



Scottish
Childminding
Association

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Early Learning & Childcare (ELC) Audit 2023

An independent annual update on local authorities' progress in including childminders in delivering funded ELC, as at 1 August 2023, with accompanying childminding workforce analysis

November 2023

EMBARGOED UNTIL 00:01 on THURSDAY, 30 NOVEMBER 2023

EXECUTIVE

Disparities between childminders 'approved' to deliver funded ELC and those actually delivering

Significant disparities continue between the number of childminders 'approved' by local authorities to deliver funded ELC and those actually delivering funded ELC - a very important distinction to make, as the

approved number can be used to suggest a higher level of involvement than the reality of what is happening in practice, in comparison to the more meaningful measure of those actually delivering funded ELC to families.

Eligible two year-olds:

25.8% of (or 1 in 4) childminders have been approved by local authorities to deliver funded ELC, but only 3.9% of (or 1 in 25) childminders are actually delivering funded ELC to 'eligible two year-olds'.

Three and four year-olds:

25.6% of (or 1 in 4) childminders have been approved by local authorities to deliver funded ELC, but only 16.5% (or 1 in 6) childminders are actually delivering funded ELC to 'three and four year-olds'.

Linked (repeat) survey data would indicate that childminders involved in funded ELC believe this disparity is mainly due to local authorities still not presenting and promoting childminding to parents

equitably, alongside their own nursery provision, as an option for receiving their statutory entitlement of funded ELC – despite it being a requirement for them to do so.

Number of childminders involved in delivering funded ELC

During the last year, the number of childminders actually delivering funded ELC has continued to decline, with a loss of 44 childminders delivering to three and four year-olds and two fewer childminders delivering to eligible two year-olds. As local authorities had worked towards implementing the Scottish Government's increase in the statutory provision of childcare to 1140 hours of funded ELC for all three, four and eligible two year-olds by August 2021, gradual increases in childminder inclusion in delivering funded ELC had been experienced annually. However, **this is now the second year, post-implementation of 1140 hours, in which a decline in the number of childminders delivering funded ELC has been recorded.** Deeper analysis of these figures also reveals that for a second successive year **the number of childminders coming into delivering funded ELC has been overtaken by the number of childminders who previously delivered funded ELC ceasing to do so.**



SUMMARY

Other post-implementation (of 1140 hrs) issues of concern

- While the vast majority of local authorities report that they promote childminding equitably to parents as an option for receiving their statutory entitlement of 1140 hrs of funded ELC per year, alongside their own nursery provision, linked survey data from childminders involved in funded ELC would indicate that this is not being done systematically or effectively and that in too many cases (64%+) **parents are having to request the ability to receive their statutory entitlement of funded ELC with a childminder.**
- Delivering funded ELC is also being increasingly recognised by childminders as being very important to their business sustainability, but many childminders continue to report that **the level of hours allocated to them by local authorities does not support their business sustainability.**
- The number of childminders reporting a **significant increase in paperwork** due to delivering funded ELC continues to be very high, **but the number reporting that this will cause them to leave the workforce within the next two to three years has reduced a little.**
- Concerning numbers of childminders continue to report that **nursery staff and health visitors are inappropriately and incorrectly advising parents that their children should be placed in a nursery rather than a childminding setting.**
- An emerging issue of the number of childminders (32%) reporting that they are aware of cases in which their **local authority has required parents to take the full 1140 hours (i.e. five days) in a local authority nursery, even when the parents do not have a need to use their full entitlement of funded hours.** This can result in wasted hours to the parent(s)/carer(s), blocks on other places (including blended placements) for other families due to allocated capacity, and local authority nurseries being paid for hours when children are not present.

Further decline in the childminding workforce

In the last year (to 31 July 2023) the childminding workforce declined by a further 9.7% (with the loss of a further 347 childminding businesses and 2047 childminding spaces for families in Scotland). This means that the childminding workforce has now declined by 41.2% (with the loss of 2273 childminding businesses and 13,411 childminding spaces for families) since 2016 during ELC expansion.

In 2022 SCMA projected that, without intervention, the decline in the childminding workforce since 2016 could reach -64% by July 2026. **The level of decline recorded in the last year is slightly less than projected for 2023, and small signs are starting to appear that targeted efforts to improve retention and increase recruitment into the childminding workforce are starting to have effect** (small increase in new registrations arising from childminder recruitment activity, decrease in cancelled registrations, a reduction in the annual loss of childminders and active interest in becoming a

childminder through our ongoing recruitment activity). However, it still remains that **the current annual level of loss from the childminding workforce remains high and is not sustainable, requiring significant scaling-up nationally of action on childminder recruitment and retention.**

The Scottish Government has made a series of important commitments to childminding during this last year, recognising the severity of the situation and the risks to a number of national policies. Most recently, this included commitments within the Programme for Government, published in September, including to **scale-up existing innovative childminder recruitment pilots to recruit an additional 1000 childminders over the next three years and with a series of pilots focused on supporting the existing workforce and increasing retention.**

SCMA strongly welcomes all of these commitments, but this action needs to be accelerated as a matter of urgency.



