

2006 Childcare and Early Years Providers Surveys Sessional providers

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BMRB Social Research

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1 Summary

1.1 Introduction

The Department for Children, Schools and Families (DCSF, formerly the Department for Education and Skills) commissioned BMRB to undertake eight surveys to collect information about childcare and early years provision and its workforce. This report outlines the findings for sessional day care providers (facilities that provide day care for children under eight for a continuous period of less than four hours in any day in non-domestic premises) and is based on interviews with the senior manager at 1,172 sessional day care providers sampled from the Ofsted database.

Findings from the 2006 survey have been compared with those from similar surveys conducted in 2005 and where appropriate 2003 and 2001. Data have been weighted and grossed to provide national estimates.

1.2 Characteristics of provision

The total number of sessional day care providers in 2006 was 9,681, a continued decrease since 2001 when there were 14,000 sessional providers (in 2003 there were 11,892 and in 2005 there were 9,966 sessional providers). The rate of decline slowed between 2005 and 2006 with only a three per cent decrease in the number of providers. During the same time, there was an increase in the number of full day care providers, so it is possible that some of the sessional providers now provide full day care (continuous care for four hours or more).

The number of sessional day care providers was not distributed evenly across the regions. The regional distribution of providers was similar to 2005; the West Midlands accounted for just nine per cent of the total number of providers, while the South East accounted for a fifth (21 per cent) of the total.

Providers were owned by a range of different groups, the majority (68 per cent) were managed by some form of voluntary or community group, just over a quarter (27 per cent) of providers were owned by private organisations and four per cent were managed by local authorities.

The proportion of settings managed by a voluntary or community group had previously been in decline from 68 per cent in 2003 to 60 per cent in 2005. This trend seemed to have reversed in 2006 with a return to the level seen in 2003.

Nearly all (97 per cent) of sessional day care providers had been operating for five years or more, an increase from 87 per cent in 2005 and from 91 per cent in 2003.

On average, sessional day care providers were open for 38 weeks of the year. As expected, practically all (99.7 per cent) providers were open during term time. Five per cent of sessional providers were open during the school holidays. The proportion open during the school holidays had declined slightly since 2005, when the figure was eight per cent.

Just two-fifths (39 per cent) of sessional providers who covered children aged three and four said that children could take their free early education sessions over three days rather than five.

Providers who covered children aged three or four years old were asked if they were in a position to provide the extended free entitlement for three and four year olds, of 15 hours a week, for 38 weeks a year. Just over three-fifths (64 per cent) of providers said they were able to provide this level of care.

As in 2005, four-fifths (78 per cent) of sessional day care providers said they could not expand in their current premises. Nine per cent said they had expanded in the last 12 months.

There was a steady increase since 2003 in the proportion of providers who had a written business plan. Just over half (53 per cent) of providers had written business plans in 2006, which was an increase from 40 per cent in 2003 and 47 per cent in 2005.

1.3 Places and children

The estimated number of active Ofsted registered places in the sessional day care sector was 278,300. This represented a five per cent increase since 2005 when the equivalent figure was 265,400, but a 14 per cent decline since 2003. The growth in the number of registered places can be accounted for by the slight increase in the average number of registered places offered per setting from 27 in 2005 to 29 in 2006.

The total number of children attending¹ sessional day care settings in 2006 fell by just 300 from the number attending in 2005 (389,700 in 2006 and 390,000 in 2005). However this was set against a decline in numbers from 589,400 in 2001 and 469,000 in 2003.

¹ Respondents were asked for the total number of children attending their sessional care setting in a typical week. In addition they were instructed to only count a child once if they attended for more than one session/day, to avoid double-counting.

The overwhelming majority of children (98 per cent) attending sessional day care places were aged two to four.

The average proportion of children attending who were from a black or minority ethnic (BME) group was 10 per cent per setting, around 35,400 children². This had not changed from 2005.

Overall there were 16,000 children with a Special Educational Need (SEN) or a disability. The average proportion of children attending who had a SEN or a disability was five per cent per setting. This was the same proportion as 2005.

In 2006 there were approximately 29,300 sessional day care vacancies, a similar level to 2005 when there were 29,800. On average there were three vacancies per setting. Half (50 per cent) of providers had no vacancies, 29 per cent had one to five and 18 per cent had six or more.

1.4 Characteristics of staff

In 2006 there were 58,300 paid staff working within sessional settings. These figures represented a continued decline in the number of people of working in sessional settings from 79,800 in 2001 (there were 69,600 in 2003 and 59,800 in 2005).

Between 2003 and 2005 the number of supervisory staff increased by five percentage points while the number of other paid childcare staff actually decreased by five percentage points. This change indicated a trend towards greater professionalism of the workforce, which continued in 2006 when the number of supervisory staff increased by two percentage points.

As in previous years the majority of the paid workforce were part-time. Nine in ten (90 per cent) of all staff worked less than 30 hours per week. The average number of hours worked per week by paid staff was 17 hours, the same figure as 2003 and a decrease of one hour from 2005.

Average pay levels have increased for all sessional staff groups since 2005. Average hourly pay in 2006 was £6.60, a six per cent increase from £6.20 since 2005. Senior managers earned, on average, £8.00 an hour, supervisory staff earned £6.80 an hour and other paid childcare staff earned £5.80 an hour.

1.5 Qualifications of staff

Compared with 2005 there was a slight improvement in the qualification levels of paid childcare staff working in the sessional day care sector.

Amongst all paid childcare staff four-fifths (79 per cent) had a qualification (levels one to eight) related to working with children and young people while 18 per cent had no relevant qualifications at all. Three-quarters (76 per cent) of all paid staff held at least a level two qualification (73 per cent in 2005) and three-fifths (58 per cent) held a level three qualification (55 per cent in 2005).

Nearly all senior managers (97 per cent) held a relevant qualification (levels one to eight), an increase from 91 per cent in 2005. Ninety-three per cent held a level three qualification or above, a seven percentage point increase since 2005 when the equivalent figure was 86 per cent. Nine per cent of senior managers held at least a level six qualification.

As with senior managers, nearly all supervisory staff (95 per cent) held a qualification (levels one to eight) related to children and young people (93 per cent in 2005). Three-quarters (75 per cent) held at least a level three qualification, which was similar to 2005 (74 per cent).

In 2006, half (51 per cent) of other paid childcare staff held a qualification (level one to eight) related to children and young people, a similar figure to 2005 (49 per cent). Two-fifths (44 per cent) of other paid childcare staff held at least a level two qualification.

Among all paid childcare staff, one in five (21 per cent) were working towards a qualification (levels one to eight). This was slightly lower than the 2005 results when 25 per cent were working towards a qualification.

1.6 Training

Nearly all sessional day care providers (94 per cent) helped their staff to receive some kind of training that was not directly related to a specific childcare qualification, a similar proportion to 2005 (93 per cent).

Three in five (63 per cent) sessional day care providers had written training plans, a similar figure to 2005 (61 per cent). Nearly half (46 per cent) of providers had a training budget, again a similar figure to 2005 (44 per cent).

The majority (82 per cent) of providers said they thought the amount of training that their staff had received in the last year was *about right*. A sizeable minority (14 per cent) said they thought it was *too little* and just two per cent said it was *too much*.

² For details of how average proportions were calculated, please see section 1.7.5 of the Technical Appendix, which is available for download from the DCSF website.

1.7 Recruitment and retention

The number of childcare staff recruited in the last 12 months fell from 11,700 in 2005 to 10,000 in 2006, an average of one member of staff per setting. This decrease probably reflected the decrease in the rate that new sessional day care providers were opening.

The overall recruitment rate was 19 per cent, a slight decrease from 21 per cent in 2003 and 2005³.

The average length of service for all paid staff was six years and six months, an increase from five years and eight months in 2005.

Just under two-fifths (38 per cent) of all sessional day care providers lost at least one member of staff in the last 12 months, a lower proportion than 2003 (49 per cent) and 2005 (44 per cent).

The turnover rate in 2006 was 10 per cent, a decrease since 2005 (12 per cent) and 2003 (14 per cent)⁴.

The employment growth rate was nine per cent, a similar figure to 2005 (nine per cent) and 2003 (eight per cent)⁵.

1.8 Income

Many providers were unable to say how much they received in income from various sources. Thus, the figures should be treated with caution.

The overall average fee charged was £1.90 per hour.

The largest proportion of income (66 per cent) came from local authority or central government funding. However, this is a very rough figure, based on a small numbers of providers.

Providers were asked what proportion of places they needed to fill in order to break even. The average proportion was 76 per cent of places. Just under half (44 per cent) said they needed 76 to 100 per cent of the registered places to be filled in order to break even. Eighteen per cent of providers were unable to provide their breakeven figure compared with a third (32 per cent) in 2005.

³ For details of how the recruitment rate is calculated, see section 1.7.4 of the Technical Appendix.

⁴ For details of how the turnover rate is calculated, see section 1.7.4 of the Technical Appendix.

⁵ For details of how the employment growth rate is calculated, see section 1.7.4 of the Technical Appendix.

Although the differences year on year were not significant there appeared to be an upward trend developing in the proportion of sessional day care providers making a profit or surplus, rising from 25 per cent in 2001 to 30 per cent in 2005. However in 2006, the proportion of providers reporting a profit or surplus returned to 25 per cent.

Just over half (53 per cent) of providers reported covering their costs in the most recent financial year, a small increase from 2005 when 49 per cent gave that response. The proportion of providers reporting that they were operating at a loss was the same as in 2005 (15 per cent).

1.9 Conclusion

Sessional day care provision continued to decline. Although while the overall number of providers registered with Ofsted fell, the number of places actually increased and the number of children attending stayed similar to 2005. However, this is set against a steady decline in the number of places and children attending from 2001. This is most likely to be due to a continued shift towards full day care provision, with sessional providers moving into the full day care sector and providing care for more than four hours a day.

Staff working within sessional providers are better qualified and earn more than in 2005, and the proportion of the better qualified supervisory staff employed continued to increase.

As in 2005 the vast majority of sessional providers were managing to break even or make a profit or surplus.

Overall local authority or central government funding continues to be the largest source of income for sessional providers.

2 Introduction

2.1 The Ten Year Strategy for childcare

The Government's Ten Year Strategy for early years and childcare, published in December 2004, outlined a number of key principles and objectives:

- *Choice and Flexibility* - greater choice for parents in how they balance their work commitments and family life;
- *Availability* – flexible, affordable, high quality childcare for all families with children aged up to 14 who need it;
- *Quality* - high quality provision delivered by a skilled early years and childcare workforce; and
- *Affordability* – families to be able to afford flexible, high quality childcare that is appropriate for their needs.

The Government's vision is to ensure that every child gets the best start in life, and to give parents more choice about how to balance work and family life. By 2010, all three and four year olds will be entitled to 15 hours a week of free high quality care, for 38 weeks a year and there will be an out of school childcare place available for all children aged three to 14 from the hours of 8am-6pm every weekday, for those who need it. This will be accompanied by a package of new measures to help address the issue of affordability of childcare, such as the recent change to the tax credit system.

To support this, and to help improve the quality of childcare, there is to be a radical reform of the workforce. This will include all full day care settings being professionally led, improved qualifications and status of early years' and childcare workers and training opportunities for childminders and other home-based carers which enable more of them to achieve level three qualifications.

A Transformation Fund of £250m over the period April 2006 to August 2008 will support investment to attempt to raise the quality of the early years' workforce without undermining efforts to improve affordability.

2.2 Objectives of the research

The DCSF needs robust information on the key characteristics of childcare provision in the early years and childcare sector, as well as information on its workforce and the costs of childcare that is available.

The DCSF carried out surveys amongst childcare and early years providers in 1998, 2001, 2003 and 2005. The 2006 providers series consists of separate surveys for the following eight childcare and early years settings:

Childcare

- Full-day childcare
- Sessional childcare
- Out-of-school childcare
- Childminders
- Children's centres

Early years

- Primary schools with nursery and reception classes
- Primary schools with reception but no nursery classes
- Nursery schools

This report presents findings from registered sessional day care providers. Sessional day care providers are those settings registered with Ofsted to provide care for children under eight for a continuous period of less than four hours in any non-domestic premises. Although such providers can offer two such sessions per day, there must be a break between sessions where no children are in the care of the provider.

2.3 The survey

The childcare survey examines the key characteristics of childcare and early years provision and its workforce:

- Provider characteristics (ownership, opening times, length of operation, free early education sessions);
- Number of places and children attending (number of places, ages, ethnicity, vacancies);
- Staff characteristics (number of staff, demographics of paid staff, pay, hours);
- Qualifications (qualifications held and working towards by paid staff);
- Training (current level of training, training plans and budgets);
- Recruitment and retention (level of recruitment, retention rates, vacancies);
- Income (income, fees, funding, childcare vouchers, tax credits, business

performance).

2.4 Survey design

This report is based on 1,172 interviews conducted with senior managers⁶ of sessional day care providers, or in a small number of cases, an alternative senior member of staff. Other childcare surveys were conducted with 3,322 senior managers of full day providers, 1,754 senior managers of out of school provision, 723 childminders and 250 senior managers of children's centres.

2.4.1 Questionnaire

Three different questionnaires were used; one for the childcare group (full day care, sessional, out of school and children's centres), one for the early years group (nursery schools, primary schools with reception classes and primary schools with nursery and reception classes) and a third for childminders.

Copies of the questionnaires are included in the Technical Appendix to the series and can be downloaded from the DCSF website (www.dcsf.gov.uk).

Interviews were conducted by telephone using CATI (Computer Assisted Telephone Interviewing) by Kantar Operations⁷ fully trained telephone interviewers in Ealing. Interviews were carried out between 25th May 2006 and 30th September 2006 .

2.4.2 Sample

The sessional day care sample was stratified by Ofsted region⁸ to ensure a representative sample was interviewed in each region. In order to reduce the time it took to complete the interview, it was decided that the questionnaires would be divided into two sections. The first section would include core questions to be asked of all respondents and a second section that would consist of one of two modules (module A or B). Module A asked questions on costs and income and module B asked questions on training and recruitment. The sample was randomly divided into two equal groups and assigned to module A or B.

⁶ No specific definition was provided for 'Senior Manager'. Settings decided themselves who best fitted this description.

⁷ BMRB is part of the Kantar Group, the information and consultancy arm of WPP, BMRB's parent company. In addition to BMRB, other market research agencies in the Kantar Group include Research International and Millward Brown, as well as a number of smaller, specialist organisations. In April 2004 the support services of the Kantar companies were grouped to form a shared resource called The Operations Centre, which later changed its name to Kantar Operations. The majority of BMRB's existing operational services, including field management, sampling and data processing continue to be based at BMRB's Head Office in Ealing but, while still wholly owned by WPP, the new operations centre is now a separate legal entity from BMRB. Kantar Operations continue to work to existing quality standards and BMRB continue to take responsibility for the quality of the work undertaken by their support services.

⁸ Ofsted divides England into eight regions: East; East Midlands; London; North East, Yorkshire & Humberside; North West; South East; South West; and West Midlands.

2.4.3 Weighting and grossing

Data are weighted by Ofsted region (as of March 2006) to ensure the figures are representative of sessional day care providers throughout England.

To reduce the burden on providers, settings selected in the 2005 sample were excluded when drawing the 2006 sample. As a result any settings that registered after March 2005 had a slightly higher chance of being selected than those that were registered at this date. The data have been weighted to address this.

