



Assessment of Childcare Sufficiency 2011

Summary Report

March 2011



1. Introduction

- 1.1 The Childcare Act 2006 placed duties on English local authorities to improve outcomes for young children and reduce inequalities between them; to secure sufficient childcare to enable parents to work; and to provide information to parents about childcare and a wide range of other services that may be of benefit to them.
- 1.2 The Act gives local authorities a key role in shaping the childcare market in their area. They will, working with providers from the private, voluntary, independent and maintained sectors, look to create a strong, sustainable and diverse childcare market that meets the needs of parents. Local authorities have a duty to secure sufficient childcare for parents in their area. In support of this duty, a detailed assessment of the supply of, and demand for, childcare in their area is required on a regular basis. The last full Childcare Sufficiency Assessment was made in 2007.

Aims and Objectives

- 1.3 This report aims to provide Blackpool Council with an updated assessment of sufficiency regarding the supply of childcare and parental demand for childcare to enable the Council to perform its Childcare Duty as outlined in the Childcare Act (2006).
- 1.4 The assessment is a measurement of the nature and extent of the need for, and supply of, childcare within each local area. It will help the Authority to monitor gaps in the market and - in consultation with partners - plan how to support the local childcare market in meeting changing needs of parents and carers.
- 1.5 Sufficient childcare, in Section 6 of the 2006 Act, is defined as 'sufficient to meet the requirements of parents in [the local authority's] area who require childcare in order to enable them –
 - To take up, or remain in, work, or
 - To undertake education or training which could reasonably be expected to assist them to obtain work.
- 1.6 At its core, the Assessment provides an analysis of supply and demand that highlights the following potential gaps in the local childcare market:
 - **Geographical Gaps:** a lack of childcare places in an area (wards have been used in this assessment)
 - **Income Gaps:** a shortage of affordable childcare

- **Specific Needs Gaps:** a shortage of childcare for disabled children, or children with other specific needs.
- **Time Gaps:** a shortage of childcare when it is required by parents
- **Age Gaps:** a shortage of care suited to children of a certain age group.

Methodology

1.7 Geographical areas for this study have been at Local Authority and Mid-layer Super Output Area (MSOA).

Figure 1: Blackpool Mid-layer Super Output Areas



1.8 Childcare supply data was sourced from the Blackpool Family Information Service database as of May 2010.

- 1.9 Also during June 2010, a consultation exercise took place to establish the views of parents and carers in Blackpool regarding childcare. Through a structured questionnaire the views of parents and carers as to the availability and accessibility of childcare were sought. A total of 14,000 survey forms were printed and distributed via schools and childcare providers in Blackpool. 1,174 surveys were returned providing a response rate of 8.4%. Compared to the number of families in Blackpool, responses were equivalent to 6% of all families with children aged 0 to 14 years across the Borough.
- 1.10 Childcare providers were engaged through a telephone survey. In June 2010, 129 childcare providers were interviewed providing a 58% sample of all providers by type and location. A number of questions were asked about occupancy, vacancies, pricing and views on childcare sufficiency were sought.
- 1.11 All sources of data and dates of data collection have been acknowledged throughout this report. Wherever possible data was current at June 2010 or the most recently available information has been used.

2. Factors affecting Demand and Ability to Pay

2.1 The analysis of demographic and socio-economic indicators allows a greater understanding of the profile of the local population. This in turn gives a greater understanding of what the local population may need and / or demand in relation to childcare provision.

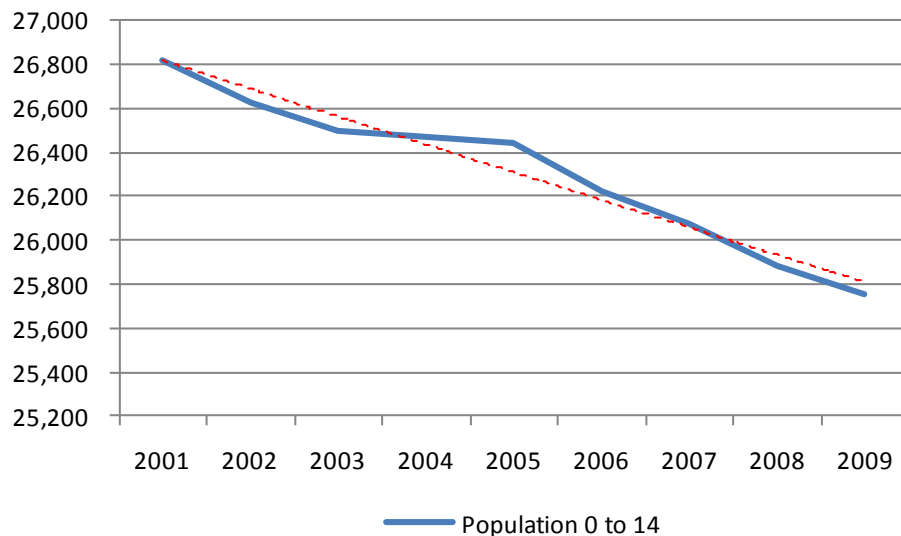
Population

2.2 There are around 24,500 children aged 0 to 14 (and to 17 for disabled children) living in Blackpool for whom the Council must secure sufficient childcare to meet the needs of working parents.

2.3 Children are not spread equally across the Borough, and compared to the overall population, the proportion of 0 to 14 year olds ranges from 13.7% in some areas to over 20% in others. Demand for locally-based childcare may be greater in areas where there are more children.

2.4 The general population of Blackpool is getting older with the population of children declining steadily.

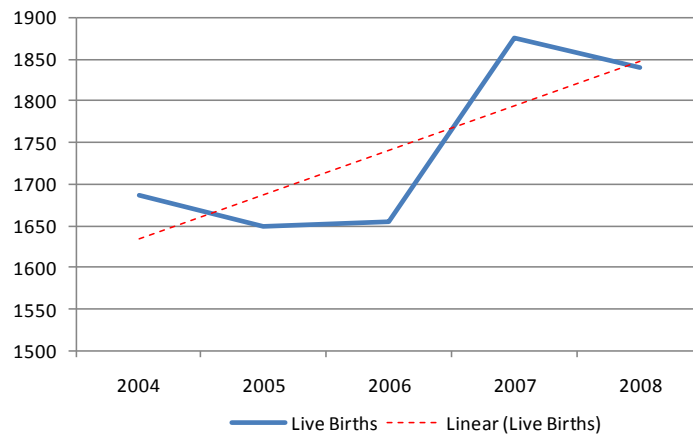
Figure 2: Population of Children aged 0 to 14 years 2001 to 2009¹



2.5 In the last few years however, the number of births has increased. Demand for school aged childcare in Blackpool may therefore be declining in the short-term while demand for early years childcare will rise.

