

Summary of survey of childcare providers on impact of reopening guidance

Background

1. Over the period 19-24 June, the Scottish Government undertook a survey of childcare providers to better understand the potential impacts of the reopening guidance on settings. This was intended to focus mainly on the impact of the reopening guidance for day care of children settings that was published on 15 June, but replies were also received from some childminders regarding the impacts of the specific guidance for childminding settings (published on 1 June).
2. The analysis set out in this paper focuses on the responses to the questions in the survey regarding expected changes in staffing, costs, capacity and private income generation.
3. The survey results formed an important part of the evidence base used to determine where additional support for providers, to meet the requirements of the public health guidance, may be required.
4. There were 651 responses to the survey with 430 from private and third sector day care of children providers, and 221 from childminders.
5. The Scottish Government prepared the survey in collaboration with the Scottish Early Years member organisations: Care and Learning Alliance (CALA), Early Years Scotland (EYS), National Day Nurseries Association (NDNA), Scottish Childminding Association (SCMA), and Scottish Out of School Care Network (SOSCN).
6. These member organisations have been working closely with the Scottish Government and COSLA, through the ELC and Childcare Sector Recovery Group, to look closely at the financial sustainability of the sector throughout the pandemic response.
7. The guidance for the reopening of day care of children settings was published on 15 June 2020, with these settings able to reopen from 15 July 2020, if they chose to do so.
8. Childminding settings, along with fully outdoor settings, were able to reopen from 3 June 2020 and separate specific guidance for these settings were published on 1 June 2020.

Summary of Results

9. In order to account for the different reopening guidance that each type of setting was subject to, the analysis considered the responses from day care of children providers and childminders separately.
10. A detailed analysis of the responses is provided in **Annex A**.

Summary of responses from private and third sector day care of children providers

11. In summary, the responses from **day care of children providers in the private and third sector** indicated that:
 - The majority (78%) of respondents were delivering funded ELC (81% of private sector providers, and 71% of third sector providers).

- Funded ELC accounted for over 30% of income for around 68% of respondents.
- Under business as usual, around 83% of respondents were running at over 70% occupancy levels (based on registered capacity).
- 52% of respondents indicated that they expected an increase in staffing requirements, with private providers delivering funded ELC the most likely to indicate that they expected to increase staffing requirements (60%).
- 79% of respondents reported that they expected average costs to increase upon reopening compared to business as usual.
- There was considerable variation in the expected impact on average costs of delivery compared to business as usual. The most common reported changes, across all providers, were for costs to increase by 21-30% (reported by 18% of respondents).
- 80% of respondents reported that they expected capacity to decrease upon reopening compared to business as usual.
- 81% of respondents expect their capacity for private income generation to decrease upon reopening compared to business as usual.

Summary of responses from childminding settings

12. In summary, the responses from **childminding settings** indicated that:

- 40% of childminders who responded to the survey were delivering funded early learning and childcare (ELC) hours. The latest evidence suggests that across the whole childminding sector the proportion current delivering funded ELC is considerably lower than this.
- For 38% of those childminders who deliver funded ELC, the payments for these hours accounted for 30% or more of their overall income.
- 65% of childminders responding to the survey indicated that under business as usual they operated at over 70% of their registered capacity.
- 96% of childminders responding to the survey reported no change in staffing capacity.
- 65% of childminder respondents indicated that they expected no change in costs or for costs to decrease.
- Of those childminder respondents who indicated that they expected costs to increase, they were most likely to indicate that costs would increase by up to 10%.
- 49% of childminders responding to the survey expected no change, or an increase, in overall capacity.
- 45% of childminders responding to the survey expected no change, or an increase, in overall private income generation compared to business as usual.

Analysis of Survey Responses

13. This annex provides more details on the key questions in the survey relating to the impact of the reopening guidance on staffing, costs, capacity and income generation across settings.
14. Results are presented separately for day care of children and for childminding settings, reflecting the different guidance, and reopening dates, for these services.