To reduce both the burden on providers and the overall length of interview, settings employing more than a certain number of staff (more than three supervisors or three other paid childcare staff and two qualified teachers, two nursery nurses or two early years support staff for the early years groups) were asked to randomly select members of staff, rather than having to give details for the whole team. For the childcare groups three members of staff and two members of staff for the early years groups were selected. When selecting the members of staff, respondents were instructed to list them in alphabetical order by surname and pick the first three or two in order to provide a random selection of staff. The data were weighted at a provider level to the true number of staff that each provider employs⁹.

In addition, the data were grossed up to the total number of active providers in England.

Full details of the methodology and analysis are included in the Technical Appendix to this report.

2.5 Structure of the report

The report is structured as follows:

Chapter 1	Summary and conclusions
Chapter 2	Introduction
Chapter 3	Characteristics of provision
Chapter 4	Places and children
Chapter 5	Characteristics of staff
Chapter 6	Qualifications
Chapter 7	Training

⁹ In some cases staff weights have been capped in order to prevent reducing the sample efficiency by too large a margin. Full details are given in section 1.5.4 of the Technical Appendix.

Chapter 8 Recruitment and retention

Chapter 9 Income

2.6 Notes on reading the report

2.6.1 Notes on numbers

In the tables, grossed up figures are provided along with percentages. These grossed up figures are based on the total number of sessional care providers registered with Ofsted in March 2006, excluding the proportion found by the survey to be no longer eligible for the survey (e.g. closed down, no longer in business). These grossed up figures are not exact, and like the percentages reported are subject to confidence intervals. Grossed figures in this report have been rounded to the nearest 100.

Data have been analysed at both provider level (e.g. characteristics of provision, places and children, income) and staff level (e.g. characteristics of staff, such as age, pay, qualifications). For those questions where analysis is at a staff level the bases noted show the overall number of staff, rather than the number of settings.

Where averages have been used, they have sometimes been given as the mean and sometimes as the medians. The median value is the middle value of a group of numbers. The mean is the sum of all numbers in a group divided by the number of items in the group. Unless otherwise stated, the term average has been used to refer to the mean.

2.6.2 Notes on tables

The unweighted and weighted base numbers are given in the last row of each table

Where respondents can give multiple responses to a question, the sum of the individual responses may be greater than 100 per cent.

Also the percentages in the tables do not always add to 100 per cent due to rounding, and. Also 'netted' (i.e. where a number of responses have been grouped together) responses may not always equal the sum of the individual responses, again due to rounding.

A * in a table signifies a percentage that is greater than 0 but less than 0.5.

A # signifies a value that is less than 50.

A † signifies a cell where data has not been included due to too small a base size.

A +/-0 signifies no change from previous years.

PP chge. refers to the percentage point change between 2003 and 2006.

N/A in a table signifies where we are unable to make a comparison with previous years as either the question wasn't asked or the data wasn't available.

Unless otherwise stated, figures referred to are weighted.

2.6.3 Notes on trends

Where appropriate, comparisons are made between these findings and those of the previous childcare workforce surveys (mainly the 2005 survey conducted by BMRB, but in some cases with the 2001 and 2003 surveys conducted by SQW/NOP and MORI respectively). However, some caution must be applied, especially with regard to the 2001 findings, as different data sources were used to weight and gross the data. In 2001, data from the Children's Day Care Facilities Survey (March 2001) were used for weighting and grossing purposes. Both the 2003 and 2005 surveys used Ofsted data for weighting and grossing (which is a more reliable source).

However, the sample for the childcare audiences in 2003 came from a different source – the Childcarelink database held by Opportunity Links. This did not have full details of all providers in all parts of the country and some work was done to obtain the necessary contact details on certain areas. Therefore, there needs to be some caution in comparing results from 2003 with those from 2005 and 2006 due to differences in sampling.

When comparing data with previous years, in the majority of cases the changes have been noted in terms of the percentage point change from year to year. Given the overall change in settings, this allows us to better identify changes in behaviour or a shift in the distribution. However, where specifically analysing a change in numbers, the percentage change has been noted e.g. the number of settings per region.

In places, comparisons are given with the findings relating to the UK workforce and the UK female workforce, taken from the Labour Force Survey (2006). These comparisons include only people who were employed or self-employed. It was decided to give comparisons with the female workforce because most of the childcare workforce is female.

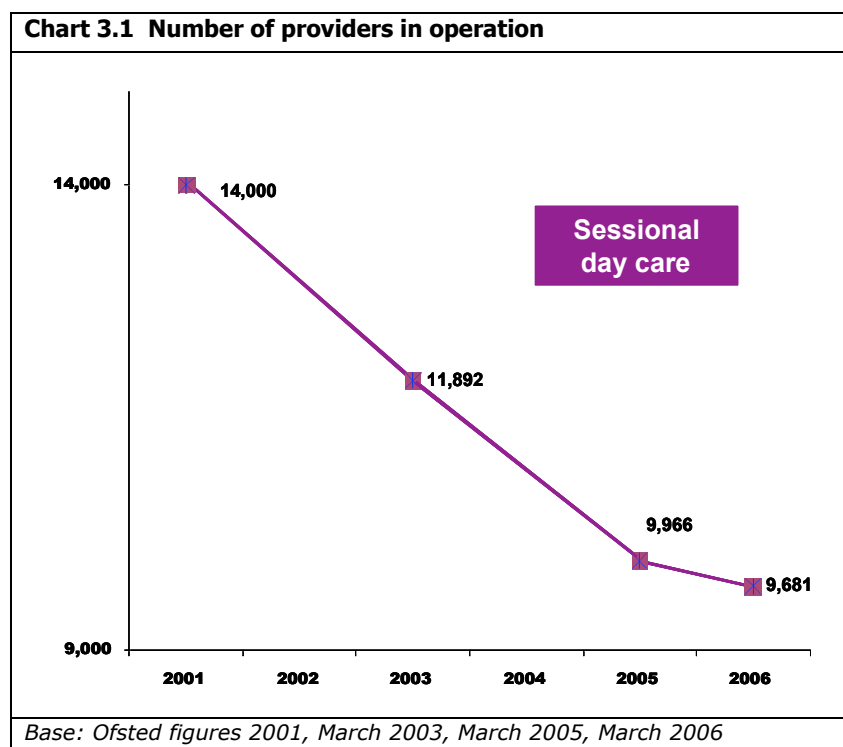
In the 2003 report some analysis was carried out to look at providers in the 20 per cent most deprived wards. By 2005, there had been a change in the areas used to define levels of deprivation from wards to Super Output Areas. Therefore, this report looks at the 30 per cent most deprived areas, which is roughly the equivalent to the 20 per cent most deprived wards.

3 Characteristics of provision

This chapter discusses the characteristics of registered sessional day care providers. It considers factors such as ownership, length of time providers have been operating, opening times, free early education sessions, the extended free entitlement for childcare, thoughts on learning, expansion, whether providers have business plans and access to computers.

3.1 Number of providers

The total number of sessional day care providers in 2006 was 9,681¹⁰, a continued decrease since 2001 when there were 14,000 sessional providers (in 2003 there were 11,892 and in 2005 there were 9,966 sessional providers). The rate of decline slowed between 2005 and 2006, with only a three per cent decrease in the number of providers.



The number of sessional day care providers was not distributed evenly across the regions. The regional distribution of providers was similar to 2005; the West Midlands accounted for just nine per cent of the total number of providers, while the South East accounted for one fifth (21 per cent) of the total. The rate of decline

¹⁰ Ofsted figures March 2006 less a percentage deemed ineligible based on fieldwork codes for the 2006 survey (1.79 per cent). Providers were classified as ineligible if they said they did not offer sessional provision, or if the setting had closed down or was no longer in business.

between 2005 and 2006 varied from very little change in the East Midlands to a five per cent decline in North East, Yorkshire & Humberside and in the South East.

Table 3.1 Number of providers by region			
	2006	2005	<i>Change in number of providers from 2005 to 2006</i>
	% (No.)	%	%
East Midlands	10% (954)	10%	*
East	16% (1,533)	15%	-1%
London	11% (1,027)	11%	-3%
North East, Yorkshire & Humberside	10% (1,004)	11%	-5%
North West	11% (1,026)	11%	-3%
South East	21% (2,006)	21%	-5%
South West	13% (1,303)	13%	-3%
West Midlands	9% (827)	9%	-4%
<i>Base 2006: All sessional providers (unweighted 1,172; weighted and grossed 9,681)</i>			
<i>Base 2005: All sessional providers (unweighted 1,007; weighted and grossed 9,966)</i>			

3.2 Ownership profile

Providers were owned by a range of different groups¹¹, the majority (68 per cent) were managed by some form of voluntary or community group, just over a quarter (27 per cent) of providers were owned by private organisations and four per cent were managed by local authorities.

The proportion of groups managed by a voluntary or community group had previously been in decline from 68 per cent in 2003 to 60 per cent in 2005. This trend seemed to have reversed in 2006 with a return to the level seen in 2003. The proportion was higher in areas of low density where nearly 85 per cent providers were managed by voluntary or community groups, compared with 62 per cent of providers in high density areas.

¹¹ It should be noted that respondents were able to give more than one response when answering, to allow for multiple ownership.

Table 3.2 Ownership of provision				
	2006	2005	<i>Change from 2005 to 2006</i>	2003
	% (No.)	%	<i>PP chge.</i>	%
Voluntary sector (inc. church, charity, committee)	68% (6,600)	60%	+8	68%
Private (inc. owner manager, part of a group or a chain)	27% (2,700)	30%	-3	26%
Local Authority	4% (300)	7%	-3	4%
School/College	1% (100)	2%	-1	2%
Other	* (#)	3%	-3	4%
Don't know	* (#)	* (#)	* (#)	+/-0
<i>Base 2006: All sessional providers (unweighted 1,172, weighted and grossed 9,681)</i>				
<i>Base 2005: All sessional providers (Module A) (unweighted 494, weighted and grossed 9,966)</i>				
<i>Base 2003: All sessional providers (unweighted 850, weighted and grossed 11,892)</i>				

There was no difference in the proportion of sessional providers owned by the voluntary sector according to levels of deprivation (67 per cent in the most deprived areas compared with 68 per cent in the least deprived area).

Providers based in the 30 per cent most deprived areas were less likely to be privately owned than those based in the 70 per cent least deprived areas (23 per cent and 28 per cent respectively).

Providers based in the 30 per cent most deprived areas were more likely to be owned by a local authority (eight per cent) than those in the 70 per cent least deprived areas (three per cent), suggesting that local authorities are attempting to fill any gaps in provision in the most deprived areas.

Table 3.3 Ownership of provision by deprivation			
	Total	30% most deprived areas	70% least deprived areas
	% (No.)	% (No.)	% (No.)
Voluntary sector (inc. church, charity, committee)	68% (6,600)	67% (962)	68% (5,637)
Private (inc. owner manager, part of a group or a chain)	27% (2,700)	23% (328)	28% (2,330)
Local Authority	4% (300)	8% (111)	3% (236)
School/ College	1% (100)	2% (#)	1% (72)
Other	* (#)	1% (#)	* (#)
Don't know	* (#)	* (#)	+/-0
<i>Base: All sessional providers (unweighted 1,172, weighted and grossed 9,681), All sessional providers in the 30% most deprived areas (unweighted 170, weighted and grossed 1,436), All sessional providers 70% least deprived areas (unweighted 1,002, weighted and grossed 8,245)</i>			

3.2.1 Charitable status

In addition to establishing type of ownership, providers were asked whether they were set up as a charity or non-profit making organisation. Eight in ten providers (79 per cent) were set up in this way. This was higher in low density (91 per cent) and medium density areas (90 per cent) than in high density areas (74 per cent).

3.3 Length of operation

Nearly all (97 per cent) sessional day care providers had been operating for five years or more, an increase from 87 per cent in 2005 (91 per cent in 2003). There were no significant differences by type of ownership in terms of length of operation.

3.4 Number of weeks open per year

On average sessional day care providers were open for 38 weeks of the year. One in five (19 per cent) were open for fewer weeks each year, and 22 per cent for more than 38 weeks.

3.5 Term time care

As expected, practically all (99.7 per cent) providers were open during term time. On average providers were open for four hours a day during term time (29 per cent were open for 1-2 hours a day, 32 per cent were open for 3-4 hours a day, 32 per

cent were open for five or more hours a day). Larger providers tended to stay open longer. On average, providers with 50 or more children attending were open for five hours a day compared with three hours for settings catering for one to 19 children.

The majority of providers (80 per cent) open in term time were open for five days a week. One in ten (13 per cent) were open for four to four and a half days a week.

3.6 Holiday time care

Five per cent of sessional providers were open during the school holidays. The proportion open during the school holidays had declined slightly since 2005 when the figure was eight per cent.

On average providers were open for six hours a day during the school holidays; one per cent were open for 1-2 hours a day, 32 per cent were open for 3-4 hours a day, 17 per cent were open for 5-6 hours a day, five per cent were open for 7-8 hours a day, 36 per cent were open for nine or more hours a day. As with term time care, the majority (70 per cent) of providers were open five days a week.

3.7 Free early education sessions for three to four year olds

Provision of free early education for three and four year olds has been a universal entitlement since 2004. It is delivered by a mixed economy of maintained, private, voluntary and independent settings. The current minimum entitlement is 12 and half hours per week for 38 weeks of the year. Children become eligible for a free place from the term following their third birthday, and benefit from up to six terms of free provision before reaching statutory school age.

In its *Ten Year Strategy – Choice for Parents, the Best Start for Children*, the Government committed to extending the free entitlement from 12 and a half to 15 hours a week for 38 weeks a year by 2010, and to allowing parents greater flexibility in the way they access the entitlement (e.g. over three days rather than five days and in longer sessions). The changes to the free entitlement are aimed to provide enhanced learning opportunities for children, and choice for parents about the type and pattern of provision that best meets the needs of their children. It should also give working parents the flexibility to balance work and family commitments more effectively.

Just two-fifths (39 per cent) of sessional providers who cared for children aged three and four said that children could take their free early education sessions over three days rather than five. Base sizes are too small to report any significant differences between the subgroups.

The same providers were also asked whether the free early education sessions could include breakfast, lunch or tea. Just one in five (20 per cent) providers said they could include meals. Three per cent said they could include breakfast, 18 per cent

said they could include lunch and one per cent said they could include tea. There was some variation by region; providers in the South West (26 per cent) were most likely to say that free early education sessions could include meals whereas providers in the East Midlands were least likely to say this (14 per cent).

3.7.1 Extended free entitlement for three and four year olds

Providers who cared for children aged three or four years old were asked if they were in a position to provide the extended free entitlement for three and four year olds, of 15 hours a week, for 38 weeks a year. Just over three-fifths (64 per cent) of providers said they were able to provide this level of care.

Profit-making providers (70 per cent) were more likely than non-profit making providers (62 per cent) to provide this care.