¹ ONS Sept 2009

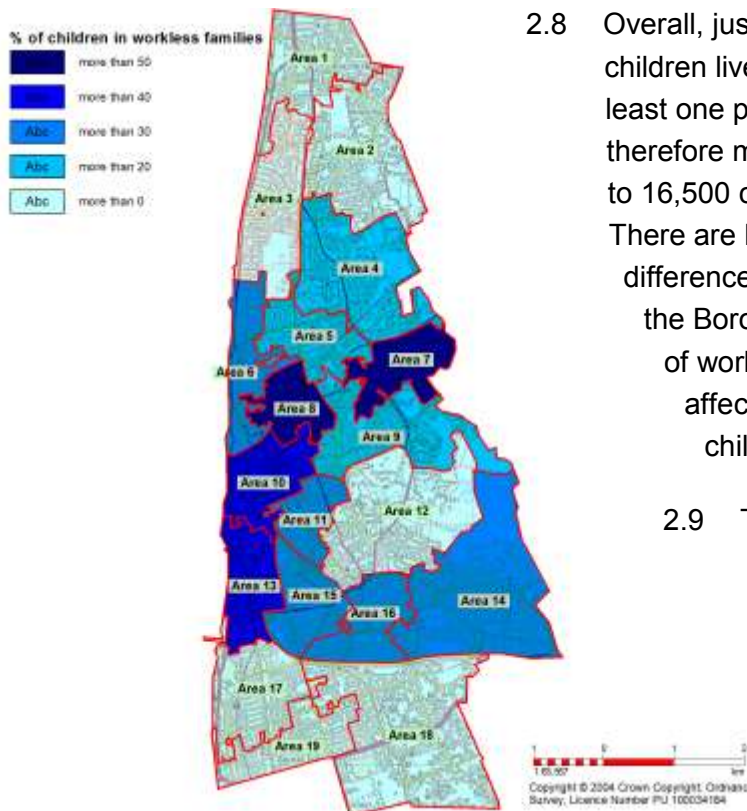
Figure 3: Live Births



- 2.6 The Black and Minority Ethnic population in Blackpool is small at between 4% and 5%. The largest minority group comes from Poland.
- 2.7 More than a third of children in Blackpool (and in some areas more than 50%) live with a lone parent, a much higher rate than the national average. Lone parents often have a greater need for childcare, but are less likely to be in work.

Economic Activity

Figure 4: Proportion of children living in households where no adults work



2.8 Overall, just over two-thirds of children live in a family where at least one parent works. Childcare therefore may be required for up to 16,500 children in Blackpool. There are however, big differences between areas of the Borough in the proportion of working families that will affect the demand for childcare.

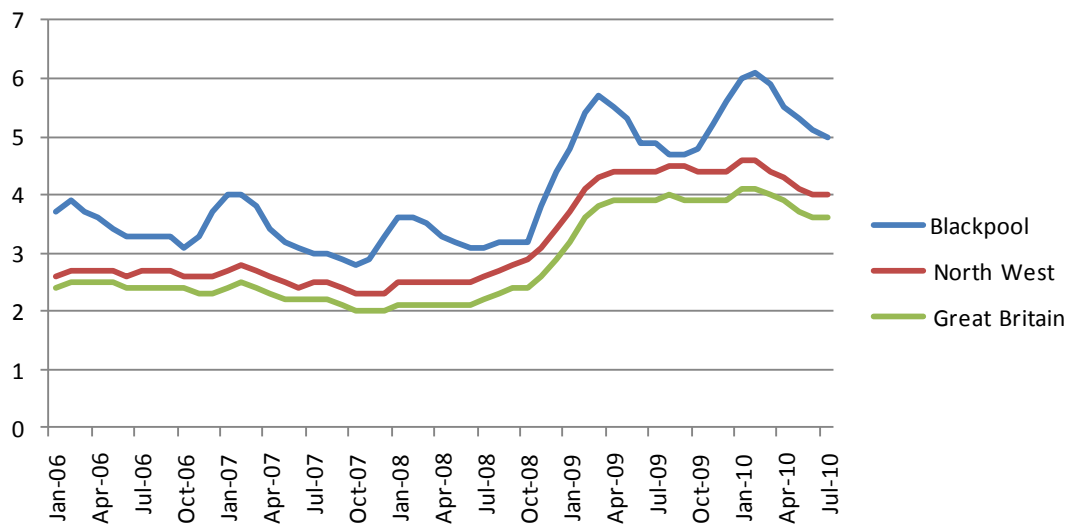
2.9 The parent survey in 2010 found that of the 957 women living in Blackpool who responded, 33% were not

working⁴. 10% of all women said that they did not work because they could not access childcare. Extrapolated across the entire population, there are therefore likely to be at least 1,600 women in Blackpool who are unable to work because they cannot access childcare.

2.10 With women overwhelmingly taking responsibility for childcare, the lower-than-average rate of female employment may reduce the demand for childcare. Female employment in Blackpool is also low-paid and often part-time. Shift working in Blackpool is more prevalent than in other parts of the country, so demand for flexible childcare may be higher.

2.11 Unemployment in Blackpool is higher than average and in 2010 was at its highest level for over 13 years.

Figure 5: JSA Claimants 2006 to 2010²



2.12 Joblessness is higher amongst families with children, a factor that will inevitably reduce demand for childcare in areas where unemployment is highest.

