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# Research Brief

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## Childcare and Early Years Providers Survey 2011

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### Introduction

The Department for Education commissioned TNS BMRB to conduct the Childcare and Early Years Providers Survey, collecting information about childcare and early years provision across England in 2011. The survey collected information on the number and characteristics of providers, and about the children enrolled with them. It also examined the workforce's composition and qualifications, and the way in which the providers operate from a business perspective.

The 2011 survey covered a range of childcare provision, including full day care, sessional care, after school and holiday care, as well as childminders and the provision offered by children's centres. It also collected information about early years settings in maintained schools (including nursery schools, primary schools with nursery and reception classes, and primary schools that offered reception classes but not nursery classes).

Where appropriate, the findings from the 2011 survey have been compared with those from similar surveys conducted since 2001.

### Key findings

Headline findings from the survey are provided below. More detailed findings can be found in the Research Report published alongside this research brief.

### Characteristics of provision

- In 2011, the survey recorded 107,900 settings providing different types of early years and childcare provision. Of these, 15,700 were early years providers in maintained schools and 92,200 were childcare settings. This marks a slight increase from the figures in 2010, when the survey recorded a total of 105,100 childcare and early years settings. This change was driven by an increase in the total number of childcare settings, from 89,500 in 2010 to 92,200 in 2011.
- The downwards trend in the number of working childminders that began in 2008 came to an end in 2011. The survey recorded a total of 48,800 active childminders in 2011, an increase of three per cent on the 47,400 who were active in 2010. Childminders were also the most optimistic of all the childcare providers when it came to future growth, with 16 per cent saying that they planned to expand their provision in the next year.

- Full day care settings were the most widespread of all the different types of group based childcare provision, with the survey estimating a total of 17,600 such settings in 2011. This constitutes a five per cent increase since 2010 (when there were 16,700 full day care settings) and continues the long-term trend whereby the estimated number of full day care providers has increased every year since 2001.
- Despite the continued rise in overall number of full day care providers, the number of children's centres offering full day care on site continued to fall this year, with the total of 550 in 2011 representing a sharp decline from the peak of 1,000 that the survey recorded in 2008 and 2009.
- The number of sessional settings fell by five per cent between 2010 and 2011 (from 8,300 to 7,900). This continues a longer term downward trend and since 2006 there has been a decrease of 19 per cent in the number of sessional settings. However, this decrease at least partly reflects a tendency for sessional settings to switch their provision to full day care (presumably reflecting parental demand for longer hours of care), rather than being a sign that such providers are leaving the sector altogether.
- In 2011, the total number of out of school settings rose from 17,200 to 17,900, which again continues the annual increases that have been seen in previous years. Of these 17,900 settings, 10,000 offered after school care (an increase of five per cent compared to 2010) and 7,900 offered holiday care (an increase of three per cent compared to 2010).

## **Places and Attendance**

- The estimated number of registered places offered across all types of childcare and early years settings decreased slightly in 2011, falling by two per cent from 2,755,800 to 2,708,100.
- In spite of the increase in the total number of out of school providers in 2011, the number of registered places offered by such settings actually decreased slightly, falling by three per cent for both after school clubs and holiday clubs.
- In 2011, there were an estimated 462,500 vacancies across all types of provider. The amount of spare capacity in full day care settings increased from 122,700 places in 2010 to 134,600 places in 2011. On average there were eight vacancies per full day care setting, the same number as in 2010 (indicating that the increase in spare capacity is linked to the increase in the total number of full day care settings in 2011 rather than to a fall in demand). When considering data relating to the number of vacancies, it should be borne in mind that 100 per cent occupancy rates are not realistic in most settings, as there will be peaks and troughs in demand on different days of the week (and our data relates to the number of vacancies on an average day).

