

Childcare sufficiency assessment 2016

Early years and childcare service



SURREY

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1 Introduction and background

The 2006 Childcare Act places a duty on Local Authorities (LAs) to make sure there are enough childcare places of high quality for parents that need them to allow them to work or to train. Childcare is defined as any form of care for a child that is paid for or is funded, including education and any other supervised activity (section 18 of the 2006 Childcare Act). This includes care registered with Office for Standards in Education (Ofsted) or care offered on a school site.

There also needs to be enough services for parents of eligible children to take up their offer of free early education, even for parents who are not working or training. All three and four year olds living in England are entitled to 570 hours of free early education and childcare a year. This is usually offered as 15 hours a week for up to 38 weeks a year and is known as the universal entitlement. From September 2014, the number of children eligible to take up free early education increased to include the 40% most disadvantaged two year olds, as well as all three and four year olds. This means that Surrey County Council needs to ensure that approximately 31,000 children can access a free early education place of 570 hours a year. Free places are usually offered as 15 hours a week for up to 38 weeks a year but some providers offer this across more weeks a year.

From September 2017 the government are proposing to increase the hours from 15 to 30 a week for children of working families who meet their eligibility criteria. This means that eligible children will be able to receive up to 1140 hours of free childcare a year. In Surrey this will usually be referred to as the extended entitlement or +15 hours.

This childcare sufficiency assessment allows us to determine whether there are enough childcare and early education places. We use it to manage the childcare market and make sure that:

- There are enough childcare and early education places
- Childcare places are of high quality
- A range of childcare services are offered to meet parents' needs
- Childcare and early education places are accessible
- Enough information is available to parents and carers to allow them to make informed decisions about childcare and early years services

The report brings together data from various sources to effectively analyse the supply and demand for childcare services, and to identify gaps in provision.

- Supply of childcare places in Surrey
 - Details about childcare and early education services, such as the number of childcare places they provide and opening hours
 - Population and demographic information, such as population of children, ethnicity and deprivation
 - Data from Ofsted inspection outcomes for childcare and early education settings
- Demand for childcare services
 - Take-up rates of early education and childcare services
 - Occupancy rates of childcare and early education settings
 - Projected number of early education places needed for the next five years
- Mapping supply to demand and identifying gaps

Information collected from childcare settings is analysed at ward level. There are currently 206 wards in Surrey, but we look at clusters of wards that define neighbourhoods. We know that most parents take up early education near where they live, but that some parents access services away from where they live too. There were electoral ward boundary changes for

Elmbridge and Woking Borough Council in 2016. This assessment uses 2016 boundaries for Elmbridge but the previous ward boundaries for Woking because not all data for Woking was available at the revised boundary level. Surrey wards have been grouped into 73 ward clusters for the assessment.

1.1 Previous research

Nationally, 20% of parents of children under 15 years old report that they are unable to find flexible childcare to meet their needs to work or train¹. Just over half (51%) of parents are able to find childcare that offers the flexibility to meet their or their partners working pattern. When asked what changes parents would like to see, to make formal childcare more suitable, affordability is most commonly mentioned (34% of parents). Parents also mention provision of childcare during holiday periods (19%), longer opening hours (16%) and having more places available (12%). Almost two in every five parents (39%) of parents say that they wouldn't make any changes to childcare. More than half of parents (64%) say that the childcare they used was of good quality and just under half (46%) feel that there are enough places available.

In our 2014 Childcare Sufficiency Assessment (CSA), we found that just over a quarter of parents (29%) were not using as much childcare as they needed to allow them to work or train. Again, affordability was an issue in accessing childcare. We found:

- A need for additional sessional pre-school places in some parts of the county
- That working parents wanted day nurseries, and before and after school clubs to open earlier and stay open later
- That parents of disabled children would use more provision if they knew about it, if it were more affordable and if there were more of it that could cater to their children's special needs
- That lone parents, young parents, parents in households with lower incomes, parents from BME groups and parents living in disadvantaged areas were more likely to not be using as much childcare as they need to allow them to work or train. These parents tell us that the cost of childcare is their main barrier.

1.2 Development of the childcare and early education sector in Surrey

Surrey's Early Years and Childcare Service has been working with childcare providers to expand existing and develop new provision where it is needed. We have been focusing on increasing the quality of provision and helping existing providers to make their services more accessible to disabled children and children with special needs. We have continued to raise awareness of childcare and early education provision to parents through our Family Information Service, and we have developed information about the local offer for parents of disabled children and children with special needs.

We have also been helping childcare and early education providers to deliver free early education for two, three and four year olds more flexibly to make it easier for parents to pay for childcare and reduce associated costs.

Annex A details the progress made in areas identified in the last two updates as not having sufficient free early education places to meet increases in future demand for services. We have also been encouraging schools with nursery classes to offer at least 4 places for children eligible for free early education for two year olds (FEET) to increase the number of places in areas close to where they live.

¹ Department for Education (2014-15) *Childcare and early years survey of parents*

2 Current supply of childcare and early education

We collect information on the provision of childcare and early education services on a regular basis. Information from group providers in the private, voluntary and independent sector (PVI) is collected annually as part of the Surrey childcare and early education practitioner census. The census provides information on the number of places offered and for which ages, occupancy rates and information about whether settings are unable to meet parental demand. We collect this information from childminders annually as well as part of a survey to find out their views on the childcare market.

Table 1 Childcare and early education places in Surrey in 2015 and in 2016

Childcare type	2016 CSA		2015 CSA update	
	Number of providers	Number of places	Number of providers	Number of places
Pre-school provision in PVI sector	598	26,240	605	24,607
Pre-school provision in state maintained nursery schools and classes	74	3,971	72	3,807
Out of school (Before and after school and holiday play schemes)	511	22,096*	443	22,217
Childminders	1,605	8,259**	1,765	8,812

*Not directly comparable because of changes in the way before and after school places are counted.

**There has been a decline in the number of childminders nationally². Surrey continues to have a high proportion of early years places provided by childminders.

² Ofsted (June 2016), Childcare providers and inspections as at 31 March 2016, <https://www.gov.uk/government/statistics/childcare-providers-and-inspections-as-at-31-march-2016>, accessed 18 October 2016.

2.1 Childcare and early education density rates

We calculate childcare density rates, using the number of childcare places in a geographic area and the number of children in that same geographic area. This gives us a standardised measure that allows us to compare the level of provision across areas. Pre-school, early education and out of school childcare density rates are calculated separately, by dividing the total number of childcare places by the number of children of the appropriate age group and multiplying by 100. For pre-school and early education calculations population figures are based on live birth data from the Office for National Statistics (ONS) and for out of school calculations population figures are based on the number of children aged 5-14 years reported in 2011 Census data. The number of childcare settings and childcare places, and the childcare density rates used here are correct as at April 2016. The audit of childcare and early education provision is available on our website at: <http://new.surreycc.gov.uk/schools-and-learning/childcare-professionals/running-your-childcare-business/setting-up-a-childcare-business/childcare-research-and-consultations>

Density rates for pre-school childcare and out of school care are described in more detail below. Overall, density rates are lower in disadvantaged areas³. Maintained nursery schools and classes are more likely to offer pre-school provision in these areas than other types of pre-school provision, with nearly one in five of their places being offered in disadvantaged areas.

2.2 Occupancy rates

Occupancy rates for the PVI sector are collected annually, in January, as part of the childcare and early education practitioner census. Settings calculate their occupancy rates by dividing the total number of hours attended by all children per week by the total number of available hours per week, and multiplying by 100. Occupancy rates for maintained nursery schools and classes are calculated differently, by dividing the number of children who attend by the total number of places available for the nursery class. This assumes that each child takes up the full entitlement, which is the case for the majority of children in maintained nursery schools and classes. When categorising occupancy rates, 'full' is an occupancy rate of 98 - 100%, 'busy' is an occupancy rate of between 85% and 97%, 'healthy' is an occupancy rate between 70% and 84%, and 'not busy' is an occupancy rate below 70%. Occupancy rates are correct for the 2016 spring term for group settings and for the 2015 summer term for childminders.

Occupancy rates are generally healthy overall. However, rates have decreased in most setting types from 2014.

³ We define disadvantaged areas as lower layer super output areas (LSOA) that rank in the 30% most disadvantaged for the Income Deprivation Affecting Children Index (IDACI) 2015, English Indices of Multiple Deprivation, Department for Communities and Local Government

