC payslips.**

The Local Authority continues to meet its statutory duties to ensure it has sufficient childcare.

2. Demand for childcare

NYC had an overall population of 621,000. This represents an increase from the ONS mid-2021 population estimate the previous year of 618,847.00.

Live Births 2019 – 2023

District	Number of births 2019	Number of births 2020	Number of births 2021	Number of births 2022	+/- from previous year
Craven	419	411	389	425	+36
Hambleton	645	625	655	715	+60
Harrogate	1,284	1,257	1,296	1,230	-66
Richmondshire	417	410	433	389	-44

Ryedale	460	412	416	412	-4
Scarborough	924	894	887	875	-12
Selby	900	885	943	962	+19
Total	5,049	4,894	5,019	5,008	-11

(Source: NYC Strategic Planning Dept.)

Children registered with a GP as at 30th September 2023

Children registered with a GP as at 30 September 2023 - DfE NHS data								
DFE	North Yorks	Craven	Hambleton	Harrogate	Richmond	Ryedale	Scarborough	Selby
Age 0	4916	377	729	1278	393	389	809	941
Age 1	5246	438	710	1351	449	433	899	966
Age 2	5407	412	761	1466	409	444	920	995
Age 3	5592	470	786	1506	423	448	954	1005
Age 4	5795	482	837	1552	447	493	968	1016
Aged 0-4	26956	2179	3823	7153	2121	2207	4550	4923

Number of children under five years old living in the county

Number of children 2022 - ONS data								
Nomis	North Yorks	Craven	Hambleton	Harrogate	Richmond	Ryedale	Scarborough	Selby
Age 0	5205	471	680	1334	451	416	903	950
Age 1	5309	398	732	1391	420	452	903	1013
Age 2	5489	461	744	1466	423	467	940	988
Age 3	5768	502	805	1541	476	480	968	996
Age 4	5862	523	821	1567	493	468	926	1064
Aged 0-4	27633	2355	3782	7299	2263	2283	4640	5011

Projected births for North Yorkshire 2023 – 2025

2023	5085
2024	5077
2025	5075

From data supplied by Strategic Planning, it is predicted that the child yield for 2022/2023 for early years children will be 162. This is an increase from 146 from 2021/2022

www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing

Population of early years children

This information was not available from Data & Intelligence due to a performance issue with Systalk in 23.3 (Synergy Import tool) and the Summer census files, which had been uploaded but contained errors.

Housing Development

The table below shows the estimated number of child places required per age group based on a three year average of completed dwellings across the county during 2023 based on the “Developer Contributions for Education policy” adopted July 2020 [Live tables on housing supply: net additional dwellings - GOV.UK \(www.gov.uk\)](#) and [Developer contributions for education policy | North Yorkshire Council](#)

Net Completions (new build, conversions) and by District and Year					
	Estimated Completions based on the past three years average and estimated pupil yield calculations based on formulas outlined in Developer Contributions for Education policy - adopted July 2020				
	2023/24 Est	EY (0.05)	Primary (0.25)	Secondary (0.13)	SEN (0.01)
North Yorkshire	3185	159	796	414	32
Craven	259	13	65	34	3
Hambleton	558	28	140	73	6
Harrogate	1070	54	268	139	11
Richmondshire	86	4	22	11	1
Ryedale	270	14	68	35	3
Scarborough	479	24	120	62	5
Selby	463	23	116	60	5

3. Supply of childcare

North Yorkshire is a large county with a high number of childcare providers across the sector. The county has a mixed model of childcare provision offering parental choice and flexibility.

Overall, the childcare market in North Yorkshire remains stable with new providers joining the sector as others leave.

The number of school based governor run providers increased as previously charity/committee run preschools changed to school led governor run provision to provide greater sustainability and continuity for children and parents.

