

Early Years Education Funding Entitlement: Market Position Statement

July 2021



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1. Background

Ensuring that all Peterborough children and young people achieve their full potential is a priority for Peterborough City Council. Evidence shows that regular, good quality early education has lasting benefits for all children. The Early Years Education Funding Entitlement Market Position Statement supports the delivery of Peterborough & Cambridgeshire's Best Start in Life strategy, Peterborough's Child Poverty strategy and the Health and Wellbeing Strategy, which outline the key issues in Peterborough and priority outcomes, including ensuring that young children, when starting school, are ready to learn and have sufficiently developed social and emotional skills for their age group. The Early Years Education Funding Entitlement Market Position Statement supports the development of good quality early years provision ensuring that children start school ready to learn, with good social and emotional skills.

1.1 Introduction and objectives

This document updates the Market Position Statement Summer 2019 which set out the development needs of Peterborough's early education and childcare market. It has a particular focus on delivery of the statutory entitlement for two, three and four-year-olds, and highlights market development requirements to enable delivery. It also provides an update about the impact of covid-19 on the sector, and support provided by Peterborough City Council.

1.2 Current legislation

Local authorities are required to secure sufficient early years education and childcare¹. This includes

- Two-year-old entitlement: 570 hours of funded early education per year for eligible two-year-olds, starting the funding period following their second birthday
- Universal entitlement for three and four-year-olds: 570 hours of funded early education for all three and four-year-olds starting the funding period following their third birthday. This entitlement must be taken over no fewer than 38 weeks, equating to an average of 15 hours per week².
- Extended entitlement for eligible three and four-year-olds: an additional 570 hours on top of the universal entitlement for eligible working families. This entitlement must be taken over no fewer than 38 weeks, equating to an average of 15 hours per week. This entitlement is known as 30 hours funded childcare (15 universal hours + 15 extended hours = 30 funded hours over 38 weeks).

1.3 Peterborough overview

The latest demographic information for Peterborough is shown on the table on page 3. It details the estimated population growth over the last three years, using estimated population data available at that time (2019 uses mid-2017 population estimates, 2020 uses mid-2018, 2021 uses mid-2019).

¹ Childcare Act 2006 & Early education and childcare: statutory guidance for local authorities, June 2018

PETERBOROUGH		2019	2020	2021
Population³	Total population ⁴	202,110	203,600	204,500
	Total children (0-14)	44,350	45,890	45,620
	Children aged under 2	6,240	6,240	5,830
	Children aged 2	3,280	3,310	3,160
	Children aged 3 - 4	6,590	6,580	6,430
	Children aged 5 - 14	28,240	29,760	30,200
Deprivation	Number of people claiming unemployment related benefits ⁵	4,456	4,866	10,024
	Claimant unemployment rate ⁶	-	3.9%	8.0%
	Number of children (0-15) in low income families ⁷	14,861	15,214	15,144
	Expressed as a percentage of children (0-15) in the LA	31.7%	31.6%	31.5%
Ethnicity⁸	White: British	70.9%		
	White: Irish	0.7%		
	White: Gypsy or Irish Traveller	0.3%		
	White: Other	10.6%		
	Mixed: White and Black Caribbean	0.8%		
	Mixed: White and Black African	0.5%		
	Mixed: White and Asian	0.8%		
	Mixed: Other	0.7%		
	Asian/Asian British: Indian	2.5%		
	Asian/Asian British: Pakistani	6.6%		
	Asian/Asian British: Bangladeshi	0.1%		
	Asian/Asian British: Chinese	0.5%		
	Asian/Asian British: Other	2.0%		
	Black/African/Caribbean/Black British: African	1.4%		
	Black/African/Caribbean/Black British: Caribbean	0.6%		
	Black/African/Caribbean/Black British: Other	0.3%		
Other Ethnic Group: Arab	0.2%			

³ Cambridgeshire County Council Business Intelligence Research Team, 2017, 2018 & 2019 population and dwelling stock estimates by single year of age and ward

⁴ Cambridgeshire County Council Business Intelligence Research Team, 2017, 2018 & 2019 population and dwelling stock estimates by 5 year age groups and ward

⁵ DWP Alternative claimant count February 2019, 2020 & 2021 <https://www.gov.uk/government/statistics/alternative-claimant-count-statistics-january-2013-to-february-2021>

⁶ DWP Alternative claimant count unemployment rate February 2020 & 2021

<https://www.gov.uk/government/statistics/alternative-claimant-count-statistics-january-2013-to-february-2021>

⁷ DWP Children in relative low income families, local area statistics 2017/18, 2018/19 & 2019/20

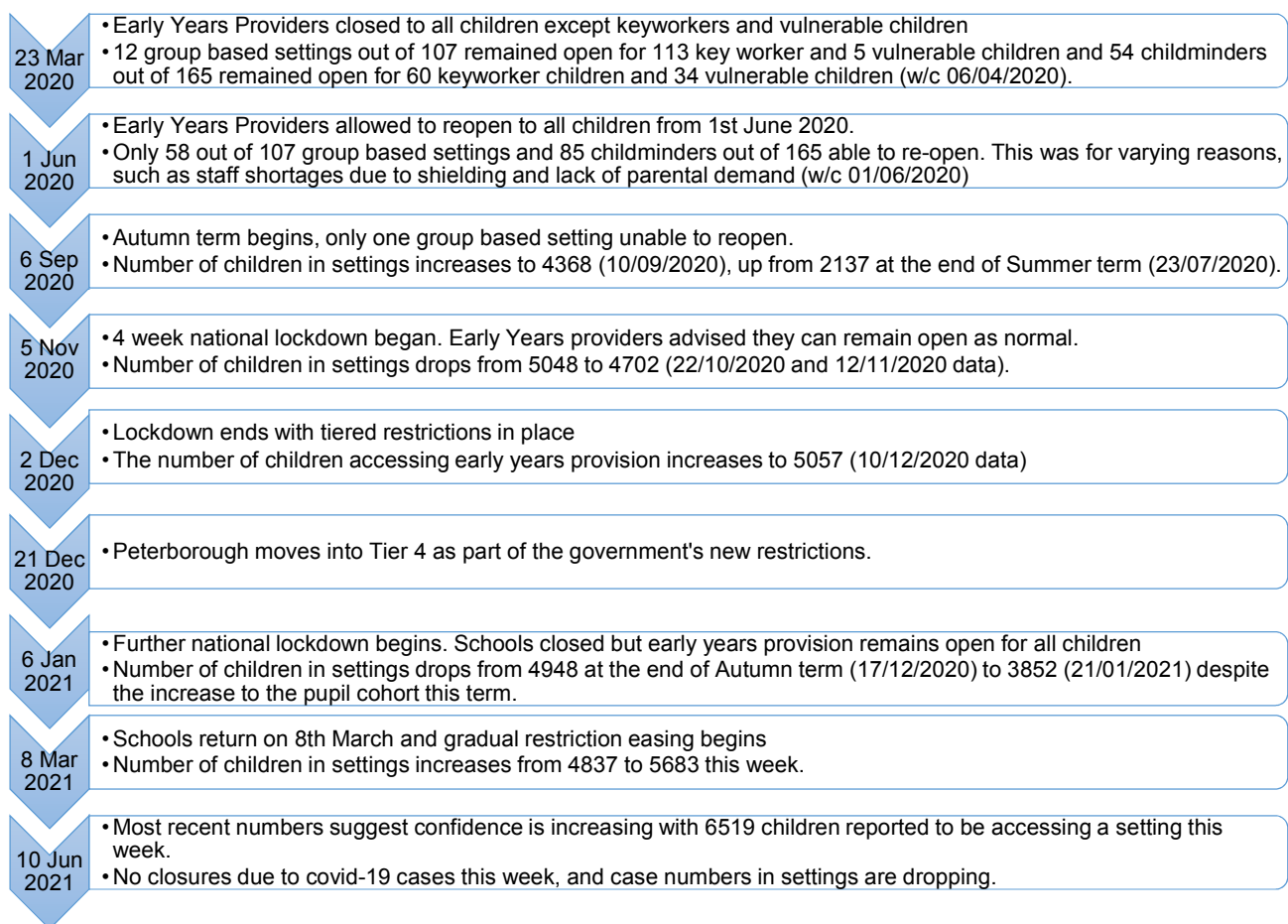
(<https://www.gov.uk/government/statistics/children-in-low-income-families-local-area-statistics-2014-to-2020>)

⁸ ONS Census 2011, Ethnic group.

1.4 The impact of COVID-19

The covid-19 pandemic has impacted every individual and every business in the country. Early years providers have experienced significant disruption and have been required to respond to continual changes in guidance as the pandemic has progressed. It is clear from take-up data and data collected throughout the pandemic (detailed further on page 22) that for the majority of providers experiencing slow recovery and changing parent behaviour, further support is required to ensure continuation of vital services.

Covid-19 timeline – an early years perspective



Government support

As with most sectors, the early years sector has benefitted from some government support.

A business rates holiday was implemented for settings on the Ofsted early years register.

Settings with early years funded children continued to receive income from funded children they were anticipated to attend and claim for during summer 2020. However, this could not extend to children who had not yet signed up to access with a provider for the summer term which we would expect as more children become age eligible, therefore funded income remained lower for most providers.

Settings who receive a proportion of their income through fees were able to access the Coronavirus Job Retention Scheme (furlough) for that proportion of their workforce, which for the majority of settings meant that this avenue of support was unavailable or extremely limited.

Childminders were able to claim the Self Employment Income Support Scheme, however due to the self-assessment periods the scheme used, some childminders were unable to claim any support during the first rounds as they had not been childminding for long enough. In these instances, childminders were encouraged to claim universal credit. Not all childminders offer government funded places, and even those signed up to do so do not always have funded children on roll, so childminders did not benefit from the continuation of payments of funded children as much as group based settings.

Settings were also able to apply for the coronavirus bounce back loan, though this was not a preferred option for many as the support must be repaid which is detrimental to a sector already concerned with rising costs of delivery.

Local authority support

As well as supporting the sector with signposting to government support, Peterborough City Council Early Years Service offered the following financial support to providers since the pandemic began:

- Payment of additional interim payment in summer 2020 to support with cashflow;
- Duplicate claims payments during summer 2020, allowing a child to take up a place in another setting if their current setting remained closed, protecting all parties;
- Protection funding paid during Autumn term 2020. Protection funding provided settings with a top up for their funded hours, matching funding for hours received in Autumn 2019 if their Autumn 2020 income was lower (£700,105 distributed to the sector);
- Covid-19 sustainability grant scheme to support early years settings and out of school clubs at risk of closure (£128,000 distributed to the sector);
- Funding for expected children during Spring 2021 if children did not attend due to lockdown;
- Covid-19 sustainability grant to support with loss of fee income due to bubble / total setting closures resulting from positive covid-19 cases, up to £500 per week for 2 weeks (£11,724 distributed to the sector).

The team also offered/delivered:

- Regular email updates, and key messages aligned with government guidance to the sector
- Updated information on social media.
- Weekly Newsletter to keep all providers updated
- Proactive adviser support to settings, regular virtual Keep In Touch meetings.
- Home learning support, tips and resources shared both with settings and on social media.
- Paediatric first aid delivery (including a blended model of face-to-face and virtual) to ensure settings and childminders could continue to operate.
- Shift to online delivery of early years and childcare training and forums.
- Targeted virtual support to settings where quality was compromised.
- Continuation of childminder recruitment
- Guidance provided on development of risk assessments.
- Reopening guidance and risk assessment templates and risk assessment review support.
- Online sessions for early years and out of school clubs on Test and Trace and Protective Measures.
- Continuous updating of guidance for settings and childminders.
- Fully integrated work with Public Health and the DfE to operate Test and Trace.
- Development of settings to become Workplace Testing sites to allow staff to test twice weekly on site.
- Continuing proactive adviser support.
- Supporting providers with full and partial closures and reopening.

