

Childcare Sufficiency Assessment Covid-19 Update

December 2020

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1. Assessment and summary

[Summary findings [skip to page 4](#)]

This Childcare Sufficiency Assessment (CSA) update aims to summarise the impact that Covid-19 is having on the provision and delivery of childcare in Islington. Local authorities have a duty to ensure that there is sufficient childcare and early education places to meet the needs of working and studying parents. Ensuring that there is sufficient and affordable childcare also aligns with Islington's corporate strategic priorities around employment and is key to Islington's Fairer Together agenda, that all children should 'start well'.

A full CSA would usually be updated annually – the last one was published in December 2019 - but the impact of Covid-19 requires a different approach to reporting as the picture of supply and demand is ever evolving. This shorter update does not address the full scope of a CSA but presents a snapshot of the current picture in the autumn term 2020 looking at the capacity of providers, compared with occupancy/vacancy figures. The report also considers a number of priorities and actions.

The first lockdown in March 2020 resulted in the closure of childcare and early education provision to all children other than vulnerable children or those with keyworker parents. Some of the smaller private and voluntary term-time only providers did not stay open during this initial lockdown period and did not open again until September. From 1 June, provision was opened up to all children and remained open to all during the second lockdown in November. All but ten nursery providers were open from 1 June and by the beginning of the autumn term all nurseries, and about 75 percent of childminders, had reopened.

Numbers of children attending early years provision increased steadily from 1 June, and numbers were encouraging, particularly among 2 year olds eligible for free early education places. However, across all providers, nurseries and childminders, there has been a significant increase in the number of vacant places, compared with autumn 2019. This is due to a number of factors including changing parental working hours as a result of home working, parents being furloughed or being made redundant, and parents feeling anxious about their child's or their own exposure to Covid-19.

While the number of vacancies has increased since the last CSA, childcare capacity has also risen slightly, due to new nurseries opening or existing nurseries expanding. There have been no closures to date in the nursery sector as a result of Covid-19, but a few childminders have decided to close and resign their registrations. Providers have been financially sustained through a range of government initiatives including, the funding of free early education based on pre-Covid occupancy rather than actual occupancy, the Coronavirus Job Retention Scheme (furlough), and the Self-Employment Income Support Scheme – especially beneficial for childminders. Islington has also supported 15 nurseries and 64 childminders through the Small Business Grant, providing £107,000 across these settings.

The number of childcare providers has so far remained fairly stable since the last CSA but the picture could start to change in Spring 2021. From January 2021, free early education funding

will be based on the number of children actually attending settings, rather than on expected occupancy. This could have a significant impact on providers which are experiencing reduced occupancy resulting in large funding deficits due to a substantial drop in parent-paid income.

Data gathered from providers in October and November 2020, indicates that there is sufficient childcare capacity in Islington, and in the short-term there is over capacity indicated by the sharp increase in the number of vacancies. However, by the time the next full CSA is published in early summer 2021, the picture may be very different, depending on funding to providers and changing patterns of demand as the country exits from the pandemic. Increasing numbers of providers are expressing concerns about their long-term sustainability. One childminder told us: "A family of 3 boys have had to cancel their contract due to parents' circumstances, and they are unable to pay for childcare"; while a nursery commented, "We are currently not operating at full capacity and numbers for the spring show this may still be the case into 2021. This means a reduction in funding and currently we have a paying fee income deficit."

The challenges facing childcare providers with substantially reduced demand and income due to Covid-19 is one experienced throughout England and Islington is no different in this respect. Where Islington does differ from many local authorities, is in its commitment to the provision of affordable childcare through substantial subsidy in the council's early years, school and commissioned children's centre nurseries and in some voluntary sector community nurseries. This is in addition to government subsidy and initiatives. At local authority subsidised settings, families pay fees on a sliding scale depending on income.

Over the coming months, the local authority will be assessing the extent of the impact that a reduction in parent-paid childcare is having on all providers, but with a detailed focus on local authority subsidised settings. These LA funded settings provide affordable childcare for working families and places for some of our most vulnerable children through the Priority Early Learning (PEL) scheme. Ensuring the sustainability of these settings is key to a Fairer Islington, but so is ensuring that there is a wide range of childcare options in all sectors available to families with 0-5s and for school age children before and after-school and in the holidays.