The net total figure of childcare provision across the county dropped during 2023 by 17 providers. The net loss of provision across the year was 4% childminders; 3% private day nurseries and 5% out of school clubs. This is in line with the national picture and a newly introduced government initiative to recruitment more childminders into the sector was implemented by the government in recognition of this trend.

Type of provision	18/1/2022	10/1/2023	22/12/2023	Yearly Loss/Increase 2023
Childminders	298	267	256	-11
Private Day Nurseries	143	149	146	-3
Preschools	81	78	76	-2
Independent School	13	13	13	No change
School based provision	147	149	155	+6
Out of School Clubs	142	134	127	-7
Total	823	790	773	-17

NYC has a variety of childcare providers offering flexibility and a range of childcare provision across the county for parents. Parental choice and flexibility play a large part in determining childcare sufficiency which makes assessing demand difficult to predict.

The childcare market includes Ofsted registered PVI providers (i.e. private day nurseries, preschools/playgroups, childminders, childcare on domestic premises), maintained schools and academies with nursery provision, maintained nursery schools and independent schools with nursery provision.

There were 15 childminders (13 funded) registered with Rutland Early Years Agency at the start of the year. Due to Rutland receiving two consecutive Inadequate Ofsted gradings, Rutland EY Agency ceased as a childminder agency from November 2023. Childminders previously registered with Rutland chose to re-register with Ofsted or with Suffolk Childminding Agency. One childminder resigned her registration and one childminder was on maternity leave.

On 30th November 2023, the DfE introduced start up grants for eligible new childminders who had registered after 15th March 2023. Childminders must not have had a childminding registration with Ofsted or a CMA within the previous 12 months. Grant funding of £600 if registering with Ofsted or £1200 if registering with a childminding agency can be applied for up to 29th February 2024.

The number of registered out of school club provision dropped over the year and saw 15 close since the previous year. Children from YR to Year Six are more likely to be in out of school provision registered independently with Ofsted or through childminders who provide before and after school care for older children in their local community as part of their Ofsted registration.

Provision for children and young people aged 11 – 14 is more likely to be out of school (in the form of clubs, activities and groups) and delivered by schools for their own pupils and for less than two hours which does not require to be registered as childcare with Ofsted.

Open and Closed Early Years Provision 2023

Type of provision	Number Opened	Number Closed	Net loss/gain
Academy Nursery Class	0	0	0
Childcare on Domestic Premises	3	0	+3
Childminders Agency	10	15	-5
Childminders Ofsted	22	28	-6
Day Nursery	9	10	-1
Maintained Nursery Class	0	2	-2
Preschools/Playgroups	4	6	-2
State funded Governor Run	2	2	0
Independent Nursery Provision	0	1	-1
Total	50	64	-14

As of December 2023 there were 646 early years providers offering 13,839 under five childcare places. Childcare providers may choose whether they offer government funded provision to parents. In North Yorkshire, 91% of providers offer government funded childcare.

There were two holiday clubs who closed during 2023. The local authority will continue to monitor supply and demand of childcare in out of school club provision and support growth in the market where required and in line with the government's proposed expansion to the wraparound childcare market.

It was recognised that national concerns in the PVI sector regarding recruitment and retention of staff were shared across North Yorkshire providers with setting managers anecdotally stating that they were finding it hard to recruit Level 3 qualified staff. Sector data collected by the local authority for the

annual Coram Family and Childcare Survey during Autumn term highlighted that the sector had concerns about rising staff costs, general rises in utilities and food costs.

Provider flexibility and availability across NYC

There is a wide range of different types of childcare provider offering a breadth of experience and expertise across the early years sector. The variety and diversity of settings offers parents a range of flexible childcare options with many local providers working together in partnership to enable parents to meet their work commitments. This reflects that there is no homogeneity in early years and childcare provision. Harrogate and Selby offer the most funded childcare places.

There are 373 providers open before 8 am offering 7,225 places. The majority of these are childminders (148) and private day nurseries (107). There were 73 providers open after 6pm offer 1339 places (an increase in providers from 69 providers but a drop in the number of overall places from 1462).