Table 2 Occupancy rates by childcare type

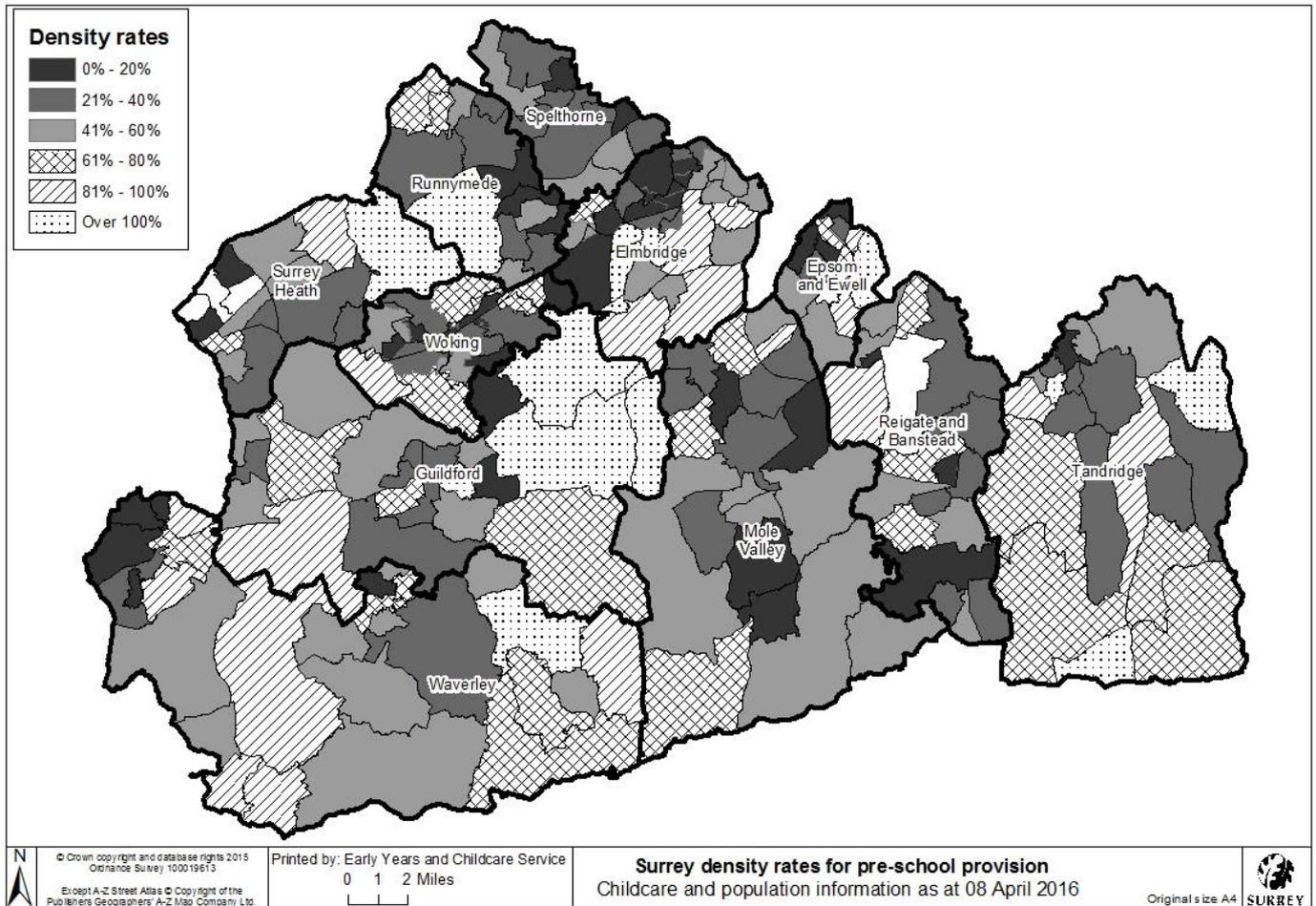
Childcare type	Average occupancy rate for the day	Average occupancy rate for the morning session	Average occupancy rate for the afternoon session	Overall average occupancy rate 2016	Overall average occupancy rate 2015	Overall average occupancy rate 2014
Breakfast club		72% (77)		72% (77)	85% (25)	84% (33)
After school club			75% (78)	75% (78)	69% (49)	78% (65)
Holiday play scheme	73% (28)			73% (28)	70% (31)	78% (58)
Day nursery	67% (162)			67% (162)	67% (183)	70% (174)
Extended day playgroup	72% (162)			72% (162)	76% (135)	82% (221)
Pre-school playgroup		79% (142)	74% (56)	78% (147)	80% (209)	83% (293)
Nursery unit of independent school	67% (50)			67% (50)	70% (59)	75% (62)

Note: For 2015 and 2016, figures in brackets indicate sample sizes of the number of settings providing occupancy rates. For previous years, figures in brackets indicate sample sizes of the number of occupancy rates provided.

2.3 Pre-school provision

Overall, there are 2,204 pre-school settings in the PVI sector in Surrey offering 29,998 pre-school childcare places. This includes places provided by day nurseries, sessional pre-school playgroups, childminders, and nursery units of independent schools. Since 2007, the number of pre-school settings has steadily decreased but the number of places offered has steadily increased. The overall pre-school density rate for Surrey is 43%. That means for every 100 children aged under five years, there are 43 childcare places available. The childcare density rate for children under two years is lower at 27%. Across Surrey, over three in ten (33%) sessions at pre-school settings are full or busy, and over a quarter (27%) more are healthy. A similar proportion of pre-school settings (36%) have waiting lists for immediate places. However, in January 2016, 16% of day nurseries, 29% of extended day pre-school playgroups, and 29% of pre-school playgroups, reported that they were experiencing a lack of demand for places. This highlights the complexity of the childcare market; it is localised and must be analysed bearing this in mind.

Figure 1 Pre-school childcare density rates in Surrey by ward



2.4 Day nurseries

There are 189 day nurseries in Surrey offering a total of 11,729 places. The childcare density rate in Surrey for day nurseries is 17%. The overall occupancy rate for day nurseries in Surrey is 66%. There are 3,351 places in day nurseries for children aged under 2 years, and the childcare density rate for this age range is 12%.

Nearly all (92%) day nurseries in Surrey are open for 10 hours a day, from 8am to 6pm, or longer. Just over half (52%) of day nurseries are open before 8am, and a similar proportion (46%) open at 8am. The remaining 2% open after 8am but not later than 9am. Nearly three fifths (59%) of day nurseries close at 6pm, and a third (33%) close after 6pm, including 4% that close at 7pm or later. The remaining 8% close before 6pm.

2.5 Sessional pre-school childcare

There are 409 settings offering 14,511 sessional pre-school places in Surrey. This includes places in extended day pre-school playgroups, pre-school playgroups, and nursery units of independent schools. The density rate in Surrey for sessional pre-school childcare is 34%. The density rate for sessional pre-school childcare is calculated by dividing the total number of places at sessional settings by the total number of children ages two to four years. Overall occupancy rates in sessional settings vary from 67% in nursery units of independent schools, 71% in extended day playgroups, to 78% in pre-school playgroups.

2.6 Maintained nursery provision

There are 74 maintained nursery schools or classes (MNSC) offering 3,971 places in Surrey. These places are offered through four nursery schools, six classes offered through special schools and 64 classes in primary, infant and first schools. The total number of MNSC places excludes the six classes offered through special schools, as the number of places offered in these classes depends on the needs of the children attending. About a third of maintained nursery schools and classes are full.

2.7 Out of school care

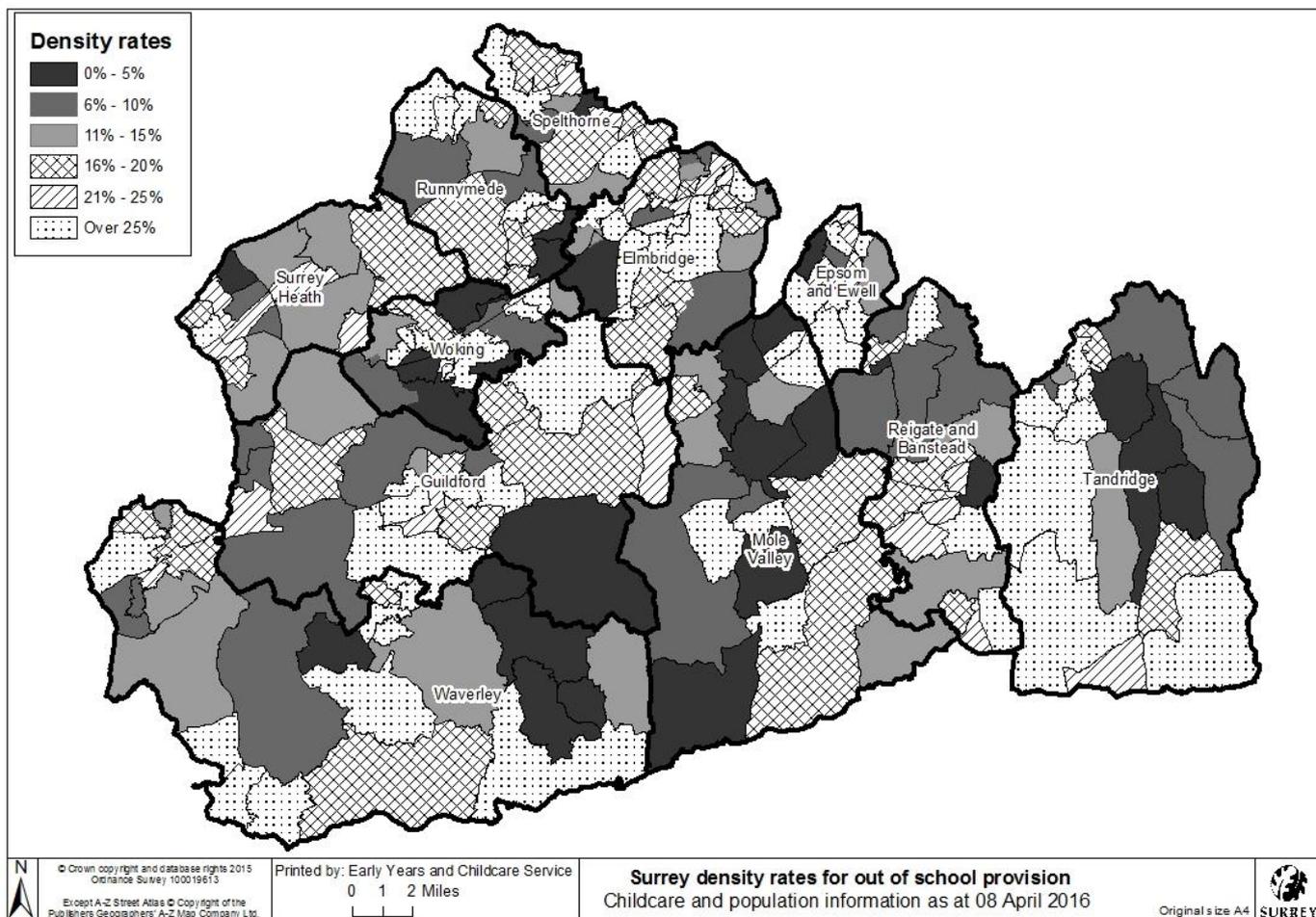
There are 362 settings offering 5,943 places for before school care and 8,220 places for after school care. The density rate for before school care is 4% and for after school care is 6% at group settings. That means for every 100 children aged five to fourteen years, there are five before school places and seven after school places. There are 149 holiday playschemes offering 7,933 places, including specialist holiday playschemes. The density rate for holiday care is 5%. Childminders offer a further three out of school places (before and/or after school and holiday care) for every 100 children aged five to fourteen years. Childminding places will be discussed in more detail later.