Table 3.4 Proportion of settings that can provide extended free entitlement for three to four year olds, for 15 hours a week, for 38 weeks a year	
	% (No.)
Yes	64% (6,100)
No	36% (3,400)
Don't know	1% (100)
<i>Base: All sessional providers that have children aged three or four years old (unweighted 1,157, weighted and grossed 9,556)</i>	

3.7.2 Learning

Providers were asked if they thought that children were more receptive to learning at particular times of the day. The majority (80 per cent) said that they *did* think children were more receptive at different times of the day. These respondents were then asked what times of the day children were more receptive to learning. They were most likely to say the morning was the time when children were more receptive, with nearly seven in ten (67 per cent) saying early morning (before 10am), and 54 per cent saying mid morning (10am to 12pm).

Table 3.5 Time of the day that three to four year olds are more receptive to learning	
	%
Early morning (before 10am)	67%
Mid morning (10am to 12pm)	54%
Early afternoon (12pm to 4pm)	7%
Late afternoon (4pm to 6pm)	*
Depends on child	3%
Not sure	*
Other answer	*
Don't know	*
<i>Base: All respondents (Module B) who think that three to four year olds are more receptive to learning at particular times of the day (unweighted 483, weighted and grossed 9,681)</i>	

3.8 Expansion

As in 2005, four-fifths (78 per cent) of sessional day care providers said they could not expand in their current premises. Nine per cent said they had expanded in the last 12 months.

Of those providers that had not expanded in the last 12 months, nine per cent planned to expand in the next 12 months (eight per cent of all providers).

Table 3.6 Potential for expansion (increasing number of Ofsted registered places)	
	% (No.)
Able to expand in current premises	20% (1,900)
Not able to expand in current premises	78% (7,200)
Have expanded in the last 12 months	9% (900)
Have not expanded, but plan to in the next 12 months	9% (800)
Have not expanded and have no plans to	76% (7,400)
<i>Base: All sessional providers (Module A) (unweighted 561, weighted and grossed 9,681)</i>	

Providers that had not expanded in the last 12 months and did not plan to expand in the next 12 months were asked why they did not plan to expand. The most common reasons given were because the provider was already at their maximum

capacity (43 per cent) or because they would need larger premises (40 per cent). All other reasons were given by less than ten per cent of providers. These figures were very similar to those seen in 2005.

Table 3.7 Reasons for not planning to expand in the next 12 months	
	%
Already at maximum capacity	43%
Would need larger premises	40%
No sufficient demand for extra places	9%
No need to expand/ don't wish to expand	4%
Too costly to expand	4%
Premises not suitable	4%
Difficulties recruiting suitable staff	4%
Regulations	3%
Too much competition from other providers	1%
Closing/ Sold	1%
Not enough staff	1%
Don't know	*
Other answer	4%
<i>Base: All sessional providers (Module A) that have not expanded in the last 12 months and didn't plan to in the next 12 months (unweighted 439, weighted and grossed 7,262)</i>	

3.9 Business plan

There was a steady increase since 2003 in the proportion of providers who have a written business plan. Just over half (53 per cent) of providers had written business plans in 2006, an increase from 40 per cent in 2003 and 47 per cent in 2005.

Providers based in the 30 per cent most deprived areas were more likely to have a business plan than those based in the 70 per cent most deprived areas (63 per cent compared with 51 per cent respectively).

In a change from 2005, not-for-profit providers were more likely to have a written business plans than for-profit providers (54 per cent compared with 49 per cent respectively), whereas in 2005 for-profit providers were more likely to have a written business plan than not-for-profit providers (63 per cent compared with 42 per cent respectively).

Table 3.8 Whether provider has written business plan					
	2006	Not-for-profit	For-profit	2005	<i>Change from 2005 to 2006</i>
	% (No.)	% (No.)	% (No.)	%	<i>PP chge.</i>
Yes	53% 5,100	54% 4,100	49% 900	47%	+6
No	40% 3,800	38% 2,900	46% 900	44%	-4
Don't know	7% 700	8% 600	5% 100	9%	-2
<i>Base 2006: All sessional providers (Module A) (unweighted 561 weighted and grossed 9,681), Non-profit making organisation (Module A) (unweighted 442, weighted and grossed 7,670), profit making organisation (Module A) (unweighted 114, weighted and grossed 1,954)</i> <i>Base 2005: All sessional providers (Module A) (unweighted 491, weighted and grossed 9,966)</i>					

Of those who had a business plan, 76 per cent had updated it in the last two years, a lower figure than in 2005 (86 per cent). Overall this equated to 41 per cent of sessional day care providers with a written business plan that had been updated in the last two years, which is a similar figure to 2005 (40 per cent).

3.10 Access to computer for administrative purposes

Around half (48 per cent) of sessional day care providers had a computer on site that could be used for administrative purposes. The proportion of providers with a computer was higher amongst settings located in the 30 per cent most deprived areas (58 per cent) than the 70 per cent least deprived areas (46 per cent). Also profit making organisations were slightly more likely to have a computer on site than those run by not-for-profit organisations (49 per cent and 43 per cent respectively).

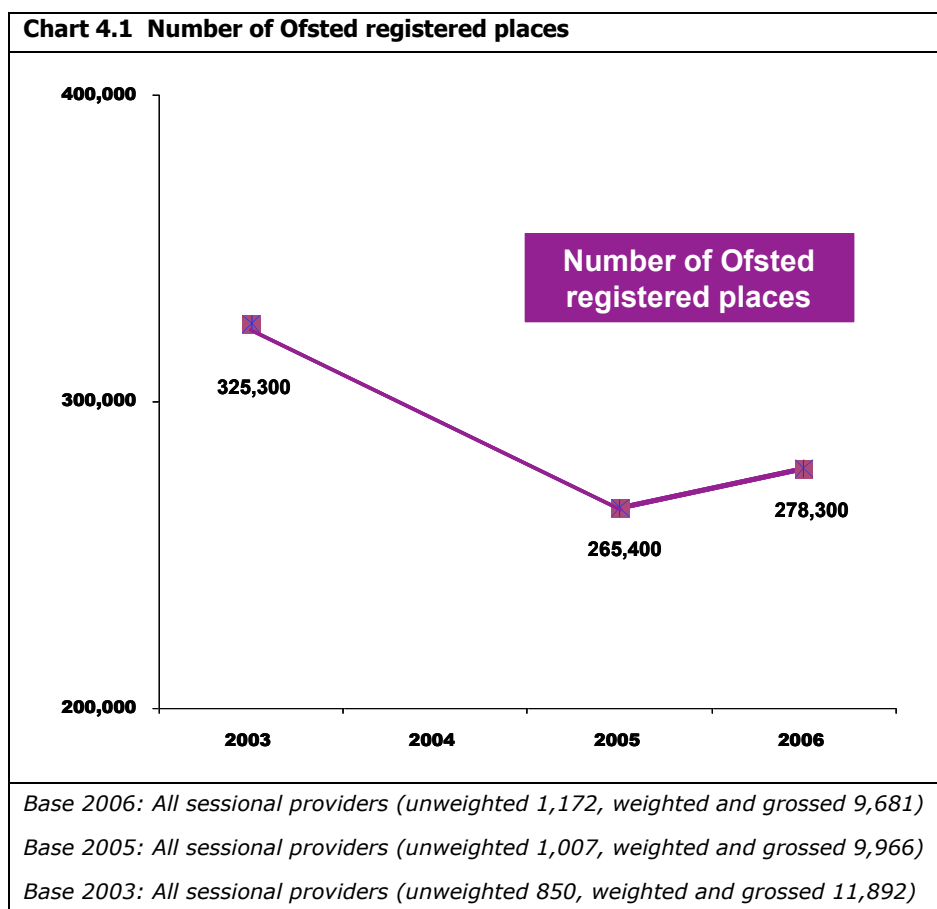
4 Places and children

This chapter discusses the number of Ofsted registered places and the number of children attending registered full day care settings. It also presents data on the demographic make-up of the children attending in terms of age, ethnicity, special educational needs and disability and vacancies for children.

4.1 Number of places

Providers register with Ofsted as sessional providers if they offer places to children under eight for a session which is less than a continuous period of four hours in any day. Although such providers can offer two such sessions per day, there must be a break between sessions where no children are in the care of the provider.

The estimated number of active Ofsted registered places in the sessional day care sector is 278,300. This represented a five per cent increase since 2005 when the equivalent figure was 265,400, but a 14 per cent decline since 2003. The growth in the number of registered places can be accounted for by the slight increase in the average number of registered places offered per setting from 27 in 2005 to 29 in 2006.

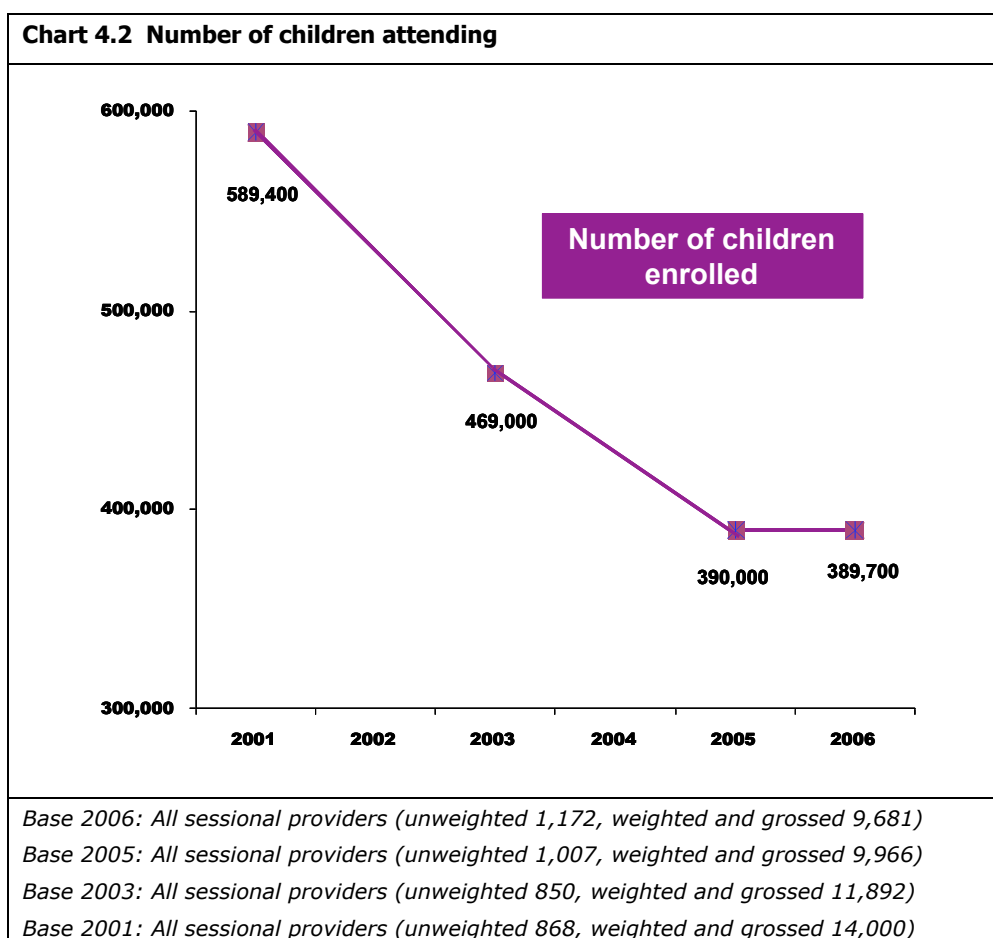


Most sessional providers (59 per cent) offered between 20 and 29 places, and 14 per cent offered fewer than 20 places. Not surprisingly, smaller providers were more common in low density areas (23 per cent offered 10-19 places in low density areas compared to just nine per cent of providers in high density areas).

4.2 Number of children attending

The total number of children attending¹² sessional day care settings in 2006 fell by just 300 from 2005, from 390,000 in 2005 to 389,700 in 2006). However this was set against a decline from 589,400 in 2001 and 469,000 in 2003.

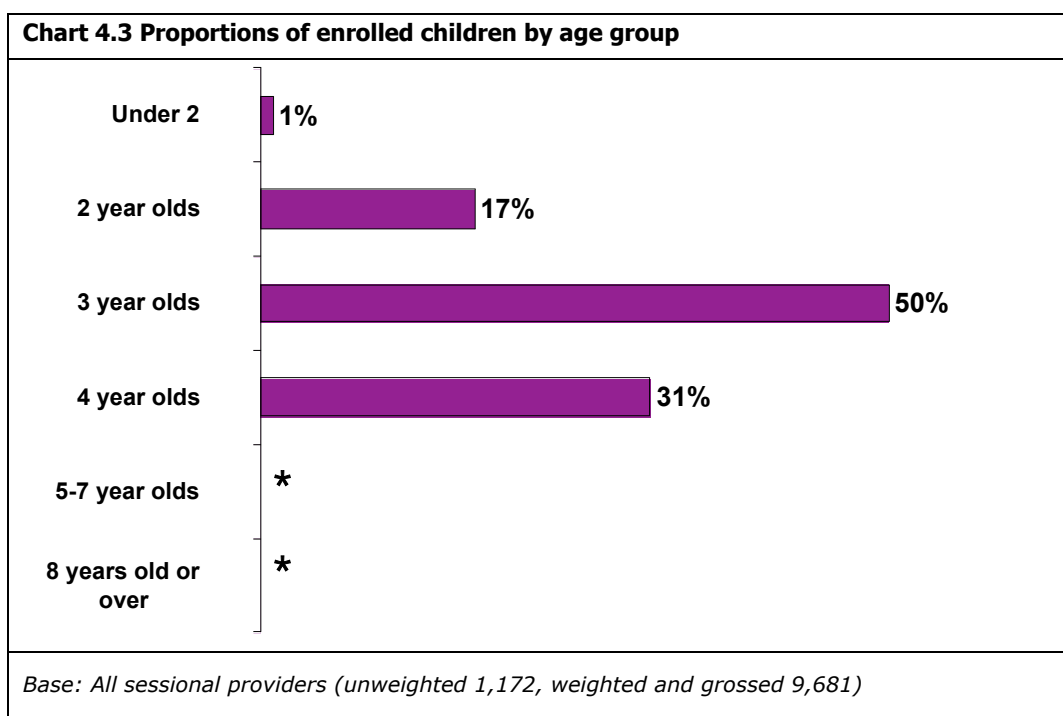
The small decrease in numbers of children attending sessional day care between 2005 and 2006 was not surprising given the decline in the number of providers between 2005 and 2006 (a three per cent decline). Even with the increase in the average number of registered places offered per setting (a five per cent increase), the average number of children attending per provider remained at a similar level since 2003 (around 40 children per setting).



¹² Respondents were asked for the total number of children attending their sessional care setting in a typical week. In addition they were instructed to only count a child once if they attended for more than one session/day, to avoid double-counting.

4.3 Ages

The overwhelming majority of children (98 per cent) attending sessional day care places were aged two to four. Only one per cent were aged under two years old, less than one per cent were aged five or over.



4.4 Ethnicity

The average proportion of children attending who were from a black or minority ethnic (BME) group was 10 per cent per setting, around 35,400 children¹³. This had not changed from 2005.

Data from the 2001 Census showed that although people of BME origin made up around nine per cent of England's population, among those aged under seven the proportion rose to 15 per cent. This suggests that there are fewer children of BME origin using sessional care than would be expected from their proportion in the population.

A third of providers (34 per cent) had no children attending who were of BME origin and 28 per cent had less than five per cent, while a quarter (25 per cent) of providers had 11 per cent or more.