1.5 Changes within the childcare market, Summer 2019 – June 2021

The Market Position Statement Summer 2019 identified that due to the number of providers entering the market at that time, further development was not considered to be required at that time, other than those highlighted as part of ongoing housing development:

Location	Places to be created	Target date
Hampton Lakes Primary school	26 FTE places	September 2020
Hampton East Primary school (B)	26 FTE places	September 2022
Paston Reserve / Manor Drive Academy	26 FTE places	September 2022

There has been some delay to the target dates detailed above, and provision at Hampton Lakes Primary School will now open in September 2021; actual dates for provision at Hampton East Primary School (B) at Manor Drive Academy are to be confirmed.

As of 31 July 2019, two new settings were proposed and two were registered across Peterborough, which were projected to create an additional 193 places. This new provision was not facilitated by the local authority and was provided through two new private providers entering the market and two existing private providers opening new premises. This provision was included within provider counts to ensure no over supply of places was generated.

All proposed and registered provision did open, however one has subsequently closed (30 place pre-school).

The local authority supported Oakdale Primary School to re-open provision on their school site under new management following a 2.5 year displacement during school expansion works. This opened in Autumn 2019 and re-provided 19 places and created a further 7 places.

On occasion there is no other option but to allow provision to close when it is no longer profitable in its current structure and when other avenues, such as advice provided by the local authority, has been exhausted. The local authority can no longer offer grants to support provision which is unlikely to be financially secure in the future.

There have been three notable closures of long standing pre-school provision since June 2019 (operational for 15, 22 and 28 years). These settings were no longer profitable due to issues such as rising business costs coupled with lower numbers of children attending and committee retention/commitment. A private organisation reopened pre-school provision at one of these sites, ensuring continuation of services for local families.

As well as the two pre-schools which are planned as part of new school developments, there are currently 2 new providers opening provision in September 2021, creating 82 places. A further 2 providers have plans to open provision, but these have not yet gone through registration processes. These proposals will be taken into account in market development intentions.

Since Summer 2019, there have been the following changes to the number of providers/places available.

Provider type	June 2019		June 2021		Places +/-
	No. of providers	No. of places	No. of providers	No. of places	
Childminders	159	477	145	435	-42
Day Nurseries	40	2386	40	2427	41
Pre-schools	60	2206	60	2241	35
Maintained Nursery Unit / School	6	271	6	252	-19
Nursery unit of Independent School	1	20	1	27	7
TOTAL	266	5360	252	5382	22

The city council has been successful in promoting to childminders the benefits of offering government funded places to three and four-year-olds and eligible two-year-olds through actively targeting childminders who have achieved a good or outstanding Ofsted grading and discussing the entitlement with newly registered providers. Whilst there are fewer childminders available now, more are offering government funded places (127, 87.6%) compared to June 2019 (123, 77.4%).

Changes due to covid-19

There have inevitably been some changes within the childcare market as a result of covid-19. Not all of the following changes are as a direct result of the pandemic; historical issues such as low occupancy, may have exacerbated the situation. A number of childminders have chosen this time as the right time to retire, whilst others have had to seek alternative employment due to lack of income and government support available.

The table below shows the number of providers opening and closing between March 2020 and June 2021.

	Number of providers opening	Increase in places	Number of providers closing	Loss of places
Childminders	18	54	22	66
Day nurseries	1	38	0	0
Pre-schools	1	30	2	66
TOTAL	20	122	24	132

1.6 Current supply of childcare provision in Peterborough

The majority of early education and childcare provision in Peterborough is operated by private, voluntary managed or independent (PVI) groups, which accounts for 90% of group based settings in the city. Childminders are also a vital element within the overall childcare mix in the city.

Delivering services to meet the needs of Peterborough families requires a partnership approach between the city council and the PVI sector. Direct delivery of services by the council will only be considered where there is no alternative; an approach encouraged by the Government and supported by the city council.

The summary table below details all active early years provision in Peterborough⁹.

Provider type	Number of settings	Number of places (0-4 years)
Childminder	145	435 ¹⁰
Day Nursery	40	2427
Pre-school (PVI)	56	2067
Pre-school (school run)	4	174
Maintained Nursery School/Unit	6	252
Nursery Unit of Independent School	1	27
TOTAL	252	5382

Operational hours of early years provision

Day nurseries in Peterborough are open, on average for 50 hours per week over 51 weeks of the year, typically offering care from 8am to 6pm, supporting a typical working day and working week from Monday to Friday. One day nursery in Peterborough opens on a Saturday. Most day nurseries accept children from 3 months.

Childminders offer year round care with often very flexible hours to accommodate working families such as shift workers. Some childminders in Peterborough offer overnight care, however very few offer care at the weekend. Most childminders accept children from 3 months. Many childminders offer pick up and drop off services for school aged and pre-school aged children. Currently 86.9% of childminders are signed up to offer government funded places for two, three and four-year-olds.

Pre-schools are perhaps the least flexible in terms of operational hours, as due to their nature they are often located in community provision or schools which limit their ability to offer longer care. Most pre-schools in Peterborough operate for 30 hours per week over 38 weeks of the year and take children from two years.

Figures 1, 2 & 3 show the operational hours of group based settings by ward and locality, by showing the hours and weeks of the year each childcare provider in the ward is open. This visually highlights wards in the city which do not have as many providers offering flexible hours, which is particularly important when examining the needs of working parents eligible for the extended entitlement. This will be considered when developing new places to ensure a mixed economy is available for families.

⁹ Proposed settings which are not yet active and operational and settings which are closing or have already closed but have not been confirmed as closed by Ofsted are not included in this count.

¹⁰ The Department for Education's Statutory Framework for the Early Years Foundation Stage (2021) states "At any one time, childminders may care for a maximum of six children under the age of eight (including the childminder's own children or any other children for who they are responsible); of these, a maximum of three may be young children, and there should only be one child under the age of one (a child is "young" up until 1 September following his/her fifth birthday)". It is therefore assumed that a childminder can look after three children in the birth to four age range.

Figure 4

Provider Type / Age	Peterborough ¹²	East of England	England
Nursery - 25 hours (under 2's)	£133.93	£145.36	£140.27
Nursery - 25 hours (2 years)	£122.73	£144.84	£134.73
Nursery - 25 hours (3 & 4 years - 10 hours paid, 15 hours funded)	£48.11	£52.63	£52.44
Childminder - 25 hours (under 2's)	£113.05	£117.20	£119.02
Childminder - 25 hours (2 years)	£113.44	£116.41	£117.86
Childminder - 25 hours (3 & 4 years - 10 hours paid, 15 hours funded)	£45.13	£47.01	£93.92
After school club - 15 hours	£40.75	£61.37	£62.56
Childminder after school - 15 hours	£70.20	£71.00	£71.55

Government support for childcare costs

As well as government funded entitlements for two, three and four-year-olds, further government support is available for families to help with childcare costs. More details can be found on the Childcare Choices website www.childcarechoices.gov.uk.

Tax Free Childcare was introduced in 2017 to help working families with the cost of childcare. For every £0.80 that the parent or someone else contributes, the government will contribute £0.20.

This is the equivalent of the tax most people pay (20%), which gives the scheme its name “tax-free”. The government will top up the up to a total of £2,000 support per child per year (or £4,000 for disabled children). The scheme is available for children up to the age of 12, and for children with disabilities up to the age of 17.

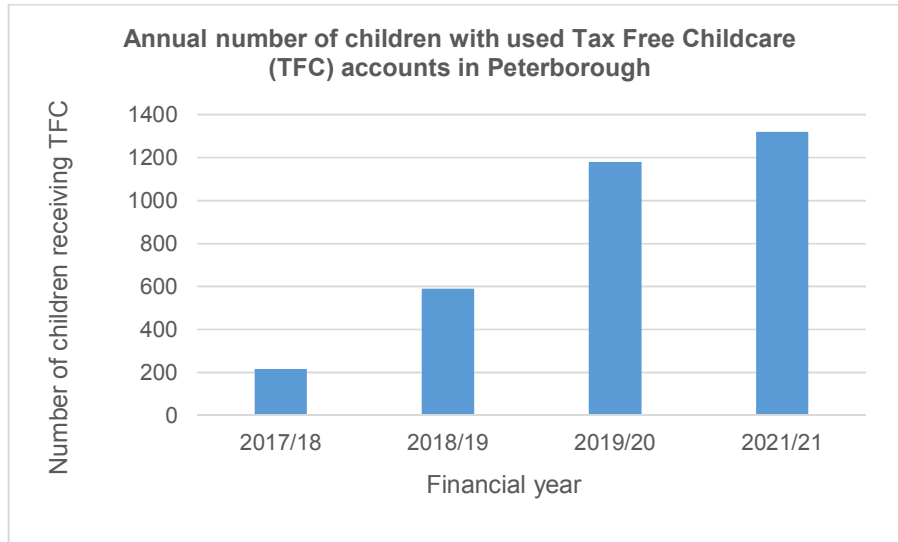
Parents must apply to HMRC to access Tax Free Childcare. The criteria for qualifying for Tax Free Childcare is the same as the earnings thresholds for the extended entitlement. Parents will be required to reconfirm their circumstances every three months by using a simple log in service. The support offered is available for eligible working families and does not rely on employers offering it, unlike previous Employer Supported Childcare schemes or vouchers.

As part of their application, parents open a secure online account which they pay into to cover the cost of childcare with a registered provider. The provider (who must be signed up to the scheme) will receive payments from the parent directly from this account. Parents and others (for example, friends or grandparents) can pay money into the childcare account as and when they would like. This provides families with the flexibility to build up a balance in the account to use at times when more childcare is required than usual, for example, during the summer holidays.

¹² Data collected and submitted for the Coram Family and Childcare “Childcare Survey 2021”. Correct at time of submission, December 2020.

If the parents circumstances change or they no longer wish to pay into the account, the money that has been built up can be withdrawn, however the government will withdraw its corresponding contribution.

Take up of Tax Free Childcare has been slow since its introduction in 2017/18 but is increasing year-on-year as shown below¹³.



Low income working families can still receive support through the Childcare Element of Working Tax Credits or through Universal Credit, which may enable families to claim back up to 85% of childcare costs.

Financial support is also available for parents under the age of 20 who are school or sixth form through Care 2 Learn. Students over the age of 20 in further education can apply for Discretionary Learner Support.

The government has a childcare calculator tool to assist families in finding out what financial support with the cost of childcare may be available to them: www.gov.uk/childcare-calculator.

Cost of delivering the funded entitlement

In April 2017, the way local authorities receive funding for the funded early education entitlement for three and four-year-olds changed. The Early Years National Funding Formula sought to ensure a fairer, more transparent way of funding local authorities, removing historical imbalances in funding previously experienced.

Peterborough City Council was fortunate that the rate at which the city council was previously funded increased, but there has been very little further increase in funding since 2017 despite rising costs of delivery for providers. At least 95% of funding received is passed to providers.

¹³ <https://www.gov.uk/government/statistics/tax-free-childcare-statistics-march-2021>

Details of funding rates received by early years providers are shown below¹⁴:

Two-year-old funding hourly rate	£5.30
Three and four-year-old funding rate	£4.60
Flexibility supplement	£0.49
Deprivation supplement	£0.25
Early Years Pupil Premium	£0.53

Out of school and holiday provision

Whilst this Market Position Statement predominantly focuses on delivery of the funded early education entitlements for two, three and four-year-olds, it is important to consider the role that “wraparound” provision for delivering vital services supporting working families.

Figure 5 shows the number of before, after school and holiday care providers in Peterborough and average costs¹⁵.

Figure 5

	No. of providers	Number of places ¹⁶	Average cost
Before school	47	1666	£3.43
After school	42	1577	£7.95
Holiday care	53	2040	£20.90

Childminders also make up an important element of the before, after school and holiday club mix, and many offer drop off and collection services to and from school for school aged children.