Day care of children settings

15. Responses were received from 430 private and third sector day care of children settings. However, not all respondents answered each question. Reflecting this, tables A1 to A7 provide details of the numbers of respondents that the results were drawn from.

Delivery of Funded ELC

- The majority (78%) of respondents were delivering funded ELC (81% of private sector providers, and 71% of third sector providers);
- For those providers delivering funded ELC the payments for these hours, under business as usual, accounted for over 30% of total income for 56% of private providers and 91% of third sector providers.

Table A1: Percentage of respondents delivering funded ELC (total responses = 425)

	Funded ELC	
	No	Yes
Private sector provider	19%	81%
Third sector provider	29%	71%
Total (all providers)	22%	78%

Table A2: Funded Early Learning and Childcare payments as a percentage of total income for providers delivering funded ELC under business as usual (total responses = 320)

	Up to 10%	11-20%	21-30%	31-40%	41-50%	over 50%
Private sector provider	6%	14%	24%	27%	16%	13%
Third sector provider	5%	2%	2%	11%	15%	66%
Total (all providers)	6%	10%	17%	22%	16%	30%

Occupancy Levels

- Under business as usual, around 83% of respondents were running at over 70% occupancy levels (based on registered capacity).
- Private funded providers were more likely to be running at over 70% occupancy during business as usual (87% of private funded providers, compared to 65% of private non-funded providers). Whereas for third sector providers, there is not much difference

between those delivering or not delivering funded ELC, with 85% of non-funded providers operating at over 70% capacity compared with 83% of funded providers.

Table A3: Private and third sector providers business as usual occupancy as a percentage of registered capacity (total responses = 421)

		Business as Usual Occupancy as % of Registered Capacity					
		50% or less	51-60%	61-70%	71-80%	81-90%	91-100%
Private Provider	Non-funded	10%	6%	18%	18%	4%	43%
	Funded	3%	5%	5%	17%	27%	43%
Third Sector Provider	Non-funded	5%	5%	5%	15%	17%	54%
	Funded	6%	6%	5%	15%	23%	46%
Total (all providers)		5%	5%	7%	16%	22%	45%

Initial Assessment of Impacts on Staffing, Costs, Capacity and Income Generation

Staffing

- Providers were asked, *what impacts, if any, for staffing requirements do you anticipate as you prepare to reopen in line with the guidance (in particular working with separate and consistent cohorts of up to 3, 5, or 8 children)?*
- 52% of all private and third sector respondents indicated that they expected an increase in staffing requirements.
- Private providers delivering funded ELC were most likely to report that they expected increase staffing requirements (60% of private providers delivering funded ELC).

Table A4: Expected change in staffing requirement compared to business as usual (total responses = 415)

		Expected change in staff required		
		Decrease	Increase	No Change
Private Provider	Non-funded	30%	28%	43%
	Funded	19%	60%	21%
Third Sector Provider	Non-funded	26%	36%	38%
	Funded	10%	54%	37%
Total - all providers		19%	52%	29%

Costs of Delivery

- Providers were asked, *what is your initial assessment of the impact of the guidance, in particular working with separate and consistent cohorts of up to 3, 5, or 8 children, on the average costs of delivery (e.g. for an hour of ELC per child) in your setting compared to business as usual delivery?*
- 79% of respondents in the private and third sector reported that they expected average delivery costs to increase compared to business as usual.

Table A5: Expected change in average costs of delivery compared to business as usual (total responses = 398)

		Increase by up to 10%	Increase by 11-20%	Increase by 21-30%	Increase by 31-40%	Increase by 41-50%	Increases of over 50%	No change	Decrease in costs
Private Provider	Non-funded	11%	9%	14%	9%	11%	11%	30%	5%
	Funded	5%	12%	20%	20%	13%	16%	11%	2%
Third Sector Provider	Non-funded	15%	18%	13%	5%	15%	10%	18%	5%
	Funded	4%	14%	16%	15%	15%	8%	26%	2%
Total - all providers		7%	13%	18%	16%	13%	13%	18%	3%

Capacity

- Providers were asked, *what is your initial assessment of what the guidance, in particular working with separate and consistent cohorts of up to 3, 5, or 8 children, means for overall capacity levels (in terms of available hours) within your setting compared to business as usual?*
- 80% of respondents reported that they expected capacity to decrease compared to business as usual.