Over three quarters (78%) of infant, junior and primary schools have access to before and/or after school group settings. All schools in Elmbridge have either provision on site or a pick-up service offered by another group setting. Schools in Tandridge and Woking are less likely to have access to before and/or after school group settings. Of the schools that do not have access to before and/or after school group settings, either on site or through a pick-up service, nearly all (97%) have at least one childminder that picks up from the school. The only two schools that don't have access to before and/or after school settings or any type of pick-up service are in Waverley.

Over two thirds (69%) of before school clubs in Surrey open before 8am. Just under a third (30%) open at 8am and 2% open at 8.15am. Nearly two thirds (62%) of after school clubs close at 6pm. Just over a quarter (27%) close before 6pm, with most of these closing at 5.30pm or later. Ten percent close later than 6pm.

Over a third (39%) of holiday playschemes in Surrey open at 8am or earlier, a similar proportion (43%) open after 8am until 9am, and the remaining 18% open after 9am. Over a third (38%) close at 6pm and 27% close between 5pm and before 6pm. Nearly a third (30%) close before 5pm, and one of these closes as early as midday. Five percent close later than 6pm.

Figure 2 Out of school childcare density rates in Surrey by ward



2.8 Childminders

There are 1,605 childminders in Surrey offering a total of 8,259 childcare places. The childcare density rates for childminding places for pre-school care is 6% and for out of school care is 3%. Overall, the childcare density rate for childminding places is 4%. That means for every 100 children aged nought to fourteen years, there are four childminding places. The overall, and the out of school childcare density rate for childminders are underestimates; childminders do not have to register places for children over eight years so these are not included when calculating childcare density rates.

Due to the flexible working structure of childminders, we ask them to tell us how full their setting is rather than calculating an occupancy rate. Feedback from childminders from 2013 to 2015 suggests a pattern of demand and take up. Nearly half (46%) of childminders estimate that their setting is full and just over a quarter (27%) estimate that their setting is three quarters full. Three quarters (75%) of childminders have had requests from parents for childcare places that they had to turn down in the last 12 months. Of those that have turned down childcare requests in the last 12 months, more have turned down requests for places for pre-school aged children (81%) than school aged children (61%). The most common reason childminders are unable to meet requests from parents is that, although they offer the hours requested, they had no spaces available (61%). A quarter of childminders (25%) tell us that have problems filling childcare places. More childminders are having problems filling childcare places for pre-school aged children (86%) compared to school aged children (30%). Just over half (55%) of childminders having problems filling their childcare places report that parents use friends and/or family for childcare, and just under half report there are too

many other types of childcare in their area or that there are too many registered childminders in their area (49% and 41%, respectively). Just over one in ten childminders (12%) have been unable to accept childcare requests in the last 12 months and are currently having trouble filling childcare places. Again, this highlights the complexity of the childcare market as well as the personalised service offered by childminders.

In Surrey, 58% of childminders are open before 7.30am (2% open before 7am). Almost three quarters of childminders close between 6pm and 7pm, with 7% closing at 7pm or later.

2.9 Free early education for three and four year olds

All parents can access free early education from the term after their child turns three. Parents can access 15 hours of early education per week for 38 weeks of the year. There are about 23,463 early education places available, giving a density rate of 82% for three and four year olds. That is, there are 82 places for every 100 children aged three and four years in Surrey in all sectors (PVI and maintained sectors). While this may seem insufficient overall, it is important to note that three year olds are eligible from the term after their third birthday, and some three and four year olds do not take up the full offer of 570 hours a year, so some places are shared. We know that for most parents who do not use the full entitlement of free early education hours, this is through choice, but for a small percentage, this is because they are prevented from doing so. This is discussed further in section 3.

2.10 Free early education for two year olds (FEET)

There are 504 group settings and 430 childminders that provide FEET places. Most of these provide flexible hours to allow parents to work. In the 2016 spring term there were just over 1,500 children accessing FEET in Surrey. We monitor the take up of FEET as low take up may be due to insufficient places.

2.11 Quality of childcare settings (and occupancy rates)

Most (91%) childcare settings in Surrey are rated as good (66%) or outstanding (25%) by Ofsted. Overall, pre-school settings are more likely than out of school settings to be rated as good or outstanding (92% compared to 89% respectively).

Table 3 Ofsted EYFS inspection outcomes by childcare type

Childcare type	Count	Outstanding	Good	Satisfactory/ Requires improvement	Inadequate
Childminder	1,035	23%	68%	8%	0%
Day nursery	156	24%	65%	10%	1%
Extended day playgroup	140	35%	63%	2%	0%
Pre-school playgroup	130	21%	65%	12%	2%
Nursery unit of independent school	63	62%	35%	3%	0%
Before and/or after school care	80	15%	75%	10%	0%
Holiday playscheme	63	19%	68%	11%	2%
Total	1,667	25%	66%	8%	0%

Note: As at 08 April 2016. Includes ISI and ISI EYFS inspection outcomes.

There are 135 PVI settings in our most disadvantaged areas, including childminders and group providers. Most of these are rated good or outstanding by Ofsted. The vast majority of the maintained nursery schools and classes in disadvantaged areas are rated good and outstanding in their school inspection. This contrasts the national trend of poor quality settings in disadvantaged areas⁴.

As found in previous years, occupancy rates are related to Ofsted outcomes, with settings rated as good or outstanding more likely to be full or busy when compared to those that are rated as requiring improvement or inadequate. Settings that receive good or outstanding outcomes are more likely to have occupancy rates of 85% or higher, than settings with a satisfactory, requires improvement or inadequate inspection outcome.

Table 4 Occupancy rates and Ofsted outcomes

Childcare type	Settings rated good or outstanding			Settings rated satisfactory/requires improvement or inadequate		
	Count of settings	Settings with an occupancy rate of 85% and above	Settings with an occupancy rate below 85%	Count of settings	Settings with an occupancy rate of 85% and above	Settings with an occupancy rate below 85%
Day nursery	126	25%	75%	14	14%	86%
Sessional settings	250	42%	56%	19	26%	74%

Note: Where applicable for sessional settings, only morning occupancy rates are included.

⁴ Ofsted (2014) *Sector report: Early years*, https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/386504/Ofsted_Early_Years_Annual_Report_201213.pdf, accessed 18 October, 2016

2.12 Childcare costs

Different settings organise their charges in different ways. Below is an average cost by type, based on the most common way that childcare type charges.

Table 5 Average childcare costs by setting type

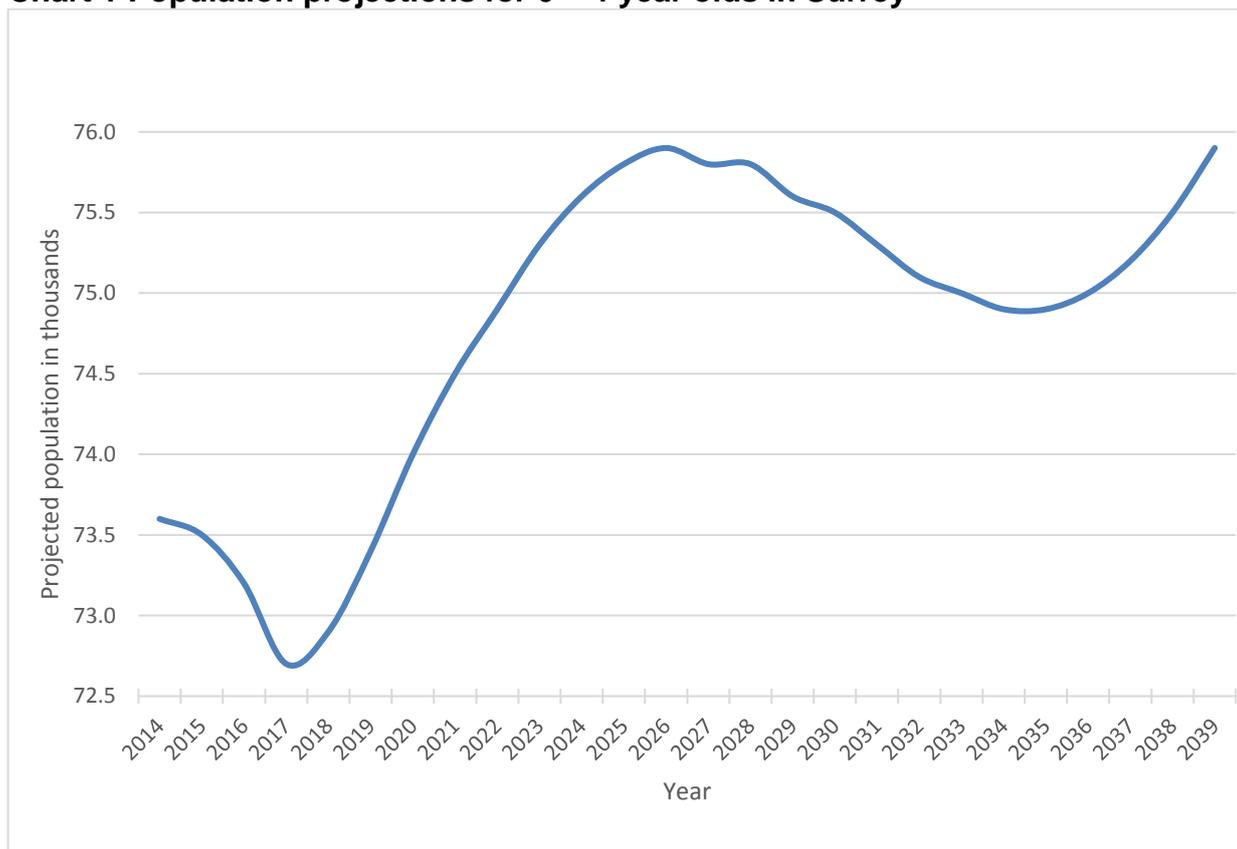
Childcare type	Average cost per hour	Average cost per session	Average cost per day	Average cost per week
Childminder	£5.55 (1,457/1,502)			
Day nursery under 2 years old		£37.25 (97/165)	£63.89 (145/165)	£295.37 (71/165)
Day nursery 2 - 4 years old		£34.02 (97/165)	£58.95 (145/165)	£265.90 (71/165)
Extended day playgroup	£5.72 (74/145)	£17.37 (91/145)		
Nursery unit of independent school		£26.93 (20/42)		
Pre-school playgroup		£15.03 (149/179)		
Breakfast club		£4.26 (158/182)		
After school club		£9.63 (193/208)		
Holiday scheme			£24.26 (78/102)	

Note: Figures in brackets indicate the number of settings for which we have cost information and the total number of settings. Some settings offer more than one rate of charges.