This report is the first in a series of termly assessments which aim to understand the current picture and consider how best to support the childcare and early education sector and families so reliant on its sustainability.

Summary findings

- Nursery capacity has increased by 4% since the 2019 CSA – 5239 places in 2019 compared with 5442 places in 2020
- Nursery vacancies have almost doubled since the 2019 CSA – 587 vacancies in 2019 compared with 1106 vacancies out of 5442 places in 2020
- The biggest rise in vacancies is in under 2s although the largest proportion of vacancies are in the 3 and 4 year old age range
- This rise in vacancies is the most pronounced in school-based nurseries and the voluntary sector

- The number and types of providers is broadly similar to 2019, with a slight reduction in the number of childminders
- All providers are experiencing changing parental demand with fewer hours and days required, which is further impacting revenues
- Increasing numbers of providers are concerned about future sustainability due to reduced take up of parent-paid places
- The birth rate in Islington has been reducing over the past few years and is expected to fall -6% in the next 5 years – this may impact occupancy in childcare settings

Priorities and actions

- Continue to gather data from providers on take up and vacancies, weekly and termly
- Closely monitor the childcare picture across the borough, with a particular focus on the impact of Covid-19 for LA-subsidised provision and any mitigating actions available to us
- Secure access to business support and advice packages in particular for the private and voluntary (PVI) sector
- Consider the impact of any future nursery closures, and the principles and approach that should underpin our response to this
- Continue to help all childcare providers with marketing through the FIS and range of channels, including social media
- Continue to work with Parent Champions to encourage take up of free early learning

2. Child population and demand for childcare

Population of early years children

In total, there are 12,382 children under the age of five living in Islington.

Numbers of children aged under 5

| Age | |
|--------|-------|
| Age 0 | 2,614 |
| Age 1 | 2,613 |
| Age 2 | 2,506 |
| Age 3 | 2,402 |
| Age 4* | 2,247 |

*THIS INCLUDES SOME FOUR-YEAR-OLDS WHO WILL HAVE STARTED RECEPTION

SOURCE: 2020 GLA MEDIUM MIGRATION TREND FERTILITY PROJECTIONS _RESIDENT POPULATION BY AGE AT START OF ACADEMIC YEAR 2019/2020, ROUNDED TO NEAREST 1

Number of children with special educational needs and disabilities

A small number of children – around 50 in 2019/20 - will have Education Care and Health Plans (EHCP) by the time they start school. Early education and childcare enables practitioners to identify and assess emerging needs but it is generally too early to do a full assessment through EHCPs at this stage. So the clearest indication of the numbers of under 5s with special educational needs is given by the number of children funded by Islington for Priority Early Learning SEND (PELSEND) places and through the SEND funding panel which supports children in other early years settings.

In 2019/20: 31 children took up PELSEND places and a further 383 children were funded through the SEND funding panel. These places are outlined in further details in the '[Supply of Childcare](#)' section later in this report.

School roll pupil numbers

In total there are 20,737 pupils in Islington schools (aged 4-16), this includes 13,373 primary pupils and 7,364 secondary pupils (not including post-16). These children may require childcare before and after school, and/or during the school holidays.

Numbers of children by NC year group (and age at start of academic year 4-15)

| Age at start of academic year | NC year group | Number of children |
|-------------------------------|---------------|--------------------|
| Age 4 | Reception | 1,920 |
| Age 5 | Year 1 | 1,873 |
| Age 6 | Year 2 | 1,882 |
| Age 7 | Year 3 | 1,870 |
| Age 8 | Year 4 | 1,961 |
| Age 9 | Year 5 | 1,968 |
| Age 10 | Year 6 | 1,899 |
| Age 11 | Year 7 | 1,513 |
| Age 12 | Year 8 | 1,517 |
| Age 13 | Year 9 | 1,475 |
| Age 14 | Year 10 | 1,436 |
| Age 15 | Year 11 | 1,423 |

Characteristics of children in Islington

Islington is the second smallest borough in London in terms of area (after the City of London) and has the highest population density. The population profile is on average younger than those for London and England, with 46% being young adults aged between 20 and 39 years. There are approximately 48,000 children and young people aged 0-19 living in Islington, and around 75,000 0-25 year olds. The proportion of children from a Black, Asian and Minority Ethnic (BAME) background is relatively high at 66% and a significant proportion of children live

in households where English is not the first language (ONS data, as school roll projections don't go above school age range).