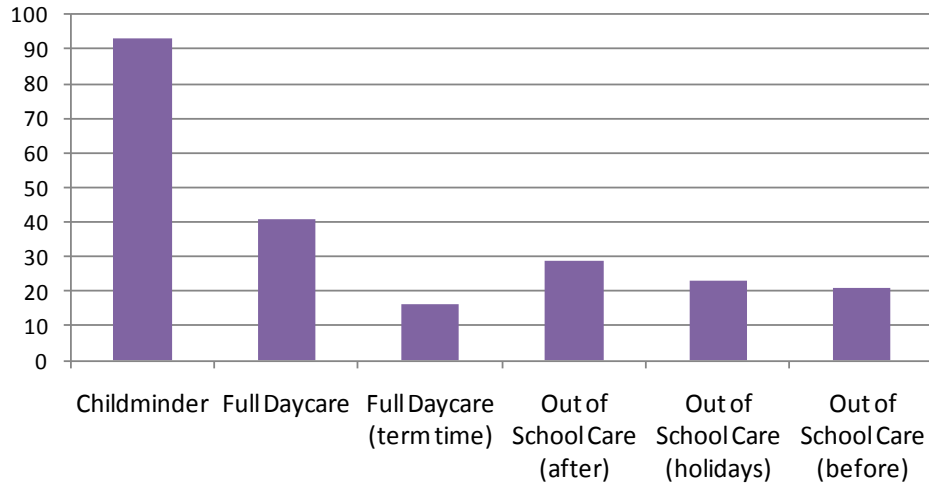
2.13 Blackpool also has higher than average levels of overall deprivation with some significant pockets of disadvantage. These and a range of other social and economic indicators concur as to where demand for childcare is likely to be highest across the Borough.

² ONS quarterly claimant count with rates and proportions

3. The Supply of Childcare

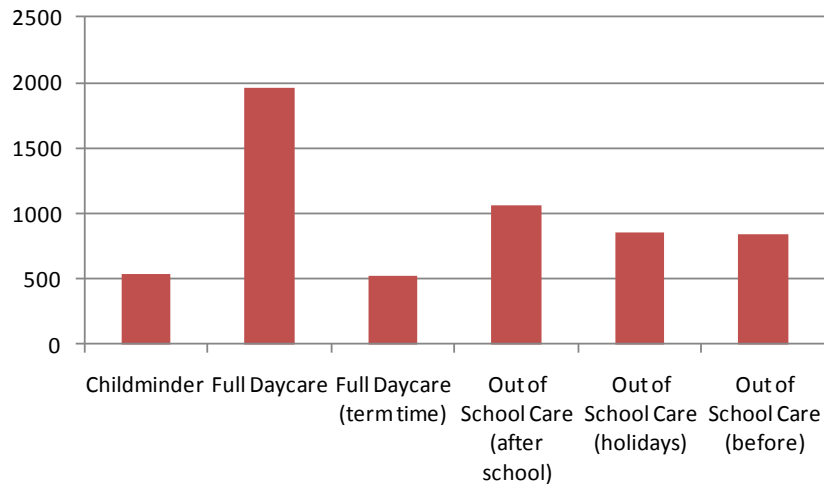
3.1 In 2010 there were 223 different childcare services in Blackpool including 93 childminders, 57 full daycare providers, 29 after school clubs and 23 holiday clubs.

Figure 6: Number of Childcare Settings in Blackpool



3.2 There were over 5,700 childcare places in Blackpool which amongst the population of children means that there was one childcare place for every four children.

Figure 7: Number of childcare places by type

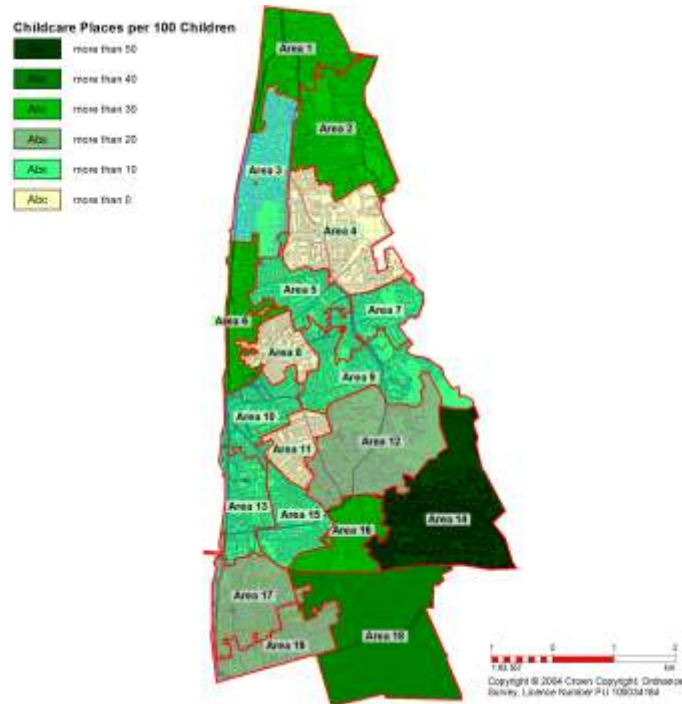


3.3 Compared with other similar local authorities, Blackpool has a relatively high supply of childcare.

3.4 Across Blackpool, childcare is unevenly spread with some areas having much more than others. However, as Blackpool is such a concentrated urban area, the low levels of childcare in some areas may not necessarily mean

that childcare is inaccessible to parents, as within a short distance there is usually some provision available.

Figure 8: Distribution of Childcare Places against Resident Population of Children (2010)

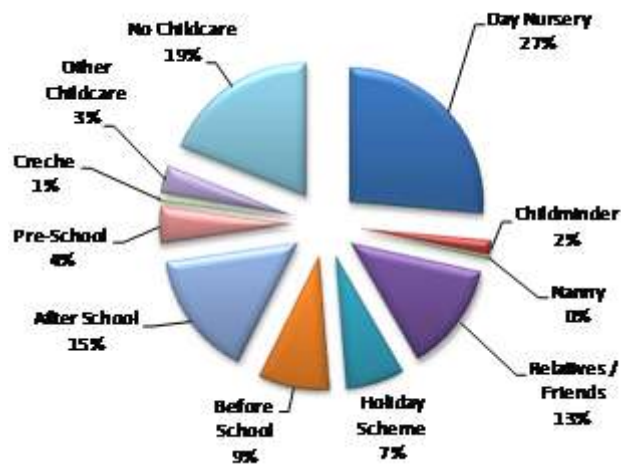


3.5 Although not always true, in most cases there is less childcare in the more deprived areas of the Borough.

Early Years Childcare

3.6 Over two-thirds of families with pre-school children use childcare in Blackpool, with day nurseries being the most commonly used type of setting.