## **Workforce composition**

- The total number of staff working across all childcare and early years settings decreased by two per cent, falling from 434,100 in 2010 to 426,500 in 2011 (this total includes both paid and unpaid staff). Nevertheless, this remains a far higher number than was seen in 2006 (347,300). It should be noted that when looking at any totals combining the number of staff in different types of setting, it is likely that some double counting takes place (as a given staff member may work in more than one type of setting, for example working in both sessional and holiday care).
- In contrast to the decreasing total staff figure, the number of people working in full day care settings rose by three per cent, from 213,300 in 2010 to 219,300 in 2011. This increase was driven by an increase in the number of paid staff, which rose from 187,800 in 2010 to 196,700 in 2011. The number of unpaid staff actually decreased from 26,800 in 2010 to 22,700 in 2011 and this was a trend which was consistent for all the different types of group based childcare provider. The

decrease in the number of unpaid staff across the sector was largely attributable to a decrease in the number of students on placement, though the number of volunteers had also declined since 2010.

- The long term trend for wages in the childcare sector to increase more rapidly than those in the broader national economy came to an end in 2011. Between 2010 and 2011 there was no significant change in the pay of staff working in full day care, sessional and after school settings. This is likely to be connected to the challenging economic climate rather than being a sign of any change in the fundamentals that had previously been pushing staff costs up (i.e. low wages in the childcare sector compared to the national average wage and increasing levels of qualification amongst the workforce).

## **Qualifications**

- The upward trend in qualification levels amongst the childcare workforce was again maintained in 2011. The proportion of paid staff in full day care settings with at least a relevant level 3 qualification had increased to 84 per cent in 2011 (compared to 81 per cent in 2010 and 72 per cent in 2007). The proportion with a level 6 qualification had also risen (from four per cent in 2007, to eight per cent in 2010 and 11 per cent in 2011).
- Childminders had also seen further increases in qualification levels this year, with 59 per cent now qualified at level 3 (compared to 54 per cent in 2010 and 41 per cent in 2007), though they remain some way behind staff in group based settings in this regard.

## **Profitability**

- In 2011, the proportion of settings reporting that they had made a profit was on a par with the proportions seen in 2010.
- The proportion of full day care, sessional and holiday care settings that reported making a loss decreased in 2011 (while there was no change in the proportion of after school clubs and children's centres reporting a loss for their provision). Amongst full day care settings, the proportion making a loss fell from 19 per cent in 2010 to 12 per cent in 2011. In sessional settings the equivalent decrease in the proportion of loss making settings was from 20 per cent to 14 per cent, while holiday clubs fell from 23 per cent in 2010 to 18 per cent in 2011. This is an encouraging trend bearing in mind the continuing economic turbulence in the wider economy at the time of the survey.

## **Policy background**

The Government believes that families need to be sure that the early education and childcare they use is both of a high quality and affordable so that it gives children the best start in life; ensures they are ready for school; and enables parents to meet their own work commitments. For children growing up in disadvantaged families, their early experiences can either embed disadvantage, or give them the opportunity to break free of this cycle, and these families are one of the focal points of the Government's early education policy.

Some of the key policy initiatives underpinning this focus on early education and childcare include:

- Free early education for all three and four year olds was extended to 15 hours a week in September 2010. In 2012, the Government also announced that this entitlement will become more flexible, so it can be taken between 7am and 7pm, and spread across two days instead of the current minimum of

three days.<sup>1</sup>

- From September 2013, disadvantaged two year olds will have a legal entitlement to free early education (a total of 570 hours or 15 hours a week if distributed over 38 weeks). In 2013, they will be eligible to a free place if their families meet the criteria used to assess eligibility for free school meals or if they are looked after by the local authority. It is estimated that 20 per cent of two year olds (around 150,000) will be entitled to a place in this first phase. In 2014 eligibility will be extended to around 40 per cent of two year olds (approximately 260,000) and the Government is currently consulting on the eligibility criteria for this second phase.<sup>2</sup>
- The Early Years Foundation Stage (EYFS) statutory framework has been streamlined and took effect in September 2012. The reformed EYFS takes forward the Government's changes recommended by the 2011 Tickell Review. The reforms will aim to: reduce paperwork and bureaucracy; strengthen partnerships between parents and professionals; focus on the three prime areas of learning most essential for children's learning and development; simplify the age five assessment; and provide early intervention where needed, through the introduction of a progress check at age two.<sup>3</sup>

## Methodology

The DfE needs robust information on the key characteristics of childcare provision in the early years and childcare sector, as well as information on its workforce, in order to monitor what provision is available and to inform policy and programme development in this area.