The borough is one of stark contrasts. The Islington Fairness Commission report (2016) sums up this contrast: 'Islington is one of the most deprived local authority areas in the country, but is also home to some of the wealthiest and [most] influential people in the country.'

In the 2019 Indices of Multiple Deprivation (IMD), Islington was found to have the highest rate of child poverty in London and it has England's 10th highest level of income deprivation affecting children. The IDACI (Income Deprivation Affecting Children Index) score shows that 27.5% of children are living in income-deprived households. 18.4% of Islington children aged under 16 live in relative low-income families, based on benefits and tax credits data, and 14.0% live in absolute low income families.

Changes to population of Islington children

The number of births in an area will have a direct impact on the demand for childcare. Many areas of the country have seen a recent fall in births. Although ONS believe this trend has existed since the 2013 births dip, it is increasingly more pronounced. Over the last two years in Islington there has been a decline in births; having previously been relatively stable. Fewer mothers are having children under the age of 30. Over 30 year old mothers still account for the majority of births and have seen only a slight reduction. By contrast, there has been a rise in births among women over 40 years, but the number of births do not offset the drop in the younger age group. Nationally and locally lower fertility rates are expected to be an ongoing trend which is already starting to have an impact on occupancy with all childcare providers.

Islington Council is committed to developing affordable housing with significant numbers of units delivering a child yield. The council's target is to build 1900 new affordable homes between 2018-2022, of which 550 will be homes built by the council. Beyond 2022 the intention is to increase the affordable housing delivery through the council's new build programme. An estimated 583 properties were completed in 2018/19, spread across the borough. The increase in social housing units will have an impact on the child population; these units will be factored into the projections in future years. The development of the old Holloway prison site is a large-scale project and will likely go ahead within the near future. We anticipate that this could impact on the demand for childcare in the Holloway area.

The following table shows the population projections for each year of age for 2020 and then every five years up to 2040.

| Age | 2020 | 2025 | 2030 | 2035 | 2040 |
|-------|------|------|------|------|------|
| Age 0 | 2614 | 2603 | 2594 | 2555 | 2610 |
| Age 1 | 2613 | 2427 | 2424 | 2383 | 2423 |
| Age 2 | 2506 | 2285 | 2268 | 2228 | 2253 |
| Age 3 | 2402 | 2187 | 2157 | 2118 | 2131 |
| Age 4 | 2247 | 2116 | 2071 | 2036 | 2039 |
| Age 5 | 2147 | 2043 | 1994 | 1958 | 1953 |

| Age | 2020 | 2025 | 2030 | 2035 | 2040 |
|--------|------|------|------|------|------|
| Age 6 | 2091 | 2104 | 1942 | 1915 | 1906 |
| Age 7 | 2065 | 2098 | 1910 | 1878 | 1865 |
| Age 8 | 2099 | 2083 | 1881 | 1845 | 1831 |
| Age 9 | 2046 | 1996 | 1856 | 1809 | 1796 |
| Age 10 | 1989 | 1943 | 1825 | 1774 | 1759 |
| Age 11 | 1936 | 1875 | 1850 | 1716 | 1707 |
| Age 12 | 1871 | 1856 | 1835 | 1680 | 1668 |
| Age 13 | 1765 | 1864 | 1819 | 1650 | 1632 |
| Age 14 | 1730 | 1828 | 1759 | 1635 | 1609 |

SOURCE: 2020 GLA MEDIUM MIGRATION TREND FERTILITY PROJECTIONS _RESIDENT POPULATION

Across the entire 0-14 age group, the population is expected to decline by -3% by 2025. The population is expected to drop by a further -3% by 2030, equivalent to a -6% decline in 10 years; and a -9% decline by 2035. By 2035, the population is projected to stabilise at just under 30,000 children aged under 15 in Islington and is expected to be -9% lower than the population in 2020.