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1. Full Data Set: Childminder Involvement in Funded ELC (eligible twos & three and four year-olds)
2. Changes in the childminding workforce

INTRODUCTION & CONTEXT



Since 2016, and the publication of the Scottish Government's blueprint to increase the statutory entitlement of funded Early Learning and Childcare (ELC) from 600 hours per year to 1140 hours per year for all three, four and eligible two year-olds, SCMA has been commissioned by the Scottish Government to undertake an annual independent audit of local authorities' to chart their progress on including childminders in delivering funded ELCⁱ. This has become an increasingly valuable data source in contributing to understanding childminders' experiences during ELC expansion, what has been working well and what needs to improve.

The full implementation of the increase in the statutory entitlement to 1140 hours per year had been due in August 2020, but was delayed until August 2021 due to the pandemic. While SCMA's earlier audits focussed on reporting local authorities' progress in including childminders in delivering funded ELC as they worked towards full implementation of 1140, SCMA has continued to undertake annual audits post-implementation as it was recognised that much work remains to be done in including childminders equitably and sustainably in delivering funded ELC.

In parallel to reporting on childminders' inclusion in delivering funded ELC, SCMA has also reported through our annual audits on the continuing decline in the childminding workforce. Our last audit, SCMA ELC Audit 2022, reported that the childminding workforce had declined by 34% (with the loss of 1926 childminding businesses and 11,363 childminding

spaces for children and families) since 2016 during ELC expansion and that, without intervention, these losses were projected to almost double (to a decline of 64%) by July 2026ⁱⁱ. This has major implications for families, communities, parental choice and the delivery of Scottish Government Programme for Government commitments to extend funded ELC down to one year-olds and to develop a new system of wraparound school-age childcare (SACC) – both areas in which childminders have considerable experience and will be vital to deliver these policy ambitions.

Against this background, the SCMA ELC Audit 2023 provides the latest update on local authorities' progress in including childminders in delivering funded ELC, SCMA's latest in-depth analysis of childminding workforce trends in Scotland and an update on work underway to redress the challenges which have been experienced.



METHODOLOGY

The SCMA ELC Audit seeks to capture data on local authorities' progress in involving childminders in delivering funded ELC. It captures data against two main indicators –

'Eligible Two Year-Olds'

A targeted offering and priority group for the Scottish Government which aims to provide additional support for low-income families – approx. 25% of all two-year-olds; and



'Three to Four Year-Olds'

A universal offering to parents of all three and four year-olds in Scotland.



An e-mail invitation to submit an audit return was sent to all 32 local authorities in Scotland on 25 August 2023, requesting returns based on childminders involved in funded ELC and with children in their settings as at 1 August 2023.

This initial invitation was followed up by further e-mail reminders and data capture was completed by 6 October 2023.

Audit returns were received from 28 local authorities (compared to returns from all 32 local authorities in 2022). Returns were not received from Angus, East Lothian, Midlothian and North Ayrshire Councils.

In addition to this data collection, SCMA also –

✓ analysed the **Care Inspectorate's ELC workforce data** as at 31 July 2023;

✓ undertook a **snapshot survey of members** involved in delivering funded ELC to complement the ELC Audit 2023. This survey was conducted between 5-31 October 2023. An invitation to complete the survey was sent to 2566 SCMA members for whom we have current e-mail addresses, but only those involved in funded ELC were asked to complete it.

It is recognised that only a minority of members and the wider childminding workforce are involved in delivering funded ELC. A total of 344 responses were received from members across 31 local authority areas. This represents a response level of approximately 33% of the latest recorded number of childminders involved in funded ELC;

✓ considered **other recent published sources of ELC data**^{iii,iv}

MAIN FINDINGS

- SCMA ELC AUDIT 2023

Figures are based on returns from 28 (out of 32) local authorities, so do not present a full Scotland-wide picture. As responses were received from all 32 local authorities to our previous annual audit in 2022, like-for-like comparisons where provided are based on the same 28 local authorities in both years to avoid comparing different data measures (figures for all 32 local authorities in 2022 are also included within the report for reference).

NUMBER OF CHILDMINDERS INVOLVED IN DELIVERING FUNDED ELC

As has been experienced throughout ELC expansion significant disparities continue between the number of childminders 'approved' to deliver funded ELC and those actually delivering funded ELC (see Table 1). This is a very important distinction to make, as the approved number can be used to suggest a higher level of involvement than is actually happening in practice in comparison to the number of childminders who have been included more meaningfully and progressed to actively delivering funded ELC to families.



As at 1 August 2023 -

Eligible two year-olds:

25.8% of (or 1 in 4) childminders had been approved by local authorities to deliver funded ELC to eligible two year-olds, but only 3.9% of (or 1 in 25) childminders were actually delivering funded ELC to them.

Three and four year-olds:

25.6% of (or 1 in 4) childminders had been approved by local authorities to deliver funded ELC to three to four year-olds, but only 16.5% (or 1 in 6) childminders were actually delivering funded ELC to them.