2.13 Pressures on supply

It is estimated that the population of nought to four year olds in Surrey will decrease slightly over the next year or two before rising for ten years. This rise will then peak and dropping off a little before rising again. This projection assumes that recent population trends will continue. The graph below shows estimated projections for nought to four year olds by year.

Chart 1 Population projections for 0 – 4 year olds in Surrey



Source: ONS

Note: These projections published on 25 May 2016 are based on the 2014 mid-year population estimates published on 25 June 2015

As well as the slight, projected population rise, there are also a number of housing developments planned throughout the county which are likely to result in an increased pressure for childcare and early education. We collect information about planned housing developments from each borough and district council. Based on permissions and housing trajectories over the next 10 years, the largest planned housing developments are focussed in and around Guildford town centre, Woking town centre, West Byfleet, Goldworth Park, Horley, Ash, Mytchett, Redhill, Foxhills, Chertsey, and Epsom. However, there are a number of other areas where there are large planned housing developments. These new properties over the next 10 years mean approximately 4,000 extra early education places will be required across Surrey.

As well as increases in population, the government scheme for Free Early Education for Two year olds (FEET) puts extra pressure on the availability of free early education places. From September 2014, the eligibility criteria for FEET expanded to include families receiving Working Tax Credit and Income related Employment and Support Allowance. For Surrey, this means about 2,000 two year olds are eligible each term. Alongside this, the government is currently finalising its scheme to offer an additional 15 hours of free childcare a week to working parents. It is difficult to predict how many working parents will take up the offer, but it is likely that take up will increase over time, as shown by historic patterns of take up for the universal entitlement, and for FEET. When we assess the sufficiency of early education provision we take into account, the number of settings that are open long enough to be able to offer the additional 15 free hours, and the number of funded three and four year olds currently attending for 25 hours or more a week to predict if demand for an area will be particularly high.

In order to predict the number of places we will need in the future, we use population projections, estimated pupil yields from planned housing developments, estimated numbers of eligible two year

olds, and estimated early education take-up rates (based on current take-up rates). We analyse this data at ward level, and cluster wards together, taking into account natural boundaries and where families go to take up free early education, because of the localised nature of childcare. The resulting, identified gaps are described further in section 5.

3 Current demand and take-up of services

3.1 Take-up of free early education for two, three and four year olds

In the 2016 spring term, 27,396 Surrey three and four year old children accessed free early education in Surrey settings (in the PVI and maintained sectors). This equates to 96% of all three and four year olds living in Surrey. We know that as many Surrey children access free early education in neighbouring local authorities, as non-Surrey children access free early education in Surrey. In the 2016 spring term, 1,146 three and four year olds living out of the county, accessed their free early education in Surrey. We know that almost all three and four year olds take up free early education, and only about 1% don't. We know from interviewing parents that, for most of the families that don't use free early education, this is through choice. But sometimes this is because parents don't know that their childcare provider is registered to offer the entitlement, or they prefer to use a childcare provider that does not offer the entitlement.

In the 2016 spring term, there were just over 1,700 children accessing FEET in Surrey. There are certain areas in Surrey with higher proportions of eligible two year olds. These are generally disadvantaged areas, where early education place density rates are significantly lower. Free early education take-up rates tend to be lower in disadvantaged areas than in non-disadvantaged areas. Maintained nursery schools and classes are more likely to be available in these areas and have been less likely to provide a flexible offer of free early education but less likely to charge for additional services. We have been working with this sector to encourage schools to offer nursery places flexibly.

Almost all parents with children under three tell us that they will use free early education for their children when they are old enough, which is expected as take up in Surrey continues to be high. Using the free hours across three days a week continues to be the most popular anticipated take up pattern, with a third of parents telling us they plan to do this. Just over a quarter of parents of under threes tell us that they will want to use the free early education across five days a week, and 18% of parents tell us they want to take up the free hours across four days a week. About 10% of parents say they will want to use the free hours across two days a week.

3.1.1 Using the full entitlement of free early education

In the 2016 spring term, 11% of funded two year olds accessed the free hours across more than 38 weeks a year in order to use the full entitlement. Of the two year olds accessing the free hours in term time only, 68% used at least 14 hours out of the maximum of 15 hours a week. A further 15% used between 10 and 14 hours a week, and 17% used less than 10 hours a week. It is most common for two year olds to take up the free hours across 4 days or five days. The majority of parents of these children are satisfied or very satisfied with the number of days the entitlement is used, the number of hours used and sessions offered by their childcare provider.

The table below summarises the above and the take up patterns for three and four year olds.

Table 6 Take up free early education for two, three and four year olds in spring 2016

Age	% Taking up the free hours across more than 38 weeks a year	Term time take up: 14 or more hours a week	Term time take up: 10 to 14 hours a week	Term time take up: Less than 10 hours a week
Two year olds	11%	68%	15%	17%
Three year olds	9%	74%	18%	10%
Four year olds	6%	85%	11%	4%

Most three and four year olds accessing the free hours across more than 38 weeks a year are accessing the full entitlement of 570 hours a year (81%). Almost three quarters of three year olds taking up the hours in term time are using the maximum entitlement. The percentage is much higher for four year olds at 85%.

Of the parents that used less than the full entitlement, 62% report that this was their choice.

“I wanted to be able to spend time with my son and take him swimming one morning a week.”

However, 15% of parents not accessing the full entitlement, say that they were prevented from doing so because their childcare provider was too full to offer them the sessions that they wanted, 13% say that their provider did not offer the full 15 hours, and a further 12% of parents say that they didn't access the full entitlement because the extra charges made it too expensive. Other reasons parents gave are mixed, some are more to do with parental choice, and some highlight that some parents cannot access the hours flexibly and miss out because of this.

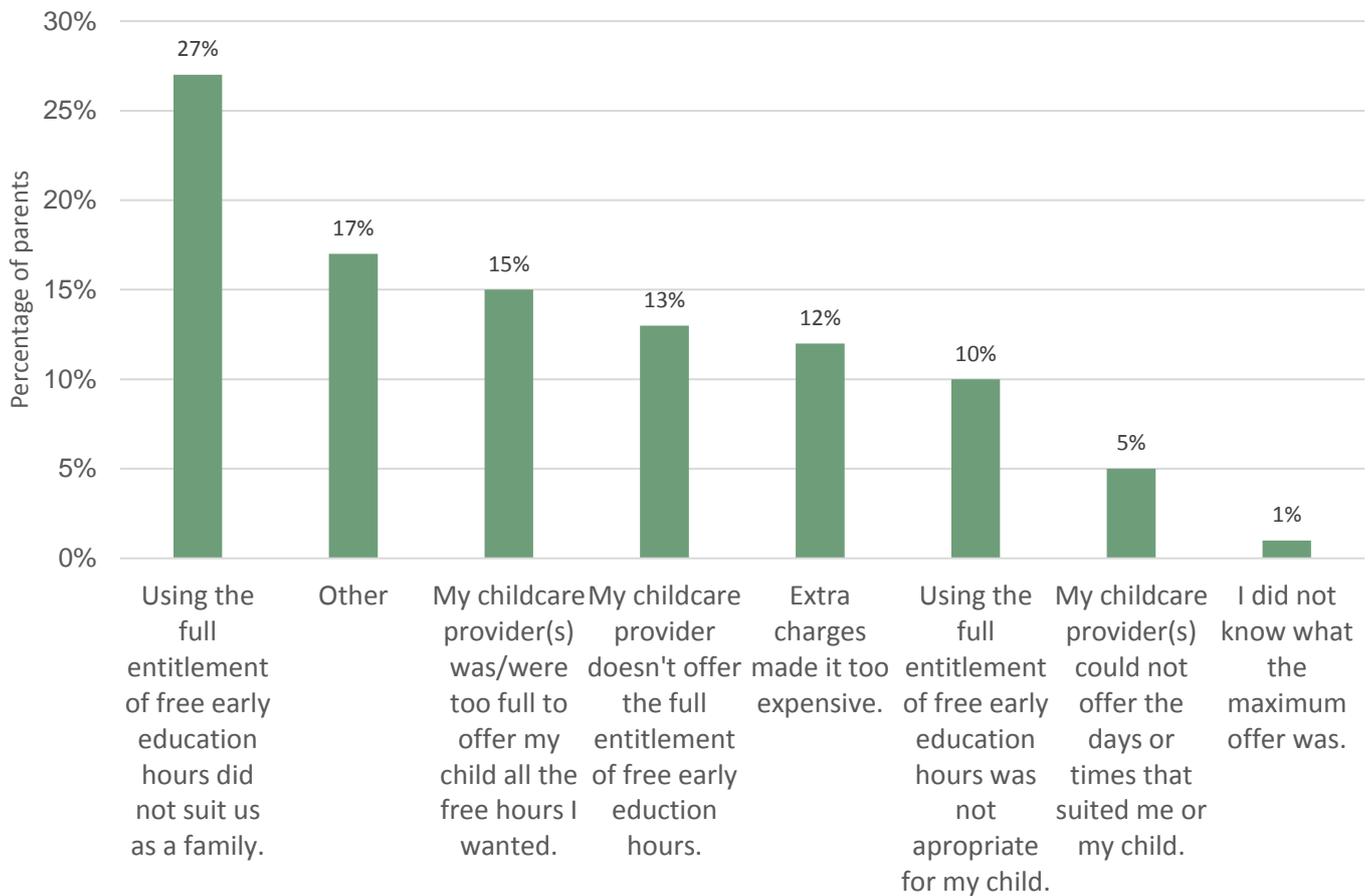
“I would have used the full entitlement however that would mean sending him an extra morning just to be able to use it, I would rather be able to use it on his actual two days, which he is only allowed to use 12 hours for, the extra costs for that day are still high and it would benefit me more if I could use them all over those two days.”