Breaking this down into different age groups, the population of early years children is currently expected to fall by -6% in 5 years, an overall drop of -9% by 2035. The population of primary school aged children (5-to-10 year olds) is expected to decline -8% by 2030, and a further -2% by 2035 before stabilising. The population of children aged 11 to 14 will rise slightly over the next five years, then fall by -8% by 2035.

3. Supply of childcare

Types of early years providers

There are 279 early years childcare providers in Islington – 166 childminders; 112 nurseries (1 is based in Hackney but is funded for some Islington places) and 1 childcare on domestic premises (a small nursery in a domestic setting).

Nursery places are available in a range of settings, some are maintained by the local authority, while others are provided by the voluntary and private sectors. Islington subsidises the costs of childcare places in the council's early years, school and commissioned children's centre nurseries and in some voluntary sector community nurseries. These subsidised nurseries provide places for vulnerable children through Priority Early Learning (PEL) and Priority Early Learning SEND (PELSEND) and these settings are where families turn for more affordable childcare.

Priority Early Learning places

Bright Start Priority Early Learning (PEL) places are for children who are in need and identified as being a priority by Islington Children's Services, Whittington Health, early education providers and other health and early help professionals. Children in these places are fully

integrated with their peers in a range of settings, including children’s centres, nursery schools, primary schools, early years centres, childminders and grant-aided community nurseries. Families are income assessed in the same way, but PEL places are provided at no charge to the family if they are in receipt of income support.

Places are offered alongside the opportunity for parents/carers to access a wide range of Bright Start services that provide support to the whole family as well as supporting children’s learning, development and well-being. Under the same scheme, 3 and 4 year olds in some other settings who meet the priority criteria can be offered additional hours to their 2-, 3- and 4-year-old early education entitlements. The Bright Start Priority Early Learning panels meet termly to coordinate these allocations.

Through the Priority Early Learning SEND scheme, there are 36 additionally resourced places for children with the most severe and complex needs, available in 10 children’s centres across the borough and allocated by a multi agency panel following professional referral. Equivalent funding is available through an SEND funding panel to secure inclusive provision which meets the needs of children with SEND who attend other early years settings in Islington.

Number of early years providers and places

A survey of childcare providers in October and November 2020 shows that, since 2019, there has been a 4% increase in capacity in nursery provision: 5239 places in 2019, compared with 5442 places in 2020. The increased capacity has been seen primarily in the private sector in the 2s and under 2s age range. There has been a slight reduction in the number of places for 3 and 4 year olds due to one primary school nursery closing (Blessed Sacrament) and a community nursery (Brightstart Community Nursery) being absorbed into a school nursery class (Montem).

The following table shows the breakdown of maximum number of nursery places available across the sectors:

| Type of provision | Number of providers | Number of places |
|--------------------------------|---------------------|------------------|
| Childminders * | 166 | n/a |
| Childcare on Domestic Premises | 1 | n/a |
| School CC | 5 | 425 |
| Voluntary Sector CC | 3 | 143 |
| LBI maintained CC | 8 | 544 |
| LBI nursery schools | 3 | 260 |
| School nurseries | 35 | 1231 |
| Private nurseries | 36 | 2121 |
| Voluntary Nurseries | 22 | 718 |
| All EY Providers | 279 | 5442 |

An age breakdown of the increased capacity (with percentage differences since 2019) is shown in the table below:

| All nursery providers, not including childcare on domestic premises | 0-24 months | 2 year olds | 3&4 year olds | All 0-5 year olds |
|---|-------------|---------------|---------------|-------------------|
| Total capacity | 965 (+10%) | 1453.5 (+10%) | 3023.5 (-3%) | 5442 (+4%) |

There is one Childcare on Domestic Premises provider in Islington which has increased its capacity from 20 to 30 places since 2019 due to moving premises. These figures are not included in the total number of nursery places.

The availability of childcare with childminders has played a significant role in enabling parents to work during Covid-19 but childminder places are not included here in capacity figures as these can only ever be estimates. There are 166 childminders in Islington but 25% of them are currently closed due to a range of circumstances relating to Covid-19. Childminders are registered to take 3 children aged under 5, or 6 children aged under 8. Many childminders work with assistants which increases the numbers they can take. Some childminder places may also be available for older children aged over 8, and these are not subject to ratios.