¹³ For details of how average proportions were calculated, please see section 1.7.5 of the Technical Appendix.

The average proportion of children of BME origin attending was higher in the 30 per cent most deprived areas (23 per cent per setting) than the 70 per cent least deprived areas (seven per cent per setting).

There was also significant regional variation in the proportion of children of BME origin per setting. In London, the average proportion of children attending that were of BME origin was 32 per cent per setting. Only eight per cent of providers had no children of BME origin. In the South West the average proportion of children from a BME group was just three per cent per setting and three-fifths (58 per cent) of providers had no children of BME origin.

Table 4.1 Proportion of children of black or minority ethnic (BME) origin			
	Total	30% most deprived areas	70% least deprived areas
	%	%	%
	(No.)	(No.)	(No.)
None	34% (3,300)	20% (300)	36% (3,000)
1 to 5%	28% (2,800)	21% (300)	29% (2,40)
6 to 10%	14% (1,400)	15% (200)	14% (1,200)
11% or more	24% (2,300)	43% (600)	20% (1,700)
Don't know	1% (100)	1% (#)	* (#)
Mean proportion of BME children per setting	10%	23%	7%
<i>Base: All sessional providers (unweighted 1,172, weighted and grossed 9,681), All sessional providers in the 30% most deprived areas (unweighted 170, weighted and grossed 1,436), All sessional providers in the 70% least deprived areas (unweighted 1,002, weighted and grossed 8,245)</i>			

4.4.1 Provider records on ethnicity

Overall, three-quarters (76 per cent) of providers kept records of each child's specific ethnic group. This proportion was higher amongst providers based in the 30 per cent most deprived areas (87 per cent). Also providers based in the East Midlands and London were more likely to keep specific records, (83 per cent and 81 per cent of providers respectively).

The majority (86 per cent) of providers kept a record of whether English was the main language spoken at home for each child.

4.5 Special Educational Needs (SEN) or disability

Overall there were 16,000 children with a Special Educational Need (SEN) or a disability. The average proportion of children attending who had a SEN or a disability was five per cent per setting. This was the same proportion as 2005. Two-fifths (40 per cent) of providers had no children with SEN or a disability, a third (33 per cent) had between one and five per cent and 11 per cent reported that more than 10 per cent of their children had SEN or a disability.

The proportion of providers who said that over 10 per cent of their attendees had SEN or a disability was higher in the 30 per cent most deprived areas (21 per cent) when compared with the overall figures (11 per cent).

Table 4.2 Proportion of children with Special Educational Needs (SEN) or a disability					
	2006	2005	<i>Change from 2005 to 2006</i>	2006	
				30% most deprived areas	70% least deprived areas
	% (No.)	%	<i>PP chge.</i>	% (No.)	% (No.)
None	40% (3,900)	41%	+1	35% (500)	41% (3,400)
1 to 5%	33% (3,200)	33%	+/-0	26% (400)	34% (2,800)
6 to 10%	16% (1,600)	15%	-1	16% (200)	16% (1,300)
11% or more	11% (1,000)	11%	+/-0	21% (300)	9% (700)
Don't know	* (#)	1%	+/-0	2% (#)	0% (0)
Mean proportion of SEN/disabled children per setting	5%	5%	+/-0	4%	3%

Base: All sessional providers (unweighted 1,172, weighted and grossed 9,681), All sessional providers in the 30 % most deprived areas (unweighted 170, weighted and grossed 1,436), All sessional providers in the 70% least deprived areas (unweighted 1,002, weighted and grossed 8,245)

Base 2005: All sessional providers (unweighted 1,007, weighted and grossed 9,966)

4.6 Vacant places

In 2006 there were approximately 29,300 sessional day care vacancies, a similar level to 2005 when there were 29,800 vacancies. On average there were three vacancies per setting. Half (50 per cent) of providers had no vacancies, 29 per cent had one to five and 18 per cent had six or more.

As in 2005, areas of high population density were most likely to be operating at capacity – 56 per cent of providers in high density areas had no vacancies,

compared with 41 per cent in medium population density areas and 33 per cent in low population density areas. In 2005, however, providers in medium and low population density areas were less likely to be full than in 2006; (in 2006 31 per cent and in 2005 29 per cent had no vacancies).

There were some regional variations in vacancies. Providers in London were most likely to report having no vacancies (60 per cent); while providers in the South West (39 per cent) were least likely to have no vacancies, reporting on average four vacant places per setting, a similar level to the North East, Yorkshire and Humberside.

	Total	East Midlands	East	London	North East Yorkshire & Humberside	North West	South East	South West	West Midlands
	%	%	%	%	%	%	%	%	%
None	50%	52%	51%	60%	43%	53%	51%	39%	52%
1-5	29%	26%	33%	23%	28%	28%	28%	34%	29%
6-10	12%	11%	8%	10%	20%	10%	12%	18%	9%
11 or more	6%	8%	4%	6%	8%	5%	5%	8%	7%
Don't know	3%	4%	4%	3%	2%	3%	5%	1%	4%
Mean number of vacancies per setting	3	3	3	3	4	3	3	4	3
Total number of vacancies per region	29,300	2,700	3,800	2,600	4,200	2,700	5,800	4,900	2,600
<i>Base: Total (unweighted 1172, weighted and grossed 9681), East Midlands (unweighted 120, weighted and grossed 954), East of England (unweighted 179, weighted and grossed 1,533), London (unweighted 111, weighted and grossed 1,027), North East, Yorkshire & Humberside (unweighted 114, weighted and grossed 1,004), North West (unweighted 115, weighted and grossed 1,026), South East (unweighted 271, weighted and grossed 2,006), South West (unweighted 151, weighted and grossed 1,303), West Midlands (unweighted 108, weighted and grossed 827)</i>									

5 Characteristics of staff

This chapter looks at the number of paid and unpaid staff working within the sessional care sector. It focuses on the demographic profile of those paid staff working in the sector, their pay, the number of hours worked and whether they do any other paid work.

The survey looked in detail at three different paid staff types:

- Senior managers. The person with overall responsibility for running the setting.
- Supervisory staff. Those staff that are qualified to look after a group of children on their own, they may or may not supervise other members of staff.
- Other paid childcare staff. Those staff that are not qualified to look after a group of children on their own.

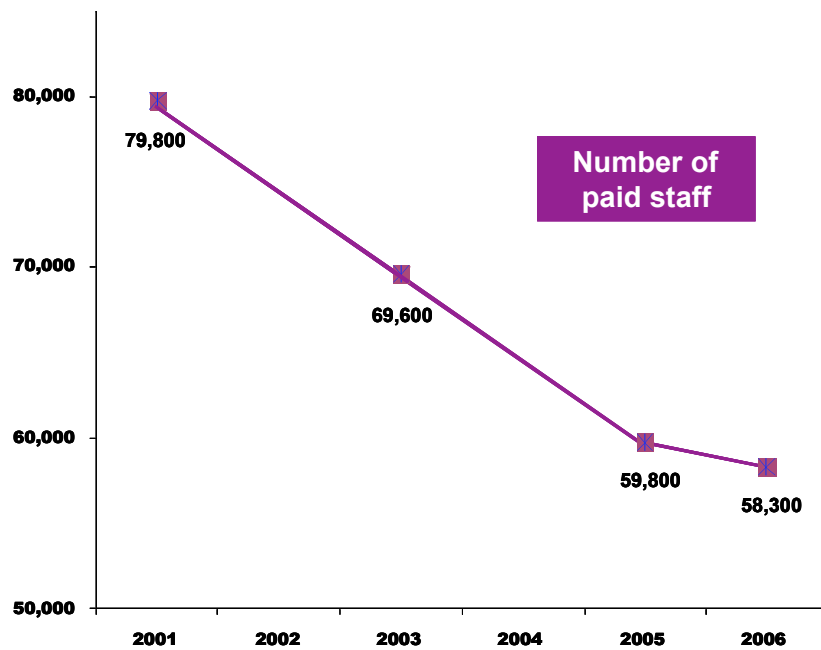
In addition to this settings were asked how many unpaid volunteers and students on placements were used to help run the setting.

5.1 Number of staff

5.1.1 Paid staff

In 2006 there were 58,300 paid staff working within sessional settings. These figures represented a continued decline in the number of people of working in sessional settings from 79,800 in 2001 (there were 69,600 in 2003 and 59,800 in 2005).

Chart 5.1 Number of paid staff



Base 2006: All sessional providers (unweighted 1,172, weighted and grossed 9,681)
 Base 2005: All sessional providers (unweighted 1,007, weighted and grossed 9,966)
 Base 2003: All sessional providers (unweighted 850, weighted and grossed 11,892)
 Base 2001: All sessional providers (unweighted 868, weighted and grossed 14,000)

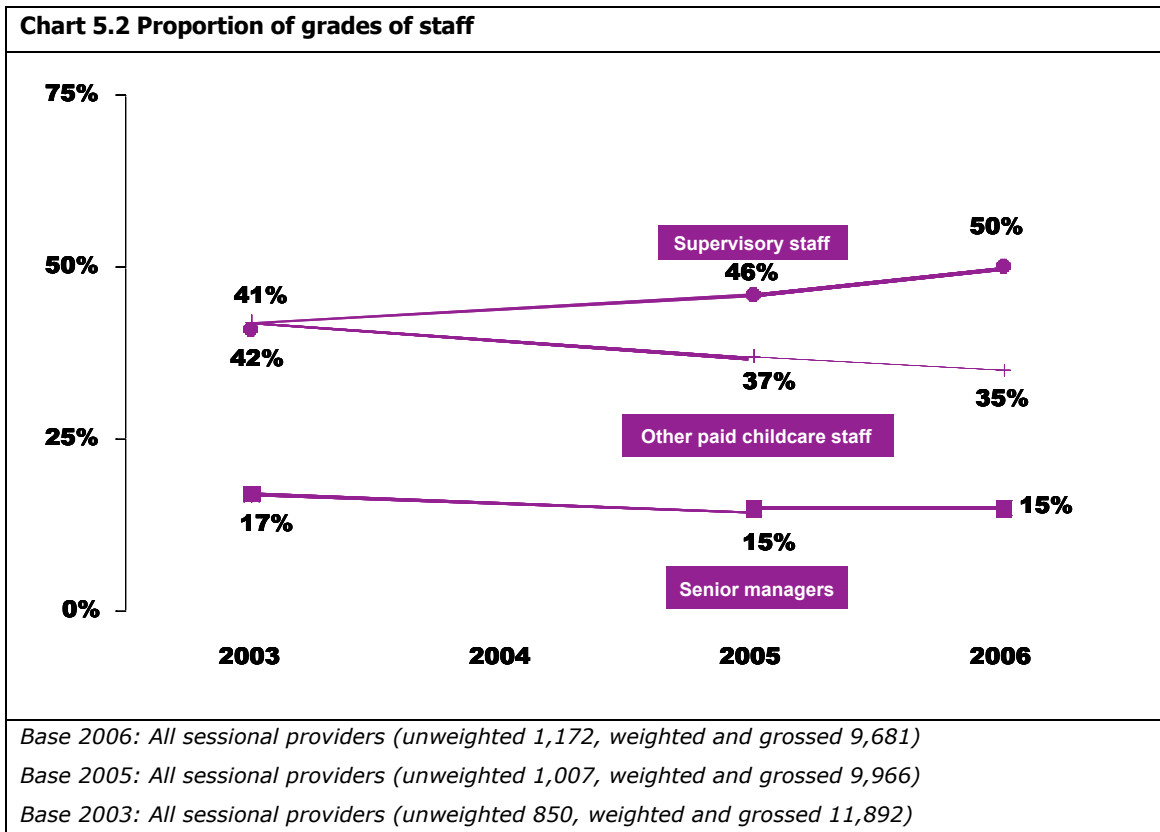
The total number of staff was comprised of 8,500 senior managers, 29,400 supervisory staff, and 20,300 other paid childcare staff.

Table 5.1 Number of paid staff

	2006	2005	Change from 2005 to 2006	2003
	No.	No.	No.	No.
All paid staff	58,300	59,800	-1,500	69,600
	% (No.)	%	PP chge.	%
Senior managers	15% (8,500)	15%	+/-0	17%
Supervisory staff	50% (29,400)	46%	+4	41%
Other paid childcare staff	35% (20,300)	37%	-2	42%

Base 2006: All sessional providers (unweighted 1,172, weighted and grossed 9,681)
 Base 2005: All sessional providers (unweighted 1,007, weighted and grossed 9,966)
 Base 2003: All sessional providers (unweighted 850, weighted and grossed 11,892)

Between 2003 and 2005 the proportion of supervisory staff increased by five percentage points while the proportion of other paid childcare staff actually decreased by five percentage points. The change indicated a trend towards greater professionalism of the workforce, which continued in 2006 when the proportion of supervisory staff increased by four percentage points.



5.1.2 Unpaid staff

In 2006 there were 16,800 unpaid staff working within sessional settings, consisting of 5,400 students on placements and 11,400 volunteers. The numbers were similar to those in 2005 (5,350 students and 11,950 volunteers). Overall, there was a decrease of three per cent in the number of unpaid staff working in sessional settings between 2005 and 2006.

The total number of paid and unpaid staff working within the sessional sector in 2006 was 75,100.

Table 5.2 Number of unpaid staff					
	2006	2005	<i>Change from 2005 to 2006</i>		2003
	No.	No.	%	No.	No.
All paid staff and unpaid staff	75,100	77,100	-3%	-2000	90,800
Unpaid staff					
Volunteers	11,400	11,950	-5%	-550	15,200
Students on placements	5,400	5,350	+1%	+50	6,100
Total unpaid	16,800	17,300	-3%	-500	21,300
<i>Base 2006: All sessional providers (unweighted 1,172, weighted and grossed 9,681)</i>					
<i>Base 2005: All sessional providers (unweighted 1,007, weighted and grossed 9,966)</i>					
<i>Base 2003: All sessional providers (unweighted 850, weighted and grossed 11,892)</i>					

5.1.3 Agency, freelance or supply staff

Similar to previous years only a small percentage (five per cent in 2006) of sessional settings had used agency, freelance or supply staff in the last 12 months. Providers in the 30 per cent most deprived areas were slightly more likely to use agency staff (ten per cent) than those within the 70 per cent least deprived areas (four per cent).

5.2 Age

The age profile of all paid childcare staff working within sessional settings was slightly older than in 2005. Just four per cent of staff were aged between 16 and 24, 36 per cent were aged 25 to 39, 40 per cent were aged 40 to 49 and 19 per cent were aged 50 or over.

Table 5.3 Age of paid staff

	2006	2005	Change from 2005 to 2006	2006		
				Senior manager	Supervisory staff	Other paid childcare staff
	% (No.)	%	PP chge.	% (No.)	% (No.)	% (No.)
16-19	1% (440)	1%	+/-0	* (#)	* (100)	2% (350)
20-24	3% (1,700)	4%	-1	* (100)	3% (1,000)	3% (700)
25-39	36% (20,900)	39%	-3	19% (1,500)	36% (9,900)	45% (9,000)
40-49	40% (23,200)	37%	+3	46% (3,900)	41% (11,400)	36% (7,100)
50+	19% (10,800)	17%	+2	34% (2,900)	18% (5,000)	13% (2,600)
Don't know/refused	1% (700)	N/A	N/A	* #	2% (400)	1% (300)

Base 2006: All paid staff (unweighted 5,714, weighted and grossed 57,812), All senior managers (unweighted 1,032, weighted and grossed 8,541), All supervisory staff (2,586, weighted and grossed 27,809), All other paid childcare staff (unweighted 1,935, weighted and grossed 20,146)

Base 2005: All paid staff (unweighted 4,776, weighted and grossed 59,800)

Senior managers tended to be older than supervisory staff and other paid childcare staff. A third (34 per cent) of senior managers were aged 50 or over, compared with 18 per cent of supervisory staff and 13 per cent of other paid childcare staff.