Table A6: Expected change in overall capacity compared to business as usual (total responses = 410)

		Decrease up to 10%	Decrease by 11-20%	Decrease by 21-30%	Decrease by 31-40%	Decrease by 41-50%	Decrease of over 50%	No change	Increase
Private Provider	Non-funded	7%	13%	13%	11%	15%	13%	22%	7%
	Funded	5%	12%	17%	24%	15%	10%	15%	1%
Third Sector Provider	Non-funded	15%	5%	3%	15%	26%	23%	13%	0%
	Funded	6%	16%	14%	8%	24%	8%	22%	3%
Total - all providers		6%	12%	15%	18%	18%	11%	18%	2%

Private Income

- Providers were asked, *based on your initial assessment of the guidance, what impact will meeting the guidance have on your capacity to generate income from the sale of childcare hours (e.g. for the 0-3 age group, as well as additional hours for 3-5 year olds) compared to business as usual?*
- 81% of private and third sector respondents reported that they expected their capacity for private income generation to decrease compared to business as usual.

Table A7: Expected change in capacity for private income generation compared to business as usual (total responses = 392)

		Decrease up to 10%	Decrease by 11-20%	Decrease by 21-30%	Decrease by 31-40%	Decrease by 41-50%	Decrease of over 50%	No change	Increase
Private Provider	Non-funded	0%	11%	11%	14%	11%	30%	22%	3%
	Funded	4%	16%	17%	24%	15%	14%	11%	0%
Third Sector Provider	Non-funded	0%	9%	6%	17%	11%	29%	26%	3%
	Funded	11%	10%	12%	6%	6%	28%	27%	1%
Total - all providers		5%	13%	14%	17%	12%	20%	18%	1%

Childminders

16. Responses were received from 221 childminder settings. However, again not all respondents answered each question. Reflecting this tables A8 to A13 provide details of the numbers of respondents that the results were drawn from.

Delivery of Funded ELC

- 40% of childminders who responded to the survey were delivering funded ELC (**note** – childminders responding to this survey were more likely, relative to the total childminding population, to be delivering funded ELC).
- For 34% of those childminders who delivered funded ELC, the payments for these hours accounted for 10% or less of their overall income.
- For 38% of those childminders who delivered funded ELC, the payments for these hours accounted for over 30% of their overall income.

Table A8: Funded Early Learning and Childcare payments as a percentage of total income for childminders delivering funded ELC under business as usual (n=85)

	Up to 10%	11-20%	21-30%	31-40%	41-50%	over 50%
Childminders	34%	11%	18%	15%	14%	8%

Occupancy Levels

- 41% of childminders responding to the survey indicated that under business as usual they operated at 91-100% of their registered capacity.
- Childminders who delivered funded ELC were more likely to indicate that under business as usual they operated at 91-100% of registered capacity (53% of those delivering funded ELC compared to 34% of those childminders not delivering funded ELC).
- 24% of childminders indicated that under business as usual they operated at 50% or less of their registered capacity.