For private, voluntary and independent nurseries and childminders, the number of registered places represents the maximum number of children who can be on the premises at any given time. In practice, many providers choose to operate below their number of set places.

Children may attend childcare full time or part time. The table above records places for children who are attending full time, or for as many hours as the setting is open. In some cases, two or more children attending part time may use one full-time equivalent place. For example, one child may attend in the morning and one child may attend in the afternoon.

Early years vacancies

Vacancy numbers and rates can only ever be a snapshot, and often change rapidly. This year, the frequently changing demands of childcare alongside government guidance has resulted in a particularly fluid picture. But the headline figures provided by data gathering in autumn 2020, show some significant changes since 2019. The vacancy rate across all ages and sectors is approximately 20%, compared with 11-13% in 2019. The autumn 2020 vacancy rates for local authority maintained settings is 17%, for school based settings it is 24%, the private sector is 18% and the voluntary sector 25%; the combined private and voluntary sector (PVI) is 20%.

A recent survey of the eight LBI maintained nurseries, showed that 29 places (5% of capacity) were no longer being filled as a direct result of Covid-19, through parents becoming unemployed, reducing their hours, furlough, moving house, or in a few cases, from parental anxiety around coronavirus infection.

A breakdown of vacancy rates, shown as a percentage of capacity, within age ranges and provision types, are summarised in the table below:

| Setting type | Places available (capacity) | | | Vacancy numbers | % Vacancy rates by age | | | Total |
|------------------------|-----------------------------|-------------|-------------|-----------------|------------------------|------------|------------|------------|
| | 0-2s | 2-3s | 3&4s | | All ages | 0-2s | 2-3s | |
| School based CC | 57 | 118 | 250 | 84 | 35% | 12% | 20% | 20% |
| Voluntary sector CC | 30 | 53 | 60 | 14 | 18% | 12% | 3% | 10% |
| LBI maintained CC | 90 | 182 | 272 | 91 | 18% | 16% | 17% | 17% |
| LBI Nursery School | 36 | 82 | 142 | 25 | 17% | 10% | 8% | 10% |
| Private nursery | 650 | 646 | 825 | 383 | 18% | 16% | 21% | 19% |
| School nursery classes | 0 | 120 | 1111 | 333 | n/a | 24% | 27% | 27% |
| Voluntary nursery | 102 | 253 | 364 | 176 | 22% | 20% | 29% | 25% |
| TOTAL | 965 | 1454 | 3024 | 1106 | 19% | 17% | 23% | 20% |

Vacancy numbers, shown in the table below, are highest in the Under 2s where, due to staff to child ratios, the highest fees are charged. The increase in vacancy numbers since 2019 is shown in brackets.

Vacancy numbers and percentages by age range

| All nursery providers (not Childcare on Dom. Prem) | 0-24 months | 2 year olds | 3 & 4 year olds | All 0-5 year olds |
|--|-------------|-------------|-----------------|-------------------|
| Total vacancies (percentage increase since 2019) | 184 (+145%) | 238 (+72%) | 684 (+86%) | 1106 (+88%) |

The childcare on domestic premises provider had 12 spaces for 2-4 year olds in November 2020 and was, therefore, operating at 60% of maximum capacity. Whereas in 2019, the provider was operating at 75% of maximum capacity.

With childminders, it is not possible to calculate vacancy or capacity rates. This is because some childminders work with assistants, and the number of children childminders can look after, fluctuates according to the ages of the individual children with a childminder.

Changing childcare demand, rethinking delivery models

Pre-Covid, childcare was often delivered during the typical working day – between 8am and 6pm on weekdays. But the ‘typical working day’ looks very different now. Providers across the sector have commented on changing parental demand, typically fewer hours, or even fewer days. A greater degree of flexibility around childcare delivery models is likely to be necessary in order to meet parental demand. This is an area which will require careful analysis for the LBI maintained and funded providers over the coming months - although it may change as confidence post-Covid recovers.

School age providers and places

Before lockdown at the end of March, all primary schools had a breakfast club, and the majority had after-school clubs. These typically provided childcare 8-9am and 3.30-6pm, with some providers opening slightly earlier in the morning and continuing to 6.30/7pm in the evening where there was parental demand.