There were 32 providers who indicated they are open weekends offering 489 places, an increase from 29 the previous year with the majority of provision (16) being with childminders. There were 20 childminders who state they offer overnight provision offering a total of 54 places, a rise from 16 the previous year.

All year childcare continues to be predominantly offered by childminders and day nurseries.

4. Early years government funding

Eligible two-year-old children and all three and four year-old children are eligible for 570 hours of government funded childcare and education. Three and four year-old children of working parents may be eligible for an additional 15 hours per week totalling 1,140 hours per year (30 hours or Extended Entitlement).

Providers offering funded early education places

Providers are paid directly by the Government for delivering funded early education. One maintained nursery school offers two-year-old funded provision as part of their day nursery registration (0 – 2 years) rather than their school registration offer.

The total number of providers offering funded early education places to two year-old children decreased from 539 providers in 2022 to 533 providers in 2023. The number of providers offering 3 and 4 year-old funding dropped from 585 in 2022 to 573 in 2023.

The number of government funded hours taken throughout the county increased during 2023 reflecting the demand from parents increasing. This need was met in the county despite a slight drop in the number of providers. This reflects the national picture of a greater number of government funded childcare places being accessed more consolidatedly in fewer settings. [Childcare and early years provider survey, Reporting year 2023 – Explore education statistics – GOV.UK \(explore-education-statistics.service.gov.uk\)](#). The loss county and nation wide is mainly due to childminders leaving the profession. Nationally this was 10% of childminders leaving the profession but in North Yorkshire this was lower with only 4% leaving the profession.

In addition to the government funding base rates, the following government funding is also payable to eligible children:-

Early Years Pupil Premium	+62p per hour
Disability Access Funding	£828 raising to £858.92 from Autumn 2023 per child per year
Deprivation Funding	Band A + 54p per hour
	Band B + 7p per hour
	Band C + 4p per hour
	Band D zero

In 2023, the estimated take up rate for two year old funded children rose from 72% to 74% nationally. The take up rate for 15 hours of universal funding nationally for three and four year old children has also increased from 92% in 2022 to 94% in 2023.

Take up of funded two-year-old provision

The tables show the percentage take up measured against those families who were matched from the DWP list eligible for disadvantage two year old funding. The tables do not reflect how many children actually attended provision.

North Yorkshire Council's average take up was 83% compared to the national average take up figure of 74%. NYC is in the top third of local authorities for two year old funding take up rates in a position of being 41st out of 151 local authorities. North Yorkshire was joint 3rd compared to our 11 statistical neighbours and joint 4th out of 15 for Yorkshire and Humberside region for take up.

Spring 2023

1.District	2. Parents on Lis	3. Number matche	4. % Matc	5. Number Eligib	6. Funding take	7. % take up (of matches
Craven	47	34	72%	34	26	76%
Harrogate	211	163	77%	163	130	80%
Hambleton	138	101	73%	98	76	78%
Richmondshire	64	46	72%	45	35	78%
Ryedale	94	70	74%	70	56	80%
Scarborough	300	254	85%	252	220	87%
Selby	205	156	76%	154	123	80%
Out of County	1	1	100%	0	0	0%
Total	1060	825	78%	816	666	82%

Summer 2023

1.District	2. Parents on Li	3. Number matche	4. % Matc	5. Number Eligib	6. Funding take	7. % take up (of matche
Craven	55	43	78%	43	34	79%
Harrogate	121	89	74%	89	72	81%
Hambleton	199	149	75%	149	118	79%
Richmondshire	64	40	63%	40	36	90%
Ryedale	94	69	73%	69	58	84%
Scarborough	284	231	81%	231	205	89%
Selby	228	170	75%	170	127	75%
Out of County						
Total	1045	791	76%	791	650	82%