5.3 Sex

As in 2005 the average proportion of the sessional workforce that were men was just one per cent (800 people) per setting¹⁴. Five percent of providers employed at least one member of male staff. Settings based in the 30 per cent most deprived areas were more likely to employ male staff (ten per cent per setting) than settings in the 70 per cent least deprived areas (four per cent per setting).

5.4 Disability

In total there were 500 members of staff who had a disability working in sessional settings. The average proportion of staff that had a disability was just one per cent per setting, which was a return to the level seen in 2003, following a slight increase

¹⁴For details of how average proportions were calculated, please see section 1.7.5 of the Technical Appendix.

to three per cent in 2005. Five per cent of providers employed at least one member of staff with a disability.

According to the 2006 Labour Force Survey¹⁵, about 11 per cent of the working population have a disability, so this group were under represented in the sessional workforce.

5.5 Ethnicity

In 2006 there were 2,700 paid staff from a BME group. The average proportion of staff that were from a BME group was five per cent per setting. This is a similar proportion to 2005 when the proportion was six per cent per setting, and 2003 when the proportion was four per cent per setting.

According to the 2006 Labour Force Survey, eight per cent of the UK working population are from a BME group. Thus, there is a lower than average proportion of people from a BME group working in sessional care settings.

Fifteen per cent of providers employed at least one member of staff from a BME group. The equivalent proportions were 19 per cent in 2005 and 11 per cent in 2003. Unsurprisingly, the proportion was much higher in London where the percentage employing at least one member of staff from a BME group was 47 per cent in 2006.

The average proportion of BME staff was also higher in the 30 per cent most deprived areas (13 per cent per setting), compared with 70 per cent least deprived areas (three per cent).

¹⁵ 2006 Labour Force Survey. Unadjusted DDA disabled (XDISDDA).

Table 5.4 Number of male staff, staff from a black or minority ethnic group and staff with a disability

	2006	2005	Change from 2005 to 2006	2006	
				London	30% most deprived areas
	% (No.)	%	PP chge.	% (No.)	% (No.)
Average proportion of male staff per setting	1% (800)	1%	+/-0	1% (90)	4% (300)
Average proportion of staff with a disability per setting	1% (500)	3%	-2	1% (50)	1% (100)
Average proportion of BME staff per setting	5% (2,700)	6%	-1	47% (1,100)	13% (1,000)

Base 2006: All sessional providers (unweighted 1,172, weighted and grossed 9,681), All sessional providers in London (unweighted 111, weighted and grossed 1,026), All sessional providers in the 30% most deprived areas (170, weighted and grossed 1,436)

Base 2005: All paid staff (unweighted 6,043, weighted and grossed 59,800)

5.5.1 Ethnicity records

Seven in ten (68 per cent) sessional providers kept a record of the specific ethnic groups that paid staff belong to. As with child records, providers in the 30 per cent most deprived areas were more likely than providers in the 70 per cent least deprived areas to keep a record of the specific ethnic group of paid staff (77 per cent compared with 67 per cent).

5.6 Working hours

As in previous years the overwhelming majority of the paid workforce were part-time. Nine in ten workers (90 per cent) worked less than 30 hours per week.

The average number of hours worked per week by all staff was 17 hours, the same figure as 2003 and a decrease of one hour from 2005.

Senior managers worked the longest, on average 22 hours a week compared with 23 hours in 2005. One in five (20 per cent) worked full time (30 hours or more a week) compared with a quarter (26 per cent) in 2005.

Supervisory staff worked on average 18 hours a week and just one in ten worked full-time (nine per cent). Other paid childcare staff worked, on average, 13 hours a week and just two per cent worked full time. These figures were consistent with previous years.

To put these figures in context we can compare them with the UK average¹⁶. In the 2006 Labour Force Survey, the average number of hours worked for the working population was 32 hours and 27 for females.

Table 5.5 Average number of hours a week		
	2006	2005
All paid staff	17	18
Senior manager	22	23
Supervisory staff	18	18
Other paid childcare staff	13	13
<hr/>		
UK: All Staff	32	32
UK: Females	27	27
<p><i>Base 2006: All paid staff (unweighted 5,714, weighted and grossed 58,330) (All senior managers (unweighted 1,032, weighted and grossed 8,541), All supervisory staff (unweighted 2,586, weighted and grossed 27,809), Other paid childcare staff (unweighted 1,935, weighted and grossed 20,216)</i></p> <p><i>Base 2005: All paid staff (unweighted 6,532, weighted and grossed 65,893), All senior managers (unweighted 1,141, weighted and grossed 11, 513), All supervisory staff (unweighted 3,189, weighted and grossed 32,170), All other paid childcare staff (unweighted 2,202, weighted and grossed 22,210)</i></p>		

5.7 Pay levels

Average pay levels increased for all sessional staff groups since 2005. Average hourly pay in 2006 was £6.60, a six per cent increase from £6.20 in 2005.

Average pay for senior managers in 2006 was £8.00 compared with £7.50 in 2005. This represented an increase of seven per cent.

Average pay for supervisory staff increased very slightly (by two per cent), in 2006 it was £6.80, compared with £6.30 in 2005.

The average pay for other paid childcare staff in 2006 was £5.80, in 2005 the equivalent figure was £5.50; an increase of five per cent.

The average pay was considerably lower than the UK average. In 2006, the average hourly wage in the UK was £11.12, and £10.24 for females¹⁷.

¹⁶ 2006 Labour Force Survey. Total actual hours worked in main and second job.

¹⁷ 2006 Annual Survey of Hours and Earnings (First release).

Table 5.6 Average hourly pay of sessional staff				
	2006	2005	<i>Change from 2005 to 2006</i>	
	£	£	£	%
All paid staff	£6.60	£6.20	+£0.40	+6%
Senior manager	£8.00	£7.50	+£0.50	+7%
Supervisor staff	£6.80	£6.30	+£0.50	+8%
Other paid childcare staff	£5.80	£5.50	+£0.30	+5%
UK: All staff	£11.12	£10.63	+£0.49	+4%
<i>Base 2006: All paid staff (unweighted 5,714, weighted and grossed 58,330) (All senior managers (unweighted 1,032, weighted and grossed 8,541), All supervisory staff (unweighted 2,586, weighted and grossed 27,809), Other paid childcare staff (unweighted 1,935, weighted and grossed 20,216)</i>				
<i>Base 2005: All paid staff (unweighted 4,776, weighted and grossed 65,893), All senior managers (unweighted 911, weighted and grossed 9,016), All supervisory staff (unweighted 2,198, weighted and grossed 21,756), All other paid childcare staff (unweighted 1,667, weighted and grossed 16,442)</i>				

Average pay for staff at for-profit organisations tended to be higher than those working in not-for-profit organisations (£6.90 per hour compared with £6.60 per hour respectively). Looking at differences in level of pay by provider profile, staff at settings run by local authorities were likely to earn more than those working in any other type of setting.

Table 5.7 Average hourly staff pay by type of ownership						
	Not-for-profit	For profit	Private	Voluntary	Local Authority	School/college
	£	£	£	£	£	£
All paid staff	£6.60	£6.90	£6.70	£6.50	£8.30	£8.20
Senior managers	£7.90	£8.40	£7.90	£7.80	†	†
Supervisory staff	£6.70	£6.90	£6.80	£6.70	£8.00	†
Other paid staff	£5.80	£6.10	£5.90	£5.70	£8.10	†
<i>Base 2006: All paid staff (unweighted 19,264, weighted and grossed 144,251), All senior managers (weighted 3,209, weighted and grossed 12,372), All supervisory staff (9,073, weighted and grossed 86,687), All other paid childcare staff (unweighted 6,168, weighted and grossed 42,058)</i>						

Rates of pay varied across the regions. The average hourly rate for all sessional staff was highest in London at £7.70 and lowest in the North East, Yorkshire and Humberside at £6.30.

Senior managers working in the 30 per cent most deprived areas were paid more than those working in the 70 per cent least deprived areas (£8.50 compared with £7.90 respectively).

Unsurprisingly there was also a correlation with qualification level and staff pay; more senior staff were likely to be better qualified and better paid. The average rate of pay for staff with a level one qualification was £6.00 compared with £8.10 for those with a level six qualification.

	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
All paid staff	£6.00	£6.00	£7.00	£8.30	†	£8.10
Senior manager	†	†	£7.70	£9.00	†	£9.00
Supervisory staff	†	£6.20	£6.80	£7.80	†	£7.80
Other paid staff	£6.00	£5.80	£6.20	†	†	†

Base 2006: All paid staff (unweighted 19,264, weighted and grossed 144,251), All senior managers (weighted 3,209, weighted and grossed 12,372), All supervisory staff (9,073, weighted and grossed 86,687), All other paid childcare staff (unweighted 6,168, weighted and grossed 42,058)

5.8 Other work

As in 2005 a fifth (19 per cent) of the paid sessional day care workforce (around 10,700 people) did other paid work in addition to working for the provider sampled in the 2006 survey.

For those providers who did have a member of staff doing other paid work, three-fifths (63 per cent) of their staff did other paid work within the education or childcare sector.

5.9 Staff responsible for early years professional leadership

The Government's response in February 2006 to the Children's Workforce Strategy consultation stated that their aim was to develop a more professional early years workforce to raise the quality of service and the status of working with pre-school children. The report identified the benefits of developing the role of Early Years Professionals (EYPs) in line with Government's aim to have EYPs in all children's centres offering early years provision by 2010 and in every full day care setting by 2015.

People wishing to become EYPs, who will lead the delivery of the Early Years Foundation Stage (EYFS), will need to demonstrate that they have met a set of national standards at level six by successfully completing one of the current four pathways leading to the award of the Early Years Professional Status (EYPS). The pathways are the:

- three-month part-time validation pathway for those close to demonstrating the Standards;

- six-month part-time Extended Professional Development (EPD short);
- fifteen-month part-time Extended Professional Development (EPD long);
- twelve-month full-time full training pathway.

The Government recently put in place a number of measures, through the Transformation Fund, to support employers in training and employing EYPs.

In 2006 providers were asked if a specific member of staff was responsible for early years professional leadership. Those fulfilling the role were responsible for areas such as curriculum planning, early years professional practice and staff development and work to promote children’s learning and development.

Seven in ten (70 per cent) of all sessional settings said a specific member of staff was responsible for early years professional leadership (around 6,800 settings). Of these, 80 per cent were senior managers, 18 per cent were supervisors and two per cent were other paid members of staff.

Of those fulfilling this role, on average 43 per cent of their time was spent on early years professional leadership.

Table 5.9 Proportion of time spent on Early Years Professional Leadership	
	% (No.)
None	1% (60)
1-25%	34% (2,300)
26-50%	26% (1,800)
51-75%	7% (500)
76-99%	5% (400)
100%	10% (700)
Don't know	17% (1,100)
Mean proportion of time	43%
<i>Base: All staff responsible for early years professional leadership (unweighted 811, weighted and grossed 6,703)</i>	

Respondents were asked how long they had been in the Early Years Professional Leader role. Thirteen per cent had been in the role for a year or less, 20 per cent two years or less. Fifty-eight per cent said they had been in the role for over five years.

Table 5.10 Length of time in Early Years Professional role	
	% (No.)
Up to 6 months	5% (300)
Up to 12 months	8% (500)
Up to 18 months	2% (200)
Up to 2 years	5% (300)
Up to 3 years	7% (500)
Up to 4 years	6% (400)
Up to 5 years	8% (600)
More than 5 years	58% (3,900)
Don't know	* (#)
<i>Base: All staff responsible for early years professional leadership (unweighted 811, weighted and grossed 6,703)</i>	

6 Qualifications

This section looks at the relevant qualifications held by paid childcare staff working in sessional settings. The questionnaire was designed to pick up only qualifications that were relevant to working with young people and children. This chapter covers current qualifications held and qualifications that staff were working towards, qualifications required when recruiting senior managers, the proportion of senior managers that were NVQ assessors and whether providers offer time off and financial help for those working towards a childcare qualification.

Overseas qualifications have been excluded from analysis, however they have been included in the tables for information.

6.1 Definitions of qualifications

The qualifications are grouped together in the levels that they have been accredited with by the Qualifications and Curriculum Authority.

- Level 1 (foundation level) – GCSE grade D-G, Foundation level GNVQ, Level 1 NVQ
- Level 2 (intermediate level) – GCSE A*-C, Intermediate GNVQ, Level 2 NVQ
- Level 3 (Advanced level) – A level, Vocational A level (Advanced GNVQ), Level 3 NVQ
- Level 4 – Higher level qualifications, BTEC Higher Nationals, Level 4 NVQ (e.g. Level 4 Certificate in Early Years Practice)
- Level 5 – Higher level qualifications, BTEC Higher Nationals, Level 5 NVQ (e.g. Diploma in Higher Education and Playwork)
- Level 6 – Honours degree (e.g. BA Early Childhood Studies)
- Level 7 – Masters degree
- Level 8 – Doctorate

Respondents were asked for the highest qualification relating to childcare that the senior manager, supervisory staff or other paid childcare staff held¹⁸.

¹⁸ Prior to 2005, respondents were asked for the actual name and level of the qualification. In the 2005 and 2006 survey respondents were only asked for the level of their highest qualification to reduce the burden on the respondent and to avoid the difficulties of coding the numerous childcare qualifications.

6.2 Requisite qualifications for childcare staff

The *National Standards for Under Eights Day Care and Childminding* state that every senior manager working within a sessional setting should hold at least a level three qualification appropriate to the post. In addition to this, at least half of all childcare staff should hold a level two qualification appropriate for the care or development of children. Where this cannot be achieved immediately, providers should set out an action plan detailing how they intend to meet this criterion and in what timescale. Ofsted will consider the plan offering their approval or indicating aspects that need improvement.

6.3 Current qualifications

Compared with 2005 there was a slight improvement in the qualification levels of paid childcare staff working in the sessional day care sector.

Amongst all paid childcare staff four-fifths (79 per cent) had a qualification (levels one to eight) related to working with children and young people while 18 per cent had no relevant qualifications at all. In 2005 76 per cent held a qualification and 19 per cent had no relevant qualifications.

Three-quarters (76 per cent) of all paid staff held at least a level two qualification (73 per cent in 2005) and three fifths (58 per cent) held a level three qualification (55 per cent in 2005). The National Standards, as specified in section 6.2, state that at least half of all childcare staff should hold at least a level two qualification related to childcare and development. It should be noted that the standard is on a setting to setting basis, and the survey figures are overall, however the figures do suggest that this standard is probably being met.

Overall, four per cent of all sessional day care staff held a level six qualification or above, a similar proportion as 2005.