Recognising the vital part that out of school (OOS) childcare provides for working families, LBI has made this a particular focus, working with schools, voluntary providers and childminders to understand the changing demand in OOS childcare and ensuring that places remain available where needed, particularly for keyworker families and vulnerable children. The Family Information Service (FIS) has provided childcare brokerage for families to ensure that childcare needs have been met.

Demand for OOS childcare has changed considerably since March; all local authorities have reported similar findings. Where parents are working from home, childcare at the beginning and end of the day is no longer a necessity for many families. But for keyworker and front-line families, those working out of the home and for some vulnerable children, provision of OOS is still vital.

Since September, schools and voluntary providers in Islington have provided a weekly summary of children attending OOS. All but 8 primary schools out of 47 are now providing after-school childcare and all children needing a place are being accommodated, either on site at school or at voluntary provider sites. Childminders have also provided before and after-school childcare.

The Early Years and Childcare Service will continue to monitor and support providers to understand changing demands. OOS provision continues to be subsidised by LBI across 26 providers in school and in the voluntary sector, recognising that reduced demand will be impacting funding. It’s vital that reduced demand now does not result in supply failure if demand picks up, as it may do, depending on a return to the workplace in 2021.

The provision of holiday childcare, a lifeline for keyworker families, and vulnerable children, particularly early on in the pandemic, has also been a key priority for Islington. Feedback from parents has endorsed this priority: ‘this is safe, affordable childcare which enables us to continue in our full-time employment and also keeps the kids busy.’ The local authority has supported providers to bring staff out of furlough and re-open community venues, making them

Covid-secure. 7 voluntary provider playschemes have been funded to provide free places for vulnerable children and subsidised places for keyworker children in Easter, May half-term, summer and October half-term. In the Easter and summer holidays, 30% of places were funded to provide places for vulnerable children, with 100% take up in some weeks.

4. Government funded and council funded early education and childcare

Free early education and childcare

All 3 and 4 year olds, and some 2 year olds ([depending on eligibility criteria](#)) are entitled to free early education and childcare, 15 hours per week, funded by the government. These entitlements are for 38 weeks per year. This is often referred to as Free Early Learning, Free Childcare or the Free Early Education Entitlement (FEEE). Since 2017, working families, depending on their earnings, have been eligible for an additional 15 hours a week (30 hours a week) which is often referred to as 'extended' hours.

Increasing the number of children taking up FEEE is a key priority across a range of corporate strategic policies, and is a core part of Islington's Fairer Together agenda, that children should 'Start Well'. Access to early education has been shown to significantly increase a child's outcomes. Furthermore, the majority of FEEE places for 2, 3 and 4 year olds, typically from disadvantaged families, are delivered in local authority run or funded provision in schools, children's centres and the voluntary sector. Understanding changing demand for FEEE is, therefore, crucial to an overall understanding of sufficient affordable childcare in Islington.

We are awaiting confirmation from the DfE on whether early education funding will be based on current or pre-Covid occupancy, as was the case in the summer and autumn terms 2020. There is therefore a risk that if take up does not increase to pre-Covid levels the financial impact for providers and the local authority could be considerable.

Proportion of 2-year-old children entitled to FEEE

In Islington, 38% of 2 year olds are entitled to the government-funded free early education entitlement. This equates to around 950 children per year in 2020. This number has reduced gradually since Summer 2015, when 1195 children were eligible. Local intelligence suggests this may be the result of increased numbers of less affluent families moving out of Islington, rather than a reduction in poverty rates of families.

Take up of FEEE

The proportion of eligible 2 year olds taking up their government-funded free place has been gradually increasing since 2018, but the proportion of 3 and 4 year olds has decreased slightly. A range of marketing and outreach initiatives have helped to increase the take up of free places for 2 year olds. These initiatives have included the Golden Ticket approach, whereby eligible families who have not responded to letters encouraging them to apply, receive a Golden Ticket letter confirming their eligibility without the need for them completing a check.