“The pre-school offered us 9 hrs and nursery the remainder. I only wanted him at pre-school 6 hrs, so would have benefited having the other 3 hrs used at the nursery.”

“Used 11 hours at one provider and could only use 3 hours at other provider due to FEE rules! “

“It has been very hard to find places that will take my child and honour the 15 hour free childcare available without being required to pay a daily top up fee which amounts to quite a lot of money. I am very disappointed that I have struggled so much to find somewhere where he can go for the 15 hours free. It would also be good to have the option of being able to use more hours which I am happy to pay for but many places would only let me use some of the free hours of my child was going there for much longer periods.”

Chart 2 Reasons for not using the full entitlement of free early education hours



This corresponds to satisfaction ratings for various aspects of using free early education. Most parents (82%) are satisfied or very satisfied with the number of hours a week of free early education they access, 10% are neither satisfied or dissatisfied and 8% are dissatisfied or very dissatisfied. In terms of the sessions they are offered by providers, 80% of parents are satisfied or very satisfied, 11% are neither satisfied or dissatisfied, and 9% are dissatisfied or very dissatisfied

3.2 Parents' use of formal childcare

Nationally, 20% of parents of children under 15 years old report that they are unable to find flexible childcare to meet their needs to work or train. Just over half of parents (51%) are able to find childcare that offers flexibility to meet their or their partners working pattern. When asked what changes parents would like to see, to make formal childcare more suitable, affordability is most commonly mentioned (34% of parents). Parents also mention provision of childcare during holiday periods (19%), longer opening hours (16%) and having more places available (12%). Almost four in ten parents say that they wouldn't make any changes to childcare. More than half of parents (64%) say that the childcare they use is of good quality and just under half (46%) feel that there are enough places available⁵.

⁵ Department for Education, (2014-15), *Childcare and early years survey of parents*

The findings from our survey to parents, carried out in June 2016 reveal that 21% of Surrey parents are not using as much childcare as they need to work or train. This percentage has decreased from 29% in 2013-14. The cost of childcare is the main barrier for parents. This percentage is higher for some groups of parents in the county. For example, 28% of parents with a child with SEND report that they are not using as much childcare as they need. This is discussed in more detail below.

3.2.1 Use of formal childcare and early education

Almost two-thirds (63%) of parents of children under three who responded to our survey use formal childcare for their child under three years old, regularly to allow them to work or train. This is a high percentage reflective of the sampling and distribution method. Just under half of parents (47%) use up to 20 hours of formal childcare a week, a quarter of parents use between 21 and 30 hours of formal childcare a week, and 29% use 31 hours or more a week. Just over half of parents that use formal childcare for their under threes, also use informal childcare arrangements in order to work or train.

Most parents using formal childcare for under threes are satisfied or very satisfied with the quality of childcare (95%). Satisfaction with the availability of childcare places for children under three is slightly lower with 83% parents, satisfied or very satisfied. Comments from parents highlight the local nature of childcare, and how availability can vary across the county.

"I have 2 children – aged 1 and 3 yrs. It was impossible to find a childminder with spaces for both children and still very difficult to find separate childminders. I have now found 2 childminders, but now struggle with multiple pick-up / drop-offs."

"I have two childminders to cover the days that I work which are Monday - Thursday. I wasn't able to find a childminder who had availability for all of the days."

"There are huge waiting lists for good nurseries."

"Availability of childcare places is not an issue (sic). Cost, when there is more than 1 child mounts up."

85% of parents are satisfied or very satisfied with the opening hours provided for childcare for under threes. The satisfaction with affordability of formal childcare for under threes is split with just over a third of parents (37%) satisfied or very satisfied with the cost and 41% dissatisfied or very dissatisfied with the cost of childcare.

"I start work at 8am but I struggle to find a nursery that opens before 8am so a childminder is my only option. The cost of childcare is horrendous, I'm currently paying out the same amount in childcare as I am earning."

Just under half of the parents of funded three and four year olds we surveyed (44%) use formal childcare on top of the free early education for their three or four year old to allow them to work or train. Almost half of these use formal childcare for more than 21 hours per week, 14% of parents are using 16-20 hours of formal childcare a week, and 38% of them use less than 15 hours of formal childcare a week.

The majority of parents using formal childcare for their three or four year old are satisfied or very satisfied with the quality of service provided (93% parents), availability of places (84%) and setting opening hours (79%). Just under half of parents (46%) are satisfied or very satisfied with the cost of formal childcare. 33% dissatisfied or very dissatisfied with the cost of formal childcare.

“We are very happy with the preschool we use, high quality caring atmosphere. Used it for my older children previously as well. It's busy so availability could be better but only because it's very popular. They do 5 mornings and only 2 afternoons it would be great if they could offer more afternoons and a lunch club every day rather than 4 times a week.”

Just under half of parents (46%) use informal childcare to allow them to work or train. Of these parents, 51% report that they use less than 10 hours of informal childcare a week. 33% of parents use between 11 and 20 hours of informal childcare a week and only 21% of parents use more than 21 hours a week of informal childcare a week.

Under half of parents with older children (44%) told us they use formal childcare for their school aged children in order to work or train. Again, parents are satisfied or very satisfied with the quality of the formal childcare services they use (89% of parents). However the percentage of parents satisfied or very satisfied with the availability of childcare places for school aged children, is lower at 75%, and the percentage satisfied or very satisfied with the opening hours 77%. Only 48% of parents are satisfied or very satisfied with the cost of childcare for school aged children.

There are not always spaces for after school club. Breakfast club is very expensive, the hours do not really help working parents and they will not accept childcare vouchers as payment, despite being run through an Ofsted registered school.

“After school and breakfast club places at schools are very scarce. They should be doing more to provide place.”

“It is very hard to find a childminder with spaces who is either recommended or has a good Ofsted rating in our area. Spaces go within minutes of being available. Although my childminder charges the average amount for a school aged child, this is still a lot of money and takes the majority of my salary. The quality of my childminder's service is excellent, though, and I do feel we are lucky to be able to send my child there, after and before school.”

“The breakfast club at my son's school opens at 8am - ideally I would like it to open at 7.45am. But I think 8am is suitable for most people I just work quite far from my son's school. I was able to get the breakfast school place for my son but I know some people have found it hard to get a space and are on a waiting list.”

“Limited child minders available especially to allow parents to leave for work early. Child minders are very expensive (£15 for 1 hr 10 mins for breakfast and school drop off). School-based breakfast club do not start early enough to be suitable for parents who do not work locally. Limited availability for after school club. Not enough variety for school-based after school club and clubs that run till later (5.30 - 6.00pm).”

“Significant lack of after school provision for children with special needs - we have to pay someone to come and help us at home. Provision is better during the holidays but there is a substantial demand on places.”

The following table shows the number of children attending group settings registered to offer early education in private, voluntary and independent settings in Surrey in January 2016.

Table 7 Number and percentage of children using group childcare settings in the PVI sector

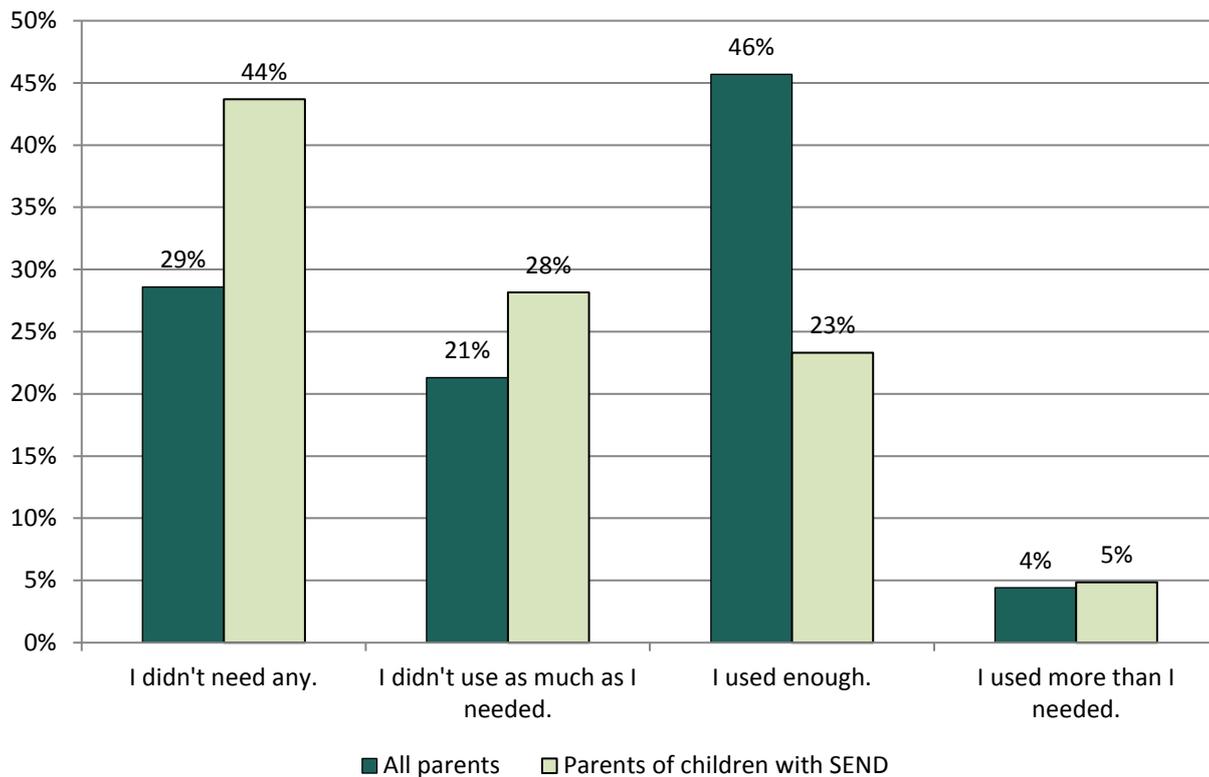
	Under 1 year olds	1 year olds	2 year olds	3 year olds	4 year olds	Total
Day nursery	965	3,585	4,472	4,611	1,710	15,343
Extended day playgroup	1	56	2,314	4,011	1,701	8,083
Nursery unit of independent school	0	0	324	1,054	1,302	2,680
Pre-school playgroup	0	4	1,473	2,572	947	4,996
Total number of children	966	3,645	8,583	12,248	5,660	31,102
Percentage of all children	7%	27%	63%	89%	40%	45%

