

2. Strategic Overview

2.1 Statutory requirement

The requirement for Local Authorities to assess and secure sufficient childcare became statutory under the Childcare Act in 2006. In Swindon this built on considerable previous work carried out by Swindon Borough Council and its partners in the private voluntary and maintained sectors implementing the national childcare strategy and its predecessors. Swindon's first Childcare Sufficiency Assessment was published in March 2008; the second Assessment is due for publication before the end of March 2011.

The Department for Education publication *Securing Sufficient Childcare 2010* is the statutory guidance for Local Authorities in carrying out their childcare sufficiency duties.

In defining childcare sufficiency the guidance states that childcare is:

- 'any form of care for a child' including 'education...and any other supervised activity' and that this applies to
- 'all children up to 1st September after they reach the age of 14' and
- 'for children with a disability... until they reach the age of 18.'

Under the guidance the availability of childcare is relevant for the purpose of childcare sufficiency under section 6 (1) of the Childcare Act 2006 where it:

- 'meets the requirements of parents in the local authority's area who require childcare in order to enable them to:
 - a) take up, or remain in, work, or
 - b) undertake education or training which could reasonably be expected to assist them to obtain work'

To consider how this applies to Swindon relevant local employment trends are outlined below in this section and detailed supply and demand assessments are made in sections 4 (childcare for under fives) and 5 (childcare for school aged children) of this assessment.

Additionally the guidance states that 'under Section 6(2) of the Childcare Act 2006, in determining whether childcare is sufficient, the Local Authority must have regard to the needs of parents in their area for provision for which

- the childcare element of Working Tax Credit is payable
- the provision of childcare that is suitable for children with a disability'

Tax credit awareness and registered supply for which the childcare element of the working tax credit can be claimed in Swindon is detailed in sections 4 (childcare for under fives) and 5 (childcare for school aged children) of this assessment. National Indicator 118 (take up of formal childcare by low-income working families) and how it applies in Swindon is considered below in this section.

Supply of and demand for childcare for disabled children is analysed in section 7 of this assessment.

The guidance further states that the Childcare Act 2006 places the duty on Local Authorities to secure the provision of childcare 'so far as is reasonably practicable'. In assessing what is reasonably practicable the Local Authority may take into account:

- the state of the local childcare market (including supply and demand)
- the state of the labour market
- the resources and capabilities of childcare providers
- the need to develop an effective phased programme to meet the sufficiency duty
- the Local Authority's resources, capabilities and overall budget priorities.

Section 3 of this assessment (developments April 2008 – March 2011) outlines the main ways in which Swindon Borough Council has supported the childcare market in Swindon following the previous Childcare Sufficiency Assessment published in March 2008.

Section 10 (action plan) of this assessment details the actions that have been identified in this assessment that will further contribute towards meeting Swindon's childcare sufficiency duties.

2.2 Strategic fit

Swindon's Childcare Sufficiency Assessment is annexed to the Children and Young People's Needs Assessment. This in turn feeds into the JSNA (Joint Strategic Needs Assessment) and Child Poverty Assessment.

Job Centre Plus is a key partner in the delivery of childcare sufficiency.

2.3 Policy context

The change of Government in May 2010 initiated a period of reassessment both nationally and locally across all publicly funded services. At the point of writing it is known that there will be significant changes in policy, funding and ultimately in the delivery of local services but there are a great many unknowns about the nature and impact of these potential changes. The following is the current understanding in areas which have a potential impact on the childcare market in Swindon.

Prior to November 2008 lone parents with a youngest child under the age of sixteen could claim income support as a lone parent (ie they were not required to look for work in order to be eligible for benefits). Increased conditionality for lone parents has been gradually rolled out since then. The age threshold is now seven and there are plans to lower it further to age five from 2012. Lone parents will move from income support onto job seekers allowance and will be expected to be taking steps towards returning to work once their youngest child starts school.

The impact on the childcare market of the universal credit is not known. It may have an impact on parents' work options and childcare affordability, and may have a knock on effect on childcare demand, for example in the need for part time childcare placements or additional demands on atypical care.

Workless households (families where no adult works and are on benefits) and in work poverty (working families on low incomes) continue to be a focus both to ensure that childcare is not a barrier to work or working more, and as part of assessing the complexities of child poverty.