Table 6.1 Level of qualification held by all paid staff			
	2006	2005	<i>Change from 2005 to 2006</i>
	%	%	<i>PP chge.</i>
Level 1	3%	3%	+/-0
Level 2	18%	18%	+/-0
Level 3	51%	48%	+3
Level 4	2%	4%	+1
Level 5	1%		
Level 6	3%	3%	+/-0
Level 7	1%	1%	+/-0
Level 8	*		
Overseas qualifications	*	*	*
Other	1%	3%	-2
Don't know	2%	2%	+/-0
No qualifications	18%	19%	-1
At least level 1			
	79%	76%	+3
At least level 2			
	76%	73%	+3
At least level 3			
	58%	55%	+3
At least level 5			
	5%	N/A	N/A
At least level 6			
	4%	3%	+1
<i>Base 2006: All paid staff (unweighted 5,714, weighted and grossed 57,812)</i>			
<i>Base 2005: All paid staff (unweighted 4,776, weighted and grossed 59,757)</i>			

6.3.1 Senior managers

Nearly all senior managers (97 per cent) held a relevant qualification (levels one to eight), an increase from 91 per cent in 2005.

The National Daycare Standards (2003) for Under Eights Day Care and Childminding specify that the senior manager should have at least a level three qualification appropriate to the post. Ninety-three per cent of senior managers held a level three qualification or above, a seven percentage point increase since 2005 when the equivalent figure was 86 per cent.

Nine per cent of senior managers held at least a level six qualification.

Table 6.2 Level of qualification held by senior managers			
	2006	2005	<i>Change from 2005 to 2006</i>
	%	%	<i>PP chge.</i>
Level 1	1%	1%	+/-0
Level 2	2%	3%	-1
Level 3	73%	69%	+4
Level 4	8%	10%	+/-0
Level 5	2%		
Level 6	6%	7%	-1
Level 7	2%	1%	+1
Overseas qualifications	*	*	*
Other	1%	4%	-3
Don't know	1%	1%	+/-0
No qualification	3%	4%	-1
At least level 1			
	95%	91%	+4
At least level 2			
	94%	90%	+4
At least level 3			
	93%	86%	+7
At least level 5			
	11%	N/A	N/A
A least level 6			
	9%	8%	+1
<i>Base 2006: All senior managers (unweighted 1,032, weighted and grossed 8,541)</i>			
<i>Base 2005: All senior managers (unweighted 911, weighted and grossed 9,016)</i>			
<i>'At least' nets may not equal the combined individual levels due to rounding</i>			

6.3.2 Supervisory staff

As with senior managers, nearly all supervisory staff (95 per cent) held a qualification (levels one to eight) related to children and young people (93 per cent in 2005).

Three-quarters (75 per cent) held at least a level three qualification, which was similar to 2005 (74 per cent).

Four per cent of supervisory staff held a level six qualification or above.

Table 6.3 Level of qualification held by supervisory staff			
	2006	2005	<i>Change from 2005 to 2006</i>
	%	%	<i>PP chge.</i>
Level 1	1%	2%	-1
Level 2	18%	17%	+1
Level 3	69%	67%	+2
Level 4	2%	3%	+/-0
Level 5	1%		
Level 6	3%	3%	+/-0
Level 7	1%	*	+1
Level 8	*		
Overseas qualifications	*	*	*
Other	1%	2%	-1
Don't know	2%	1%	+1
No qualification	3%	3%	+/-0
At least level 1			
	94%	93%	+1
At least level 2			
	93%	90%	+3
At least level 3			
	75%	74%	+1
At least level 5			
	5%	N/A	N/A
At least level 6			
	4%	3%	+1
<i>Base 2006: All supervisory staff (unweighted 2,586, weighted and grossed 27,809)</i>			
<i>Base 2005: All supervisory staff (unweighted 2,198, weighted and grossed 28,754)</i>			

Supervisory staff working for a provider that had a level six qualified senior manager tended to hold higher qualifications than those working in a provider that did not have a senior manager with a level six qualification. Eighty-seven per cent of supervisors working in graduate-led settings held a level three qualification and 11 per cent held a level six qualification, compared with 74 per cent and just three per cent respectively, in the non-graduate-led settings.

6.3.3 Other paid staff

In 2006, half (51 per cent) of other paid childcare staff held a qualification (level one to eight) related to children and young people, a similar figure to 2005 (49 per cent).

Two-fifths (44 per cent) of other paid childcare staff held at least a level two qualification.

Table 6.4 Level of qualification held by other childcare staff			
	2006	2005	<i>Change from 2005 to 2006</i>
	%	%	<i>PP chge.</i>
Level 1	6%	7%	-1
Level 2	28%	26%	+/-0
Level 3	15%	11%	+4
Level 4	*	*	+/-0
Level 5	*		
Level 6	1%	1%	+/-0
Level 7	*	1%	+/-0
Overseas qualifications	*	*	*
Other	1%	3%	-2
Don't know	2%	2%	+/-0
No qualification	46%	49%	-3
At least level 1			
	50%	49%	+1
At least level 2			
	44%	40%	+4
At least level 3			
	16%	13%	+3
At least level 5			
	1%	N/A	N/A
At least level 6			
	1%	1%	+/-0
<i>Base 2006: All other childcare staff (unweighted 1,935, weighted and grossed 20,146)</i>			
<i>Base 2005: All other childcare staff (unweighted 1,667, weighted and grossed 16,442)</i>			

Other paid childcare staff working for providers based in the 30 per cent most deprived areas were more likely to hold at least a level two qualification (56 per cent) compared with those working within the 70 per cent least deprived areas (42 per cent).

Other paid childcare staff working in larger providers were more likely to hold a level two qualification or above. Of the other paid childcare staff working within providers that had 10-19 children, 31 per cent held at least a level two qualification compared with 48 per cent of other paid childcare staff working within providers that had 50 children or more.

There did not appear to be any link between other paid childcare staff qualifications and whether the senior manager was a graduate.

6.4 Qualified Teacher Status (QTS)

In the 2006 survey all staff that held a level five qualification or above were asked if they held Qualified Teacher Status (QTS). Of these, three-quarters (73 per cent) of this group were qualified teachers.

6.5 Qualifications being worked towards

Among all paid childcare staff, one in five (21 per cent) were working towards a qualification (levels one to eight). This was slightly lower than the 2005 results, when 25 per cent were working towards a qualification.

The most common level of qualification being worked towards was a level three qualification (11 per cent). Other paid childcare staff were most likely to be working towards a qualification, which is perhaps unsurprising as they were the least likely to hold a qualification.

	All paid staff		Senior managers		Supervisory staff		Other paid childcare staff	
	2006	2005	2006	2005	2006	2005	2006	2005
Level 1	0%	0%	0%	0%	0%	0%	1%	1%
Level 2	5%	6%	0%	0%	2%	1%	11%	14%
Level 3	11%	14%	3%	5%	10%	14%	18%	18%
Level 4	3%	4%	8%	8%	3%	4%	0%	0%
Level 5	1%		3%		1%		0%	
Level 6 or above	1%	1%	4%	4%	1%	1%	0%	1%
Not working towards qualification	75%	73%	79%	80%	79%	77%	67%	63%
Other	1%	1%	2%	1%	2%	2%	1%	1%
Don't know	2%	1%	2%	1%	2%	1%	2%	2%

Base 2006: All paid staff (Module B) (unweighted 2,974, weighted and grossed 57,812), All senior managers (Module B) (unweighted 543, weighted and grossed 8,541), All supervisory staff (Module B) (unweighted 1,347, weighted and grossed 27,809), All other paid childcare staff (Module B) (unweighted 997, weighted and grossed 20,146)

Base 2005: All paid staff (Module B) (unweighted 3,435, weighted and grossed 59,776), All senior managers (Module B) (unweighted 600, weighted and grossed 9,016), All supervisory staff (Module B) (unweighted 1,653, weighted and grossed 28,754), All other paid childcare staff (Module B) (unweighted 1,182, weighted and grossed 22,006)

6.6 Support provided for staff working towards a childcare qualification

Eight in ten (82 per cent) providers with staff working towards qualifications allowed them time off to study, a similar figure to 2005 (80 per cent). A similar

proportion (81 per cent) paid at least some of the costs associated with training for childcare qualifications (82 per cent in 2005).

6.7 Qualifications required of senior managers

Seven in ten (72 per cent) sessional providers required senior managers to hold qualifications relevant to working with children when appointed, a similar proportion to 2005 (69 per cent). Of those providers who did not require senior managers to hold any qualifications, two-thirds (64 per cent) required senior managers to work towards relevant qualifications once appointed.

6.8 NVQ assessors

An NVQ assessor is responsible for assessing whether a candidate's work meets the required NVQ standards. In order to be an assessor they must hold the necessary qualifications and have experience of working within the sector. In 2006, seven per cent of the senior managers were NVQ Assessors, a similar figure to 2005 (eight per cent).

Senior managers working for sessional day care providers in the 30 per cent most deprived areas were more likely (13 per cent) to be NVQ Assessors compared with those working for providers in the 70 per cent least deprived areas (six per cent).

7 Training

This chapter looks at childcare related training, which was not directly related to a specific childcare qualification, in particular looking at the amount of training received by childcare staff, training plans, training budgets and sources of funding for training.

7.1 Training provision

Nearly all sessional day care providers (94 per cent) helped their staff to receive some kind of training that was not directly related to a specific childcare qualification, a similar proportion to 2005 (93 per cent).

First aid was by far the most common type of training offered by about three-fifths (62 per cent) of sessional day care providers who helped staff to receive any training. Other common types of training were child protection (35 per cent), childcare training including courses on creative play (34 per cent), SEN/Disability/Inclusion (27 per cent), health and safety training and courses on food hygiene (23 per cent each).

Table 7.1 Type of training provided (not related to a specific childcare qualification)			
	2006	2005	<i>Change from 2005 to 2006</i>
	%	%	<i>PP chge.</i>
First Aid	62%	65%	-3
Child protection	35%	33%	+2
Childcare training (including courses on 'creative play' etc.	34%	34%	+/-0
SEN/ Disability/Inclusion	27%	31%	-4
Food hygiene	23%	24%	-1
Health and safety training	23%	25%	-2
Early years training	7%	11%	-4
Management/business skills training	6%	9%	-3
Local authority	6%	5%	+1
Behaviour management	5%	8%	-3
Curriculum	4%	6%	-2
In house/internal	3%	4%	-1
Equal opportunities	2%	5%	-3
Sure Start	2%	2%	+/-0
Speech and language	2%	5%	-3
IT	*	2%	-2
Risk assessment	1%	2%	-1
Other answer	9%	7%	+2
Don't know	3%	1%	+2
<i>Base 2006: All sessional providers (Module B) that help staff get any other training (unweighted 575, weighted and grossed 9,028)</i>			
<i>Base 2005: All sessional providers (Module B) that help staff get any other training (unweighted 479, weighted and grossed 5,075)</i>			

7.2 Training plans and budgets

Three in five (63 per cent) sessional day care providers had written training plans, a similar figure to 2005 (61 per cent). Nearly half (46 per cent) of providers had a training budget, again a similar figure to 2005 (44 per cent). Base sizes were not big enough to identify any significant subgroup differences.

Table 7.2 Whether provider has written training plan and specific training budget			
	2006	2005	<i>Change from 2005 to 2006</i>
Training plan	% (No.)	% (No.)	<i>PP chge.</i>
Have training plan	63% (6,100)	61%	+2
Don't have training plan	35% (3,400)	38%	-3
Don't know	2% (200)	2%	+/-0
Training budget			
Have a training budget	46% (4,400)	44%	+2
Don't have a training budget	52% (5,000)	53%	-1
Don't know	2% (200)	3%	-1
<i>Base 2006: All sessional providers (Module B) (unweighted 611, weighted and grossed 9,681)</i>			
<i>Base 2005: All sessional providers (Module B) (unweighted 513, weighted and grossed 5,075)</i>			

7.3 Funding

The main source of funding for training was from government (including local authority funding, Early Years Development and Childcare Partnership (EYDCP) and Sure Start) 84 per cent came from this source. The second largest source of funding (eight per cent) was the Learning and Skills Council.

Table 7.3 Funding sources for training			
	2006	2005	<i>Change between 2005 and 2006</i>
	% (No.)	%	<i>PP chge.</i>
Government sources (EYDCP, Sure Start, Local authority)	84% (8,100)	85%	-1
Learning & Skills Council	8% (800)	7%	+1
Jobcentre Plus	1% (50)	1%	+/-0
Local community	* (#)	1%	-1
Pre-school Learning Alliance	1% (100)	4%	-3
European funding	* (#)	1%	-1
No answer	13% (1,100)	11%	+2
Other	2% (200)	4%	-2
Don't know	2% (200)	2%	+/-0
<i>Base 2006: All sessional providers (Module B) (unweighted 611, weighted and grossed 9,681)</i>			
<i>Base 2005: All sessional providers (Module B) (unweighted 513, weighted and grossed 5,075)</i>			

7.4 Views on current levels of training

The majority (82 per cent) of providers said they thought the amount of training that their staff had received in the last year was *about right*. A sizeable minority (14 per cent) said they thought it was *too little* and just two per cent said it was *too much*. These figures were all very similar to 2005.

Table 7.4 Views of current levels of training			
	2006	2005	<i>Change from 2005 to 2006</i>
	% (No.)	%	<i>PP chge.</i>
Too little	14% (1,300)	13%	+1
About right	82% (8,000)	84%	-2
Too much	2% (200)	2%	+/-0
Don't know	1% (100)	1% (100)	+/-0
<i>Base 2006: All sessional providers (Module B) (unweighted 611, weighted and grossed 9,681)</i> <i>Base 2005: All sessional providers (Module B) (unweighted 513, weighted and grossed 5,075)</i>			

8 Recruitment and retention

This chapter outlines the staffing issues for registered sessional care providers. It focuses on recruitment, current vacancies and issues around staff retention including staff turnover, employment growth and staff losses.

8.1 Levels of recruitment

The number of childcare staff recruited in the last 12 months fell from 11,700 in 2005 to 10,000 in 2006, an average of one member of staff per setting. This decrease probably reflected the decrease in the rate that new sessional day care providers were opening.

The overall recruitment rate was 19 per cent, a slight decrease from 21 per cent in 2003 and 2005.

The recruitment rate gives the number recruited as a proportion of all those who would have been employed at the beginning of the 12 month period covered by the survey. If no new staff have been recruited then the recruitment rate will be equal to zero, regardless of the number of leavers. For a full explanation of how the recruitment rate is calculated, please see section 1.7.4 of the Technical Appendix.

8.2 Senior managers

Just five per cent of senior managers had been recruited in the past 12 months, which was around 400 people. This was lower than in 2005, when 750 people had been recruited (eight per cent).

8.3 Supervisors

About a third (31 per cent) of sessional day care providers had recruited at least one member of supervisory staff in the last 12 months. An average of 0.5 supervisory staff were recruited per setting, which equated to approximately 4,500 supervisors. These figures were lower than in 2005 when 35 per cent had recruited at least one supervisor, around 5,400 had been recruited in total, on average one per setting. ■

8.4 Other paid childcare staff

Just under half of providers (45 per cent) had recruited at least one other paid childcare staff member in the last 12 months. This was similar to the 2005 result (46 per cent). On average one member of other childcare staff was recruited per setting, which was approximately 5,100 staff.