Take up percentages compiled by the DfE, based on January headcount are shown below:

FEEE Take Up January 2018-2020, DfE summary

| Age of child | % Take Up 2018 | % Take Up 2019 | % Take Up 2020 |
|--------------|----------------|----------------|----------------|
| 2 | 64% | 61% | 67% |
| 3 | 85% | 83% | 83% |
| 4 | 82% | 83% | 82% |
| 3 & 4 | 83% | 83% | 83% |

Figures compiled in October further show this trend, with an encouraging sign in the take up figures for 2 year olds now standing at 70%, which is well above the inner London average. The number of children attending in the autumn term are typically lower than in the spring and summer terms. The figures below show comparisons of autumn take up 2018-2020. Again we can see that 2 year old take up is increasing gradually whereas take up in 3 and 4 year olds is decreasing.

FEEE take up autumn 2018-2020

| Summary of all funded Places 19-20 | Autumn 2018 | Autumn 2019 | Autumn 2020 | 19-20 (%change) |
|------------------------------------|-------------|-------------|-------------|-----------------|
| 2 YO | 633 | 649 | 664 | 15 (2%) |
| 3 YO Univ | 1548 | 1633 | 1509 | -124 (-8%) |
| 3 YO Univ & Ext | 631 | 583 | 549 | -34 (-6%) |
| 4 YO Univ | 146 | 146 | 134 | -12 (-8%) |
| 4 YO Univ & Ext | 15 | 20 | 13 | -7 (-35%) |

Providers offering FEEE places

Parents must not be charged for free early education entitlement hours as the government provides the funding for children taking up their 15 or 30 hour entitlements. Providers are not required to offer these hours to parents, but parents may choose to use a different provider if they do not. Some providers offer a restricted number of free places, or limited patterns of provision.

Types of providers offering FEEE places

| Type of provision | Number of providers | Age 2 targeted | Age 3 and 4 universal 15 hours | Age 3 and 4 – extended 30 hours |
|--------------------------------|---------------------|----------------|--------------------------------|---------------------------------|
| Childcare on Domestic Premises | 1 | 1 | 1 | 1 |
| School CC | 5 | 5 | 5 | 5 |
| Voluntary sector CC | 3 | 1 | 3 | 3 |
| LBI maintained CC | 8 | 8 | 8 | 8 |
| LBI nursery schools | 3 | 3 | 3 | 3 |
| School nurseries | 35 | 12 | 35 | 35 |
| Private nurseries | 36 | 8 | 36 | 24 |
| Voluntary nurseries | 22 | 18 | 22 | 22 |

In autumn 2020 there were 80 childminders signed up to offer the free early education entitlement, however there are generally about 35 childminders looking after children who qualify for the entitlement at any one time.

Costs of childcare

Islington Council funds children’s centres, early years centres and some places at voluntary community nurseries to offer a fee structure based on household income in order to support low and middle income families with the cost of childcare. Details of the 2020-21 fee structure is on the [Islington Council website](#)¹.

Private nurseries in the borough charge between £1500 and £2300 per month for a baby place; between £1500 and £2000 for a 2 year old and between £1200 and £1700 for a 3 or 4 year old. The most recent price comparison between private and LBI funded providers, shows that at the higher end of the LBI fee structure, where family incomes are greater than £120,000, LBI charges less than the average rate of private providers across all ages. But in the under 2s, the difference in cost between LBI and the private sector is negligible. The charges at some of the private nurseries for under 2s is less than LBI. However, for 2, 3 and 4 year olds, the charges at LBI funded nurseries is considerably less than at the majority of private providers. For families on income bands below the top rates, provision at LBI funded nurseries is significantly cheaper because of the subsidy.

Given that reported vacancies in autumn 2020 across all providers are greatest in under 2s, particularly in school-based providers, the pricing structure of LBI funded providers may need reconsidering. Filling the unsubsidised ‘marketed’ places, charged at the highest band, is an essential element of the financial viability of LBI’s subsidised providers.

¹ <https://www.islington.gov.uk/children-and-families/childcare-and-early-education/paying-for-childcare>

5. Quality of childcare

Islington is in the top quartile nationally for the number of children in good or better settings across each age group in the early years. Islington is also ranked highly nationally for the number of early years settings employing staff with graduate status.

The quality of childcare in Islington's maintained and funded nurseries remains high with 100% of nurseries graded as Good or Outstanding. 5 out of 8 nurseries run directly by the local authority are rated outstanding. Which means that Islington's most disadvantaged children are being supported and nurtured in nurseries which are 100% either good or outstanding.