Note: Collected as part of the Surrey childcare and early education practitioner census, January 2016. Children may be attending multiple settings. Attendance with home-based childcarers is not included. Attendance of three and four year olds in the maintained sector is not included. Base population figures used are from Office for National Statistics, Live births by postcode for academic years 2011/12 to 2014/15 and estimated based on these for children under one year old.

3.2.2 Are parents using enough childcare to allow them to work or to train?

When we asked parents if they used the right amount of formal childcare to allow them to work or train, whether they had used any or not, almost half of parents told us they used the right amount, just over a quarter of parents told us they didn't need to use any (29%), but about one in five parents told us they did not (21%). The percentage of parents of children with special educational needs or disabilities (SEND) not using enough formal childcare is higher at 28%. Parents of children with SEND are also more likely to report that they do not need any formal childcare and much less likely to report that they used enough.

Chart 3 Whether or not you used formal childcare last term, was it the right amount to allow you to work or train?



For parents not using enough childcare as they need, mainly, it is the cost of childcare that prevents them from doing so. Parents are dissatisfied with the affordability of childcare across all childcare types.

“Simply cannot afford more than 3 day a week. Our child care cost £600 a month.”

“Couldn't afford them - with two children. Needed day care - it wasn't viable for me to work extra. I'm limited to working nine hours over the weekend - weekdays just aren't a possibility for me at the moment.”

“All too expensive. We recently moved from Hackney where our daughter was in full time nursery for £800 per month (no funding). The equivalent here is £1400.”

“The cost of childcare in this area is more than 150% of that of the national average. My part-time work just about covered my childcare fees but I wasn't left with enough time to look for full-time employment. Factoring in commuting costs as well make it barely worth it...”

“The nursery class only offered 15 hours of free education per week and other forms of formal childcare were too expensive. There is only one after school club available for my child in school for her year group at the school (sic), which only runs once a week. More after schools clubs would be great (sports, arts and crafts etc). If there were more options for

cheaper/free childcare available like after school clubs I would have been able to work more hours."

Parents would also use more childcare if there were more places available, pre-school places and before and after school places. Many parents would like to use pre-school playgroups over day nurseries as a cheaper option but find that they cannot offer care for a longer day, and sometimes they do not have places available. They would also like nursery schools and nursery classes in state maintained schools to offer longer sessions to accommodate working hours. Parents who have longer working days or who have long commuting times would like longer opening hours, for breakfast clubs and after school clubs. Parents would like more holiday playscheme places for children from three years.

"I work part time but the nursery my son is enrolled in didn't have enough space for him to attend more often."

"We live in the commuter belt - so need a nursery that can keep children until 7pm. This would allow both parents to work in central London jobs that pay professional salaries. There isn't a nursery in the area that stays open this late, so my partner has had to sacrifice any option of a career."

"I work in London. Breakfast club starts at 8 which means I can't get into work on time. 7.30 would make the difference."

"Breakfast club starts too late for my working times. Cannot afford for children to attend formal childcare as it's too expensive. My two year old cannot start preschool when funding kicks in in Jan as only one intake, so have to pay for sessions from September but this limits how many she can do. We are having to split with preschool and nursery as preschool doesn't offer long enough time to work but nursery is really expensive as can only claim 6 hours of funding per day."

"Holiday play schemes - there are zero play schemes that allow a child of three to attend. Most holiday schemes start from age 5 so I cannot utilise them!! I desperately need a holiday play scheme for three and four year olds."

"I would pay more to a breakfast club for longer provision in earlier opening time, in order to get to work on time more easily."

"In this area there seems a shortage of childminders. The playgroup we use is very busy and there's a waiting list for places. Despite my son being on their waiting list since near birth there is no place for him on a Thursday."

Parents of children with SEND are further prevented from using formal childcare because they feel that the available provision does not meet the needs of their children, and that more specialist provision is needed. Where appropriate provision is available, parents feel that it is not offered for as long as they need or they are unable to access the number of sessions they need.

"Only one nursery available and able to meet his needs. Phoned various people in Surrey (early years teams etc) and got nowhere with getting any

help on this. More free hours would have helped. I've had to pay for these myself but with no extra income coming in as impossible to get paid work. I've been retraining / meet continued professional development requirements. There is little or NO childcare available for my SEN son for after school when he reaches Reception. I will struggle to get a job."

"The staff are very good and meet my child's needs. The club needs to be available more than 2 days a week."

"Very very VERY limited, if any childcare that is suitable for SEND past the age of 11 and minimal prior to age 11. Spent the last 7 years trying to juggle work and informal childcare. Exceptionally poor experience."

"After school clubs don't run daily. Holiday schemes only run a few weeks of the holidays. Help out at home too expensive."

"There is no after school club provision at my son's special needs school."

"Nothing available after school that doesn't entail me having to take my child elsewhere, which is a pointless exercise given the time required to do so."

Parents aged 25 and under are also more likely to report that they do not use enough formal childcare to allow them to work or train, (27%) with high costs being the main barrier for them.

4 Parents views about the additional 15 hours of childcare proposed for working parents

Parents are enthusiastic about the additional 15 hours childcare policy. 62% of them tell us that they will definitely take up the additional free childcare when it becomes available to them. A further 12% say they are very likely to take it up, and 5% say they are likely to, for a total of 79%.

Eight per cent of parents say they are unlikely or very unlikely to use the additional free childcare and 7% say they will definitely not. Most of these parents explain that they won't be eligible, but about 19% of them say that they don't want to use additional childcare.

Parents who do want to use the additional free childcare are likely to use an additional 11 to 15 hours (76%). A fifth of these parents intend to use 6 to 10 additional hours and 5% say they are likely to use up to five of the additional hours.

When asked how they might benefit from the additional free childcare, about half of these parents say that it will allow them or their spouse or partner to take up work, almost half (43%) say that they would continue to use the same amount of childcare but they will benefit because it will cost less. A third of parents say they will be able to use more childcare because of the new policy. Parents also tell us that they will be able to rely less on informal childcare, and use more formal childcare for their other children.

"It will make returning to work affordable - without these extra hours our monthly budget was running £100 deficit each month."

"It will mean that going to work won't be just paying for childcare! We will have more disposable income and less strain on our monthly budget."

“It will allow my mother to begin to get her life back (she has made huge sacrifices to enable me to have children), and my sons to have more structured stimulation during the day.”

“I won't have to use grandparents who find it hard to care for my daughter but do it to help us as working parents.”

“It will mean my daughter will have continuity of care locally as opposed to travelling to spend days with my in laws.”

Parents have mixed views about using more than one provider to take advantage of the additional free childcare. Almost half of parents tell us that they would definitely use, are very likely to use or are likely to use the additional hours even if they had to use more than one early years provider to do so (24%, 14%, and 11% respectively). But 31% say that they are unlikely, very unlikely or would definitely not use more than one childcare provider in order to use the additional free childcare (14%, 9%, and 8% respectively). A further 22% are unsure.

5 Identified gaps

In our last full childcare sufficiency assessment, we identified gaps in childcare and early education provision that we are continuing to address. Overall, 21% of parents in Surrey are not using as much childcare as they need to work or train. For parents of children with SEND, this percentage is higher at 28%. Young parents are also more likely to report that they are prevented from using as much childcare as they need to work or train.

5.1 Affordability of childcare

Parents are dissatisfied with the affordability of childcare across all childcare types. Parents acknowledge that pre-school playgroups can be more affordable than day nurseries so would like them to offer longer sessions. From 2017, eligible working parents will be able to access an additional 15 hours of free early education for three and four year olds. This will mean that they can access 1,140 hours of free early education hours a year, taken as 30 hours a week across 38 weeks, or fewer hours stretched across more weeks. Households will be eligible if:

- both parents are working (or the sole parent is working in a lone parent family)
- each parent earns on average a weekly minimum equivalent to 16 hours at National Minimum wage (£107 a week or £5,574 per year) or 16 hours at National Living wage (£115 a week or £5,990 per year)
- neither parent has an income of more than £100,000 per year

It is also proposed that the additional hours should be made available to families in the following circumstances:

- both parents are employed but one or both parents is temporarily away from the workplace on parental, maternity or paternity leave
- both parents are employed but one or both parents is temporarily away from the workplace on adoption leave
- both parents are employed but one or both parents is temporarily away from the workplace on statutory sick pay
- one parent is employed and one parent has substantial caring responsibilities based on specific benefits received for caring, or
- one parent is employed and one parent is disabled or incapacitated based on receipt of specific benefits

This will help some parents be able to afford to use more childcare, but not all. Parents would use childminders and day nurseries more, for younger children, if they could afford it. And parents of older children would use breakfast clubs, after school clubs and holiday playschemes if they were more affordable.