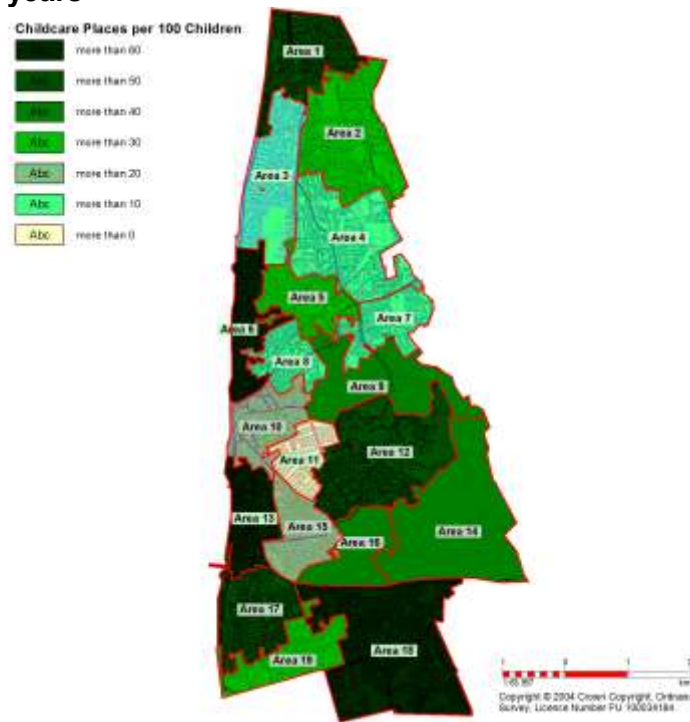
Figure 9: Childcare use by parents with children under 5³



³ Parent Survey 2009: n=1,389 children

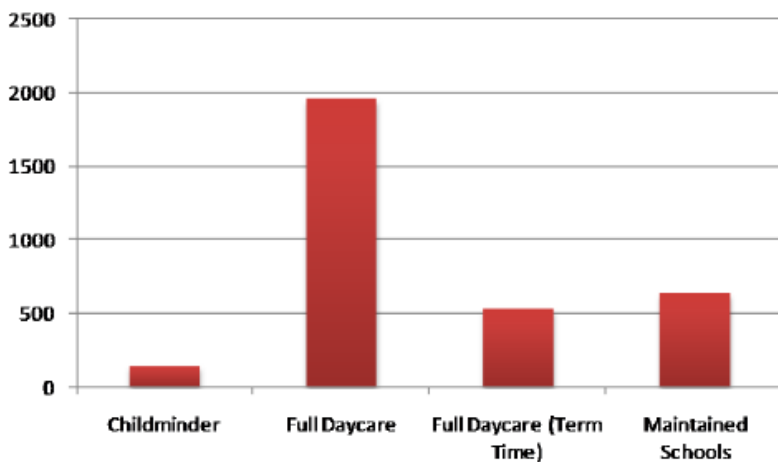
- 3.7 The amount of childcare for children in their early years is quite high with at least one childcare place for every 3 children. Given that each registered childcare place is on average, used by 1.5 children, around 4,500 children could be served by early years childcare places in Blackpool.
- 3.8 Early years childcare provision is spread across the Borough with a varying density but with a choice of childminder or group-care (day nursery) provision in most areas.

Figure 10: Number of Early Years Childcare Places per 100 Children aged nought to four years



Early Years Education

Figure 11: Volume of Early Education Places (2010)



3.9 There are plenty of places available for 3 and 4 year old children in Blackpool to receive their early education entitlement and take-up of free places seems to be universal.

Later Years Childcare

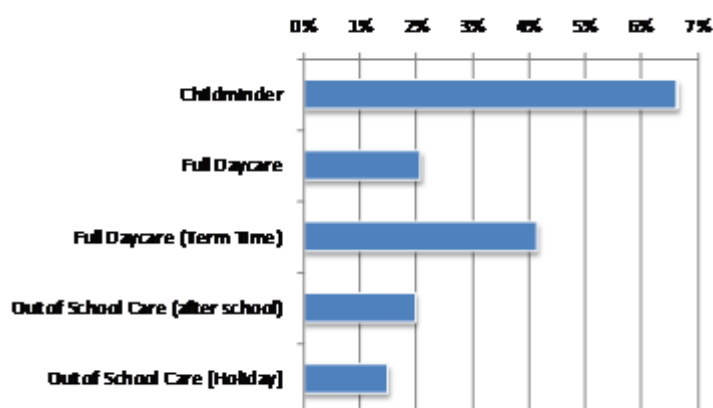
3.10 There is much less childcare for school-aged children (provided by out of school clubs and childminders) in Blackpool than childcare for younger children. For after school care, there is only one place for every 15 children aged 5 to 14 years. While it would seem that most primary schools in Blackpool are served by an out of school club, some may not have enough places to meet demand.

3.11 Holiday care in Blackpool is not available in all areas and limited in the number of places on offer with just one place for every 19 children.

Disabled Children

3.12 There are a number of specialist childcare and support services in Blackpool for disabled children and a significant number of disabled children taking up places in mainstream childcare settings – particularly in the early years.

Figure 12: Proportion of disabled children in childcare settings



3.13 On average, childcare in Blackpool costs parents £3.04 per hour. For a full-time daycare place, the cost would be £135 for one child while an after school club would cost on average £32 per week. The cost of childcare is similar to other areas of the North West but below the average for England.

Figure 13: Average childcare cost comparison⁴

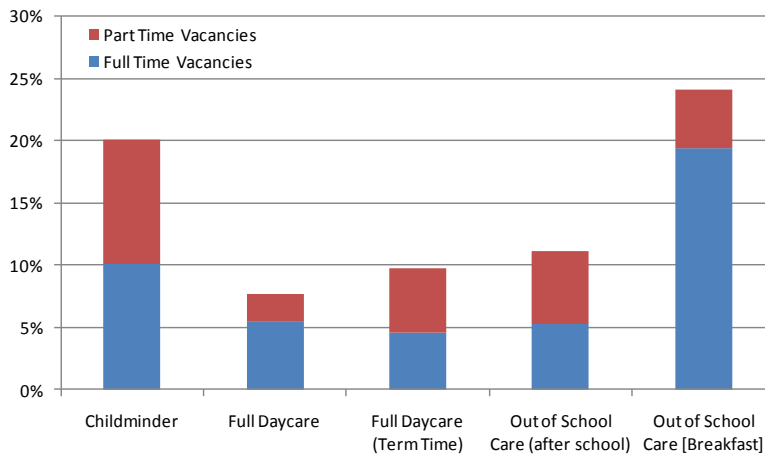
Weekly Rates	Average Blackpool Rates	Average Rates in North West	Average Rates in England
Childminders	£135.19	£130.50	£154.50
Full Daycare	£134.04	£141.00	£161.50
After School Clubs	£32.10	£37.00	£40.00
Holiday Care	£101.67	N/A	£93.00