The Council's Early Years teaching and learning team continue to offer bespoke consultancy and advice to providers, including childminders, to support them in delivering high quality childcare and education. This support has been vital during the pandemic when early years' practice has had to adapt quickly to revised DfE guidelines.

6. Parents and providers views of childcare sufficiency during the pandemic

Bright Start Parent Champions

Islington has 27 parent champions who have been trained as volunteers to speak to other parents about the Bright Start support and services available for families from pre-birth to 5 years. Since the beginning of the coronavirus pandemic, parent champions have continued to reach out to other parents, primarily via social media platforms such as Facebook and WhatsApp keeping them updated about what's on offer and encouraging them to take up free early education for 2, 3 and 4 year olds. They have also been key to gathering feedback from residents about their concerns and how they have been coping. Parent champions have told us that parents were initially:

- Worried about sending their children to nursery or childminders
- Concerned about how childcare providers would keep their children safe
- Confused about the free early education offers and how to apply during the pandemic
- Worried they will no longer be able to afford to pay for childcare while moving in and out of furlough or reduced employment

The support provided to parents through the parent champions, the Family Information Service and Bright Start services has led to a gradual but steady return to childcare and early education settings, a trend that we are hopeful will continue into January 2021 and beyond.

Providers' concerns

Since the end of March 2020, providers have responded to a weekly survey outlining the number of children attending across a range of ages and categories: children of keyworkers,

vulnerable children, including those with a social worker, Education Health and Care Plan (EHCP) and 'other vulnerable'. The survey has also been an opportunity for providers to feedback their concerns. Their primary concerns have been:

- Lower numbers of children attending and fears about sustainability
- Determining whether to furlough staff due to low numbers
- Staff self-isolating and having to employ agency staff which is costly
- Having to close rooms/bubbles or whole settings due to Covid-19 cases in staff or children
- Childminders as self-employed providers have felt particularly anxious about sustainability

Family Information Service, childcare brokerage

Islington's Family Information Service, FIS, supports families looking for childcare via a dedicated phone line, email service and website (Family Directory). Due to Covid restrictions, the FIS face to face weekly drop in at the Customer Centre has been temporarily suspended. At the start of the first lockdown in March, the telephone helpline was moved swiftly to home working by FIS information officers who continue to support residents to find suitable childcare and to signpost them to family support services and Bright Start activities. The FIS also supports providers in filling their vacancies.

One parent commented on the support she has received from the FIS, helping her child start at nursery:

"I am just writing to thank you for the attention you have given us, thank you for guiding and helping us; although we do not have the same language, you have taken care to tell us what to do. Our girl already talks a little more and is not scared to see other children, she is integrating and that makes us happy."

Childminders are the most regularly used providers for more complicated brokerage issues, such as out of school childcare, due to their ability to offer more flexible hours than nursery settings. The FIS team includes a Childminding Information Officer who regularly updates information on the Family Directory about childminders with vacancies.

Islington's Childminding Coordinators, the Teaching and Learning Team, and the Early Years Area SENCo team all work with the FIS to ensure that parents are aware of what childminders can offer children and families.

The nature of calls to the FIS has been broadly similar since before the pandemic, although childcare brokerage has become more complicated as some providers have had to close temporarily and others have modified their hours of operation. In the early stages of lockdown until providers were allowed to open to all children in early June, the FIS found childcare for nearly 90 families through its childcare brokerage service.

7. Methodology

- Number of children: based on GLA population projections and ONS data.
- Supply of childcare: based on data provided to us by Ofsted, who regulate early years provision in schools and childcare provision.
- Vacancy rates: survey of providers (Oct/Nov 2020).
- Free early education entitlement: data on take up of government-funded free early education entitlements is based on the Early Years and Schools Censuses, which are taken every January and published by the Department for Education. Data on entitlement to a FEEE place for 2 year olds is provided by the Department for Work and Pensions.
- Quality of childcare: data on childcare quality is provided by Ofsted.
- Feedback from providers and parents: FIS enquiries from parents; weekly survey of Early Years providers.
- Child poverty: data from IDACI tables, English indices of deprivation, Office of National Statistics.