

# GREATER LONDON AUTHORITY

## REQUEST FOR DIRECTOR DECISION – DD2080

**Title: Childcare Data Project 2017 - Understanding and improving the supply of early years education and childcare in London**

### Executive Summary:

The Mayor is committed to improving childcare in London, with manifesto pledge 17:

**Make childcare more affordable and accessible with a strategy that delivers for business and workers**

The aim of this commission is to improve the availability of useful data on the delivery of early years and childcare in London for all stakeholders and to inform the development of the Mayor's Childcare strategy as well as local authority and other partner activities. This will be done through:

1. baselining and development an evaluation framework;
2. identification of effective interventions and models of delivery; and
3. improvements to ongoing data collection processes (including the annual Sufficiency Audits).

### Decision:

That the Executive Director of Development, Design and Environment approves the procurement and appointment of an external consultant to prepare and deliver an Early Years and Childcare data project with a value up to £100K, including:

- £30k in 2016-17 and
- £70 in 2017-18.

### AUTHORISING DIRECTOR

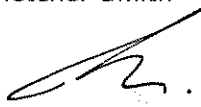
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

**Name:** Fiona Fletcher-Smith

**Position:** Executive Director Development, Enterprise and Environment

**Signature:**



**Date:** 30.1.2017

## **PART I - NON-CONFIDENTIAL FACTS AND ADVICE**

### **Decision required – supporting report**

#### **1. Introduction and background**

Affordable, quality Early Years Education and Childcare provision is crucial to London's infrastructure. It enables parents to work, supporting productivity and competitiveness, and improves children's outcomes, helping narrow the gap between disadvantaged children and their more affluent peers. If all parents who wanted it had access to quality, affordable childcare it would have a significant impact on the development of the child, help to reduce poverty in low-income households by increasing maternal employment rates and support increased GDP.

#### **Context**

The Family and Childcare Trust 2015 survey identifies the average cost of childcare in London as being 34% above the average for England. Variances in London range from 35% lower than the London average in Barking & Dagenham to 60% higher in Westminster, with cost drivers including wages and rent.

There are identified shortages in the availability of childcare in London. There are also gaps and inconsistencies in available data (Family and Childcare Trust 2015).

- The biggest gaps in provision are free early education places for 2-4 year olds, with 17 London local authorities aware that they do not have enough places.
- Twelve London local authorities report shortages of after-school childcare.
- Other significant shortages include Special Educational Needs (SEN) childcare and for parents with atypical work patterns.
- Nine London local authorities have not undertaken their annual childcare sufficiency audits in recent years. Childcare sufficiency assessments need not be lengthy or elaborate exercises, but if local authorities and providers have little knowledge of local market conditions, they cannot intervene to fill gaps in provision.
- Childcare sufficiency assessments also require a consistent definition of sufficiency, so local authorities can use this reference point to judge if they have enough childcare. But there is no agreed definition of sufficiency in law or statutory guidance (Butler and Rutter, 2015).
- A further shortcoming of childcare sufficiency assessments is that not all of them have effective action plans attached to them and there is no consensus about good market management.
- London local authorities have very different approaches to supporting the supply of childcare, with some undertaking very few interventions to fill gaps in provision and some with high levels of intervention.

GLA Economics are undertaking childcare demand and supply modelling and aim to make this data available on the London Datastore. They have, however, found significant shortcomings with existing information, which this commission aims to address.

The expansion of free early education in September 2017 (from 15 hours to 30 hours for 3-4 year olds whose parents are in employment) will be informed by the evaluation of eight local pilots, which started in September 2016, including one in LB Newham. There will also be 25 'Early Innovation' projects, looking at provision for disabled people, flexible provision and childminder partnerships, including Barking & Dagenham, Ealing, Hillingdon, Islington, Kingston and Richmond. It is as yet unclear if the average amount for London of £5.96, being offered through the National Funding Formula from 2017, will be sufficient to cover costs and allow for adequate provision of this entitlement in London. This is a critical question which we will want this research to help answer.