2.4 Local market and employment trends

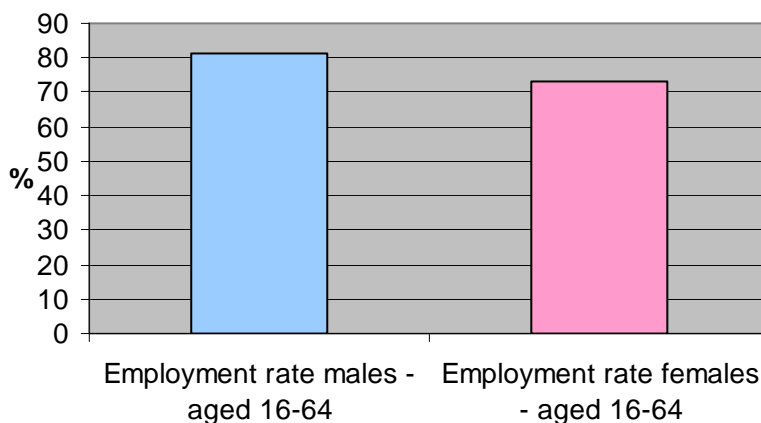
A key development in the action plan for childcare sufficiency from 2008 focussed on the need to align childcare services more with demand. There was evidence that while work demands had become increasingly atypical in pattern (ie not 9 to 5 Monday to Friday) a significant proportion of childcare providers had not adapted their services at that time to accommodate the childcare needs of parents who worked shifts or part time or atypical hours. While the 2011 parental survey identified cost as the main barrier to using childcare facing parents, many parent comments highlighted a mismatch still between work requirements and available childcare. A sample of parents working with Job Centre Plus advisers identified atypical care as the most common barrier to returning to the workforce. Investing in increased flexibility in the childcare market meets both immediate need and also provides foundations to support longer term changes in demography and work patterns as people live and work longer.

Large numbers of staff commute into Swindon to work each day. There is little evidence of any significant impact on the local Swindon childcare market with the exception of some limited use in workplace nurseries by incommuters. The number of families accessing early education funding who live out of area at any one time is in the region of fifty. Fewer than twenty families who live out of area were identified through the parent survey as using childcare services in Swindon.

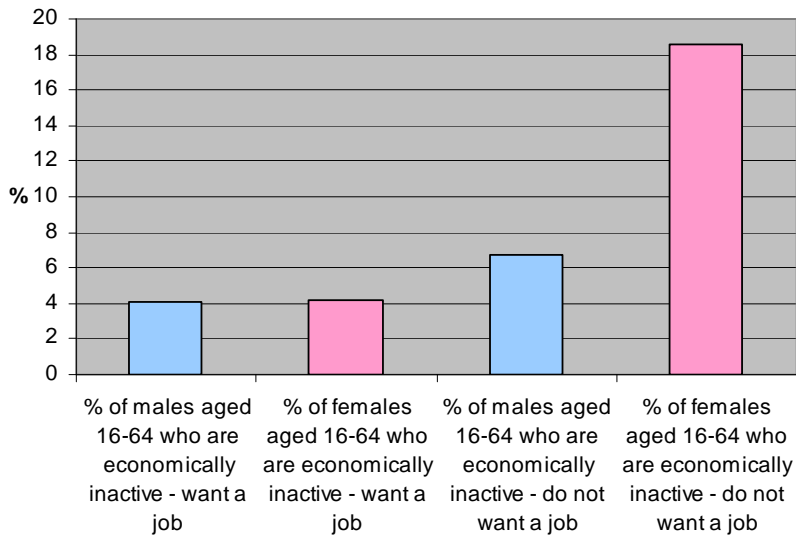
As a growth town, there is significant new housing development planned in Swindon alongside employment opportunities. This growth will generate additional demand for early education and childcare services.

The following graphs show some of the key employment statistics that are relevant to the childcare market. Statistics are available about adults; they can be broken down by gender but cannot be broken down to identify which adults are parents of dependent children.

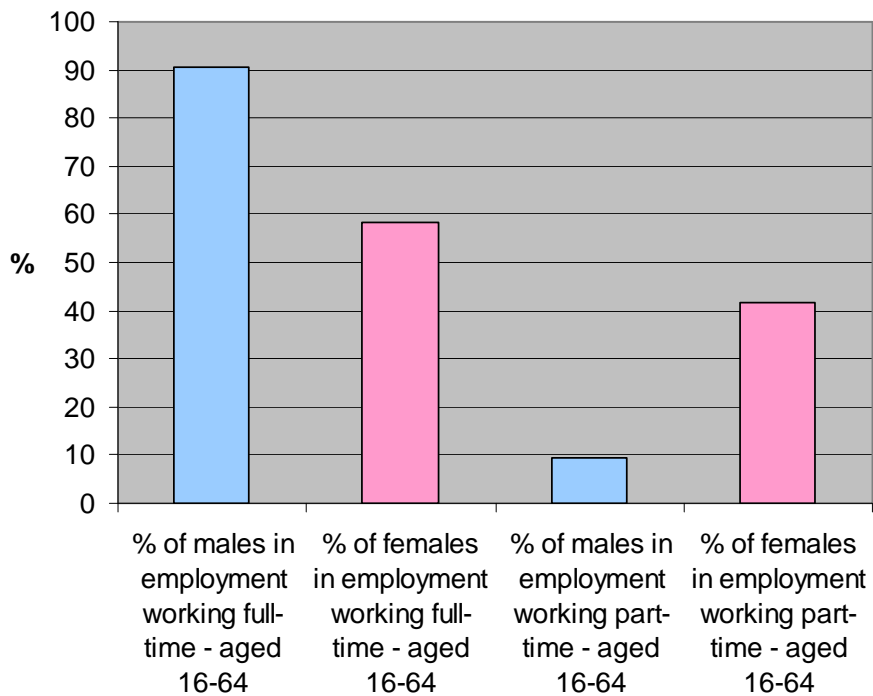
Employment Rate Swindon 2009
(Source: Office for National Statistics)