⁴ Blackpool FIS January 2011 and Daycare Trust Childcare Costs Survey January 2010

4. Childcare: Demand

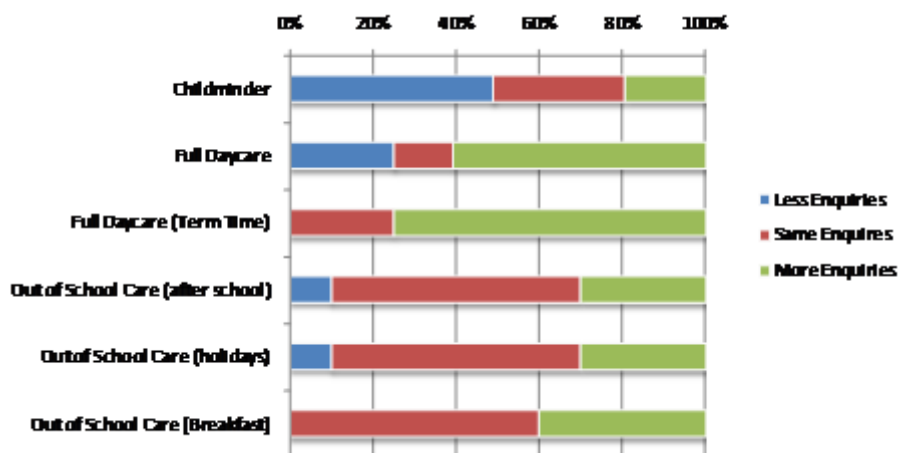
4.1 The number of vacancies in childcare settings provides an indication of the demand for childcare services. In Blackpool, while most childcare settings have some spare capacity, the number of full-time vacancies is very low with just 7% of places vacant on a full-time basis. This suggests that demand for childcare is strong in most parts of the Borough.

Figure 14: Proportion of Registered Childcare Places Vacant (full-time and part-time)



4.2 Evidence is corroborated by the majority of childcare providers who said that they were receiving more enquiries for their services. However, not all types of childcare are as buoyant, with many childminders saying that they have been receiving fewer enquiries.

Figure 15: Changes in enquiries for childcare services



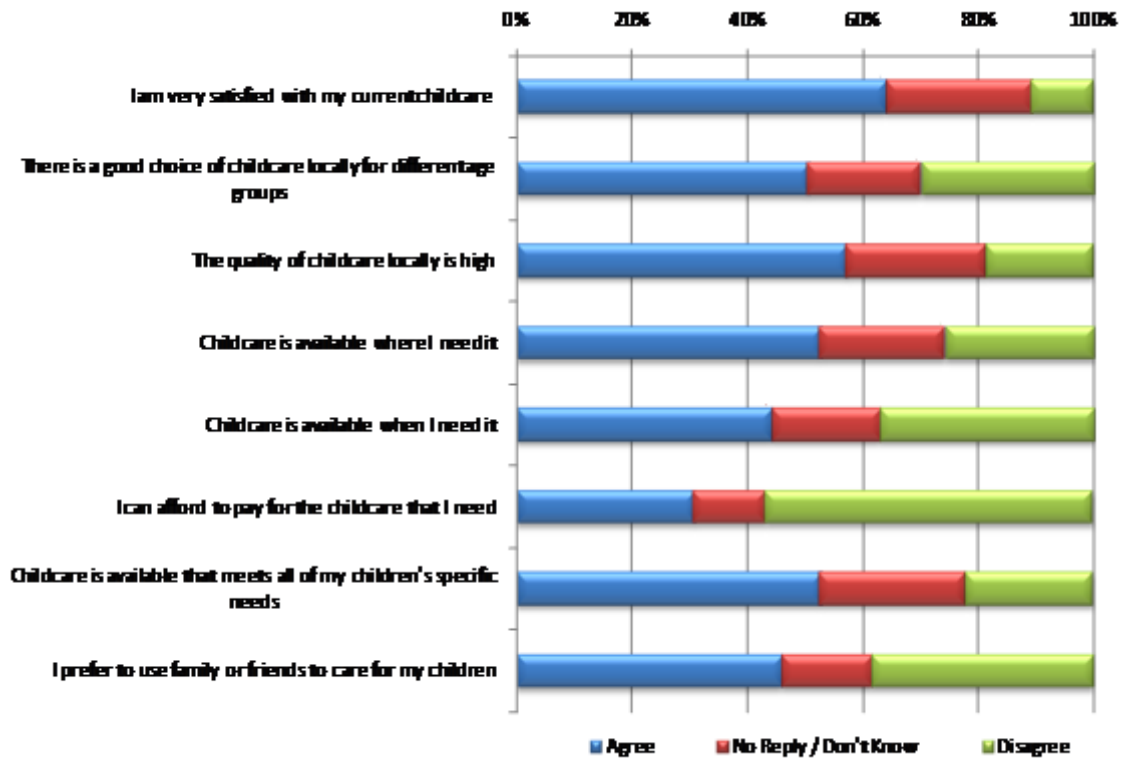
The views of Parents and Carers

4.3 A large survey and interviews with parents found that over three-quarters parents in Blackpool used some form of childcare and commonly use a

combination of childcare provision – including informal care with relatives and friends. 65% of parents are satisfied with their current childcare arrangements.

- 4.4 Those that are dissatisfied are concerned with affordability, accessibility, and availability.

Figure 16: Parents’ Perceptions of Childcare⁵



- 4.5 A third of parents in Blackpool said that there wasn't a good choice of childcare available to them, in particular a shortage of affordable and accessible holiday care

Holiday childcare provision is not always available at our 5 year old's school. It's hard to plan ahead when it's so uncertain and we both work.

Parent in Area 12 (Tydesley Ward)

- 4.6 While there is childcare available in all areas of Blackpool, it is not uniform across the Borough. There are some cases where supply may not be meeting demand. Despite having high rates of childcare supply, parents in some areas still said that there was not enough and in others, parents said there were gaps in specific types of provision.

I am finding it difficult to find a childcare provider that will collect my daughter from school. We need after school club facilities locally.

⁵ From 1,174 responses to parent surveys June 2010

Parent in Area 5 (Warbreck Ward)

I would like to see more childcare or something similar for older children as a lot of parents don't like to leave their older children on their own.

