



Hounslow Childcare Sufficiency Assessment 2007

SUMMARY

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1. Introduction

The Childcare Act 2006 places new duties on local authorities to facilitate their local childcare markets and secure, as far as reasonably practicable, sufficient childcare provision for parents in their area. Section 11 of the Act requires that local authorities carry out an assessment of the sufficiency of local childcare provision in order to identify any gaps in the sufficiency of childcare.

Childcare sufficiency assessments are to be carried out at a minimum of three-yearly intervals, and are intended to provide a baseline set of data on which to plan future development of the childcare sector.

In 2007, Hounslow Early Childhood and Childcare Service commissioned Coda Consultants Ltd to undertake the Hounslow Childcare Sufficiency Assessment 2007 on its behalf.

This document is a consultation summary of the draft Childcare Sufficiency Assessment report. It contains a brief methodology section that describes how the research was carried out. The remainder of the document lists the key findings and recommendations from the research. Copies of the full report, which includes a complete breakdown of the data that was collected in the research, can be downloaded from:
www.hounslow.gov.uk/childcare_sufficiency_assessment_07.pdf

Your views on the draft

There is a consultation form to accompany this draft summary. Once you have read the key findings and recommendations, please take the time to complete this form and give your opinions on the findings of the Childcare Sufficiency Assessment. Your views will help to shape the final report, and will help Hounslow to be sure that the findings of the research genuinely reflect the childcare sector in the borough.

Further copies of the consultation form can be downloaded from:
www.hounslow.gov.uk/childcare_sufficiency_audit

2. Methodology

2.1 Hounslow's five committee areas

The statutory guidance for childcare sufficiency assessments suggests that data should be collected within small 'sub-local authority areas' in order to compare the picture in different neighbourhoods and districts. Hounslow has established five local area committees across the borough that reflect the varying characteristics in different parts of Hounslow. These provided an ideal set of areas for the childcare sufficiency assessment.

Figure 1. Hounslow's Five Committee Areas



2.1 Consulting parents

The largest part of the research of the sufficiency assessment was a survey of local parents. This was carried out through assisted questionnaires that were completed face-to-face with parents across the borough.

In total 500 parents were interviewed in this way. In order to contrast the views of parents who were using formal (registered) childcare with those who were not, an equal sample of 250 parents in each situation were interviewed. This was broken down equally across the five areas as shown in Table 1.

Table 1 Numbers of parents interviewed in the questionnaire survey

Committee Area	Number of parents using childcare	Number of parents not using childcare	Totals
West Area	50	50	100
Central Hounslow	50	50	100
Heston and Cranford	50	50	100
Isleworth and Brentford	50	50	100
Chiswick	50	50	100
Totals	250	250	500

Parents were interviewed in a range of locations. Those using formal childcare were generally surveyed as they dropped off or collected their children from their childcare setting. Those not using childcare were interviewed at informal settings such as library story-times, toddler groups and health centres. As an incentive to taking part all questionnaires were entered into a prize draw with a top prize of £150 in M&S vouchers.

2.2 Focus groups with parents

In order to complement the data collected through the questionnaire survey, three focus groups were also held. Each of these groups involved parents who could potentially be experiencing particular challenges to accessing childcare due to their circumstances. The three groups consulted in this way were:

- Young homeless parents in temporary accommodation
- Parents of children with disabilities and special needs
- Traveller parents

Parents who took part in the focus groups were rewarded with a £10 Bots voucher.

2.3 Consultation with childcare providers

In order to gather the views of providers, Coda set out to conduct a telephone interview with each of the managers of all of Hounslow's registered childcare settings. Out of 70 possible settings, 62 responded to the survey.

Providers were asked to give details of their opening times and availability, and to comment on trends or factors that affect demand for their provision. They were also asked to comment on future priorities for childcare strategy in the borough.

As part of the consultation with providers, a focus group of representatives from the education sector in Hounslow was also held. This included staff from Extended Services and West Thames College.

2.4 Consultation with employers

Employers can play an important role in the facilitation of childcare for working parents. Many now offer assistance schemes that enable parents to access childcare provision while working. Coda approached over 200 local businesses and invited them to take part in a telephone interview for the childcare sufficiency assessment. Only four actually took part. These however were all large employers and significant local businesses.

3. Key Findings and Recommendations

3.1 Key findings

Current demand for childcare

1. The level of vacancy in the childcare market indicates that there is over supply of childcare in Hounslow

Consultation with providers showed that many nurseries, pre-schools and childminders across Hounslow are not currently able to fill their places. This would indicate that there is over-supply of childcare. The levels of vacancy differ in different areas of the borough, but are highest where there is greatest density of provision.