8.5 Length of service

The average length of service for all paid staff was six years and six months, an increase from five years and eight months in 2005. The average was highest for senior managers (nine years and ten months), then supervisory staff (six years and nine months) and lowest for other paid childcare staff (four years and seven months). These averages were all higher than in 2005.

8.6 Annual staff losses

Just under two-fifths (38 per cent) of all sessional day care providers lost at least one member of staff in the last 12 months, a lower proportion than 2003 (49 per cent) and 2005 (44 per cent). In total around 5,200 staff had left in the last 12 months (on average one per setting) compared with 6,700 in 2005 (on average one per setting).

8.7 Destination of staff who left

Of those staff that had left in the last 12 months, a third (36 per cent, 1,900 people) were thought to have got other jobs within the childcare or early education sector, 27 per cent (1,400 people) had got jobs outside the childcare and early education sector and one in five (19 per cent, 1,000 people) did not get another job. In 2005 the figures were 40 per cent, 27 per cent and 18 per cent respectively.

8.8 Staff turnover

Analysis of the total number of employees being recruited and the number leaving the sector enables an assessment of the turnover for the sector and the rate of employment growth.

The turnover rate in 2006 was 10 per cent, a decrease since 2005 (12 per cent) and 2003 (14 per cent).

The turnover rate gives the number of staff that have left as a proportion of all staff who would have been employed at the start of the 12 month period covered by the survey. If no staff have left their employment the turnover rate will be zero. If staff have left, but no more have been recruited, the turnover rate will fall.

The employment growth rate was nine per cent, a similar figure to nine per cent in 2005 and eight per cent in 2003.

The employment growth rate gives the number of additional staff recruited as a proportion of those employed at the start of the 12 month period covered by the survey. If the number of staff that left was equal to the number of staff recruited then the employment growth rate will be equal to zero. If more staff have been recruited than the number who have left, then the employment growth rate will

have increased. If a larger number of staff have left than have been recruited then the employment growth rate will be negative.

For a full explanation as how the turnover rate and employment growth rates are calculated please see section 1.7.4 in the Technical Appendix.

8.9 Current vacancies

In 2006 one in ten (10 per cent) sessional day care providers were currently actively trying to recruit staff, a slight decrease from 13 per cent in 2005. The table shows the grossed up total number of vacancies for which providers are recruiting.

Table 8.1 Number of vacancies providers are actively recruiting by type of staff		
	2006	2005
Senior managers	120	200
Supervisory staff	500	650
Other paid staff	600	850
<i>Base 2006: All sessional providers (Module B) who were actively trying to recruit (Module B) (unweighted 60, weighted and grossed 494)</i>		
<i>Base 2005: All sessional providers (Module B) who were actively trying to recruit (Module B) (unweighted 65, weighted and grossed 646)</i>		

9 Income

This chapter looks at the income of registered sessional day care providers, specifically deposit and registration fees, income from fees, government and other sources, awareness of childcare vouchers and tax credits, total income, whether providers are breaking even and their profitability.

9.1 Deposit or registration fees

In 2006 providers were asked whether they charged a deposit or registration fee when children registered. Just under a third of providers (31 per cent) said they did charge a fee. The average fee charged was £18.

9.2 Fees

As would be expected, most sessional day care providers (91 per cent) charged parents on a per session basis. Two per cent of providers charged per hour, one per cent charged per day, two per cent charged per week and two per cent charged per term. Less than one per cent did not charge parents a fee.

When charging parents, fifteen per cent of sessional day care providers varied their fees from child to child. The most common reasons given for this were whether or not the parents got a local authority grant (50 per cent); the age of the child (38 per cent); the number of siblings enrolled (30 per cent), the number of hours they attend per week (26 per cent) and the parent's income (26 per cent).

Table 9.1 Reasons why fees vary	
	%
Depending on whether parents get local authority grant	50%
Age of child	38%
Number of siblings enrolled	30%
Number of hours per week they do	26%
Parent's income	18%
Time of day	10%
Depending on what the fees cover (e.g. food, nappies etc.)	8%
Discount for employees/members	1%
No answer	4%
Other answer	2%
Don't know	1%
<i>Base: All sessional providers (Module A) where fees vary from child to child (unweighted 86, weighted and grossed 712)</i>	

9.2.1 Average fees for a child aged 18 months

If a provider's fees varied depending on the age of the child and they had children aged two years old (four per cent of providers), they were asked how much they charged for a typical child aged 18 months. The average charge for a typical child aged 18 months was £2.00 per hour.

9.2.2 Average fees for a child aged three years old

If a provider's fees varied depending on the age of the child and they looked after children aged three years old (99 per cent of providers), they were asked how much they charged for a typical child aged three years old. The average charge for a typical child aged three years old was £1.90 per hour.

9.2.3 Typical fees

If a provider said that they didn't vary their fees depending on the age of the child, or if they did but did not have any children aged two or three years old, they were asked how much they charged for a typical child. The average charge for a typical child was £1.70.

9.2.4 Average fees

The overall average charge was £1.90 per hour.

9.3 Change in fees

Eighty-six per cent of settings had increased their fees in the last two years, an increase from 2005 when the equivalent proportion was 79 per cent. Three-fifths (61 per cent) had raised their fees in the last year and a fifth (19 per cent) had increased them in the last six months.

Providers in the 70 per cent least deprived of areas were more likely to have raised fees in the last two years than those in the most deprived areas (89 per cent compared with 75 per cent).

Table 9.2 Number of sessional providers that have increased their fees

	2006	2005	Change from 2005 to 2006	2006	
				30% most deprived areas	70% least deprived areas
	% (No.)	%	PP chge.	% (No.)	% (No.)
Increased fees in last 2 years	86% (8,330)	79%	+7	75% (1,080)	89% (7,340)
Increased fees in last year	61% (5,190)	54%	+7	56% (800)	62% (5,110)
Increased fees in last 6 months	19% (1,840)	17%	+2	19% (270)	19% (1,570)
<i>Base 2006: All sessional providers who have increased their fees Module A (unweighted 561, weighted and grossed 4,636), All sessional providers in the 30% most deprived areas (unweighted 86, weighted and grossed 726), All sessional providers in the 70% least deprived areas (unweighted 475, weighted and grossed 3,910)</i>					
<i>Base 2005: All sessional providers who have increased their fees Module A (unweighted 494, weighted and grossed 4,891)</i>					

9.4 Income from fees

As in 2005, around a third (32 per cent) of providers were either unable or unwilling to provide a figure for their income from fees, or did not provide enough information for us to be able to derive an annual sum.

As such a large proportion did not provide all the relevant information on fees caution must be taken with these findings. They should only be used as an indicative guide, as the providers for which we have no information may differ from those which we do.

Of those providing a figure, four per cent said they received nothing in fees.

The mean income from fees per year was £14,900. This was higher than in 2005 when the mean amount was £9,900 per year. However, the median amount was £5,200, which is slightly below the 2005 figure, of £5,400 per year.

Sessional day care providers that were set up as for-profit organisations reported a higher income from fees than not-for-profit organisations (an average of £20,000 per year compared with £13,600). Unsurprisingly, fee income increased with the number of places offered.

Table 9.3 Income from fees per year			
	Total	Non-profit making organisations	Profit making organisations
	%	%	%
No income	3%	2%	7%
£1-25,000	59%	63%	48%
£25,001-50,000	2%	1%	6%
£50,001-75,000	1%	1%	3%
£75,001-100,000	*	0%	2%
£100,001+	1%	1%	2%
Mean income (excluding 0)	£14,900	£13,600	£20,000
Median income (excluding 0)	£5,200	£4,800	£11,900
Don't know/Refused	32%	32%	33%
<i>Base: All sessional providers (Module A) (unweighted 561, weighted and grossed 9,681), All sessional providers (Module A) that are set up as not for profit organisations (unweighted 442, weighted and grossed 7,670), All sessional providers (Module A) set up as profit making organisations (unweighted 114, weighted and grossed 1,954)</i>			

9.5 Tax credits and childcare vouchers

9.5.1 Awareness of tax credit issues

In April 2006 there was a change to the tax credits system. The amount of childcare that parents are able to claim rose from 70 per cent to 80 per cent.

In 2005, one in five (18 per cent) providers said that they were aware of the forthcoming change, in 2006 just under half (45 per cent) of providers said that they were aware of the change. Awareness did not seem to vary by type of provider. Those aware of the change were asked if it had led them to make any changes in their fees. Only two per cent said that it had affected their fees and all of these had increased their fees as a result.

9.5.2 Awareness of childcare vouchers

Four in five (83 per cent) providers had heard of childcare vouchers¹⁹. Of those that had heard of the vouchers, just over half (55 per cent) accepted them. Providers in the least deprived areas were more likely to accept vouchers than those in the 30 per cent most deprived areas (58 per cent compared with 42 per cent respectively).

¹⁹ Childcare vouchers are a means of paying for registered or approved childcare for children up to the age of 15 (16 if the child is disabled). Childcare vouchers, up to a limit of £55 a week, are exempt from tax and national insurance contributions. Employees voluntarily agree to part of their salary being converted into Childcare Vouchers. The employee and the employer save on the National Insurance Contributions for the value of the voucher. Take-up of childcare vouchers is higher amongst professionals as it tends to be larger companies that offer vouchers (Monitoring of the Reform of the Income Tax and National Insurance Rules for Employer-Supported Childcare, December 2006, Kazimirski et al, HMRC).

Also profit making organisations were more likely to accept vouchers (62 per cent compared with 54 per cent of non-profit making organisations).

Just one-third (33 per cent) of providers that had heard about childcare vouchers were aware of the tax and national insurance exemptions on them.

Of those who did not accept childcare vouchers, two in five (43 per cent) were considering accepting them in the future.

9.5.3 Fees paid by parent's employers

As in 2005, few sessional day care providers (six per cent) received fees for children from the parent's employer (for example via childcare vouchers or direct payment). This equated to approximately 600 sessional providers that received fees from the parent's employer, for 2,000 children.

9.6 Income from local authority and central government

Over a quarter of providers (27 per cent) could not say how much money they received from the local authority and central government, so again these figures must be used with caution.

Six per cent of providers said they did not receive any funding from local or central government sources. The mean amount that providers received was £34,800 per year and the median amount was £22,600 per year (excluding those who didn't get anything and those who were unable to provide the information). This appeared to be an increase from 2005 when the mean amount received was £18,200 per year.

The mean income received by providers set up as not-for-profit organisations was more than profit making organisations (£35,700 and £30,800 respectively).

Caution must be taken with the results as all figures have been derived by a number of variables and are therefore prone to distortion. They should be used as indicative guide.

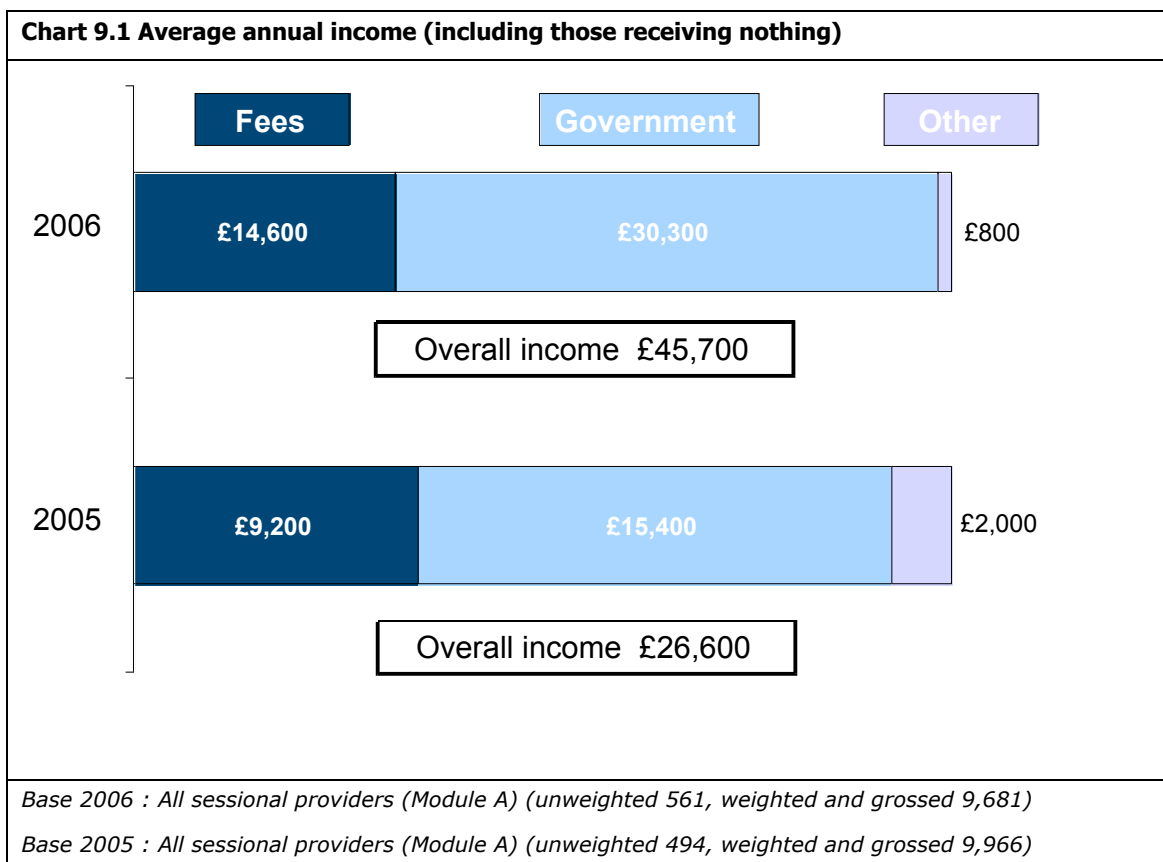
9.7 Income from other sources

One in five (22 per cent) sessional day care providers said that they had no other sources of income apart from the fees and local authority income already mentioned. Profit making organisations were more likely to say they had no other sources of other income than not-for-profit organisations (55 per cent compared with 13 per cent respectively). Three-quarters (73 per cent) of providers raised additional income through fundraising, and this was higher for not-for profit organisations (83 per cent compared to 36 per cent of profit-making organisations).

In total, 26 per cent of sessional providers said that they had no income from other sources (either at all or recently); in 2005 this figure was 31 per cent. Among those providers who did have some income from other sources the mean amount received was £2,400 a year, with a median of £1,000; in 2005 the mean amount received was £3,000. In 2006, this ranged from just over one in five providers (22 per cent) who had received up to £500 to four per cent who had received over £5,000. Sessional day care providers in the 30 per cent most deprived areas had higher levels of income from other sources than those in the 70 per cent less deprived areas; however the amount they received was lower than in 2005. Providers in the 30 per cent most deprived areas received an average (mean) of £4,300 compared with £7,100 in 2005.