Parent in Area 7 (Park Ward)

- 4.7 A large number of parents (37%) said that there was a problem with the availability of childcare at the times they needed it. The large numbers of shift workers in Blackpool have particular issues, as do parents who work at weekends.

There is no childcare than I can use - I work 12hr shifts and different days every week.

Parent in Area 12 (Marton Ward)

- 4.8 Even parents who work 'regular' hours said that finding childcare open early enough or late enough and during school holidays was often difficult.

There is only a choice of one nursery locally that opens the time I would need it so that enables me to get to uni/work on time at 7.30am.

Parent in Area 12 (Tydesley Ward)

My child's holiday club is only open 3 weeks in the summer holiday leaving me struggling for childcare for two weeks

Parent in Area 12 (Marton Ward)

- 4.9 Most parents in Blackpool say that they struggle to pay for childcare, with those on the lowest incomes finding childcare least affordable. It seems that the cost – or perceived cost – of childcare can be a significant barrier to work for some parents.

At one time I had three children who needed after school and holiday cover and I could not afford to pay this so I had to give up work

Parent in Area 13 (Bloomfield Ward)

Childcare should be less costly childcare so it is actually worth going to work!

Parent in Area 11 (Tydesley Ward)

- 4.10 The Childcare element of the Working Tax Credit clearly assists parents in making childcare more affordable, but not all eligible parents take it up.
- 4.11 Information about childcare is not always getting to the parents who need it, particularly first-time parents. Information can also be inconsistent depending on who is giving it.

More advertisement of childcare provision in the school holidays, as my daughters school does not run holiday clubs for all holidays, so it would be helpful to know what else is available.

Parent in Area 15 (Victoria Ward)

- 4.12 The quality of services – and parents’ perceptions of quality – is an important factor in their use of childcare and in Blackpool 57% of parents said the quality was high, particularly of formal childcare services.
- 4.13 Use of childcare services by disabled children is slightly lower than amongst the general population. Parents of disabled children are also much less likely to use informal care with relatives. Use of childcare by older disabled children was found to be very limited childcare even though parents of disabled children said it was needed.
- 4.14 Parents of disabled children are less likely to work with childcare being a considerable barrier to them gaining employment.

I am a single parent looking after my only son who has special needs. I am able to work part-time but only because my parents look after my son when I am at work. I looked into child care costs and it would not be worth me working they are too expensive

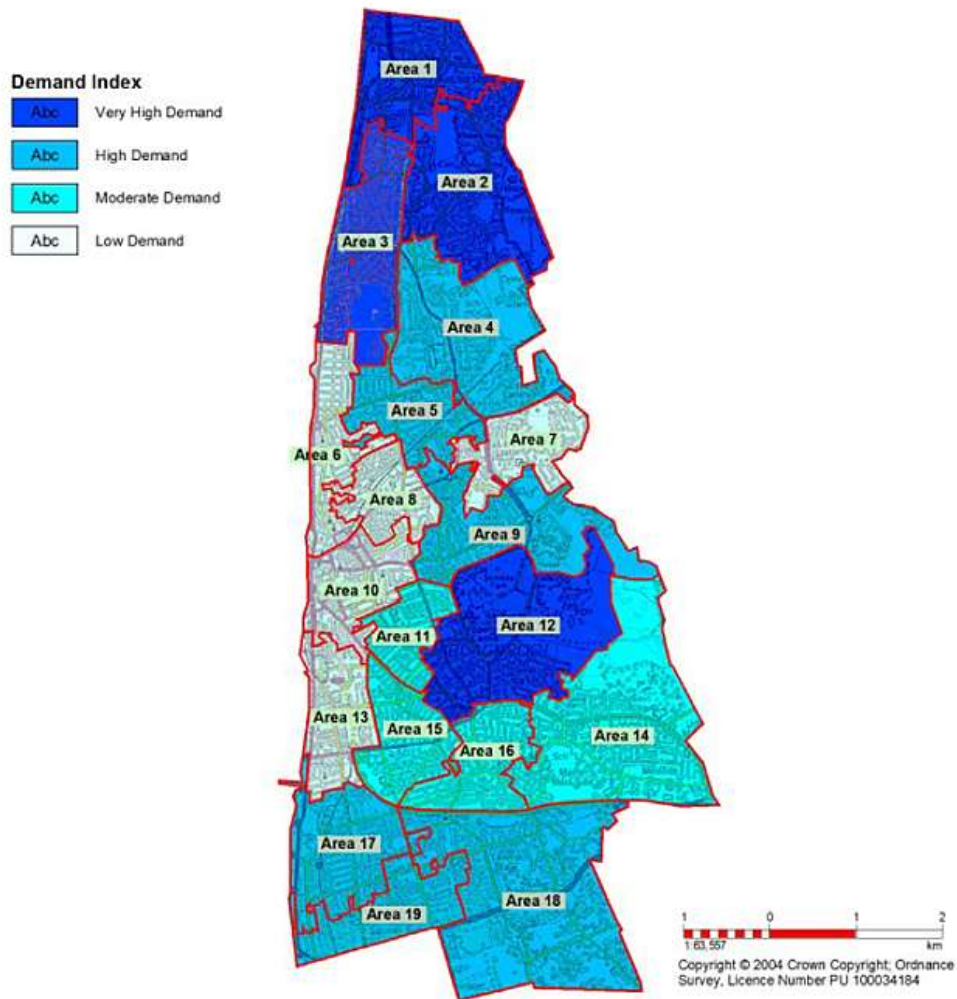
Parent of a disabled child

- 4.15 Some care for disabled children provided by childcare providers may not be appropriate for the child’s developmental or social age while a lack of trained or specialist staff deters some families from using childcare for disabled children.
- 4.16 Polish families, which form the largest minority group in Blackpool seem to have few unique problems with childcare and actively use services to ensure that children socialise and attain language skills. Gypsy and Roma families on the other hand, do not use early years childcare services as care is focused within the family or wider community.
- 4.17 With an estimated 6% of children in Blackpool living with non-parent carers, the needs of grandparents with caring responsibilities in particular, require specific attention.
- 4.18 The majority of employers in Blackpool said that staff recruitment and retention is generally not an issue in Blackpool and does not seem to be affected by any shortage of childcare provision. Many employers have recognised that providing flexible working options enables parents to balance work, childcare and family life. Others do have some issues with a lack of flexibility in existing childcare provision, in particular for NHS staff on rotating shift patterns.