Autumn 2023 tables

1.District	2. Parents on Lis	3. Number matche	4. % Matc	5. Number Eligib	6. Funding take	7. % take up (of matches
Craven	59	46	78%	46	36	78%
Harrogate	206	164	80%	162	137	85%
Hambleton	134	105	78%	104	89	86%
Richmondshire	61	46	75%	46	33	72%
Ryedale	77	64	83%	63	56	89%
Scarborough	261	223	85%	222	190	86%
Selby	193	155	80%	154	119	77%
Out of County						
Total	991	803	81%	797	660	83%

Number of two year-old children funded each termly headcount

Year	Spring	Summer	Autumn
2021	1,103	1,140	1,218
2022	1,069	1,033	997
2023	901	934	923

(NYC,EYFT)

The eligibility criteria for families being able to claim two year old funding has not changed and the threshold remains at an annual income of £16,190 before tax if in receipt of Tax credits and £15,400 if

claiming Universal Credit. The numbers evidence that, despite our increase in % take up compared to eligibility, the number of families who are potentially eligible is declining.

Take up of 3 and 4 year-old children 2023

Due to technical issues, the Autumn Census files could not be loaded to Synergy and the Summer Census files which had been uploaded previously contained errors. This was an issue with Systalk 23.3 (Synergy Import tool). Therefore the census data could not be loaded into Synergy and Unique Pupil Numbers could not be matched. Manual work by the Product Support Officer to match over 9,000 records showed that take up by eligible three and four-year old children for 2023 was 89.59%. This is compared to 90.36% for 2022.

Take up of Extended Entitlement Funding (30 hours)

The number of children taking Extended Entitlement hours increased again throughout 2023. By Autumn Term 2023, 75.66% of children entitled to Extended Entitlement funding were accessing the full 30 hours or more. The majority of children accessed the extended entitlement funding in PVI group provision (48.75%) i.e. private day nurseries or preschools/playgroups.

		2021	2022	2023
Spring	Number of children	4,142	4,436	4,508
	Number hours taken	609,619	711,954	714,488
Summer	Number of children	4,996	5,224	5,392
	Number hours taken	874,426	857,716	942,388
Autumn	Number of children	3,224	3,306	3,443
	Number hours taken	565,215	623,285	695,257

Number of children with SEND taking up Extended Entitlement

Year	Spring		Summer		Autumn	
2021	93	2.25%	109	2.18%	57	1.77%
2022	78	1.76%	93	1.78%	64	1.94%
2023	74	1.64%	75	1.39%	20	0.58%

Number of children in receipt of Early Years Pupil Premium (EYPP)

The cumulative figures below show the number of three and four year old children who were in receipt of early years pupil premium for 2023 and the previous year's figures. The number drops in Autumn due to transitions to Reception.

Year	Spring	Summer	Autumn
2023	853	1037	525
2022	923	1136	608

(NYCC EYFT)

Early Years Children with Special Educational Needs and Disabilities (SEND)

Number of children in receipt of Element 2 Inclusion Funding for 2023

Data supplied by the Inclusion Team showed that there was an increase in the number of children in receipt of Element 2 Inclusion funding in 2023 compared to 2022.

Age	Spring term 2023	Summer term 2023	Autumn term 2023
2	There are 30: <ul style="list-style-type: none"> 15 of the 30 turned 3 during the term 11 second half term only 	There are 30: <ul style="list-style-type: none"> 20 of which turned 3 during the term 7 second half term only 	There are 34: <ul style="list-style-type: none"> 16 of which turn/turned 3 during the term 10 second half term only
3/4	There are 240: <ul style="list-style-type: none"> 189 both terms 15 first half term only 36 second half term only 	There are 237: <ul style="list-style-type: none"> 198 both terms 21 first half term only 18 second half term only 	There are 176: <ul style="list-style-type: none"> 122 both terms 15 first half term only 39 second half term only
Total	270	267	210