Holiday Activities and Food (HAF) Programme

School holidays can be particular pressure points for some families because of increased costs (such as food and childcare) and reduced incomes. For some children, that can lead to a holiday experience gap, with children from disadvantaged families:

- less likely to access organised out-of-school activities
- more likely to experience ‘unhealthy holidays’ in terms of nutrition and physical health
- more likely to experience social isolation

The Holiday Activities and Food (HAF) programme is a Department for Education funded response to this issue. Evidence suggests that funded holiday activities and clubs can have a positive impact on children and young people and that they work best when they:

- provide consistent and easily accessible enrichment activities
- cover more than just breakfast or lunch
- involve children (and parents) in food preparation

¹⁴ Correct for financial year 2021/22

¹⁵ Correct as of 28 June 2021. Holiday care includes HAF provision for Summer 2021.

¹⁶ A number of schools operating before and after school clubs did not specify the number of places they have available as they do not tend to limit numbers and accommodate according to demand at that time. It has therefore been assumed, where a school has not specified a number of places available, that 30 places are available.

The HAF programme in Peterborough ran for the first time in Easter 2021 and is confirmed to run in Summer and Christmas holidays. Our expectations for children who access the HAF programme are for them to:

- eat more healthily over the school holidays
- be more active during the school holidays
- take part in engaging and enriching activities which support the development of resilience, character and wellbeing along with their wider educational attainment
- be safe and not to be socially isolated
- have a greater knowledge of health and nutrition
- be more engaged with school and other local services

The overarching aim of the programme is to provide healthy food and enriching activities. The HAF holiday provision is for school-aged children who receive benefits-related free school meals (FSM). It is optional for eligible children to attend this provision if they wish. Local authorities are asked to ensure that the offer of free holiday club provision is available for all children eligible for FSM in the local authority area. It is not expected that all eligible children will participate.

Local authorities are also encouraged to make the holiday clubs available to any children not eligible for FSM, who can pay to attend.

The aim of the programme is to make free places available to children eligible for benefits-related FSM for the equivalent of at least 4 hours a day, 4 days a week, 6 weeks a year. The funding should cover 4 weeks in the summer and a weeks worth of provision in each of the Easter and Christmas holidays.

Providers have flexibility about how they deliver this level of provision to best serve the needs of children and families in their area. There is also flexibility in how the programme can be delivered to older children. Funding for a child's place will include the hours, a healthy meal each day and nutritional education requirements.

There are currently 38 providers across the city offering 1320 places¹⁷ in Summer 2021.

SEND

Local authorities have a duty to ensure that they meet the childcare requirements of children with special educational needs. The Children and Families Act (2014) also requires local authorities to publish a "Local Offer", setting out in one place information about provision they expect to be available for children and young people in their area who have special educational needs or disability. (SEND).

The Local Offer should provide clear and accessible up to date information about available provision and how to access it, along with advice and support for families and professionals to help find the services they need www.peterborough.gov.uk/localoffer. From here, there is a link to Peterborough's Families Information Service (FIS) which lists all Ofsted registered provision. All providers are considered to be inclusive for children with SEND, however some childcare settings have included specific details of their experience relating to children with SEND. The FIS also maintains the "Disability Register". By signing up to this voluntary, confidential register, families can receive targeted information.

There are a number of early years specialist services available which aim to support families who have a child in their early years with SEND.

¹⁷ Correct as of 01/07/2021. More information about providers offering HAF places can be found www.peterborough.gov.uk/HAF-programme

The Early Support pathway in Peterborough provides services for families with a child with SEND in their pre-school years. These children may have significant and profound learning, sensory impairment, physical impairment, social and communication difficulties, autism and other disabilities or conditions that will impact on their life-long learning and development.

The Early Support Coordinator (ESC) is the single access point for all referrals where a child in their pre-school years is identified as having additional needs. The ESC supports the family and ensures a coordinated approach to all support services and interventions, and also coordinates feedback regarding services, to provide a central point of contact for the parent/carer and professionals.

Additional support is available for childcare settings in Peterborough through Early Support to enable them to support children with SEND whilst accessing early years provision for their funded early education entitlement.

The Early Years Foundation Stage¹⁸ states that providers must have arrangements in place to support children with SEN or disabilities. The city council has three Early Childhood Specialists for Inclusion who directly support early years providers and practitioners to develop inclusive practice for children with SEND. They provide advice and support around early identification and intervention for children with SEND including day to day support to practitioners with strategies, targets, activities appropriate to the child's stage of development, looking at the early years environment, record keeping, making referrals to other professionals and transition into school, as well as delivering training to the sector. Additional financial support is available to support settings through the Disability Access Fund (DAF). Three and four-year-olds will be eligible for the DAF if the child is in receipt of Disability Living Allowance and receiving their funded early education entitlement. The setting where the child is receiving their funded entitlement will be entitled to a one-off payment of £615 per year.

Specialist advice and support is provided to families who have a young child with complex needs by the local authority's Early Identification Officer (EIO), predominantly following referrals to the Early Support pathway. The EIO offers support in a variety of ways, including working with other partners, development support, assistance with form completion and support to access an appropriate early years provider of their choice and accompany the family and child to visit identified provision. If parents choose not to send their child to an early years provider, the EIO will support the family in the process of assessing a school place when required, supporting parents with Education, Health and Care Plan (EHCP) requests where relevant.

The Portage service is a home visiting educational service for pre-school children aged from birth to three with disabilities, additional support needs or developmental delay, and their families. The key purpose of the Portage service is to provide a framework of support to families with pre-school children with SEND which includes:

- Regular home visiting;
- Supporting the development of play, communication, relationships and learning for young children within the family, modelled by home visitors and targets set;
- Working together with parent/carers within the family, with them taking the leading role in the partnership that is established;
- Helping parents to identify what is important to them and their child and plan goals for learning and participation;
- Keeping a shared record of the child's progress and other issues raised by the family;
- Responding flexibly to the needs of the child and family when providing support.

¹⁸ Department for Education Statutory Framework for the Early Years Foundation Stage, September 2021

Families can refer their pre-school aged child for support from the Portage service by visiting www.peterborough.gov.uk/FIS and searching for "Portage".

1.7 Importance of quality provision

The Department for Education state that wherever possible, funded two, three and four-year-olds should access their funded early education entitlement in settings which have achieved a good or outstanding Ofsted grading.

It is important to consider this in an assessment of the childcare market to understand where improvements could be made as any identified market development priorities.

Figure 6 shows the position on 18th June 2021 of the number of childcare places available in Peterborough with an Ofsted grading of outstanding, good, satisfactory/requires improvement and inadequate. This includes all pre-schools, day nurseries and childminders who can offer funded places, registered on the early years register, who have been inspected by Ofsted.

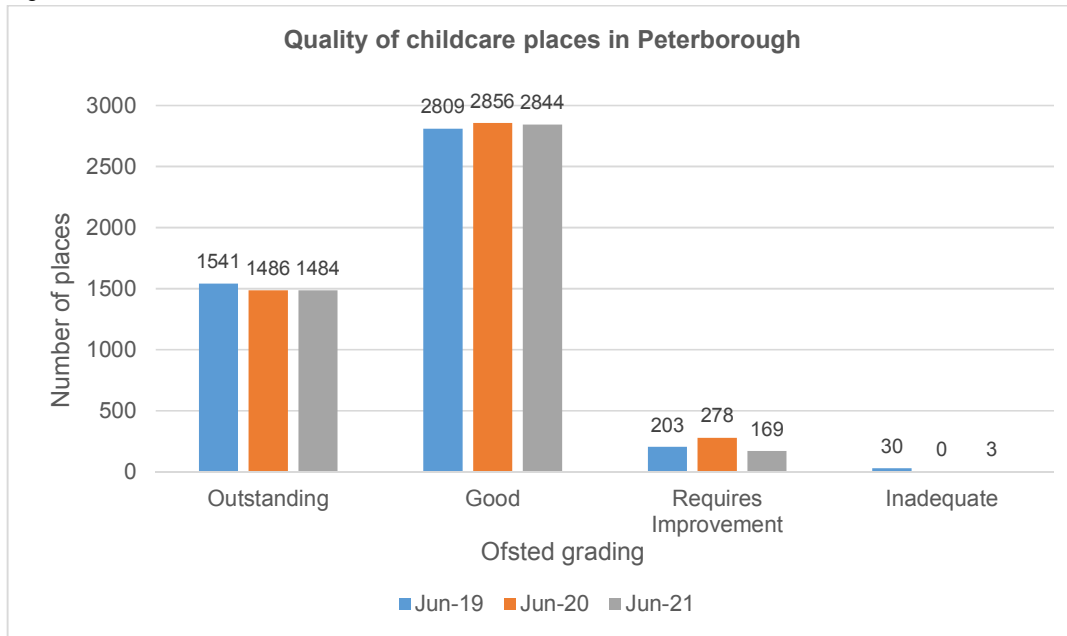
It should be noted that there are a number of operational providers offering funded places who have not yet had their first Ofsted grading (accounts for 521 places), school run and maintained provision, where provision is under the school's registration (322 places). A further 27 places are available at childminders who had no children on roll at the time of Ofsted inspection and 12 places at childminders registered through a childminder agency.

There has been little movement in the quality gradings in the last year as inspections were suspended as a result of covid-19. Inspections have now resumed and will be prioritised depending on date of last inspection/grading received.

The local authority provides intensive support to early years providers who receive an Ofsted grading of Inadequate. It is the position of the city council that no new funded children are able to access their funded early education entitlement at a provider graded Inadequate, until their Ofsted grading improves at re-inspection. In certain circumstances it may be necessary to withdraw all government funding for the funded early education entitlement where an Ofsted report highlights concerns about safeguarding of children.

Continuing to improve quality of provision will form part of the market development priorities.

Figure 6



2. Methodology

2.1 Place planning: how the need for market development is assessed

When assessing where more capacity in the childcare market is required, consideration is given to:

- Occupancy levels and spare capacity at existing provision
- Child population and forecast growth by area
- Eligible population, by area
- Local knowledge which may influence supply and demand, including physical barriers to accessibility (e.g. rivers and main roads), and the service offer of individual providers.

Planning for sufficient early education providers is complex. Many factors need to be taken into consideration. It is too simplistic to say that for every eligible child in an area, a part-time place needs to be delivered locally. Reasons for this include:

- Parental choice over the provider accessed;
- Some families will require more childcare than their statutory entitlement and are more likely to travel to access full day provision;
- Not all providers make all of their places available to families wanting to access their funded entitlement (stand-alone funded entitlement sessions)
- Funded early education is an entitlement, but it is not compulsory
- There is an element of cross-border access, both into and out of Peterborough.

A demand led model of place planning based on current patterns of access is therefore adopted. A key indicator is occupancy rates at existing provision. This provides an insight into natural market behaviour (supply and demand), and indicates trends in parental choice based on the current services available. Further investigations at local level then establish market behaviour that could be considered unusual. For example, families could be forced to access provision out of their local area because local provision may not offer enough stand-alone funded entitlement sessions, despite not being full. Occupancy data alone would not identify this barrier to parental access.

2.2 Methodology for calculating capacity

Capacity in the sector is calculated by establishing the difference between provider capacity rates and the point at which providers are considered to be full. Capacity is then calculated as part-time places, where a place equates to 15 hours per week.

Providers are asked to supply occupancy data each term. The city council relies on this data being accurate. Attempts are made to identify where errors have occurred or full data sets are not supplied by providers. Adjustments are then made based on follow up conversations with providers, historical data or other market intelligence. Regular contact with Peterborough's providers who offer government funded places supplements the occupancy findings and is also used to identify potential discrepancies in data.

The occupancy data used to generate the tables in Appendix 1 (and ultimately the market development intentions) is taken from Spring funding period 2021. An increase of 5% has been applied to all settings (up to a maximum of 100%) to reflect expected occupancy in the summer funding period – traditionally the busiest point for settings in the year.

Occupancy rates traditionally rise each term / funding period from Autumn, and analysis of this annual rise over previous Spring to Summer periods identifies a rise of 5%. This increase is because the entitlement to early education starts the funding period (or term as traditionally called) following the child's second or third birthday, so more children become eligible through the year. Children can start school in the September following their fourth birthday, so the total cohort eligible to access a funded place each term is equal to the following numbers, assuming that children's birthdays are equally distributed throughout the year;

Funding period (term)	Children eligible for a funded place
Autumn	1 year cohort
Spring	1 year cohort plus 1/3
Summer	1 year cohort plus 2/3

For the purposes of place planning, the city council considers providers to be at maximum capacity when occupancy reaches 89% for day nurseries and 91% for pre-school. This is because beyond these levels, the likelihood of a parent being able to access a full-time place at the provider is significantly decreased. It also allows for a small margin of flexibility and parental choice in the childcare market.