9.8 Total income

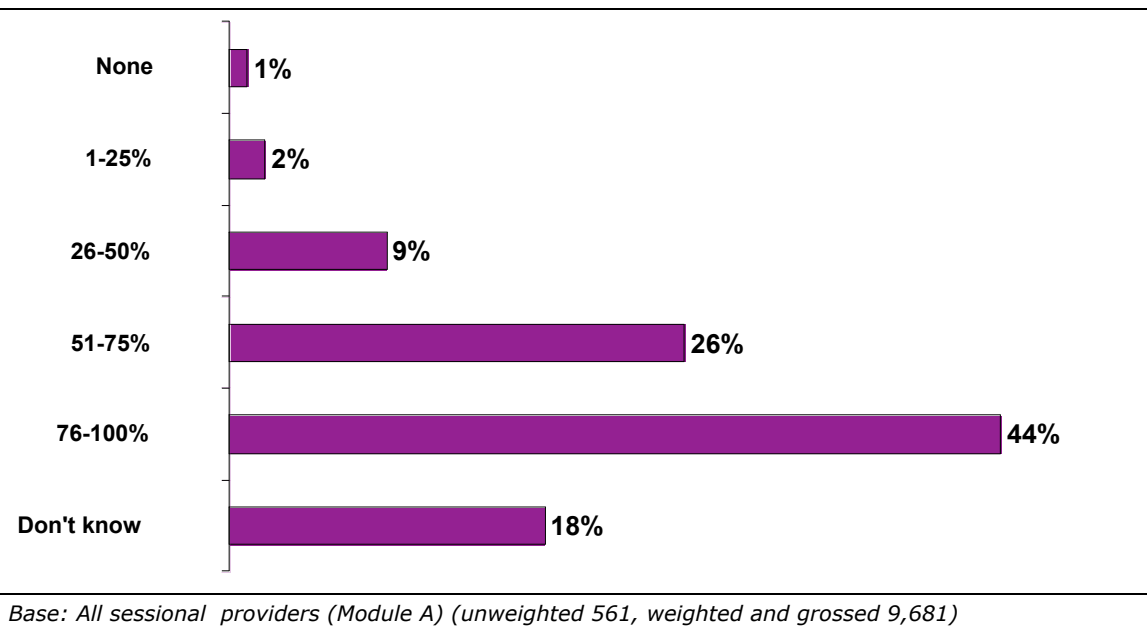
The chart below shows the average income from each source (including providers who had no income from a source) and the overall average income. As the chart illustrates, for sessional day care providers, the largest source of incomes was not fees, but local authority or central government funding, which accounted for 66 per cent of income.



9.9 Breaking even

Providers were asked what proportion of places they needed to fill in order to break even; the average proportion was 76 per cent. Just under half (44 per cent) said they needed 76 to 100 per cent of their registered places to be filled in order to break even. Eighteen per cent of providers were unable to provide their breakeven figure, compared with a third (32 per cent) in 2005.

Chart 9.2 Proportion of place needed to be taken up to break even



9.10 Profitability

Four in five (79 per cent) sessional day care providers were set up as charitable or non-profit making organisations, which was estimated to be 7,670 non-profit sessional day-care providers. Such organisations were asked whether they had made any surpluses or reserves in the last financial year, while the profit-making organisations were asked specifically about profits or losses.

Although the differences year on year were not significant there appeared to be an upward trend developing in the proportion of sessional day care providers making a profit or surplus, rising from 25 per cent in 2001 to 30 per cent in 2005. However in 2006, the proportion of providers reporting a profit or surplus returned to 25 per cent.

Unsurprisingly, providers set up as profit making organisations were more likely than non-profit making providers to have made a profit or surplus (39 per cent compared with 21 per cent) and were less likely to have just covered their costs (39 per cent compared with 56 per cent).

Just over half (53 per cent) of providers reported covering their costs in the most recent financial year, a small increase from 2005 when 49 per cent gave that response. The proportion of providers reporting that they were operating at a loss was the same as in 2005 (at 15 per cent). Providers set up as profit making organisations and non-profit making providers were equally likely to be operating at a loss (15 per cent).

Table 9.4 Business performance of providers					
	2006	2005	<i>Change from 2005 to 2006</i>	2006	
				Profit making	Non-profit
	% (No.)	%	<i>PP chge.</i>	% (No.)	% (No.)
Made a profit or surplus	25% (2,000)	30%	-5	39% (800)	21% (2,000)
Covering costs	53% (5,000)	49%	+4	39% (800)	56% (4,000)
Operating at a loss	15% (1,000)	15%	+/-0	15% (300)	15% (1,000)
Don't know	8% (1,000)	6%	+2	7% (100)	8% (600)

Base 2006: All sessional providers (Module A) (unweighted 561, weighted and grossed 9,681), All sessional providers (Module A) setup as profit making organisations (unweighted 119, weighted and grossed 1,954), All sessional providers setup on a not for profit basis (unweighted 442, weighted and grossed 7,670)

Base 2005: All sessional providers (Module A) (unweighted 494, weighted and grossed 9,966)

10 Terminology and definitions

Ownership: The term ownership refers to the type of organisation responsible for owning and managing a provider. For the purposes of the report, five different ownership scenarios have been used. These are Private (owner/manager and part of a group or chain), Voluntary (church, charity or committee), Local Authority, School/College and Other (hospitals and other answers that could not be included in any of the existing categories). In a small number of cases, more than one type of ownership scenario will apply.

Type of setting: refers to the type of care offered by a setting. These include:

- **Full day care:** defined as “facilities that provide day care for children under eight for a continuous period of four hours or more in any day in premises which are not domestic premises.”²⁰
- **Sessional care:** defined as “facilities where children under eight 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. Where two sessions are offered in any one day, there is a break between sessions with no children in the care of the provider.”²¹
- **Out-of-school clubs:** defined as “clubs...open before and after school and all day long during school holidays, giving 3 to 14 year-olds and up to 16 for children with special needs a safe and enjoyable place to play, meet and sometimes catch up on homework.”²² For the purposes of this research, the questionnaire focused on After-school and Holiday care.
- **Children’s centres:** defined as “places where children under 5 years old and their families can receive seamless holistic integrated services and information, and where they can access help from multi-disciplinary teams of professionals.”²³ For example, some children’s centres provide literacy, language or numeracy programmes for parents or carers with basic skills needs. For the purposes of this survey, analysis has focused on full day care provision offered by these establishments.
- **Childminders:** “A childminder is registered 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 2 hours in any day.”²⁴

²⁰ <http://www.surestart.gov.uk/doc/0-ACA52E.PDF>

²¹ <http://www.childcarelink.gov.uk/pdf/ofsted/Module5.pdf>

²² <http://www.surestart.gov.uk/surestartservices/childcare/outofschoolchildcare/>

²³ <http://www.surestart.gov.uk/surestartservices/settings/surestartchildrenscentres/>

²⁴ <http://www.childcarelink.gov.uk/pdf/ofsted/Module2.pdf>

- **Nursery schools:** these “provide education for children under the age of 5 and over the age of 2.”²⁵ Maintained nursery schools generally accept children in term time.
- **Primary schools with reception but no nursery classes:** some primary schools are able to admit four and five year old children into a reception class. Such classes operate throughout the school year.²⁶
- **Primary schools with reception and nursery classes:** some primary schools offer both nursery and reception classes, and again, these operate throughout the school year.

Maintained settings (Nursery schools, Primary schools with reception but no nursery classes and Primary schools with reception and nursery classes) have slightly different characteristics. As these settings are funded by Local Authorities, there is no charge to parents for using them.

Childcare vouchers: these are a government initiative that enables employers and/or parents to purchase tax-free vouchers with which to pay for childcare. Employers have to sign up to the scheme and providers are under no obligation to accept them. Parents are allowed to take up to £55 worth of childcare vouchers per week. Research conducted by HMRC found that “the highest proportion of employees receiving employer-supported childcare were employed in professional occupations or as managers and senior officials (an average of 35 per cent and 33 per cent respectively).”²⁷

Child Tax Credits: families with children are eligible to claim Child Tax Credits (for separated families only the main carer is entitled to claim). The size of the claim will depend on number of children living with the family, incidence of disability and the claimants income.

Working Tax Credit: people who work but are on low pay can apply for working tax credits. Both employed and self employed people are eligible to apply and do not have to be responsible for children. The size of the claim can depend upon whether the claimant has responsibility for any children, whether they make childcare payments, whether the claimant is disabled and whether the claimant is aged 50 or over.

Attendees: respondents were asked to give the number of children attending their establishment. Care was taken to ensure that respondents did not count any children twice so this can be taken to mean the number of children enrolled with a provider.

²⁵ <http://www.edubase.gov.uk/Assets/EduBase%20Glossary.doc>

²⁶ http://www.direct.gov.uk/en/EducationAndLearning/PreschoolLearning/NurseriesPlaygroupsReceptionClasses/DG_10013534

²⁷ <http://www.hmrc.gov.uk/research/report23-final.pdf> (pages 50/51)

Registered provision: any person who is rewarded for looking after children under eight for more than two hours a day must register with Ofsted. If the provider is planning to offer early years education, they are also inspected for the quality of the provision by Ofsted.

Registered places: as part of the registration process, Ofsted inform providers of the maximum number of children they can look after. This is based on ages of children and number of staff.²⁸

Index of Multiple Deprivation (IMD): measures deprivation at the “small area level”.²⁹ The index analyses a number of defined characteristics of deprivation (including Income deprivation, Employment deprivation, Health deprivation and disability, Education, skills and training deprivation, Barriers to Housing and Services, Living environment deprivation and Crime).³⁰ More deprived areas will experience a higher number of these characteristics of deprivation

Types of staff: the National Standards state that all staff must be mentally and physically capable of caring for children and that all staff should “have the appropriate experience, skills and ability to do their jobs”³¹.

- **Senior Manager:** the National Standards stipulate that Senior managers should hold an appropriate level three qualification and two years experience of working in a day care setting.
- **Supervisory staff:** the National Standards state that supervisors in full daycare settings should all hold a level three qualification, or where this is not possible, an action plan should be put in place setting out how and when they intend to satisfy this requirement. For sessional and out-of-school providers, supervisors are not required to hold a level three qualification but half of all other staff are required to hold a level two qualification³².
- **Other paid childcare staff:** at least half of this group are required to hold an appropriate level two qualification.
- **Qualified Teacher Status:** this is a requirement for anyone who wants to teach in a maintained school in England and Wales.
- **Early Years Professional Status (EYPS):** this is a new role developed from February 2006 in response to proposals in the Children’s Workforce Strategy. Candidates are required to complete one of four pathways, leading to the award of the EYPS at level six. The first candidates gained EYPS in January 2007.

²⁸ http://www.ofsted.gov.uk/assets/Internet_Content/Early_Years/guide_daycare.pdf (page 17)

²⁹ <http://www.communities.gov.uk/index.asp?id=1128444>

³⁰ *ibid.*

³¹ <http://www.surestart.gov.uk/doc/P0000411.PDF>

³² <http://www.surestart.gov.uk/doc/P0002407.pdf>

- **Early years professional leadership:** because no one in childcare and early years settings had gained EYPS at the time of data collection, a question was asked about early years professional leadership more generally in order to determine how many providers had staff acting in this capacity less formally.
- **Nursery Nurses:** are subject to the same requirements as supervisors in full day care settings.³³
- **Childminders:** are not required to hold any formal qualifications but must complete a local authority approved training course and a first aid course appropriate to infants and children within 6 months of beginning working as a childminder. First aid certificates should be kept up to date.³⁴

Disability: The Disability Discrimination Act (DDA) defines a disabled person as someone who has a "physical or mental impairment that has a substantial and long-term adverse effect on his or her ability to carry out normal day-to-day activities."³⁵

Special Educational Needs: The term 'special educational needs' (SEN) has a legal definition, referring to "children who have learning difficulties or disabilities that make it harder for them to learn or access education than most children of the same age".³⁶

National Standards: were developed by the Sure Start Unit in order to set out and measure and monitor the quality of care offered for under eights day-care and childminding. Providers must meet these standards before they can register with Ofsted and commence operation.³⁷ Providers are subject to an Ofsted inspection within seven months of registration and at least once every three years thereafter.³⁸

NVQ qualifications: are work based qualifications. Candidates are assessed on the job by a qualified NVQ Assessor, who may be a line manager or an external Assessor if the manager is not a qualified NVQ Assessor.³⁹

NVQ Assessors: appropriately qualified and experienced childcare staff can apply to become NVQ Assessors, for which they are required to complete a further

³³http://www.bbc.co.uk/schools/parents/life/you_and_school/working_in_schools/training_nursery_nurse.shtml

³⁴ <http://www.surestart.gov.uk/doc/P0002411.pdf>

³⁵ http://www.direct.gov.uk/en/DisabledPeople/RightsAndObligations/DisabilityRights/DG_4001069

³⁶ http://www.direct.gov.uk/en/EducationAndLearning/Schools/SpecialEducationalNeeds/DG_4008600

³⁷ http://www.daycaretrust.org.uk/mod.php?mod=userpage&page_id=40

³⁸ http://www.ofsted.gov.uk/portal/site/Internet/menuitem.455968b0530071c4828a0d8308c08a0c/?vgn_extoid=013a8487a73dc010VgnVCM1000003507640aRCRD

³⁹ http://www.edexcel.org.uk/VirtualContent/64456/Edexcel_NVQ_guidance_for_candidates.pdf

training course.⁴⁰ NVQ Assessors assess on-site and can assess their own staff or those working in other settings.

Training: all staff are required to undergo induction training within their first week of work, which includes training on health and safety and on child protection policies and procedures. The registered person has a responsibility to ensure at least one member of staff has attended a child protection course and that at least one member of staff who has attended a first aid training course is present at all times that children are cared for. Additionally, 50 per cent of staff who care for babies should have specific training in that area.

Churn within sector: where recruitment, employment growth and turnover rates have been discussed, these include the churn within the sector, meaning staff moving from one provider to another. Staff promotions and movement of staff within an individual setting are not included in these calculations.

Population density: is based on the number of people per hectare (ha = 10,000 square meters). Areas of low population density have up to 10 people per ha; areas of medium density have 11-24 people per ha and; areas of high density have 25 or more people per ha. Areas with lower population densities are generally more rural than those with high densities.

Recruitment rate: the recruitment rate gives the number recruited as a proportion of all those who would have been employed at the beginning of the 12 month period covered by the survey. If no new staff have been recruited then the recruitment rate will be equal to zero, regardless of the number of leavers.

Turnover rate: the turnover rate gives the number of staff that left as a proportion of all staff who would have been employed at the start of the 12 month period covered by the survey. If no staff have left their employment the turnover rate would be zero. If staff have left but no more have been recruited, the turnover rate will fall.

Employment growth rate: the employment growth rate gives the number of additional staff recruited after leavers have been replaced. If the number of staff that left was equal to the number of staff recruited then the employment growth rate will be equal to zero. If more staff have been recruited than the number who have left, then the employment growth rate will be positive, while if a larger number of staff have left than have been recruited then the employment growth rate will be negative.

Transformation Fund: Local authorities have money available from the Transformation Fund to help childcare providers to recruit new graduates, or to assist existing staff in achieving higher qualifications or in undertaking training for

⁴⁰http://www.nurseryworld.co.uk/training/training_today/display.aspx?story_id=502344&path=/Training%20Today/Career%20Progression/

children with additional needs (e.g. disabilities, Special Educational Needs or children and families who speak English as an Additional Language.

- **Quality Premium:** This is for providers who already employ a graduate level professional who is committed to attain Early Years Professional Status within 2 years.
- **Recruitment Incentive** This money is for providers who are employing a graduate level professional for the first time who is committed to attain Early Years Professional Status within 2 years.
- **Home Grown Graduate Incentive** This money is for providers who do not employ a graduate level professional, but want to help one of their existing staff to progress to this level.

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