Age	Spring Term 2022	Summer term 2022	Autumn Term 2022
2	There are 23: <ul style="list-style-type: none"> 10 of the 23 turned 3 during the term 3 of the 23 only claimed for the second half of the term 	There are 28: <ul style="list-style-type: none"> 20 of which turned 3 during the term 6 of the 28 only claimed for the second half of the term 	There are 27: <ul style="list-style-type: none"> 19 of which turned 3 during the term 10 of the 27 only claimed for the second half of the term
3 & 4	There are 178: <ul style="list-style-type: none"> 142 both terms 15 first half term only 21 second half term only 	There are 214: <ul style="list-style-type: none"> 168 both terms 24 first half term only 22 second half term only 	There are 139: <ul style="list-style-type: none"> 104 both terms 9 first half term only 26 second half term only
Total	201	242	166

Number of 3 and 4 year-old children in receipt of Disability Access Funding (DAF) for 2023

Term	Number children in receipt of DAF	Term	Number of children in receipt of DAF	Difference 2022/2023
Spring 2022	32	Spring 2023	38	+6
Summer 2022	54	Summer 2023	50	-4
Autumn 2022	35	Autumn 2023	58	+23

Two year-old government funded children in receipt of Disability Living Allowance (DLA)

Number of government funded 2 year old children in receipt of DLA	2022	2023	Difference 2022/2023
Spring	9	20	+11
Summer	22	25	+3
Autumn	25	22	-3

Number and percentage of early years children with an EHCP

During the calendar year 2023, there was a total of 664 new EHCPs issued across the council for all ages. Of these, 158 new EHCP plans issued were for children under the age of five years old. This data shows that 23.8% of all new EHCPs issued in 2023 were to children under the age of five years old. Of the total number of EHCP plans in place (approximately 4800) for all ages, there are approximately 2.7% in place for children under five years old.

This provides the local authority with an indication of the level of need that will be required as children progress through their education. Many early years children in provision may have emerging or low level additional needs but are not identifiable as their needs are being met within the current provision. Only when needs develop and providers begin the process of applying for Inclusion Funding or a request for an EHCP is submitted that these children are formally identified.

5. Cost of childcare

Average cost per hour of childcare in North Yorkshire

Providers who completed the Sufficiency dashboard provided their hourly price to provide childcare. The cost of childcare is based on information providers supplied on the Autumn term 2023 Sufficiency tab via the provider portal. This represents a response from 345 providers which is 54% of the childcare market therefore this data is only representative of 54% of the market.

From this data, the average cost for early years provision was £5.26 per hour in 2023 compared to £4.95 per hour in 2022.

The average cost for term time out of school club provision is £5.34 per hour.

Average costs per hour by provider type

	Childminder	Day Nursery	Preschool	Maintained Nursery School	Maintained school with nursery class	Academy school with nursery class
Average cost per hour 2022	£5.32	£6.98	£5.75	£5.25	£4.40	£4.42
Average cost per hour 2023	£5.27	£5.85	£5.58	£5.40	£5.04	£4.64

Average cost by age by district

District	Age Range	Autumn Term 2022-2023 (Average Cost Per Hour – all providers)	Spring Term 2022-2023 (Average Cost Per Hour – all providers)	Summer Term 2023-2024 (Average Cost Per Hour – all providers)	Autumn Term 2023-2024 (Average Cost Per Hour – all providers)
Craven	0 -23 months	£4.00	£5.38	£5.09	£5.00
	24-35 months	£4.00	£5.34	£5.25	£5.15
	36-59 months	£4.27	£4.93	£5.14	£4.92
Hambleton	0 -23 months	£5.00	£5.36	£5.11	£5.64
	24-35 months	£5.06	£5.27	£4.92	£5.51
	36-59 months	£4.82	£5.15	£5.00	£5.26
Harrogate	0 -23 months	£5.00	£5.23	£5.16	£5.47
	24-35 months	£5.22	£5.40	£4.99	£5.56
	36-59 months	£5.04	£5.22	£5.11	£5.46
Richmondshire	0 -23 months	£5.80	£5.36	£5.57	£5.40
	24-35 months	£5.37	£5.51	£4.83	£5.41
	36-59 months	£5.08	£5.17	£5.50	£5.42
Ryedale	0 -23 months	£5.03	£4.80	£4.73	£4.89
	24-35 months	£4.68	£4.76	£4.67	£4.90
	36-59 months	£4.68	£4.73	£5.15	£4.90
Scarborough	0 -23 months	£5.50	£4.78	£4.79	£4.93
	24-35 months	£5.08	£4.81	£4.71	£4.91
	36-59 months	£5.08	£4.75	£4.84	£4.93
Selby	0 -23 months	£5.97	£5.12	£5.30	£5.75
	24-35 months	£5.07	£4.93	£4.77	£5.38
	36-59 months	£4.96	£5.05	£5.27	£5.29