The impact of covid-19 on demand for childcare

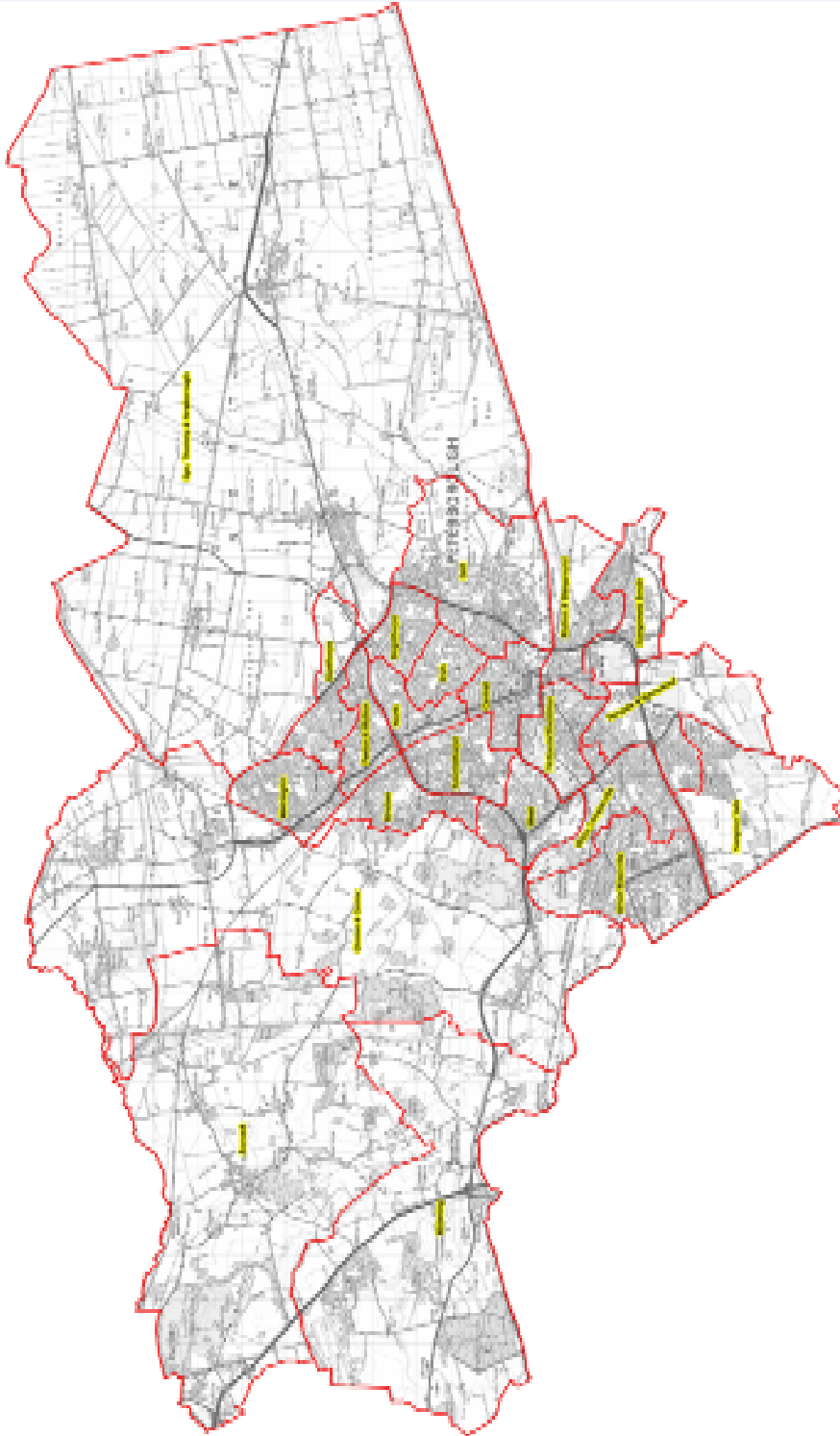
For this Market Position Statement, the city council will also consider weekly Department for Education data collections alongside occupancy data. These data collections, which have been ongoing since April 2020, will be used to examine increase in demand and recovery of settings at a more detailed level. This approach will ensure that the sustainability of existing providers is prioritised ahead of further development in an area, in line with the local authority's Sufficiency Strategy (page 30).

2.3 Planning areas

Analysis of market development has been conducted at ward level since 2013. These geographical areas are small enough to take account of localised issues and help ensure families have access to local services. It is not practical to adopt the same planning areas as used for school place planning; these are too large when considering the complexities of the early years market and the number of providers.

Availability of provision in neighbouring wards is always considered ahead of any market development intentions.

2.4 Ward boundaries



3. Demand for Provision

3.1 Take up of early years funded entitlements

Figure 7 shows the percentage of two-year-olds benefitting from funded early education places has remained steady since 2016, in line with the national average, dipped in 2020, and has fallen further in 2021 due to the impact of covid-19, reflecting the national picture.

Similarly there have been national falls in the take up of universal entitlement for three and four-year-olds, which was expected due to the impact of the pandemic. Locally the impact is also reflected in take up figures.

Figure 7¹⁹

		2014	2015	2016	2017	2018	2019	2020	2021	
2-year-olds	Number accessing in Peterborough	-	1060	1010	990	940	879	811	691	
	% Take up	Peterborough	-	64	67	71	69	69	66	62
		England	-	58	68	71	72	68	69	62
3-year-olds (universal)	Number accessing in Peterborough	2890	2850	3050	2910	2840	2936	2789	2665	
	% Take up	Peterborough	98	91	91	90	88	91	87	85
		England	93	93	93	93	92	92	91	84
4-year-olds (universal)	Number accessing in Peterborough	2980	3120	3060	3200	3080	3023	3012	2918	
	% Take up	Peterborough	104	105	97	95	95	93	92	90
		England	98	97	96	95	95	95	94	93
3 & 4-year-olds (universal)	Number accessing in Peterborough	5870	5970	6100	6110	5920	5959	5801	5583	
	% Take up	Peterborough	101	98	94	92	91	92	90	88
		England	95	95	95	94	94	94	93	88
3 & 4-year-olds (extended)	Number accessing in Peterborough	-	-	-	-	1300	1413	1501	1508	

Since its introduction in September 2017, there has been an increase in the number of children benefitting from the extended entitlement (30 hours) across the country. This has remained steady despite covid-19.

The cohort of children accessing funded hours increases throughout the academic year, peaking in the Summer funding period before falling in Autumn when children leave settings and take up a place in school reception. Development of places is a delicate balance between ensuring sufficient places are available in Summer, but ensuring provision remains sustainable in quieter Autumn funding periods.

¹⁹ Department for Education (2021) [Education provision in Children Under 5 Statistics](#) – based on the annual Early Years Spring census

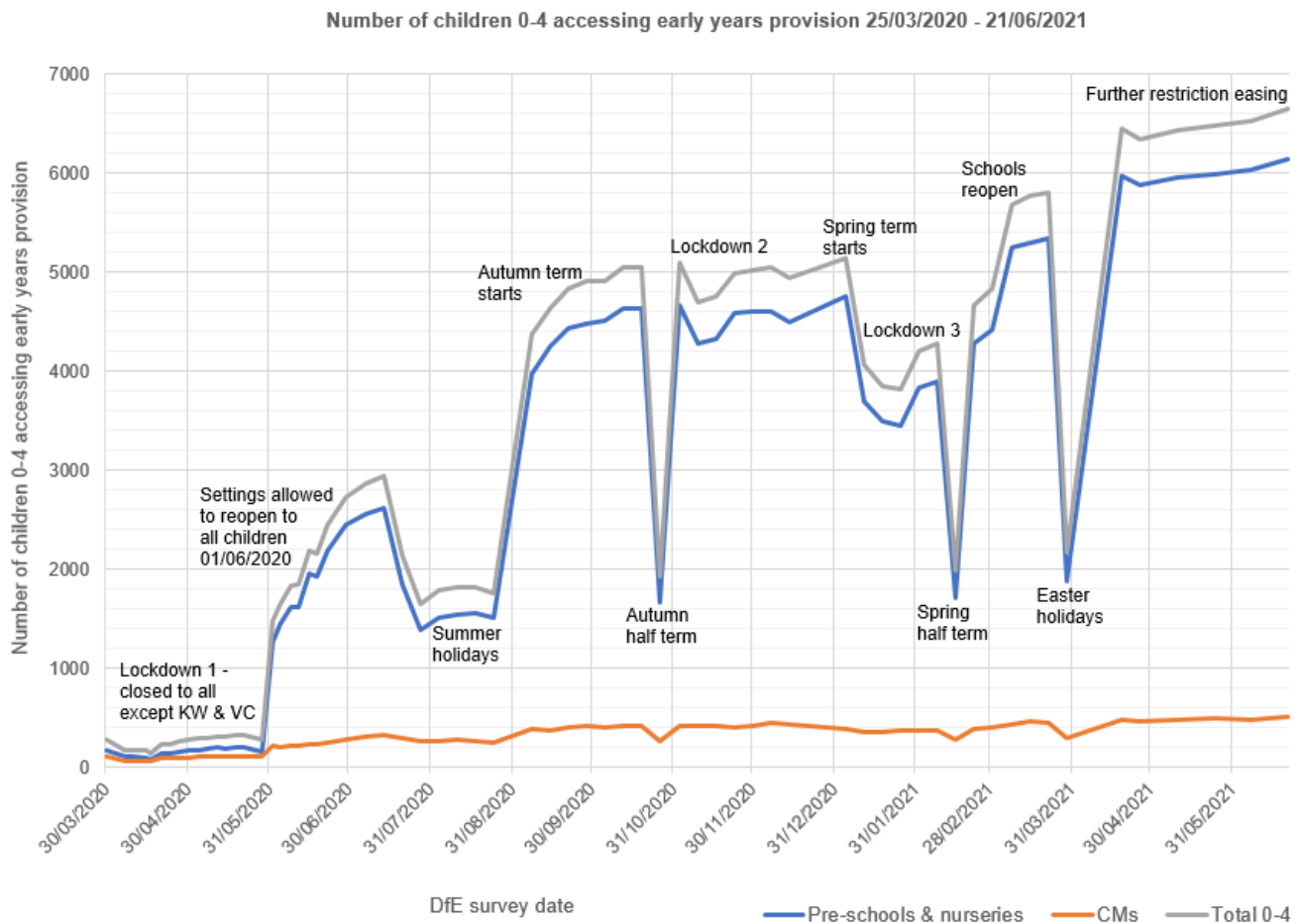
3.2 Occupancy during Covid-19

From 6th April 2020, the Department for Education (DfE) asked local authorities to provide details of the number of settings and childminders open or closed, and the number of children accessing those settings so they could understand the number of keyworker and vulnerable children accessing early years providers. This was initially twice per week (06/04/2020 – 18/06/2020), moving to once a week (25/06/2020 – 29/04/2020) and continuing fortnightly (10/05/2020 to current).

Whilst the data collection has been a burden both for the local authority and early years providers, it has provided a unique insight into the impact of the pandemic on the rise and fall of the number of children accessing early years provision and ongoing repercussions from lockdowns. We are extremely grateful for the support and patience of our early years providers to complete the surveys.