Economic Inactivity by gender in Swindon 2009
(Source: Office for National Statistics)



Full time and part time working rates by gender in Swindon 2009 (Source: Office for National Statistics)



2.5 National Indicator 118 – take up of formal childcare by low-income working families.

National Indicator 118 is defined as the number of working families benefiting from the childcare element of Working Tax Credit (WTC) as a percentage of the number of working families receiving more than the family element of Child Tax Credit (CTC)

This shows how well in comparison with the national average that the Local Authority is performing in meeting its duty to ensure there is sufficient childcare for which the childcare element of Working Tax Credit is payable.

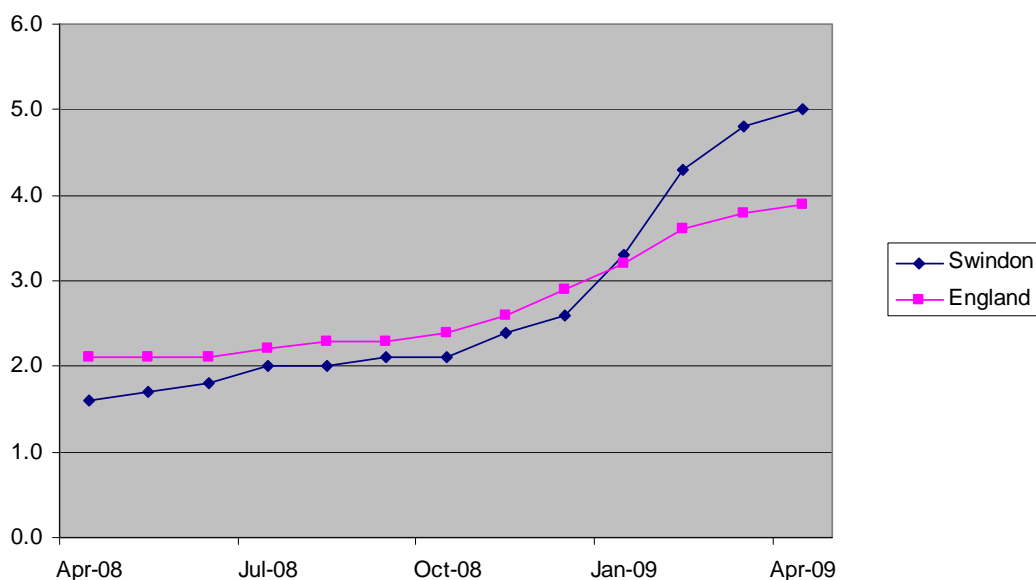
Source: HMRC Tax credit administrative data

	04 - 05	05 - 06	06 - 07	07 - 08	Sep 08	Dec 08	Apr 09
England	14.48%	15.85%	16.95%	17.76%	19.3%	19%	18.9%
Swindon	15.11%	16.50%	17.66%	18.26%	20.3%	19%	17.3%
	+0.63%	+0.65%	+0.71%	+0.50%	+1.00%	0	-1.6%

In Swindon, the percentage of families who meet the definition has historically been between 0 and 1% higher than the national average. However, between December 08 and April 09 the rate has fallen to below the national average.

The decline in the tax credit take up rate for NI118 is mirrored in the steep rise in the Job Seekers Allowance claimant rate between October 08 and April 09. The recession impact in Swindon was particularly marked with the JSA claimant rate climbing more steeply than the national rate during this period.

JSA claimant rate April 08 - April 09
Source: Office for National Statistics



Between May 09 and December 10 the JSA claimant rate in Swindon declined and fell below national figures mid 2010. HMRC tax credit administrative data lags behind available data for JSA claimants and therefore it will not be known whether NI118 tax credit take up rates will increase against national figures proportionately until the 2010 tax credit figures are published.

JSA claimant rate May 09 - December 10
Source: Office for National Statistics