5.2 Opening hours

Working parents would like day nurseries, and before and after school clubs to open earlier and stay open later. This is particularly true for parents commuting into London. Only 10% of day nurseries in the county open before 7.30am. A further 41% at 7.30am or 7.45am, 47% open at 8am with the remaining opening after this time. More than half of day nurseries (60%) close at 6pm, and a further 34% close at 6.15 or later (mostly closing at 7pm).

Some childminders provide earlier or later opening hours. In Surrey, 58% of childminders are open before 7.30am (2% open before 7am). Almost three quarters of childminders close between 6pm and 7pm, with 7% closing at 7pm or later.

Only 15% of breakfast clubs are open from 7.30am or earlier (none open before 7am). Three quarters of breakfast clubs are open from 7.45am. Almost two thirds of after school clubs close at 6pm, with only 9% staying open later than this.

Parents of disabled children would use more provision if it were more affordable and if there were more services that could cater to their children's special needs.

Although parents are generally satisfied with the availability of childcare places, they would use more childcare and early education if more places were available, particularly day nurseries and childminders.

5.3 Availability of formal childcare places

Some parents tell us that there are not enough childcare places for children under three years and for school-aged children. As mentioned, the cost of childcare prevents parents from using day nurseries and childminders as much as they want, but parents also comment that childminders can be difficult to find. The availability of childminders varies across the county, and even within a small area, some childminders may not be able to accommodate specific requests from parents, even if they have vacant places.

Over three quarters (78%) of infant, junior and primary schools have access to before and/or after school group settings. All schools in Elmbridge have either provision on site or a pick-up service offered by another group setting. Schools in Tandridge are significantly less likely to have access to before and/or after school group settings. Of the schools that do not have access to before and/or after school group settings, either on site or through a pick-up service, most (86%) have at least one childminder that picks up from the school.

5.4 Childcare for disabled children

The use of childcare is important to parents of disabled children. They need it for reasons other than to allow them to work. These parents want to use services:

- for themselves, to work, to socialise, and for personal identity
- for their disabled child to socialise with children their own age, to find role models, and to build self confidence
- and for the family, to allow siblings wider opportunities.

Parents of disabled children feel that childcare is too expensive and that there is not enough provision that can cater to their children's needs. Parents want to feel informed about what services are on offer, yet most (71%) are not familiar with Surrey's Family Information Service. However,

most parents report that they use the Internet to find information regarding childcare for children with SEND (71%).

5.5 Need for free early education places across Surrey

Rising free early education take-up rates, pupil yields from planned housing developments, and the increased number of two year olds eligible for free early education mean that there will not be enough childcare and early education places in the future in some parts of the county. All of these issues are discussed in more detail below and section 5 summarises how we will address the identified gaps.

We consider a wide range of information to identify areas in Surrey with insufficient childcare and early education. We take into account increases in population and planned housing developments, as well as looking at:

- Pre-school childcare density rates
- Early education density rates
- Occupancy rates for sessional pre-school setting (for the PVI and maintained sectors) and day nurseries
- Information about waiting lists for settings offering free early education
- Take-up rates for early education
- Projected need for early education places
- The need for FEET places
- The need for additional 15 hour free childcare for working parents
- Demographic information
- Relevant information about surrounding areas

For occupancy rates, and early education take-up, we use information from the spring term because settings are generally less busy in the autumn and most busy in the summer term. Information from the spring term is more reliable because it reduces the likelihood of over or under estimation. Using spring term year on year allows us to compare data to monitor change.

We analyse this data at ward level. We also look at where people travel to and from to take up early education. This helps us group wards together in a way that makes sense because ward boundaries do not necessarily define childcare and early education use. We know that people use early education services close to where they live, but sometimes this means crossing ward boundaries. There are 206 wards in Surrey, and we have grouped them into 73 clusters. The identified geographical gaps listed in this report are correct as at 01 September 2016, and use information collected in 2016.

We have identified that for six of these clusters current provision will not be able to meet future demand for early education. These clusters are:

- Holmwoods and Beare Green in Mole Valley district
- Bletchingley and Nutfield, Merstham, Redhill East, and Redhill West wards in Reigate and Banstead borough and Tandridge (also a focused area for FEET)
- Chertsey Meads, and Chertsey St Ann's in Runnymede borough (also a focused area for FEET)
- Addlestone Bourneside, Addlestone North, and Chertsey South and Row Town wards in Runnymede borough
- Stanwell North, Ashford North and Stanwell South in Spelthorne borough (also a focused area for FEET)
- Ashford East, Ashford Common, and Ashford Town wards in Spelthorne borough (also a focused area for FEET)

Some of the areas listed above are also focused areas for the development of FEET places because they have high numbers of eligible families and low FEET take up rates.

In some clusters, current provision might not be able to meet future demand. These are:

- Hersham Village, Walton Central, Walton North, Walton South wards in Elmbridge borough
- Oatlands & Burwood Park, Weybridge Riverside, Weybridge St George's Hill in Elmbridge borough (also a focused area for FEET)
- Burpham, and Merrow wards in Guildford borough
- Fetcham East and Fetcham West wards in Mole Valley district
- Mickleham, Westhumble and Pixham In Mole Valley district
- Horley Central, Horley East, and Horley West wards in Reigate and Banstead borough (also a focused area for FEET)
- Tattenhams and Preston wards in Reigate an Banstead borough (also a focused area for FEET)
- Laleham and Shepperton Green, Shepperton Town, Halliford and Sunbury West, Sunbury East, Sunbury Common wards in Spelthorne borough (also a focused area for FEET)
- Watchetts, Town, St Michaels wards in Surrey Heath (also a focused area for FEET)
- Warlingham West, Warlingham East and Chelsham and Farleigh, Woldingham wards in Tandridge district
- Byfleet, West Byfleet, and Pyrford wards in Woking borough
- Maybury and Sheerwater, Mount Hermon East, Mount Hermon West, Old Woking, Kingfield and Westfield, Mayford and Sutton Green wards in Woking borough (also a focused area for FEET)

We also identified the following areas where eligibility for FEET is high and take up rates for FEET are low:

- Molesey East and Molesey West wards in Elmbridge borough
- Town, Court, College and Stamford and Woodcote wards in Epsom and Ewell borough
- Ash Vale, Ash Wharf, Ash South and Tongham wards in Guildford borough
- Onslow, Friary and St Nicolas, Holy Trinity, Christchurch, and Shalford wards in Guildford borough
- Staines, Staines South, Riverside and Laleham wards in Spelthorne borough
- St John's and Hook Heath, Goldsworth West, Goldsworth East, Knaphill, Brookwood, Hermitage and Knaphill South in Woking borough

6 Next steps

Since the last CSA, we have supported the development of childcare and early education places in areas where this was needed. We continuously monitor the market and the take-up of childcare and early education services to measure the sufficiency and accessibility of provision. Over the coming year, we will continue to address the need for more early education places and other issues identified in section 5.

6.1 Affordability of childcare

To improve parents' and carers' access to childcare services we will continue to:

- Support settings registered to offer free early education to do this flexibly so that families can use the full 15 hours across two, three, or four days and fewer families pay for additional hours
- Promote national childcare voucher schemes to settings so that more settings are registered to accept childcare vouchers and more parents are aware and use them.

- Promote free early education for two, three and four year olds, highlighting the opportunities to access free early education flexibly so that more parents are aware of how they can take up free early education.
- Continue to promote ways parents can reduce childcare costs including national and local schemes so that more parents and carers can access childcare.

We will also

- Help providers identify the demand for the additional 15 free hours of childcare for working parents
- Support childcare and early education providers to offer the additional 15 hours of free childcare
- Inform parents about the extra 15 hours of free childcare available to working parents

6.2 Opening hours

To help parents and carers access childcare services when they need it, we will:

- Encourage and help maintained schools that offer free early education in nursery classes to offer it flexibly so that they are a real option to parents and carers.
- Provide sound business advice to settings regarding sustainability when considering increasing opening hours so that more settings are open for the hours that parents and carers need them.

6.3 Formal childcare places

We will make sure that there are enough childcare places by supporting existing and prospective providers with relevant information about the market and helping them identify where pre-school childcare and before and after school places are needed. We will continue to help providers advertise their vacancies and make this information available to parents.

We will continue to help parents find childcare through our Family Information Service, brokering places for parents who are finding it particularly difficult to find what they need.

6.4 Childcare for disabled children

To help parents of disabled children access the childcare services they need, we will:

- Promote the support and funding we offer to settings to help them cater for disabled children (including 15 hours funding) so that more settings are confident in catering for them.
- Promote to parents, mainstream settings that have experience with special needs and disabilities, as well as specialist schemes, and other support available to them through Childcare Finder, EYCS Early Support Service, and the local offer so that parents and carers feel more informed and are able to access the childcare services they need.

We will also consult parents of disabled children to find out how they can benefit from the extended offer of 15 additional hours of free childcare, and how provision can be best supported to meet their needs

6.5 Need for free early education places across Surrey

To make sure there are enough free early education places across Surrey, we will support the development of places in the maintained and PVI sector in the ward clusters with projected shortfalls of places (see section 5.5). Annex B sets out how we will do this.

Annex A: Progress made in areas where there was a need identified for more free early education places in 2015

The following tables summarise progress made in areas identified in the 2015 assessment where provision is not sufficient to meet future demand for early education.