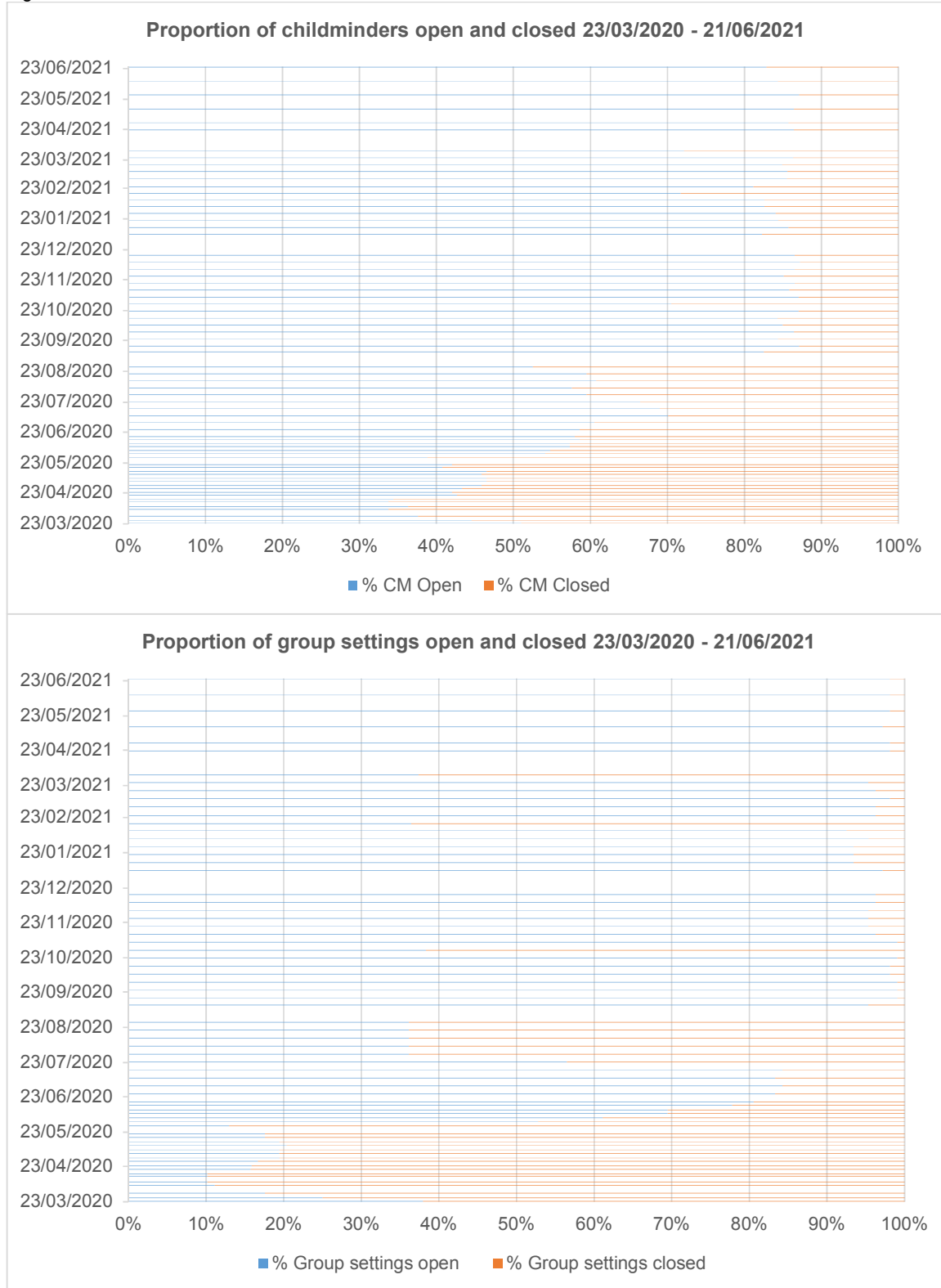
The graph shown in figure 8 shows the number of children accessing early years provision using the data compiled through each of the 67 survey returns since the pandemic began to date²⁰. Figure 9 shows the proportion of childminders and group based settings open or closed during the same period, further demonstrating the disruption to the sector resulting from both lockdown and covid-case related closures.

Figure 8



²⁰ Survey returns from 25/03/2020 to 21/06/2021.

Figure 9



As well as taking into account the DfE survey, we have continued to collect occupancy data from the sector, though this must be used with caution and an understanding of the impact of covid and access to early years provision.

Occupancy data is collected each term and aims to provide a snapshot of attendance at all early years providers by both funded and non-funded children (more information on page 19). During lockdowns, early years providers have been entitled to claim for funded children they were expecting would access a place with them this term. These children had to be formally signed up to attend that term (i.e. parent and provider agreement needed to be in place). Whilst this allowed settings a degree of respite, they were unable to claim for children who they would anticipate would usually attend later through the term, as children can take up funding at any point in the term as long as they are eligible to do so and the provider has space.

Occupancy data for the last year is down on 2019, as to be expected given the circumstances. DfE survey responses do support that in all areas, the number of children accessing is now increasing week on week as parental confidence grows.

		Spring 2019	Summer 2019	Autumn 2019	Spring 2020	Summer 2020	Autumn 2020	Spring 2021
Citywide / Ward averages	City	65.6	73.8	53.0	64.3	67.2	51.6	59.4
	Barnack	75.0	84.6	48.5	73.8	84.0	40.5	59.2
	Bretton	78.9	85.8	57.9	59.7	61.1	50.9	59.5
	Central	54.7	66.7	55.5	66.9	73.3	49.3	55.0
	Dogsthorpe	73.0	78.6	59.0	72.4	81.1	50.6	66.6
	East	66.3	72.8	51.0	62.4	72.5	48.5	56.5
	Eye, Thorney & Newborough	71.2	81.4	52.4	69.4	71.8	51.3	62.4
	Fletton & Stanground	67.9	73.4	56.4	61.7	67.0	46.9	52.7
	Fletton & Woodston	73.8	85.4	46.5	86.9	78.9	66.3	74.4
	Glington & Castor	47.0	55.3	52.3	59.2	62.5	46.6	54.2
	Gunthorpe	54.5	62.9	55.4	71.0	72.9	50.1	56.4
	Hampton Vale	58.6	80.8	51.0	69.1	74.5	56.2	47.4
	Hargate & Hempsted	77.1	85.1	53.1	59.6	63.2	58.0	65.9
	North	76.8	80.2	59.8	79.0	69.1	62.1	67.0
	Orton Longueville	73.6	81.0	54.9	70.7	79.1	53.9	63.1
	Orton Waterville	63.1	69.8	48.7	56.1	64.1	53.0	56.3
	Park	60.4	67.8	55.5	62.4	57.2	48.9	53.1
	Paston & Walton	60.9	68.8	50.5	63.2	66.6	48.1	60.1
	Ravensthorpe	67.3	79.8	60.6	63.8	64.3	57.6	65.1
	Stanground South	76.3	81.8	68.8	66.7	71.8	66.6	74.1
Werrington	56.4	58.8	40.4	44.5	47.9	39.9	49.6	
West	63.3	73.0	49.4	58.4	75.1	53.3	56.8	
Wittering	47.2	57.8	36.4	47.5	47.5	40.2	36.9	

3.3 Demand for Holiday Activities and Food Programme (HAF)

The HAF programme ran in Peterborough for the first time in Easter 2021. A total of 19 providers offered 777 places across the city for eligible children in receipt of benefit related Free School Meals (FSM).

74.9% of places were booked by eligible children in the Easter holidays, and of those booked to attend, 85.4% accessed at least one session. Take up of places was predominately by primary school aged children, as shown in figure 10.

Figure 10

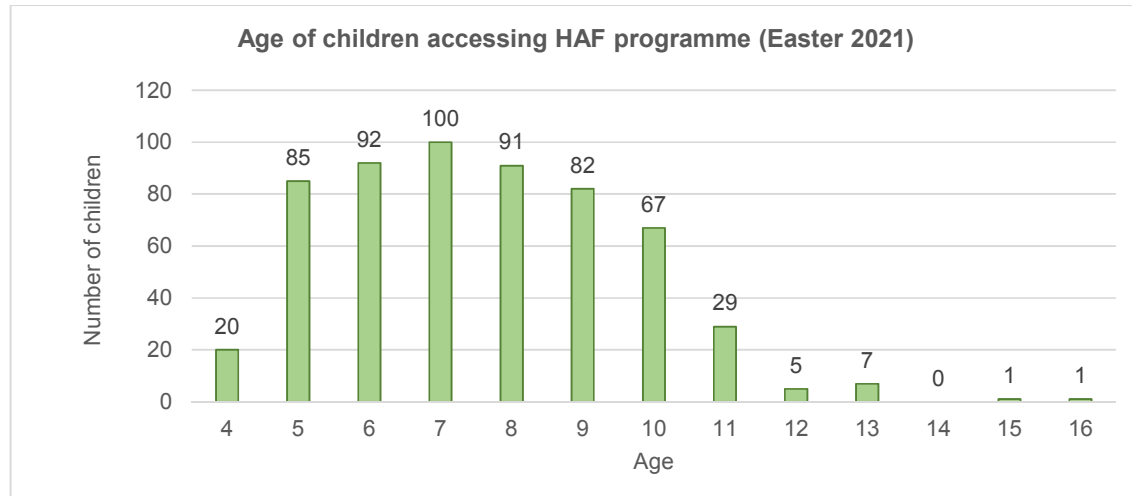


Figure 11 shows the estimated take up of children eligible for FSM by ward.

Due to the limited timescale available to arrange the scheme in Easter, there was a limited offer available in some wards. This is reflected in figure 11 which demonstrates the lack of local places available is likely to have impacted take up of places for eligible children in some wards. This has been taken into account for Summer 2021 delivery, with a further 19 providers taking part in the programme and an additional 543 places available to date, offering families more choice

Figure 11

Child's home ward	Number booked to attend	FSM children estimated eligible in ward ²¹	% bookings vs estimated FSM eligible children	Places available
Barnack	8	28	28.6%	30
Bretton	45	438	10.3%	155
Cross border - CCC	19	-	-	-
Central	25	364	6.9%	60
Dogsthorpe	32	469	6.8%	30
East	16	397	4.0%	0

²¹ FSM eligibility data is provided by school and not child's address, therefore schools have been grouped into ward to create and estimate. Primary data only.

Eye, Thorney & Newborough	25	163	15.3%	15
Fletton & Stanground	7	341	2.1%	6
Fletton & Woodston	10	264	3.8%	0
Glington & Castor	1	43	2.3%	0
Gunthorpe	21	244	8.6%	30
Hampton Vale	25	125	20.0%	70
Hargate & Hempsted	11	103	10.7%	0
Cross border - LCC	4	-	-	-
North	61	320	19.1%	45
NOT KNOWN	4	-	-	-
Orton Longueville	50	331	15.1%	60
Orton Waterville	31	249	12.4%	30
Park	47	174	27.0%	135
Paston & Walton	44	365	12.1%	21
Ravensthorpe	54	372	14.5%	30
Stanground South	20	124	16.1%	0
Werrington	11	207	5.3%	60
West	9	26	34.6%	0
Wittering	2	33	6.1%	0
Grand Total	582	5180	11.2%	777

Age does not seem to impact on the distance travelled by children to access schemes as shown in figure 12.

Analysis of the distance travelled by children to access the activities shows that whilst it is important to consider local offers, families seemed prepared to travel for some of the activities on offer despite having other options nearby, as shown in figure 13.