2. A large number of parents still feel that childcare in Hounslow is too expensive.

Nearly half of all parents surveyed stated that cost was, or had been, a barrier to them accessing childcare in Hounslow. Among these parents about half were currently using childcare and half were not. Most said that they had experienced this barrier when thinking of using a nursery.

3. Most parents using childcare find it affordable, but about a fifth would have to reduce their usage if costs increased.

When asked how they would react to an increase in childcare costs, most parents responding to the survey said that they would be able to afford it. However 18% overall said that they would have to reduce the amount of childcare they used.

4. A parent's ethnicity does not significantly affect whether they choose to use childcare.

The results of the parents survey showed that the decision to use formal childcare is not affected by a parent's ethnicity. Parents of over 20 ethnicities took part in the survey for the childcare sufficiency assessment. Within each of these groups there was no significant difference between the number of parents were using formal childcare and the number who were not.

The only exception to this was in the case of the Traveller community, who were consulted through a focus group. None of these parents were using formal childcare, nor did they plan to.

5. Parents appear to be re-adjusting their working hours to fit around a school day.

There is evidence that some parents of school-aged children are re-arranging their working hours in order that they only need to use childcare before or after school, rather than at both times. It seems likely that these parents are exercising their right to request flexible working.

Some schools have found that if they provide both a breakfast club and an after school club parents will tend to choose one over the other. On at least one occasion this has led to the other provision becoming unsustainable due to low attendance.

6. Families whose household income is between £20,000 and £29,000 find childcare more affordable than those who earn £30,000 to £39,000.

In the survey, parents were asked to give their total household income. Ability to afford an increase in childcare costs generally increased in line with income. However this trend reduced between the income ranges of £20-29,000 and £30-39,000, with only slightly more people able to afford an increase in the higher income range. In comparison, the numbers of parents stating that they would have to reduce their childcare usage if costs increased dropped sharply in the £20-29,000 income range.

This suggests that families in this income bracket are able to cope better with childcare costs than those earning slightly more. This could be an indication that financial support mechanisms for low-income families are having a positive effect. It could also signify that middle-income families are struggling more because they qualify for less support and have more financial commitments.

7. Nursery education funding helps more parents to afford childcare

Of the parents who responded in the survey that they were accessing funded nursery places, 64% said that they could afford an increase in childcare costs. Availability of funded places varies between the five committee areas, but the numbers of parents in the survey sample receiving the funding was balanced evenly across Hounslow.

Several pre-schools reported in the providers' survey that the greatest demand for their provision now comes from families of eligible three and four year olds. However Hounslow's take-up of funded nursery education places is around 20% lower than the national average, according to figures from the Department for Children Schools and Families. There definitely appears to be a need for greater publicity of nursery education funding, as 18% of parents

surveyed for the childcare sufficiency assessment were not aware of their entitlement to it.

8. The childcare element of Working Tax Credit is not having a significant effect on parents' ability to afford childcare.

Twice as many parents who stated that they were in receipt of the childcare element, also said that they could not afford an increase in childcare costs.

The money a family receives through tax credit will increase in line with any rise in childcare costs. It would seem that these parents were either unaware of this, or receiving so little in tax credit that it was not having an affect on their ability to afford childcare.

In 2007 Ofsted restructured their childcare registers and introduced a new voluntary register (Voluntary Ofsted Childcare Register or VOCR) for providers of childcare and other activities for children that are outside of the requirements for compulsory registration. This can include nannies, out of school activities for children over eight, and sessions that are less than two hours in duration. Provision registered on the VOCR is eligible for the childcare element of Working Tax Credit. This means that the range of activities and settings that a parent can claim this funding for is now much wider. Consequently, availability and take-up of the childcare element is likely to increase.

9. Childcare vouchers are the most widely offered employer benefit for parents

After nursery funding and tax credits, the most frequently accessed financial support method among parents consulted was childcare vouchers. All three of the employers consulted for the Childcare Sufficiency Assessment are currently offering 'salary sacrifice' childcare voucher schemes to their staff, and nearly all providers who were consulted said that they receive them. Of the parents who stated that they could afford an increase in their childcare costs, 35% were receiving vouchers.

10. Parents of children with special needs and disabilities find it difficult to access childcare

Parents of children with special needs who were consulted through a focus group reported that they often feel prevented from accessing childcare. In some cases they felt that providers were not complying with their responsibilities under the Disability Discrimination Act. Parents identified a lack of training among staff as the principal issue. The most preferred type of childcare among these parents would be a childminder or home childcarer, and they felt that financial incentives should be available to childminders to care for children with special needs.