Summary of Childcare Demand

4.19 Taking into account social and economic conditions, vacancies in existing childcare services and parents' views, a picture of demand for childcare can be built up. This is summarised on the map below, where demand is likely to be greatest in the northern Areas of the borough and in *Area 12*. Low demand is likely to be found concentrated around the town centre and *Area 7*.

Figure 17: Childcare Demand Index Map 2010



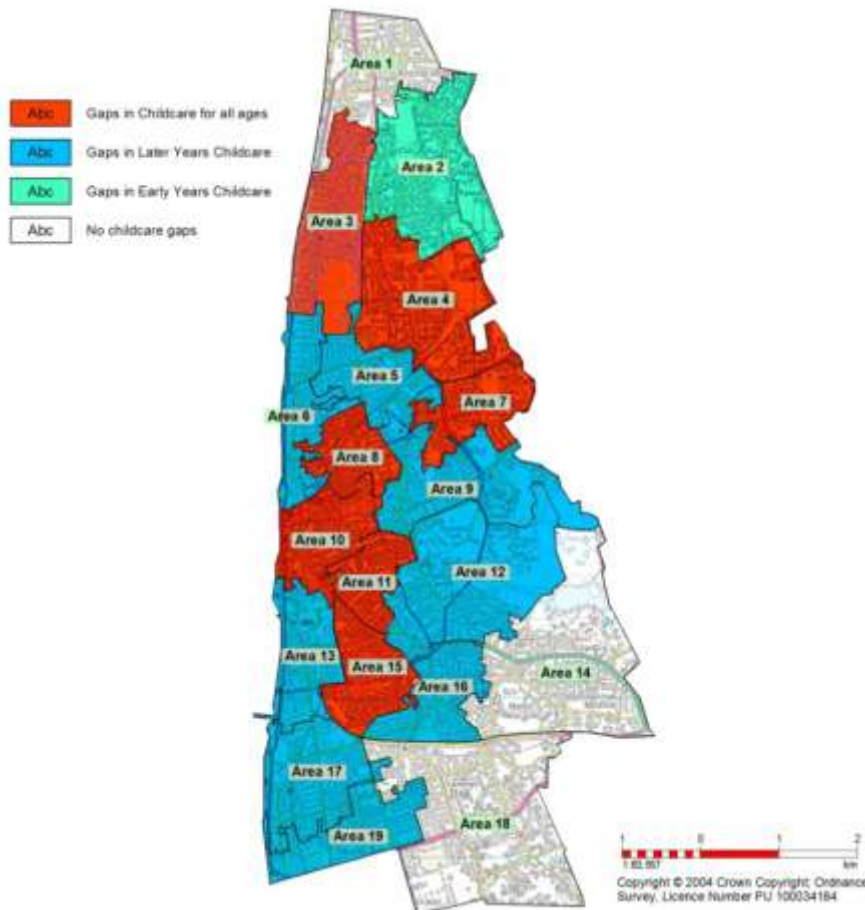
5. Market Analysis: Conclusions

5.1 The evidence presented in this report highlights a number of issues regarding the supply of childcare and the demand for childcare places.

Geographical Gaps

5.2 Relating the supply of childcare to demand is a complex calculation that involves many variables. The most obvious method of identifying childcare gaps geographically is to examine current levels of provision in different areas and plan to 'bridge the gap' between the current level of provision and the Blackpool average. This would result in gaps in childcare being identified in the following areas:

Figure 18: Childcare Gaps by area



5.3 In total, this would require 710 new daycare places (with day nurseries, pre-schools or childminders) to be created along with 331 term-time out of school places and 466 holiday scheme places. The total number of new places in each area are set out below:

Figure 19: Theoretical Childcare gaps based on average levels of provision⁶

Area	Additional Early Years Places	Additional After School Places	Additional Holiday Places
Blackpool 001	0	0	0
Blackpool 002	13	0	0
Blackpool 003	54	14	37
Blackpool 004	101	20	49
Blackpool 005	0	50	40
Blackpool 006	0	0	14
Blackpool 007	77	0	46
Blackpool 008	152	25	49
Blackpool 009	0	32	52
Blackpool 010	61	25	0
Blackpool 011	178	65	52
Blackpool 012	0	14	2
Blackpool 013	0	41	33
Blackpool 014	0	0	0
Blackpool 015	73	0	55
Blackpool 016	0	5	0
Blackpool 017	0	6	32
Blackpool 018	0	0	0
Blackpool 019	0	34	4

- 5.4 Filling the gaps identified above through developing new childcare places would result in a minimum level of provision being available in all areas of Blackpool and there is some evidence from the levels of vacancies in current settings and in consultation with parents, that there is demand in some of the areas for childcare services to fill these gaps. However, the analysis fails to take into account the social and economic conditions which would make much of the additional care unsustainable.
- 5.5 To identify areas of Blackpool where childcare is both needed and would be sustainable, the gaps in current provision need to be placed within the context of the Demand Index as set out in *Section 4* and in *Appendix 1*.
- 5.6 The following table combines a range of data to summarise the local childcare supply and demand situation in each area of Blackpool. While this may provide some guidance in developing strategy, further local context will need to be sought prior to any new development of childcare places.

⁶ Calculations based on number of childcare places per 100 children in the local population against the Blackpool average for the care type.

Figure 20: Supply & Demand Analysis by Area⁷

Area	Early Years Care Supply Level	Out of School Care Supply Level	Demand Level
Blackpool 001	high	high	high
Blackpool 002	low	high	high
Blackpool 003	low	low	high
Blackpool 004	low	low	high
Blackpool 005	high	low	high
Blackpool 006	high	low	low
Blackpool 007	low	low	low
Blackpool 008	low	low	low
Blackpool 009	high	low	high
Blackpool 010	low	low	low
Blackpool 011	low	low	low
Blackpool 012	high	low	high
Blackpool 013	high	low	low
Blackpool 014	high	high	low
Blackpool 015	low	low	low
Blackpool 016	high	low	low
Blackpool 017	high	low	high
Blackpool 018	high	high	high
Blackpool 019	high	low	high

- Areas with **low** supply and **high** demand are those where development of more childcare is needed and should be sustainable (eg. *Areas 3 and 4*)
- Areas with **low** supply and **low** demand are those where it is unlikely that the market will develop childcare places (eg. *Areas 7, 8, 10 and 11*). To increase childcare supply intervention in the market is likely to be required to stimulate demand.
- Areas with **high** supply and **high** demand are those where the market is most likely to be functioning and market forces will meet supply with little further intervention (eg. *Areas 1 and 18*).
- Area with **high** supply and **low** demand are likely to have a sufficiency of childcare. It is possible that there could be an over-supply in these areas (eg. *Area 14*).