Average costs per hour across North Yorkshire for wraparound provision

Provider Type	Average cost per hour 2019	Average cost per hour 2020	Average cost per hour 2021	Average cost per hour 2022	Average cost per hour 2023
Before school/breakfast club	£3.25	£4.50	£3.25	£3.25	N/A

After school/out of school club	£4.03	£4.50	£4.29	£4.34	£5.34
Holiday club per hour	£4.25	£4.30	£9.50	£4.92	£4.71

Extra government support for families

Extra support with childcare costs is available to working families through Tax Free Childcare and Universal Credit Childcare.

Working families claiming Universal Credit may be eligible for financial help up to 85% of eligible childcare costs for children under 17 years old. Changes were made in Spring Budget 2023 to provide upfront payments to families when moving into paid work or increasing working hours.

Working families with children from birth to 12 years old (17 for children with SEND) can register for Tax Free Childcare and can receive up to £2,000 per child per year or up to £4,000 per child per year if the child has SEND.

Tax Free Childcare is not available if families are also claiming Working Tax Credit, Child Tax Credit or Universal Credit.

6. Quality of childcare

In Ofsted's Annual Report 2022/2023 [The Annual Report of His Majesty's Chief Inspector of Education, Children's Services and Skills 2022/23 - GOV.UK \(www.gov.uk\)](#), Ofsted reported that nationally 97% of childminders and 96% of nurseries and preschools were judged either Good or Outstanding. Nationally, the number of early education and childcare places available dropped from 1.31million in 2019 to 1.26 million, mainly due to the fall in the number of childminders.

In North Yorkshire, the % of PVI providers judged "Good" or "Outstanding" was 98.3% an increase from 97.3% in 2022 and higher than the national figure

In group PVI settings, the manager must hold at least a full and relevant level 3 qualification and at least half of all other staff must hold at least a full and relevant level 2 qualification in Childcare settings. Childminders must have completed training that helps them to understand and implement the EYFS.

Ofsted or CMA Inspections

Ofsted or CMA carried out 96 inspections across the PVI early years sector in 2023 of which five were re-inspections. There were five Out of School clubs inspected.

Ofsted inspection gradings undertaken during 2023 as at 22nd December 2023 in early years provision

	Outstanding	Good	Requires Improvement	Inadequate	Met	Not Met	Total by district
Craven	1	1	1	1	1	0	5
Hambleton	1	10	2	1	1	0	15
Harrogate	4	24	1	0	0	0	30
Richmondshire	0	7	1	0	0	0	8
Ryedale	0	7	1	1	0	1	10
Scarborough	3	7	1	0	0	0	10
Selby	3	8	0	1	1	0	13
Total	12	64	7	4	3	1	91

Ofsted Inspection Judgements – 1st January 2023 – 31st December 2023

Type of provision	Outstanding	Good	Requires Improvement	Inadequate	Met	Not Met
Day Nursery	5	23	2	2	0	0
Preschool	0	11	3	0	0	0
Childminder	7	30	2	2	3	2
OOSC/holiday club	0	0	0	0	6	
Total	12	64	7	4	9	

One day nursery who received an Inadequate judgement and four providers who received Requires Improvement judgements were able to continue offering children who were newly eligible for two-year-old disadvantage funding a place to ensure sufficiency of provision and continuity for families.