Previously, the Department for Children, Schools and Families (DCSF) and the Department for Education and Skills (DfES) commissioned surveys amongst childcare and early years providers in 1998, 2001, 2003, 2005, 2006, 2007, 2008, 2009 and 2010. The latest wave of research, conducted in 2011, consisted of surveys amongst the nine following childcare and early years settings:

### Childcare

- Full day care – 946 interviews with full day care providers (who provide on-site day care for children under five for a continuous period of four hours or more in any day).
- Sessional care - 875 interviews with sessional providers (where children under five attend day care for no more than five sessions a week, each session being less than a continuous period of four hours in any day).
- After school care - 873 interviews with after school clubs (who provide after school activities or childcare during term time for school aged children aged under eight, for more than two hours in any day and more than five days a year).
- Holiday care – 808 interviews with holiday clubs (who provide holiday activities or childcare during

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<sup>1</sup> As above.

<sup>2</sup> Extending Free Early Education to More Two Year Olds, Department for Education, July 2012  
<http://www.education.gov.uk/aboutdfe/departentalinformation/consultations/a00211261/extending-free-early-education-two-year-olds>

<sup>3</sup> Statutory Framework for the Early Years Foundation Stage 2012: setting the standards for learning, development and care for children from birth to five. Department for Education, 2012.

<http://media.education.gov.uk/assets/files/pdf/e/eyfs%20statutory%20framework%20march%202012.pdf>

any school holidays for school aged children aged under eight, for more than two hours in any day and more than five days a year).

- Childminders - 855 interviews with active childminders (registered with Ofsted to look after one or more children under the age of eight to whom they are not related, on domestic premises, for reward and for a total of more than two hours in any day).
- Children's centres – 1959 interviews with senior managers of children's centres (which provide a variety of advice and support for parents and carers).

### **Early years in maintained schools**

- Primary schools with nursery and reception classes – 788 interviews, primarily with early years or foundation stage co-ordinators or head teachers.
- Primary schools with reception but no nursery classes – 729 interviews, primarily with early years or foundation stage co-ordinators or head teachers.
- Nursery schools – 202 interviews, primarily with head teachers.

All interviewing was conducted by telephone using CATI (Computer Assisted Telephone Interviewing) by Kantar Operations<sup>4</sup> fully trained telephone interviewers between 1<sup>st</sup> September and 12<sup>th</sup> December 2011.

Samples of providers were drawn from the Ofsted database of childcare providers on non-domestic premises, the Ofsted childminders database, the DfE's children's centre database and the School Census.

The results were weighted and grossed to provide national estimates.

### **Additional Information**

The full report can be accessed at <http://www.education.gov.uk/publications/>

Further information about this research can be obtained from Maura Lantrua, Foundation Years & SEN Research & Analysis Team, Department for Education, Level 5, 2 St Paul's Place, 125 Norfolk Street, Sheffield, S1 2FJ.

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This research report was commissioned before the new UK Government took office on 11 May 2010. As a result the content may not reflect current Government policy and may make reference to the Department for Children, Schools and Families (DCSF) which has now been replaced by the Department for Education (DFE).

The views expressed in this report are the authors' and do not necessarily reflect those of the Department for Education.

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<sup>4</sup> Kantar Operations provide the operational resources and capabilities for all Kantar's UK companies (including TNS BMRB).