Figure 12

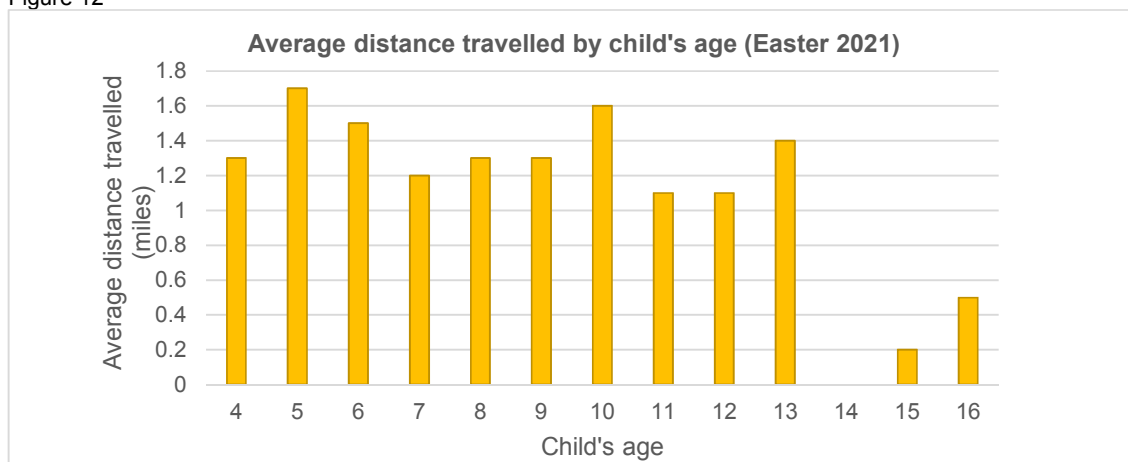
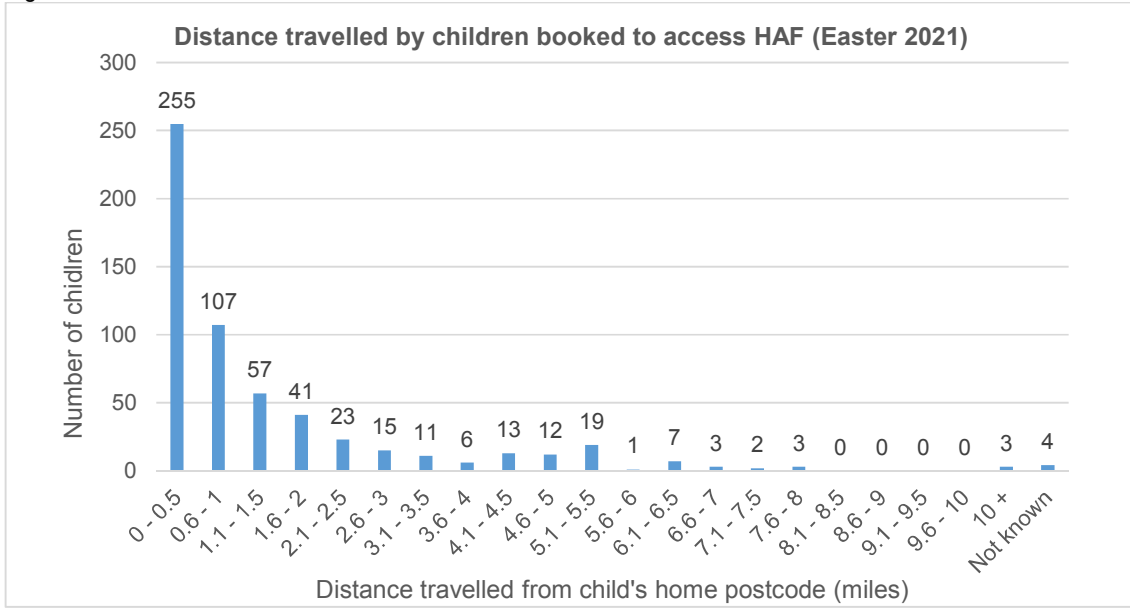


Figure 13



As well as increased offers in local areas in Summer 2021, a wider range of activities will also be available for families providing more varied opportunities for children less likely to have experiences of activities such as these.

4. Development needs

4.1 Market development requirements for 2021/22

There are currently no immediate market development requirements for 2021/22 outside of confirmed expansion to the childcare market which has been taken into account when examining requirements.

Only Ofsted registered provision has been included when considering supply – proposed new providers are not considered unless there is certainty that they will become operational. Providers which have closed but have not yet resigned their Ofsted registration, or providers who are closing imminently have also not been included as the impact of the closures need to be assessed.

Settings graded satisfactory/requires improvement and inadequate are included when considering supply as Peterborough City Council's Early Years Service strive to work closely with these settings to improve outcomes and eventual grading at re-inspection.

Confirmed expansion which has been included is shown as follows:

Location	Places to be created	Target date
Hampton Lakes Primary school	26 FTE places	September 2021
Private day nursery in Orton Waterville ward	52 FTE places	September 2021
Hampton East Primary school (B)	26 FTE places	September 2022
Paston Reserve / Manor Drive Academy	26 FTE places	September 2022

There are also a number of private schemes which we are aware of and, whilst not included in capacity figures at this point as they are not yet at the stage of registration, remain important to consider when developing the market position statement and examining future requirements and forecasts (page 36).

Location	Places to be created	Target date
Day Nursery in Orton Waterville ward	TBC	TBC
Day Nursery in Stanground South ward	78 FTE places	TBC
Day Nursery in Hargate and Hempsted ward **currently in planning consultation stage	Approximately 100 FTE places	TBC and dependent on outcome of planning application

The following city-wide objectives to support childcare sufficiency and quality improvement have been developed and will remain ongoing priorities for the Early Years Service:

City-wide objectives:	
Increase the number of childminders, pre-schools and day nurseries operating at a good or above Ofsted grading.	Ongoing objective
Increase the number of pre-schools offering places for children aged two (lowering of minimum age of intake).	Ongoing objective
Support pre-schools to increase their opening hours, to enable as many settings as possible to accommodate 30 hours childcare.	Ongoing objective
Increase the number of childminders offering the funded entitlement to three and four-year-olds and eligible two-year-olds.	Target increase from 87.6% to 90% by Spring 2023.

Increase the number of settings offering the stretched entitlement, creating more opportunity for flexibility and encouraging new business models to promote sustainability.	Ongoing objective
Targeted recruitment of new childminders - providing a 25% discount to prospective childminders in target areas to attend the "Childminder Introductory Course"	Available for childminders living in Fletton & Woodston, Hargate & Hempsted ward, North and West wards, and specific postcode areas of Gunthorpe and Stanground South wards.
Promote all funded entitlements to increase take up through marketing and work with partners	Target increase of 8% for funded two-year-olds, 5% for three-year-olds and 5% for four-year-olds by Spring 2023.
Promote Tax Free Childcare to raise awareness of government schemes which reduce the cost of childcare for working families.	Target increase from 1320 children benefitting in 2020/21 to 1820 in 2022/23

The market development strategy (page 30) has been considered when establishing these development needs.

Ongoing assessment of the childcare market will also take place throughout the next 12 months to ensure sustainability of existing providers. As a result, development needs are subject to change and will be revised as changes to the childcare market occur to ensure it is an accurate reflection of market developments required to ensure sufficiency.

4.2 Quality of provision

High quality early years provision is essential if we are to improve outcomes for the youngest children. There is strong evidence that good experiences in the early years are an essential part of a child's development. The quality of pre-school provision is a vital feature of early years education and care; research shows that children who attend higher quality provision tend to show better outcomes at the end of year one.

The longer term impact of pre-school is also clear in research with evidence showing that whilst not eliminating disadvantage, pre-school can help to ameliorate the effects of social disadvantage and can provide children with a better start to school. Therefore, investing in good quality early years provision can be seen as an effective means of achieving targets concerning social inclusion and breaking cycles of disadvantage.

To ensure the availability of good quality provision there is a range of advice, support and training available to improve the quality of early years provision in the city and improve practitioner practice, knowledge and skills; this is delivered through the Early Years Service.

4.3 Pupil Yield calculations

Cambridgeshire County Council Research Team has developed a pupil yield calculator which is used to support the local authority to establish the likely number of children generated by a new development. The multiplier has been established using methodology developed over a number of years alongside research of recent large scale housing developments. More information can be found in Appendix 3.

The calculator is used alongside occupancy data and the market position statement to determine when a development is likely to cause capacity issues. When demand is likely to exceed supply, this information is provided in response to planning consultations.

4.4 Strategy

The council has a framework within which it will work to secure sufficient childcare thereby fulfilling its role as strategic facilitator of the childcare market. The framework includes the Local Authority's definition of a sufficient childcare market and the concept of what will be considered reasonably practicable for the Local Authority when trying to secure sufficient childcare.

4.4.1 Definition of Sufficiency

A sufficient early education and childcare market is:

- A market where the overall number of early education and childcare places available (from all provider types) satisfies demand locally;
- A market where childcare is available locally at the times parents / carers require it to enable them to work or train;
- A market where childcare is accessible without the need to travel too far;
- A market where childcare provision is of an acceptable level of quality, with the benchmark being a grading of 'requires improvement' from Ofsted;
- A market where parents / carers are aware of the choices available to them;
- A market where childcare is affordable locally, determined by reference to families ability to pay for the childcare they need, making use of support as appropriate;
- A market that is inclusive and accessible to all by meeting specific needs locally;
- A market that is reliable and that will provide sustainable childcare for its users.

The local authority will work towards securing a sufficient childcare market in Peterborough where it is reasonably practicable to do so.

4.4.2 What is reasonably practicable?

Steps will taken to secure sufficient early education and childcare where;

- The actions required to close an identified gap will not have a negative impact on the sustainability of existing quality local childcare settings that will in turn reduce the overall supply of services
- There is evidence to suggest the gaps identified reflect a long term change in the market situation
- The Local Authority has adequate funds and resources available to implement the required actions
- The proposed action takes account of any long term, phased approach to securing sufficiency within an area
- The labour market is able to support the developments required as identified in the gap analysis
- Suitable space and or premises are available for the required developments. Wherever possible, existing provision will be utilised ahead of new builds.
- The demand is such that ongoing financial support from the Local Authority will not be required beyond an affordable level.

Where the above criteria cannot be satisfied, it will be considered not reasonably practicable for the Local Authority to facilitate work to close the identified gaps in the childcare market. However, the Local

Authority will work over time to reduce constraints that prevent the closing of gaps in the childcare market.

4.4.3 Facilitation of the childcare market

The local authority will undertake its role as strategic facilitator of the early education and childcare market by utilising the following market levers as appropriate;

1. Commissioning: In this context, commissioning is the process of actively working with partners to guarantee that a required service is made available to end users. This involves the local authority identifying needs and then identifying a service provider to satisfy that need, making support available as necessary to bring about desired outcomes. A fair and equitable process will be implemented to ensure a level playing field for all childcare providers.
2. Information: Sharing relevant and up to date information relating to the childcare market among all stakeholders. This will include the promotion of entitlements to families and partner agencies.
3. Support: A range of support services will continue to be offered and developed that will benefit childcare providers or those proposing to provide childcare. This range of services may include both financial and non-financial support.
4. Regulation: The LA may impose requirements on providers through local arrangements and then regulate and monitor providers.

The city council does not intend to directly provide childcare where there are gaps in the market. This would only be considered if a definite need had been identified with reliable evidence and all other efforts to meet that need have been unsuccessful.

4.4.4 Sustainability of the childcare market

A key factor in securing a sufficient early education and childcare market for families is the need for providers to be sustainable. A sustainable set of providers minimises disruption to families and allows continuity of care for children.

The local authority will consider the sustainability of existing provision as a priority when undertaking market facilitation duties. This will mean working with existing providers to meet any unmet demand before any consideration is given to the need for new providers.

If a demand for more childcare places is identified, the local authority will act to meet this demand but will give careful consideration to any potential impact this could have on all providers in the local market. A gradual approach would be taken to increase registered places and the situation would be regularly reviewed using occupancy figures, waiting list information, and the views of parents and childcare providers. This approach would avoid flooding the market and negatively impacting on the sustainability of existing provision.