## 2. Objectives and expected outcomes

### Aim of this commission

To improve the availability of useful data on early years and childcare in London for all stakeholders and to inform the development of the Mayor's Childcare Strategy as well as local authority and other partner activities, through:

1. baselining and developing an evaluation framework;
2. identification of effective interventions and models of delivery; and
3. improvements to ongoing data collection processes (including the annual Sufficiency Audits).

## 3. Equality comments

This data project will support the development of the Childcare Strategy, which is being developed with the following draft themes:

- Supply (cost, space and availability) including mapping of provision, with a view to increasing maternal employment;
- Quality and Innovation (careers, professionalisation and piloting), with a view to supporting child development; and
- Demand (meeting parents' information/affordability/flexibility access requirements), with a view to promoting equality and social integration.

This data will include a specific focus on the provision of childcare for those with Special Educational Needs (SEN) as well as statutory provision for disadvantaged groups and models aimed at assisting underrepresented groups. The objectives of supporting maternal employment and child development, with the aforementioned targeting of support to particular groups, is in line with the Equality Act 2010. This is particularly in terms of advancing equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment).

## 4. Other considerations

The Mayor is committed to improving childcare in London, with manifesto pledge 17: **Make childcare more affordable and accessible with a strategy that delivers for business and workers.** This piece of work will inform the developing strategy to ensure it is focused on areas of need and impact.

2017 is a critical time for the sector, with the roll out of the 30 hours free entitlement for 3-4 year old children. Many stakeholders have raised concerns about the ability to deliver this and the impact it and the new National Funding Formula may have on existing provision. An insight into the real effects of this in the first six months of delivery will be invaluable to inform our policy and lobbying response as well as potential devolution requests.

A stakeholder event was held in November 2016 in London's Living Room. This broadly supported the developing Childcare strategy and underlined the importance of a collaborative approach to addressing the challenges faced by the sector over the coming years, which will be facilitated by this commission (steered by a joint advisory panel of GLA, local authority and research partners).

## **5. Financial comments**

- 5.1 The estimated cost of this project is up to the value of £100,000 and expenditure is to be phased over two financial-years as follows:
- 2016-17 - £30,000
  - 2017-18 - £70,000
- 5.2 The budget for this project will be earmarked from the Authority's 2016-17 Corporate Contingency budget held within the Resources Directorate. Given that project expenditure will span into 2017-18, the £70,000 budget provision will be subject to a budget carry forward request at year-end in line with the Authority's Closing of Accounts process.
- 5.3 In the event that the budget carry forward request is not approved, the £70,000 budget requirement will have first call on budget resources allocated to the Economic and Business Policy Unit in 2017-18 (and approved as part of the 2017-18 budget process currently underway).
- 5.4 Any changes to this proposal, including budgetary implications will be subject to further approval via the Authority's decision-making process. All appropriate budget adjustments will be made.

## **6. Legal comments**

The foregoing sections of this report indicate that the decisions requested of the director (in accordance with the GLA's Contracts and Funding Code concern the exercise of the GLA's general powers, falling within the GLA's statutory powers to do such things considered to further or which are facilitative of, conducive or incidental to the promotion of economic development and wealth creation, social development or the promotion of the improvement of the environment in Greater London; and in formulating the proposals in respect of which a decision is sought officers have complied with the GLA's related statutory duties to:

- pay due regard to the principle that there should be equality of opportunity for all people;
- consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom; and
- consult with appropriate bodies.

In taking the decisions requested, the director must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the director should have particular regard to section 3 (above) of this report.

The services required must be procured by Transport for London Procurement who will determine the detail of the procurement strategy to be adopted in accordance with the GLA's Contracts and Funding Code. Officers must ensure that appropriate contract documentation is put in place and executed by the successful bidder(s) and the GLA before the commencement of the services.