Future demand for childcare

11. Potentially, there is a high level of demand for childcare from lone parents in Hounslow.

Of the 68 lone parents who took part in the survey, half were not in work. Figures from Jobcentre Plus show that currently 4210 lone parents in Hounslow are claiming Income Support.

Currently a lone parent is able to claim Income Support until their youngest dependent child is 16. The Government's green paper 'In Work Better Off' proposes to lower this minimum age to 12 in the short term, and to seven from October 2010. This is likely to create a large influx of lone parents into the labour market, many of whom will require childcare.

Currently Hounslow provides support to lone parents entering work or training through the Lone Parent Subsidy, a CAP-funded¹ project that pays up to 100% of childcare costs. Funding for this project was due to cease in April 2008 but has been extended to November 2008.

12. Planned housing developments could increase demand for childcare

Planned new housing developments are likely to bring about an increase in the population in several key areas of the borough. The Mayor's London Plan has set a minimum number of 4500 new housing units in the next 10 years, but current plans look set to create double this number.

13. Most childcare providers expect demand for their services to increase in the next three years.

When asked for their views on future demand for their provision, the majority of providers who were surveyed felt that it would increase. The second most frequent response was that it would not change. Very few providers felt that demand would decrease. The notable exceptions being day nurseries who thought that the extension of statutory maternity leave would bring about a reduction in demand for baby places.

14. The most preferred childcare arrangements among parents are five days full time in a nursery.

Whether or not they were currently using childcare, parents responding to the survey were asked to describe the childcare arrangements that would 'best suit' their family's needs. Of the various combinations of provision and hours that parents described, the most preferred was a day nursery five days a week from a start time of before 9.00am until at least 6.00pm.

¹ Childcare Affordability Programme, funded by the London Development Agency

3.2 Gaps analysis and recommendations

The statutory guidance explains some of the different types of gaps that a childcare sufficiency assessment should investigate. In this section Coda has made an analysis of the extent to which these gaps exist in Hounslow and included recommendations for how the local authority might work to address the issues that have been identified.

The following gaps analysis and recommendations are the independent opinions of Coda Consultants Ltd, and are based on the findings of the research carried out by Coda for the childcare sufficiency assessment.

3.21 Supply and demand

As stated in Key Finding 1, there is a level of vacancy across the childcare sector in Hounslow that suggests an over-supply of provision. While this is clearly a better situation than one where supply is insufficient, over-supply can have a negative effect on the sustainability of some provision. This issue was raised regularly by providers who were consulted for the childcare sufficiency assessment.

Indications are that demand for childcare is set to increase. At a national level, Government policy will mean that more lone parents are entering the workplace. Locally, an increase in the population brought about by new housing developments is likely to raise demand for childcare. However, there doesn't currently appear to be a need for further development of childcare provision, especially not in the early years sector.

Recommendation 1. Share good practice in sustainability across the childcare sector

Despite the overall level of vacancy there are some settings that currently have waiting lists of over one year in length. For whatever reasons, these providers are able to fill their places where others are not. Evidence does not suggest that parents are simply choosing the cheapest provision, so it would seem that there are other aspects to these providers that are attractive to parents.

Further research is required in order to better understand why a few settings are successful when so many others have vacancies. The EYDCP could share these examples of good practice across the sector so that less successful providers could learn from them.

Recommendation 2. Providers should be able to access support and training in business skills

The Early Childhood and Childcare Service could support the future sustainability of childcare providers by providing support in basic business skills; particularly financial management. Providers should be given information and training in how to access external funding streams.

Recommendation 3. Early Childhood and Childcare Service to work in partnership with Planning to help predict future demand for childcare

Hounslow's Strategic Planning Service are keen to work with other areas of the council to ensure that the rising population of Hounslow has sufficient provision of the essential services it needs. Childcare is one of these services, and there would be mutual benefit to the Early Childhood and Childcare Service and Strategic Planning Service from working together to help predict how new housing developments might affect the sufficiency of childcare.

3.22 Information Gaps

Various issues arose through the consultation that exposed a need for greater provision of information to parents.

- 18% of parents were unaware of nursery education funding. 18% were also unaware of the help for childcare costs available through tax credits.
- There was a significant number of parents who responded in the survey that they had 'issues of trust' in relation to childcare. This was particularly prevalent amongst parents not using childcare and could be addressed by more information about safety and the benefits of using childcare.
- Some childminders who were consulted felt that the Children's Information Service was not supporting them as well as it could, and that the details of their provision were not being accurately publicised.