During this period, Ofsted suspended two childminders and one day nursery. The childminders had the suspensions lifted during the initial six week suspension period.

As of 22nd December 2023, there were 478 PVI providers registered with Ofsted or a Childminder Agency. The total number of Inadequate or RI providers was nine, a decrease from 15 in 2022. This represents 1.7% of providers, a decrease from 3% in 2022.

Provider Type	Inadequate	Requires Improvement
Childminder	2	1
Preschool	0	3
Day Nursery	0	3

% Good or Outstanding (inc Met)	North Yorks			
	Jan 2021	Jan 2022	Jan 2023	Jan 2024
Childcare in Domestic Premises	100.0%	100.0%	100.0%	100.0%
Childminders	96.9%	90.0%	97.7%	99.0%
Creche	100.0%	100.0%	100.0%	100.0%
Day Nursery	98.2%	95.2%	92.9%	96.9%
Governor Run Early Years Provisions	100.0%	100.0%	100.0%	100.0%
Holiday Club	93.1%	100.0%	92.9%	100.0%
Home Childcarer	96.0%	100.0%	100.0%	100.0%
Out of School Provision	96.8%	98.8%	93.4%	100.0%
Pre School Playgroup	96.0%	100.0%	98.6%	95.7%
Total	96.8%	98.2%	97.3%	98.3%

Rutland Early Years Agency received an Ineffective Ofsted judgement on 2nd February 2023 with a second Ineffective judgement carried out between 5th – 9th June 2023. At the first Ineffective Ofsted grading, there were 14 childminders and one childcare on domestic premises registered with Rutland EYA in North Yorkshire. The local authority continued to fund the childminders registered with Rutland EYA during this period. After the first Ineffective judgement, some childminders began the process of re-registering with Ofsted. Following the second Ineffective judgement, two childminders resigned their registration. Nine childminders re-registered with Ofsted. Two childminders and one childcare on domestic premises registered with Suffolk Childminding Agency.

Rutland Early Years Agency announced on 6th September that they would voluntarily close on 30th November 2023. Due to the high volume of childminders across the country re-registering with Ofsted,

on 3rd November 2023 the DfE laid a statutory instrument in Parliament that automatically moved a closing CMA's providers to Ofsted at the point of closure for a period of six months from 27th November 2023. The automatic transfer allowed time for information and checks to be carried out during the re-registration period. Providers were not committed to staying with Ofsted if they wished to re-register with another CMA but they were able to continue operating under an Ofsted registration during that period.

7. Summary and recommendations

The local authority's role is to facilitate the childcare market. The local authority supports families access childcare provision through the Families Information Service and the local authority works with schools and providers to encourage expansion where needed, taking into account impact on existing provision.

Meeting the needs of children with SEND

The provision of appropriate early years places for children with SEND continues to be of high importance for the local authority. Sufficiency data is being analysed to track back to try to establish if early years children have been and are able to take up their full entitlement.

The local authority will continue to work with Dingley's Promise to upskill staff and parents through the training to build confidence and knowledge in the sector. As part of the Inclusion Funding application process, the local authority is considering the possibility of requesting that providers have completed at least the "Inclusive Practice" module of the Dingley's Promise Inclusion training which is offered free to all providers throughout the county.

The locality hub boards continue to provide training opportunities throughout the county based on specific requirements of children or providers in that area.

Working with partner agencies

The local authority continues to engage with colleagues in partner agencies such as Job Centre Plus, the Local Government Association, Hemsalls and is in regular dialogue with the Department for Education (DfE) regarding the current childcare market situation in North Yorkshire and to promote early years, government funding streams (including support through Tax Free Childcare) and career opportunities within the sector.