⁷ A full set of the data used to calculate demand is included in *Appendix 1*.

Income Gaps

- 5.7 Compared with other areas in the North West, childcare in Blackpool can be more expensive, yet wages and family incomes are lower. This is reflected in the proportion of parents who find childcare to be unaffordable. In addition, with nearly a third of children living in workless families, the price of childcare is likely to be a significant barrier to parents looking to move into work or training.
- 5.8 For many families in Blackpool childcare development has had little impact. These are parents whose purchasing power is limited either because they do not work, their work is low-paid and part-time, or because they work longer hours, the childcare element of the WTC is insufficient to meet their childcare needs, or because they do not access the tax credit system. Where these parents are using formal provision, it tends to be care that is subsidised, sessional or ad hoc care.
- 5.9 However, if given the right support and information, some parents on low incomes would be able to pay for childcare. However, there is a strong perception in Blackpool that work 'isn't worth it' if childcare has to be paid for.
- 5.10 Given the data collected on average childcare costs set against information regarding average wages⁸ a number of examples can be constructed that illustrate the affordability of childcare in Blackpool.

Example 1: An average Blackpool family with two pre-school children

For an average Blackpool family, with one parent working full-time and the other working part-time (average net weekly income of £572.15 plus £138.42 in Tax Credits) with two pre-school children in part-time daycare (£144.48) would be spending 20% of their family income on childcare.

If they did not claim tax credits, childcare would take up 20% of their income.

For the partner working part-time, the childcare costs represent 83% of salary.

Example 2: A lone parent with one pre-school child

For a female lone parent working full time will take home on average £346.30 per week plus £182.15 in tax credits. Childcare will cost on average £144.48 per week representing 27% of her income.

If she did not claim tax credits, childcare would take up 42% of her income.

Example 3: A low-income two-parent family with two school-aged children

For a family, with one parent working full-time and the other working part-time (both earning minimum wage) with a weekly income of £355.80 and tax credits of £171.25 with two school-aged children using part-time out of school and holiday care costing on average £46 a week would spend 10% of their family income on childcare.

⁸ ONS annual survey of hours and earnings - resident analysis (2009)

*If they did not claim tax credits, childcare would take up 13% of their income.
For the partner working part-time, the childcare costs represent 40% of salary.*

Example 4: A low-paid lone parent with one school-aged child

For a female lone parent working full time earning on minimum wage of £237.20 per week plus £173.26 tax credit. Out of school care will cost on average £35 per week during term-time and £136 during holidays representing 11% of her income.

If she did not claim tax credits, childcare would take up 20% of her income.

- 5.11 It is clear that the proportion of family income spent on childcare is far greater when children require early-years care; and as a proportion of family income, it is greater for lone parents than couples.
- 5.12 Whether or not childcare is affordable will depend on a range of other factors – including housing⁹ and other household costs – and individual perceptions of what people find affordable.
- 5.13 To enable more parents to use childcare in Blackpool, strategies are needed that tackle both affordability for parents on low incomes and to provide information and increase the confidence of parents who feel that ‘*work doesn’t pay*’. This may also need to include support to cover registration fees and deposits that can make access to childcare difficult for those moving into work.

Specific Needs Gaps

- 5.14 Use of childcare by disabled children in Blackpool is relatively high, yet the reasons for parents using childcare can be different with many wanting to provide opportunities for their children to socialise and provide them with respite. Because fewer parents of disabled children are working (and therefore not eligible for childcare tax credit support) affordability is more of an issue for this group of families.
- 5.15 Parents of disabled children also find it more difficult to get information about services that are available for their children and in some cases, they find that mainstream provision is not available to them or is inappropriate. Support is needed for both parents and childcare providers to bridge this gap.
- 5.16 With a significant number of children being cared for by grandparents in Blackpool, the specific needs of this group need to be addressed. This includes support to claim tax credit support and targeting childcare information.

⁹ Average mortgage costs in the UK would take up 20% of average net family incomes in Blackpool. Council of Mortgage Lenders (2009)

Time Gaps

- 5.17 The majority of childcare available in Blackpool operates within fairly 'standard' hours, which in some cases is not meeting the needs of parents working hours. This is particularly the case for higher-than-average number of parents working shifts or unusual hours in Blackpool. Demand could be met by childminders who with some support and encouragement could be able to cater for flexible working. Information is important here, in providing parents with the links to childminders who are willing to operate outside of normal hours.
- 5.18 In some cases, childcare is not even meeting the needs of parents working 'normal' hours. This is particularly the case for parents who commute, where an extra 30 minutes of childcare at the beginning or end of the day could make a big difference. It would be helpful for childcare providers to review their hours in consultation with their customers.

Age Gaps

0 to 2 year olds

- 5.19 Blackpool has a relatively high amount of pre-school childcare that caters for children aged 0 to 2 years of age, however low vacancy rates suggest that there may be unmet demand that could justify further expansion. The introduction of some free early education for 2 year olds has increased demand in some less affluent areas, particularly for places in Children's Centre provision.

3 and 4 year olds

- 5.20 Childcare for 3 and 4 year olds in Blackpool is widely available with adequate provision to provide families with their free entitlement to early education. With all sessional care provision having converted to full daycare, there is also a great deal of flexibility on offer for parents to use their free-entitlement to support working hours.

5 to 11 year olds

- 5.21 While it would seem that most schools in Blackpool have access to after school care, there would seem to be instances where there is insufficient capacity. However, the greatest unmet need would seem to be for holiday care for school aged children across many areas of the Borough.

12 to 17 year olds

- 5.22 As parents increasingly rely on good quality out of school childcare for their children in primary schools. Many working parents are unhappy about children being left to go home alone at the end of the school day. There does not seem to be any provision in Blackpool catering for this age-group.
- 5.23 With very few places advertising for children over 16, childcare for disabled young people aged 15 to 17 is likely to be very limited. However, it is possible that should an older disabled young person require a place in an out of school club, they could be accommodated with the appropriate support. However, parents have concerns over the appropriateness of placing disabled young people with younger non-disabled children.