Recommendation 4. Conduct an information audit and strategy

Section 12 of the Childcare Act 2006 sets out the duty on local authorities to provide information, advice and assistance to parents seeking childcare. It calls for a greater and more diverse range of services than might previously have been provided by a Children's Information Services (CIS). From April 2008 CISs will be known as Families Information Services in order to reflect this wider remit. Many local authorities are taking this opportunity to assess the strengths and weaknesses of their current service, in order to plan how it might need to develop to meet the requirements of Section 12.

Hounslow should consider conducting an audit of its CIS. Working from the findings of this audit, and the statutory guidance for Section 12, an information strategy could be written that sets out how Hounslow will work to meet the information needs of local families.

Recommendation 5. Strengthen links with employers

Hounslow's growing workforce will contribute to increased demand for childcare. Employers themselves can play a valuable role in helping meet this need. The Early Childhood and Childcare Service should build stronger links with the local business community and ensure that, as a minimum, employers are aware of the CIS and how to access information about provision.

3.23 Income Gaps

According to the statutory guidance for childcare sufficiency assessments, an income gap is where there is a lack of childcare that is affordable to the income levels of parents in that area.

Although Hounslow's childcare costs are comparable to those in other parts of Greater London, cost was the most frequently cited barrier to accessing childcare by parents in the survey. This was a borough-wide finding, with a similar number of parents giving this response in all areas of the borough. The most expensive childcare is to be found in Chiswick, yet broadly, childcare costs do not differ from one area of Hounslow to another.

A surprising finding from the parents' survey was that families earning middle to low incomes appeared to find childcare more affordable than those earning slightly more. This could therefore be described as an income gap, although it is hard to see how the local authority might address it.

The parents' survey also seemed to show that the childcare element of Working Tax Credit is not helping many families to afford childcare. It is often said that the income threshold for tax credits causes families in London to miss out on financial support that they might need, due to incomes being relatively higher in the capital.

Recommendation 6. Financial support for childcare should be better publicised.

The cost of childcare is dictated by the market, and there is little that a local authority can do to affect this. However, Hounslow could help to ensure that the various methods of support for childcare costs are promoted as widely as possible.

Too many parents still seem unaware of their entitlements, and often assume that childcare is unaffordable to them without knowing whether this is actually the case.

3.22 Specific Needs Gaps

Parents of children with special needs consulted through a focus group reported that they do not feel able to access childcare. Their main reason for this was that the childcare workforce is not sufficiently trained to deal with their children's needs. These parents felt that even quite basic training could enable more childminders or staff in settings to care for children with disabilities and special needs who are otherwise excluded from the provision.

The parents who were consulted came from across the borough, so this gap is not specific to any particular area.

Recommendation 7. More special needs training for the childcare workforce.

Hounslow Early Childhood and Childcare Service could consider providing more special needs training to providers through the EYDCP. Another useful initiative would be to provide funding to registered childminders to enable them to care for children with special needs. This was suggested both by parents of children with special needs and childminders themselves.

3.33 Time Gaps

The statutory guidance describes time gaps as, '*A shortage of childcare available at the time that local parents need it*'.

The most frequently specified childcare hours from parents when asked what would 'best suit' their family's needs was full daycare starting from before 9.00am and lasting until 6.00pm at the earliest. Only three day nurseries responded in the providers' survey that they provide care after 6.00pm.

Recommendation 8. Encourage providers to operate extended or flexible opening hours

The local authority could advise providers to consider whether their opening times are meeting the needs of local parents. This could be affecting sustainability, as some providers may be losing business to others who can provide the childcare hours that parents want.

3.34 Age Gaps

The research for the childcare sufficiency assessment did not identify any significant age gaps.

Day nursery providers with waiting lists often reported that it was their baby places that were most over-subscribed, and that this was the type of place in highest demand. Some pre-schools reported that they had high demand from parents for baby places even though they did not provide them. However, despite this evidence of demand, the level of vacancies in day nurseries would seem to indicate there is sufficient capacity to meet it.

During the consultation, parents and providers occasionally mentioned that there is a lack of provision for the 11-14 age group. There is no significant evidence from the research to support this, but it was mentioned often enough to warrant further investigation.

Recommendation 9. Investigate the needs of the 11-14 age group

The Extended Daycare team within Hounslow Early Childhood and Childcare Service could work to investigate whether the needs of this age group are being adequately met. This could be a separate piece of research that informs

future childcare sufficiency assessments and supports the Government's Positive Activities for Young People agenda.

Recommendation 10. Consult children on strategic planning for childcare and play

Children and young people aged should be involved in decisions about the services they access, and should be given the opportunity to share their views on strategic planning for childcare. The Early Childhood and Childcare Service should ensure that children and young people are consulted on future planning documents that arise from the findings and recommendations of the Childcare Sufficiency Assessment.