The local authority continues to work in partnership with the Ministry of Defence regarding the needs of early years service children in the county through the MOD LA Early Years group. The possibility of MOD grant funding became available to support physical development in early years settings with children of service families.

A successful bid submitted by North Yorkshire Sport in conjunction with NY Public Health and Early Years service will enable Active Start training to be rolled out further in targeted areas across the county in early 2024.

Local authority capacity

To support the government's expansion of the childcare programme including wraparound childcare, the local authority will be looking to recruit to two new posts within the team. An Early Years Sufficiency Planning Officer will be a permanent position and a Wraparound Co-ordinator will be on a fixed term contract until 31st March 2026. An additional fixed term contract post will also be required within the early years funding team.

Staffing

The LA will continue to support the sector to retain and recruit staff and will continue to work with colleagues in Job Centre plus to promote careers in the sector.

Nursery Chains and Childminder Agencies

Nationally, large nursery chains continue to dominate the childcare market across the country. Kids Planet had the highest growth of any chain in the past 12 months and now owns 182 nurseries nationally. Kids Planet purchased two nurseries in 2023 and now owns four in North Yorkshire. National chains such as Kids Planet, who are backed by private equity investment, continue to expand.

Rutland Early Years Agency Ltd received an Ineffective Ofsted inspection judgement on 2nd February 2023. At the time, there were 14 childminders and one childcare on domestic premises providers registered with Rutland in North Yorkshire. The DfE updated the “Early Education and Childcare Statutory Guidance for local authorities (paragraph A3.13) effective from 12th April 2023 [Early education and childcare - Statutory guidance for local authorities \(publishing.service.gov.uk\)](#). This enabled the local authority to continue to pay those providers who were in receipt of government funding during this period to provide re-assurance to providers and families.

Rutland Early Years Agency Ltd were re-inspected between 5th – 9th June 2023 and received a second Ineffective Ofsted inspection judgement. The local authority continued to fund providers registered with Rutland. The DfE notified local authorities on 6th September 2023 that Rutland EY Agency had announced their intention to close their agency on 30th November 2023 following the second Ineffective Ofsted grading. The local authority continued to fund the providers but would not be able to fund after 30th November unless registered with another agency or with Ofsted by that date as they would become unregistered provision.

On 3rd November 2023, the DfE laid a statutory instrument in Parliament to automatically move a closing CMA’s providers to Ofsted at the point of closure for a period of six months, irrespective of whether they were re-registering with Ofsted or another CMA. This would allow time for the appropriate checks to be in place for providers re-registering. The majority of the providers chose to re-register with Ofsted, two resigned and the remainder chose to re-register with Suffolk CMA.

Next Steps and Recommendations

Overall, the childcare market in North Yorkshire continues to be resilient.

The longer term impacts of the pandemic on children’s development as well as recruitment and retention issues and the current economic climate continue to be risks to the sector’s capacity and ability for growth. The local authority will continue to monitor and support the sector.

To ensure the local authority meets the statutory duty to secure sufficient childcare, *as far as is reasonably practicable*, the following actions are recommended:

- Implement the government’s expansion of childcare over the course of the programme to expand and grow the early years and wraparound childcare market in North Yorkshire.
- Continue maintain an overview of the early years and childcare market, assessing unmet demand and supply against need across the county including wraparound provision.
- Monitor registrations with Suffolk Childminding Agency and tiny Childminding Agency and develop working partnership with Suffolk CMA and tiny CMA to ensure local authority has market knowledge of providers.
- Continue to promote government funding to providers not currently registered to offer funded places to increase supply.
- Continue to promote Dingley’s Promise Inclusion training throughout the sector and to continue to monitor take up of early years provision for children with SEND ensuring that children with SEND have the opportunity to take up their full entitlement where possible in both early years and wraparound provision.
- Work with partner agencies including Job Centre plus and colleagues to promote government funded early education places, Tax Free Childcare and careers in early years to families.

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