## 7. Planned delivery approach and next steps

A consultant will be appointed to undertake, and report to a project panel involving the GLA, local authority representatives and other partners, on the following:

1. Undertake baselining activities to support the meta evaluation of the Mayor's childcare strategy and provide an evaluation framework with Key Performance Indicators.
  - The evaluation framework should provide a clear, visual narrative and include the theory of change and high level outcomes being sought alongside specific programme objectives and evaluation measures. This should include research into supply including price, cost, and responsiveness to demand, childcare usage and insights into demand-side issues.
  - Gaps in provision should be highlighted.
  - Include a data gathering strategy to support ongoing monitoring and evaluation.
2. Assessment of models of delivery and interventions to stimulate supply, identifying good practice and learning lessons to inform strategy development and future delivery.
  - This should include the identification of good practice interventions by local authorities by category (e.g. Business Rate Relief, Planning requirements, Childminder Bursary Schemes, and other funded delivery).
  - Identification of innovative models of delivery in mainstream and Private, Voluntary and Independent (PVI) settings, including flexible and specialist provision and that aimed at underrepresented groups.
  - Identification of constraints on the offer of existing statutory provision.
  - Consideration of pilot delivery (building on FCT assessment and toolkit) and the initial roll out of 30 hours free entitlement for 3-4 year olds, including an assessment of the real cost of delivery and likely scale of offer of this entitlement in London.
3. Development of an agreed process and toolkit to assist local authorities in undertaking Sufficiency Audits, building on the statutory guidance 2010 and assessment of all existing audits to identify good practice.
  - This should set out what information would be ideally available (such as cost, flexibility and settings), what is currently available and how the gaps can be filled (at a regional or local level).
  - It will include advice on best practice on data collection procedures and methodology to enable local authorities to collect data in a consistent and robust way in future.
  - The information requirements of the GLA, local authorities, providers and, ultimately, parents should be considered, as end users of the data to be collected.
  - Recommendations on additions or adjustments to annual data collection activities, in liaison with the Family and Childcare Trust, Pre-School Learning Alliance and other partners, resulting from these new processes and data availability.
4. Presentation of data for GLA and other stakeholders to inform decisions on longer-term strategy and intervention development.

### Methodology

- Assessment of all recent London-based Sufficiency Audits, including identification of consistent definitions, any fields that the GLA may be able to pre-populate and a production of a good practice example template.
- In-depth interviews with a sample of providers to identify effective models of delivery (including free entitlements) in different settings and across London sub-regions, and provide an insight into costs. This should build on work previously undertaken by the DfE and FCT on mixed models of provision.
- Consult local authorities, and agree processes and procedures for ongoing data gathering.
- Desk-based research and web and telephone-based survey of providers using the OFSTED register and Local Authority contacts (including all categories of provider).

- Survey of former childminders to find out why they have stopped minding children and what support could be put in place that would encourage people to become or stay being childminders.
- Identification and purchase of private sector database of providers, if appropriate (ring-fence £5k for this).

<b>Activity</b>	<b>Timeline</b>
Procurement of contract [for externally delivered projects]	w/c 30 January 2017
Announcement [if applicable]	
Delivery Start Date [for project proposals]	w/c 20 March 2017
Final evaluation start and finish (self/external) [delete as applicable]:	
Delivery End Date [for project proposals]	October 2017
Project Closure: [for project proposals]	

**Appendices and supporting papers:** None

**Public access to information**

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary.

**Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

**Part 1 Deferral:**

**Is the publication of Part 1 of this approval to be deferred? YES**

If YES, for what reason:

Publication should be delayed until the procurement process is finalised and tender awarded – publication beforehand may impact the competitiveness of the procurement process.

Until what date: 30 April 2017

**Part 2 Confidentiality:** Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

**Is there a part 2 form – NO**

**ORIGINATING OFFICER DECLARATION:**

Drafting officer to confirm the following (✓)

**Drafting officer:**

Nadine Collins has drafted this report in accordance with GLA procedures and confirms that:

✓

**Assistant Director/Head of Service:** has reviewed the documentation and is satisfied for it to be referred to the Sponsoring Director for approval.

✓

**Financial and Legal advice:**

The Finance and Legal teams have commented on this proposal, and this decision reflects their comments.

✓

**Corporate Investment Board:**

The Corporate Investment Board reviewed this proposal on 23 January 2017.

**EXECUTIVE DIRECTOR, RESOURCES:**

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature *M. J. Allen*

Date 24.1.17