Table 1 Activity in areas identified in the 2015 CSA as not being able to meet future demand for early education

Ward cluster	Activity and issues
Burpham, Merrow (also a focused area for development of FEET places)	A day nursery closed in Merrow and relocated to Burpham offering eight additional early education places. An extended day preschool opened in Christchurch ward on the border of Burpham and Merrow offering 20 places, four for two year olds and 16 for three and four year olds. We will continue to monitor demand and supply in the area and support development because there is a projected deficit of places for 2021.
Bletchingley and Nutfield, Merstham, Redhill East and Redhill West (Also a focused area for development of FEET places)	We supported an extended day pre-school playgroup to offer eight more places, and a school in Redhill to create four places for FEET. New provision is opening in Merstham Hub in 2017, which will offer 40 places. We are also working with a school in Bletchingley to offer 26 flexible early education places. There is a large projected deficit of places for 2017 and 2021 so the area will continue to be flagged as a priority for the development of places. Progress on these projects will be monitored as well as demand for places.
Chertsey South and Row Town, Addlestone Bourneside, Addlestone North	We supported a provider to replace extended day pre-school provision on a school site in Addlestone North, which offers 10 more places. We are supporting a school in New Haw (bordering Addlestone Bourneside ward) to offer early education places for two year olds(four places), and three and four year olds (26 places). Another school in Addlestone Bourneside ward is planning to change their model of delivery so they can provide additional places. The area will continue to be prioritised for the development of places as these projects are monitored as well as demand in the area.
Byfleet, West Byfleet, Pyrford provision	The rebuild of Pyrford Primary School includes the development of a nursery, which is planned to open in September 2017 and will offer 40 places. Plans to relocate Kings pre-school in Byfleet will help to maintain provision in the area. Twelve FEET places were created at a school located in the area but will also attract children from the Maybury area. We will continue to monitor provision in the area as we predict that demand for the additional free childcare for working parents will be high and this may impact on the availability of places.
Walton North, Walton Central, Walton Ambleside, Walton South, and Hersham North wards in Elmbridge borough (also focused area for development of FEET places)	We supported a day nursery just over the border of Walton South to expand and increase their capacity to offer 24 additional places. We also supported the development of a new day nursery in Walton Central which offers 44 places. Another day nursery will be opening in Hersham North in 2017 creating 24 places. Two new extended day pre-school playgroups opened in Walton Central offering 20 FEET places and 20 places for three and four year olds. Once the development of places in these wards is completed we will need to assess the impact and review if further places are required.

Holmwoods and Beare Green in Mole Valley district	We are in the early stages of supporting the development of a nursery on a school site in Beare Green Ward which will offer 26 places.
Horley Central, Horley East, and Horley West wards in Reigate and Banstead borough (also focused area for development of FEET places)	In Horley Central ward, we helped a day nursery expand to create 44 additional places. We also helped an extended day pre-school playgroup to replace a smaller provision creating an additional eight places. A new day nursery in Horley West is expanding to offer 24 more places. A school nursery class providing 26 places opened in Horley East ward, and an extended day pre-school playgroup will open in the same ward in 2017, offering a further 34 places. However, two providers in Horley East are experiencing premises issues so some places are at risk. The area will continue to be monitored for this reason.
Horsell West, and Horsell East and Woodham wards in Woking borough (also focused area for development of FEET places)	It has been a challenge to develop new provision in the area because of a lack of suitable buildings. We have supported settings in the area to increase the number of places offered and the development of a 12 place FEET provision on a school site close to Horsell West

Table 2 Activity in areas identified in the 2015 CSA as focussed areas for FEET place development

Ward cluster	Activity and issues
Ash Vale, Ash Wharf, Ash South and Tongham wards in Guildford borough	We supported the expansion of provision in Ash Wharf creating 6 places. Eligibility for FEET continues to be high in the area but take up rates have improved.
Reigate Hill and Reigate Central wards in Reigate and Banstead borough	A new provision will open in January 2017 offering 36 places, 12 of these will be for two year olds. This will be enough to meet demand for places as there is not a high number of eligible children.
Stanwell North, Ashford North and Stanwell South wards in Spelthorne borough	This has been identified as an area with insufficient provision to meet future demand for the universal offer, for FEET and for the additional 15 hours free childcare, in the 2016 CSA update. There are plans to develop nursery provision as part of a primary school expansion project but it won't be completed until 2018-19.
Thorpe, Egham Hythe wards in Runnymede borough	We are working with schools in the area to encourage them to offer at least four places for FEET. One school on the border of Egham Hythe ward is doing this, and new provision is due to open in November 2016 offering four more FEET places. While take up rates for FEET are not high in the area, the number of eligible children is not particularly high.

Annex B: Surrey County Council policy on ensuring sufficient childcare and early education provision

This document explains how the Council fulfils its statutory duties to ensure sufficient childcare and early education places as set out in the Childcare Act 2006.

1. Statutory duties

- 1.1 Section 6 of the Childcare Act 2006 places a duty on English local authorities to make sure there are enough childcare places of high quality for parents that need them to allow them to work or train. Childcare is defined as any form of care for a child that is paid for or is funded, including education and any other supervised activity (section 18 of the 2006 Childcare Act). This includes care registered with Office for Standards in Education (Ofsted) or care offered on a school site.
- 1.2 Section 7 of the Childcare Act 2006 sets out a duty for all English local authorities to secure free early education places for all three and four year olds and for the most disadvantaged two year olds. A free early education place is defined as 570 hours a year, accessed across no fewer than 38 weeks a year. Children are eligible from the term after their third birthday, or if eligible, the term after their second birthday.
- 1.3 From September 2017 eligible working parents will be entitled to an additional 570 hours of free childcare for their three and four year old children. It is estimated that about 29% of three and four year olds will be eligible for this extended offer (Department for Education, Childcare Bill Policy Statement, December 2015).

2. Assessing sufficiency

- 2.1 Surrey County Council needs to take into account what is 'reasonably practicable' when assessing what sufficient childcare means and determine whether:
- There are enough childcare and early education places
 - Childcare places are of high quality
 - A range of childcare services are offered to meet parents' needs
 - Childcare and early education places are accessible
 - Enough information is available to parents and carers to allow them to make informed decisions about childcare and early years services.
- 2.2 The Early Years and Childcare Service (EYCS) assesses the sufficiency of childcare and early education regularly, by consulting childcare and early education providers and parents and carers. The assessment takes into account:
- The state of the childcare market; the supply and demand for services,
 - The projected need for places for the next five years, by estimating future population size and future take up of services.
 - The quality and capacity of current childcare providers and the potential to meet future need.
- 2.3 The EYCS reports annually to elected council member on how we are meeting our duty to secure sufficient childcare and the report is made available to current childcare providers, parents and prospective providers through our website. The report details how we are meeting the needs of:
- Disabled children,

- Children from families in receipt of the childcare element of Working Tax Credit or Universal Credit
- Children with parents who work irregular hours,
- Children aged two, three and four taking up early education places,
- School aged children,
- Children needing holiday care.

It has to include information about what is currently available for different aged children and how the Council will address any gaps in provision.

3. Securing sufficient provision

- 3.1 Surrey County Council does not have a duty to be the provider of childcare and early education places. There are some maintained nursery schools and some primary schools have maintained nursery classes attached to them but the majority of early education settings in Surrey are run by private, voluntary and independent providers.
- 3.2 In order to fill gaps in provision, the EYCS works with and supports current maintained and non maintained childcare and early education settings to sustain high quality provision, and to expand the number of places offered. The EYCS offers training, funding, advice and support to help providers meet the standards set out in the Statutory framework for the Early Years Foundation Stage⁶ and to help them support the needs of all children, including those with special educational needs and disabilities, in a financially viable way⁷. The EYCS also works with prospective providers, schools, borough and district councils, and community and voluntary organisations to identify buildings to support the development of new places.
- 3.3 Where new primary schools are planned for development, the need for early years places is considered alongside these plans and the development of nursery classes is included where a need can be evidenced. The evidence will be found in the Childcare Sufficiency Assessment and from pupil yield calculations from new housing developments as described in point 4 below.
- 3.4 When community premises are identified, the EYCS invite private, voluntary and independent childcare providers to submit a tender outlining how they can work in partnership with the council and other early years providers to develop high quality services.

4. New housing developments: Early years pupil yields

- 4.1 A study commissioned by the council shows that large, new housing developments yield children that are new to the development area⁸. There is an estimated yield of 11 pupils aged two to four years per 100 new dwellings (0.11 pupils per unit). Cognisant's child yields have been adjusted based on free early education take up patterns. The Early years pupil yield includes:
- 40% of the overall four year old child yield (as 60% of four year olds are in reception year)
 - 20% of the overall two year old child yield, as this is the average percentage eligible for free early education
 - 100% of the overall child yield for three year olds.

⁶ Department for Education (March 2014), *Statutory framework for the early years foundation stage, Setting the standards for learning, development and care for children from birth to five*

⁷ Support for early years practitioners is summarised her: <https://www.surreycc.gov.uk/schools-and-learning/childcare-professionals>

⁸ Cognisant (2015)

- 4.2 There is no capital allocated by the council for the development of early years places. Therefore the shortfall in funding for the development of additional places is the full cost of any additional infrastructure provision, and this funding will be sought from housing developers. The council will request developer contributions through Section 106⁹ or the Community Infrastructure Levy¹⁰ (CIL) to support early education provision at sites identified near new housing developments.
- 4.3 The council will request a financial contribution from a housing developer when it can be demonstrated that there is a need to sustain, expand or develop early years places in the area of the development.
- 4.4 The amount requested from housing developers is calculated using an early years place cost multiplier. This is derived from the historic costs in Surrey of developing childcare places. The cost of provision of an early years place is estimated at £ 9,615.

⁹ Town and Country Planning Act 1990

¹⁰ Planning Act 2008