Table A9: Childminders business as usual occupancy as a percentage of registered capacity (n=220)

		Business as Usual Occupancy as % of Registered Capacity					
		50% or less	51-60%	61-70%	71-80%	81-90%	91-100%
Childminders	Non-funded	26%	8%	9%	9%	15%	34%
	Funded	22%	2%	0%	9%	14%	53%
	Total	24%	5%	5%	10%	14%	41%

Expected Impacts on Staffing, Costs, Capacity and Income Generation

Staffing

- Providers were asked, *what impacts, if any, for staffing requirements do you anticipate as you prepare to reopen in line with the guidance (in particular working with separate and consistent cohorts of up to 3, 5, or 8 children)?*
- 96% of childminders responding to the survey reported no change in staffing capacity.
- A small number of respondents (just under 4%) reported an expected decrease in staffing requirements, whilst 1 respondent indicated an expected increase.

Table A10: Childminders business as usual occupancy as a percentage of registered capacity (n=216)

	Decrease in staff required	Increase in staff required	No change
All childminders	4%	0%	96%

Costs of Delivery

- Providers were asked, *what is your initial assessment of the impact of the guidance, in particular working with separate and consistent cohorts of up to 3, 5, or 8 children, on the average costs of delivery (e.g. for an hour of ELC per child) in your setting compared to business as usual delivery?*
- 65% of childminder respondents indicated that they expected no change in costs or for costs to decrease.
- 62% of childminders who were delivering funded ELC reported that they expected no change, or a decrease in costs, compared to 67% of childminders who did not deliver funded ELC.
- Of those childminder respondents who indicated that they expected costs to increase, they were most likely to indicate that costs would increase by up to 10% (reported by 14% of childminder respondents to the survey).

Table A11: Childminders - Expected change in average costs of delivery compared to business as usual (n=214)

		Increase by up to 10%	Increase by 11-20%	Increase by 21-30%	Increase by 31-40%	Increase by 41-50%	Increases of over 50%	No change	Decrease in costs
Childminders	Non-funded	13%	7%	8%	2%	0%	2%	59%	9%
	Funded	15%	6%	7%	4%	1%	5%	53%	9%
	Total	14%	7%	7%	3%	0%	3%	56%	9%

Capacity

- Providers were asked, *what is your initial assessment of what the guidance, in particular working with separate and consistent cohorts of up to 3, 5, or 8 children, means for overall*

capacity levels (in terms of available hours) within your setting compared to business as usual?

- 49% of childminders responding to the survey expected no change, or an increase, in overall capacity.
- 54% of childminders not delivering funded ELC reported that they expected no change or an increase in overall capacity, compared to 43% of childminders who were delivering funded ELC).

Table A12: Childminders - Expected change in overall capacity compared to business as usual (n=220)

		Decrease up to 10%	Decrease by 11-20%	Decrease by 21-30%	Decrease by 31-40%	Decrease by 41-50%	Decrease of over 50%	No change	Increase
Childminders	Non-funded	2%	7%	8%	8%	8%	14%	47%	7%
	Funded	7%	10%	15%	7%	13%	6%	41%	1%
	Total	4%	8%	11%	7%	10%	10%	45%	5%

Private Income

- Providers were asked, *based on your initial assessment of the guidance, what impact will meeting the guidance have on your capacity to generate income from the sale of childcare hours (e.g. for the 0-3 age group, as well as additional hours for 3-5 year olds) compared to business as usual?*
- 45% of childminders responding to the survey expected no change, or an increase, in overall private income generation compared to business as usual.
- 52% of childminders not delivering funded ELC reported that they expected no change or an increase in overall private income generation compared to business as usual, compared to 35% of childminders delivering funded ELC.
- Of those childminders who reported that they expected a decline in private income generation, they were most likely to report a decline of 21-30% (reported by 14% of all childminders who responded to the survey).

Table A13: Childminders - Expected impact on private income generation compared to business as usual (n=214)

		Decrease up to 10%	Decrease by 11-20%	Decrease by 21-30%	Decrease by 31-40%	Decrease by 41-50%	Decrease of over 50%	No change	Increase
Childminders	Non-funded	4%	7%	9%	5%	8%	15%	47%	5%
	Funded	10%	6%	23%	6%	11%	11%	33%	1%
	Total	6%	7%	14%	6%	9%	13%	41%	3%