Appendix 1: Comparison of supply against demand

Demand from eligible two-year-olds

Figure 14

Ward	Current capacity (children that can be accommodated for 15 hours per week)	Total forecast demand from two-year-olds	Two-year-olds currently taking up funding	Estimated number of two-year-olds still eligible in ward (not yet applied or eligible but not accessing)	Forecast capacity
Barnack	6.8	2	2	0	7
Bretton	75.6	63	34	29	47
Central	86.2	104	52	52	34
Dogsthorpe	37.8	94	53	41	-3
East	68.3	80	38	42	26
Eye, Thorney & Newborough	29.5	29	20	9	21
Fletton & Stanground	50.2	43	29	14	36
Fletton & Woodston	20.0	60	39	21	-1
Glington & Castor	38.2	3	2	1	37
Gunthorpe	20.2	46	30	16	4
Hampton Vale	23.0	33	21	12	11
Hargate & Hempsted	40.2	27	18	9	31
North	42.0	119	59	60	-18
Orton Longueville	26.0	64	45	19	7
Orton Waterville	105.8	28	18	10	96
Park	110.1	66	33	33	77
Paston & Walton	41.1	62	45	17	24
Ravensthorpe	37.3	83	42	41	-4
Stanground South	39.0	43	31	12	27
Werrington	64.5	35	25	10	55
West	6.3	20	12	8	-2
Wittering	39.3	8	4	4	35
CROSS BORDER			10		
TOTALS	1007.4	1112	662	460	

Figure 14 shows the forecast capacity available in settings, using the forecast demand figures from the remaining number of eligible two-year-olds and projected summer term occupancy figures. A negative figure in this table indicates that there is likely to be insufficient supply and more places are needed (a place = 15 hours).

Where a negative figure is shown, capacity in neighbouring wards is considered before any recommendations are made about increasing supply of provision in an area.

Demand resulting from the additional 15 hours for eligible three and four-year-olds

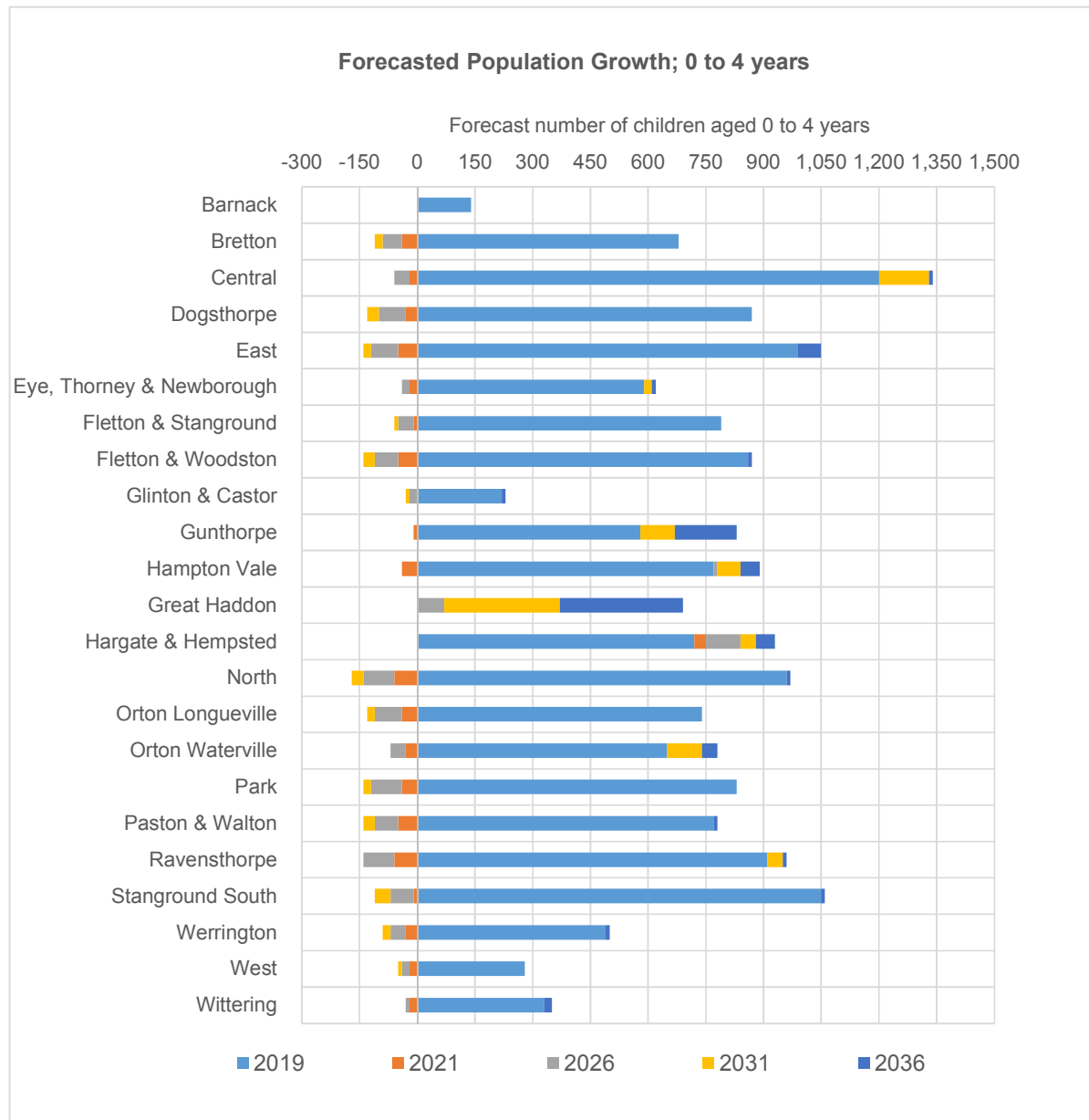
At present, data in figure 15 suggests there is sufficient capacity within the childcare market to accommodate children for their universal and extended funded entitlement in the next 12 months, however pressure is emerging in Fletton and Woodston ward. This should be monitored closely with any new planning applications, alongside the pupil yield calculator (page 29 & appendix 3), however population forecasts in appendix 2 indicate a fall in overall 0-4 population in coming years.

Figure 15

Ward	Current capacity (children that can be accommodated for 15 hours per week)	Total forecast demand from new children for universal entitlement	Total forecast demand from new children for extended funded entitlement (30 hours)	Capacity remaining
Barnack	17.7	1	5	11.9
Bretton	143.9	14	11	118.4
Central	177.5	22	7	148.6
Dogsthorpe	86.9	23	13	50.6
East	161.9	26	16	119.9
Eye, Thorney & Newborough	58.9	20	14	24.5
Fletton & Stanground	98.6	13	17	68.4
Fletton & Woodston	35.9	20	18	-1.4
Glington & Castor	86.8	6	9	72.3
Gunthorpe	52.5	3	15	34.4
Hampton Vale	59.8	10	10	40.4
Hargate & Hempsted	116.9	14	23	80.1
North	96.1	6	10	80.2
Orton Longueville	59.2	21	14	24.2
Orton Waterville	209.7	11	11	187.7
Park	192.0	15	7	169.9
Paston & Walton	87.7	18	14	55.3
Ravensthorpe	76.9	22	13	42.4
Stanground South	69.4	9	21	39.0
Werrington	120.9	7	11	102.5
West	16.4	2	11	3.7
Wittering	68.0	6	5	57.2
CROSS BORDER		15	26	
TOTALS	2093.6	289	301	

Appendix 2: Forecasted growth and development and the impact on the childcare market

Peterborough is a growing city. Further large scale housing developments are planned over coming years, and as with any development, there will be an increased need for services in certain areas. The following graph visualises the forecasted growth in population for the early years age group over the next 15 years.



The table below highlights the areas of the city which will experience growth in the 0-4 population between now and 2036. Areas of forecasted substantial growth are Gunthorpe, Hargate and Hempsted, and Great Haddon; all areas with planned large scale housing development which is ongoing or will commence over the next few years.

Wards	0-4 years population forecasts					Total difference between 2019 and 2036
	2019	2021	2026	2031	2036	
Barnack	140	140	140	140	140	0
Bretton	680	640	590	570	570	-110
Central	1200	1180	1140	1270	1280	80
Dogsthorpe	870	840	770	740	740	-130
East	990	940	870	850	910	-80
Eye, Thorney & Newborough	590	570	550	570	580	-10
Fletton & Stanground	790	780	740	730	730	-60
Fletton & Woodston	860	810	750	720	730	-130
Glington & Castor	220	220	200	190	200	-20
Gunthorpe	580	570	570	660	820	240
Hampton Vale	770	730	740	800	850	80
Great Haddon	0	0	70	370	690	690
Hargate & Hempsted	720	750	840	880	930	210
North	960	900	820	790	800	-160
Orton Longueville	740	700	630	610	610	-130
Orton Waterville	650	620	580	670	710	60
Park	830	790	710	690	690	-140
Paston & Walton	770	720	660	630	640	-130
Ravensthorpe	910	850	770	810	820	-90
Stanground South	1050	1040	980	940	950	-100
Werrington	490	460	420	400	410	-80
West	280	260	240	230	230	-50
Wittering	330	310	300	300	320	-10
Total	15410	14830	14070	14560	15330	-80

Population forecasts of this nature are subject to change, and are based largely on proposed developments progressing. However, it is imperative that plans are in place to secure early years provision at the earliest opportunity when development does begin; numbers of this scale will have a significant impact on neighbouring services if local services are not established when families move on to completed plots. This has previously been experienced in the Hampton Hargate and Vale area, where plans were developed ahead of extensions to the funded entitlement for two, three and four-year-olds and became effectively out of date, which led to a lack of provision and subsequently impacted on neighbouring wards and families within them.

A highlighted awareness of the entitlements for two, three and four-year-olds with the local authority planning team and the school infrastructure team goes some way to mitigating this in the future; however the additional entitlement for some three and four-year-olds will create substantial added demand for early years provision which has not been factored into developments which have already been approved. Comments are provided and contributions from developers are sought on planning applications which are forecast (through the pupil yield calculator) to generate early years children which exceed existing capacity.

Forecast number of places required in 2026 and 2031

Ward	Number of 15 hour places required		Total number of 15 hour places required by 2031
	2026	2031	
Barnack	0	0	0
Bretton	-48	-11	0
Central	-28	60	32
Dogsthorpe	-53	-16	0
East	-61	-10	0
Eye, Thorney & Newborough	-21	10	0
Fletton & Stanground	-24	-5	0
Fletton & Woodston	-59	-16	0
Glington & Castor	-10	-5	0
Gunthorpe	-5	46	41
Hampton Vale	-14	29	14
Great Haddon	34	145	178
Hargate & Hempsted	13	22	35
North	-73	-16	0
Orton Longueville	-59	-11	0
Orton Waterville	-35	46	10
Park	-57	-9	0
Paston & Walton	-57	-15	0
Ravensthorpe	-72	20	0
Stanground South	-36	-20	0
Werrington	-39	-11	0
West	-22	-6	0
Wittering	-13	0	0
Total	-686	227	363

The estimates shown above have been developed using;

- Forecast population estimates 0-4 years;
- Current population estimates;
- Estimated number of eligible two-year-olds
- Proportion of eligible three and four-year-olds taking up extended funded entitlement.

The estimates examine differences between current population and forecast population, using the proportion of eligible two-year-old population and three and four-year-old cohorts to forecast additional demand created by ward level growth.

Growth is most significantly dependent on housing developments within wards progressing at anticipated levels, but it also dependent on government legislations surrounding funded entitlements at that time and parental eligibility and take up of those entitlements, which will also be reliant on the employment opportunities available in the city for a growing population.

Appendix 3: Cambridgeshire County Council Research Team; Peterborough Pupil Multipliers.

Peterborough Pupil Multipliers – Summary Technical Paper October 2020 (written by Cambridgeshire County Council Research Team)

1. Background

- 1.1 In order to plan education provision for new housing developments, the County Council's Research Team provides forecasts of pupil numbers. The **multipliers** used to calculate demand for school places from children living within new developments underpin these forecasts. The forecasts then form the basis for either negotiation with developers as part of a S106 agreement, to support the Council's case for its infrastructure requirements to be funded via the Community Infrastructure Levy (CIL), or for bids into DfE capital funds. This process is consistent with DfE Guidance²² that states "*Pupil yield factors should be based on up-to-date evidence from recent housing developments*".
- 1.2 In larger developments the number of school places required may necessitate provision of new schools and sufficient land to accommodate buildings and outdoor space. These requirements feed into the planning process. Given the importance of the multipliers in the planning of the provision of new communities, it is important that they are considered by elected members and this, in turn, lends weight to the Council's case whenever it is negotiating with developers for multi-million pound contributions for education.

2. Methodology

- 2.2 Forecasting the number of children that will live in a new development is a complex evidence led process. The County Council's Research Team has a developed methodology over many years, based on:

- Analysis of NHS Child Health (CHIS) data;
- Analysis of administrative data such as the PLASC (Census of school pupils);
- Local surveys of new developments;
- Whole population analysis such as local population estimates, where relevant the Census and GP registrations;

This data is then applied to a selection of recent case studies for new developments in the area. In this case The Hamptons (post 2010 build), Cardea / Stanground South and Paston.

- 2.3 Together, these sources indicate the average number of children that might reasonably be expected in individual properties, depending on the number of bedrooms and tenure. However, it should be noted that while some key variables e.g. dwelling size and tenure mix can be factored into forecasts, there remain many intangibles to do with location and design, the state of the housing market and government policy that affect the types of people and households attracted to an individual development.

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https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/909908/Developer_Contributions_Guidance_update_Nov2019.pdf

For this paper the Research Team have carried out three new development surveys to gather further data.

Table One: Details of New Developments Survey, 2020.

	The Hamptons (Dwellings built since 2010)	Cardea / Stanground South	Paston	Total Peterborough 2020 surveys
Number of surveys mailed to households	2,065	1,439	562	4,066
Number of responses*	443	249	90	782
Response rate %	21.5%	17.3%	16.0%	19.2%
% of surveys sent to affordable homes	19%	19%	30%	21%
% of surveys received from affordable	11%	10%	24%	12%

* note that surveys were mailed a total of three times to non-respondents.

2.4 A total of 782, responses were achieved. Enough to understand the pupil yield compared to the characteristics of bedroom size and tenure. Further desk based work considered these results in light of the differing ages of the developments and consistency with previous survey results from areas of Cambridgeshire (Loves Farm, Cambridge Southern Fringe).

2.5 **The age of the sites chosen as case studies for this work is particularly relevant.**

- The Hamptons (dwellings completed since 2010). The peak of build completion for the dwellings surveyed was between the years 2010 to 2016 when an average of 165 dwellings were completed each year. This was between **four to ten years ago** making the Hamptons survey a particularly good exemplar for understanding the peak in primary age children as well as the beginning of secondary education.

- Stanground South / Cardea. The peak of the build completion was for the years 2013 to 2016 when an average of 267 dwellings were completed each year. This was between **seven to four years ago** making this survey an exemplar for the demand in early years / Key stage one.

- Paston. The site is smaller than the other two with a lower build rate of fifty dwellings per year (except 196 built in 2015/16); start was in 2008/09. The absence of a peak in build means that this is a useful bench mark for building a more detailed trajectory model.

3 Results

Table Two: Child Health Information System (CHIS) Analysis, 2019 Download.

Age group	The Hamptons (Dwellings built since 2010)	Cardea / Stanground South	Paston	
0 – 1	124	90	42	
1 – 2	116	94	34	
2 – 3	160	82	28	
3 – 4	148	87	34	
Total	548	353	138	
Dwellings	2065	1439	562	Average
Rate per 100 dwellings	26.54	24.53	24.56	25.2

Table Three: Results of PLASC Analysis, 2020.

School Year	Age Group	The Hamptons (Dwellings built since 2010)	Cardea / Stanground South	Paston	
R	4 – 10	116	102	37	
1		141	78	28	
2		146	94	42	
3		128	89	33	
4		114	90	28	
5		131	81	31	
6		140	61	30	
7	11 - 15	155	46	22	
8		121	40	23	
9		132	38	18	
10		109	40	15	
11		79	41	9	
12	16 - 17	51	14	5	
13		35	9	7	
Grand Total		1598	823	328	Total
					2749
	4 – 10	916	595	229	1740
	11 – 15	596	205	87	888
	16 – 17	86	23	12	121
	<i>Dwellings in study</i>	2065	1439	562	4066
	Ratio, per 100, 4 – 10	44.4	41.3	40.7	42.8
	Ratio, per 100, 11 – 15	28.9	14.2	15.5	21.8
	Ratio, per 100, 16 – 17	4.2	1.6	2.1	3.0

3.1 The results of the new development survey yielded different results compared to the administrative data above. This is because of the element of 'skew' introduced when people decide whether or not to respond. In particular, the response from affordable

(social rented) housing was very low. This is discussed in more detail in the conclusions.

Table Four: Ratio of children per 100 dwellings, New Development Survey 2020

	Pre-school (0-3 years)	Primary school (4-10 years)	Secondary school (11-15 years)
The Hamptons	17	41	24
Cardea / Stanground South	20	29	20
Paston	18	31	16

**Table Five: Ratio of children per 100 dwellings, New Development Survey 2020
Number of Bedrooms and Tenure, all, sites.**

	Pre-school (0-3 years)	Primary school (4-10 years)	Secondary school (11-15 years)
Owner occupied			
2 bedrooms	8.6	8.6	5.7
3 bedrooms	16.4	20.0	10.2
4 or more bedrooms	22.5	55.6	31.7
Private rented			
2 bedrooms	14.3	23.8	
3 bedrooms	16.7	41.7	41.7
4 or more bedrooms	6.7	33.3	40.0
Social rented			
2 bedrooms	15.0	45.0	35.0
3 bedrooms	35.3	100.0	88.2
4 or more bedrooms	Insufficient response		
Intermediate tenures			
2 bedrooms	8.7	4.3	0.0
3 bedrooms	20.0	25.0	20.0
4 or more bedrooms	60.0	40.0	20.0
All			
2 bedrooms	10.4	15.7	8.2
3 bedrooms	17.9	26.3	17.2
4 or more bedrooms	22.1	53.6	32.4
All	18.0	35.7	21.8

4 Conclusions

The Basic Multiplier - Comparison

- 4.1 The Peterborough CHIS and PLASC data analysis is consistent with the multipliers that have been previously adopted by Cambridgeshire County Council.

- Children aged 0 – 3, 20 to 30 children per 100 dwellings; compared to an average of 25.2 found in Peterborough new developments

- Children aged 4 – 10, 30 to 40 children per 100 dwellings; compared to an average of 42.8 found in Peterborough new developments.

- Children aged 11 – 15, 18 to 25 children per 100 dwellings; compared to an average of 21.8 found in Peterborough new developments.

It should be noted that the adoption of the Cambridgeshire multipliers was based on a rigorous longitudinal study of child yields from new developments.

The adoption of a range compared to a single figure enables the council and developers to reflect on the individual nature of each development during negotiations allow both parties to exchange information about the development and reach agreement.

- 4.2 There are similarities with other areas where sufficiently robust research has been carried out. Gloucestershire²³ research concluded with adoption of the following policy “GCC is currently using the updated pupil yields supported by two studies in 2018 and 2019. The updated pupil product ratios for new housing are; 30 pre-school children, 41 primary pupils, 20 secondary pupils and 11 post-16 pupils per 100 dwellings.” Other studies (Northants, Milton Keynes) provide a ‘snap shot’ in time, identifying high demand for early years places (32 to 36 per 100), which projected forward to primary demand (4 – 10s) would equate to approximately 38 – 43 pupils per 100.

- 4.3 Given the timing of the study compared to the age of the new developments data regarding early years (0-3) and primary (4-10) can be converted straight into recommended multipliers. For secondary, the data collected needs to be projected forward²⁴, this gives a recommended figure somewhat higher than Cambridgeshire but consistent with the high numbers of secondary aged children seen in social housing in particular.

Basic Multipliers - Recommendation

- Children aged 0 – 3, 20 to 30 children per 100 dwellings
- Children aged 4 – 10, 35 to 45 children per 100 dwellings
- Children aged 11 – 15, 23 to 33 children per 100 dwellings

The Detailed Multipliers

- 4.4 During planning for education provision on new developments there is the requirement for more detailed modelling as information on tenure and house / bedroom size becomes available. The data from the new development surveys supports this work albeit through a process of controlling to the parameters set by the PLASC analysis above and to a model of a ‘typical’ Peterborough new development. The headline finding from the surveys are as follows:

²³ <https://www.gloucestershire.gov.uk/planning-and-environment/planning-policy/gloucestershire-local-developer-guide-infrastructure-and-services-with-new-development/>

²⁴ Projection shows a future average secondary year group of 140 for The Hamptons (34 per 100), 80 for Stanground South / Cardea (28 per 100) and 30 for Paston (27 per 100).

- the number of children living in a dwelling increases with the number of bedrooms but not all bedrooms are occupied by children; many bedrooms in market housing are retained as spare space / alternative space;
- significantly more children are found, per bedroom, living in social housing compared to market housing;
- the children living within social rented homes in Peterborough new developments have an older age range compared to market housing;

Taken these issues into account the model for detailed multipliers on the following page can be generated.

Special School Places

- 4.5 DfE guidance states specifically that it is not necessary to produce pupil yields for SEN that differentiate between complexity of condition. To *“determine the need for SEN provision, pupil yield data should identify the number of pupils/learners within recent local housing developments who attend special schools, pupil referral units or alternative provision, SEN units and resourced provision within mainstream schools. It is reasonable and fair to seek developer contributions for SEN provision in direct proportion to the needs arising from planned housing development, applying the same principle to SEN provision as to mainstream”*.

- 4.6 The analysis of the PLASC data shows that approximately 2.8% of children in the new developments have an EHCP at present (1.6% within special school / PRU); This is lower than the national average of 3.3%. The reason for this difference would be the relatively young age range of the cohort being studied (more will receive EHCPs as they move through education) as well as new developments not exhibiting some aspects of deprivation and diversity found within the general population at the earlier stages of building. It is recommended that PCC adopt the national 3.3% for these reasons.

Sixth Form / College Places

- 4.7 At the present time there is considered to be sufficient places in the current Peterborough Sixth form / college system to meet future demand. The market for sixth form / college places works differently compared to mainstream school places with young people able to travel far greater distances to access provision. There is also a wider ‘market’ in operation with specialist courses and subjects on offer therefore it is much harder to justify developer contributions for a specific locality.

Detailed Multiplier Model

INPUTS

Dwellings	100		
Multiplier		Low	High
	0-3s	0.2	0.3
	4-10s	0.35	0.45
	11-15s	0.23	0.33

		Tenure	
		Market	Social
Tenure split		0.7	0.3
Multiplier	0-3s	0.25	0.25
	4-10s	0.34	0.55
	11-15s	0.18	0.51

		Tenure	
Bedrooms		Market	Social
1 bed		0	1
2 bed		8	11
3 bed		26	14
4+ bed		35	5

		Tenure	
0-3s		Market	Social
Multiplier	1 bed	0.00	0.15
	2 bed	0.15	0.18
	3 bed	0.18	0.36
	4+ bed	0.23	0.75

		Tenure	
4-10s		Market	Social
Multiplier	1 bed	0.00	0.00
	2 bed	0.08	0.20
	3 bed	0.20	0.55
	4+ bed	0.55	1.00

		Tenure	
11-15s		Market	Social
Multiplier	1 bed	0.00	0.00
	2 bed	0.06	0.10
	3 bed	0.10	0.43
	4+ bed	0.43	0.50

OUTPUTS

	Low	High	Mid
0-3s	20	30	25
4-10s	35	45	40
11-15s	23	33	28

	Market	Social	Total
0-3s	17.5	7.5	25.0
4-10s	23.8	16.5	40.3
11-15s	12.6	15.3	27.9

	Market	Social	Total
0-3s	0.0	0.2	0.2
0-3s	1.2	2.0	3.2
0-3s	4.7	5.0	9.7
0-3s	8.1	3.8	11.8
			24.9

	Market	Social	Total
4-10s	0.0	0.0	0.0
4-10s	0.6	2.2	2.8
4-10s	5.2	7.7	12.9
4-10s	19.3	5.0	24.3
			40.0

	Market	Social	Total
11-15s	0.0	0.0	0.0
11-15s	0.5	1.1	1.6
11-15s	2.7	6.0	8.6
11-15s	14.9	2.5	17.4
			27.6

Summary of Multiplier Model

		Tenure	
	Age Group	Market	Social
<i>Children per 100 dwellings</i>	0-3s	25	25
	4-10s	34	55
	11-15s	18	51

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