Linked (repeat) survey data obtained from childminders involved in funded ELC to complement this audit would indicate that childminding is still not being systematically and effectively promoted and offered to parents by local authorities as an option for receiving their statutory entitlement of funded ELC equitably alongside their own nursery provision, and that this continues to play a major factor in the disparity between the number of childminders approved to deliver funded ELC and those actually delivering funded ELC (see page 10).

As local authorities worked towards implementing the Scottish Government's increase in the statutory provision of childcare to 1140 hrs of funded ELC for all three, four and eligible two year-olds by August

2021, gradual increases in childminder inclusion in delivering funded ELC had been experienced annually. However, following implementation of the increase to 1140 hours, the SCMA ELC Audit 2022 reported a small decline in the number of childminders actually delivering funded ELC.

As at 1 August 2023 a further reduction in the number of childminders delivering funded ELC during the last year was reported of a reduction with 44 fewer delivering to three and four year-olds and a loss of two childminders delivering to eligible two year-olds (see Table 1). This is now the second year, post-implementation of 1140 hours, in which a decline in the number of childminders actually delivering funded ELC has been recorded.

Table 1.

SCMA ELC AUDIT 2023 SUMMARY OF FINDINGS

ELIGIBLE TWO YEAR-OLDS

	CHILDMINDERS APPROVED			CHILDMINDERS DELIVERING			CHILDREN PLACED WITH CHILDMINDERS		
	2022	2023	Change	2022	2023	Change	2022	2023	Change
Numbers	945 (1124)*	838	-107	128 (153)*	126	-2	151 (178)*	125	-26
Percentage	26.3% (31.3%)*	25.8%	-0.5%	3.6% (4.3%)*	3.9%	0.3%			

THREE AND FOUR YEAR-OLDS

	CHILDMINDERS APPROVED			CHILDMINDERS DELIVERING			CHILDREN PLACED WITH CHILDMINDERS		
	2022	2023	Change	2022	2023	Change	2022	2023	Change
Numbers	958 (1137)*	831	-127	579 (691)*	535	-44	1176 (1461)*	1160	-16
Percentage	26.7% (31.6%)*	25.6%	-1.1%	16.1% (19.2%)*	16.5%	0.4%			

*Based on audit returns from 28 local authorities (out of 32) in 2023 compared against returns from the same 28 local authorities in 2022 (full figures for 2022, based on 32 local authority returns are included in italics in brackets)

While covering different reporting periods, this finding is also broadly consistent with the latest ELC Delivery Progress Report (Improvement Service, June 2023) and the ELC Annual Statistics 2022 (Care Inspectorate, October 2023) which both also reported a decline in the number of childminders involved in delivering funded ELC.

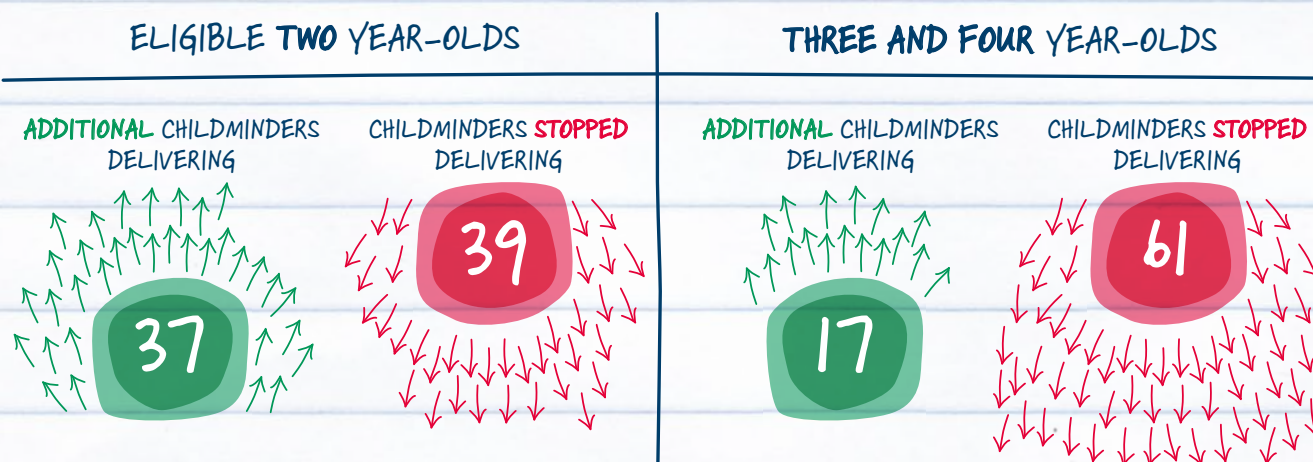
Deeper analysis of the figures within the SCMA ELC Audit 2023 returns also reveals that for a second successive year the number of childminders coming into delivering funded ELC has been overtaken by the number of childminders who previously delivered funded ELC ceasing to do so (see Figure 1).

The largest gains recorded were an additional 22 childminders coming into delivering funded ELC for eligible two year-olds in East Ayrshire and an additional six childminders coming into delivering funded ELC for three to four year-olds in both North Lanarkshire and West Lothian.

The largest losses were in Falkirk with a reduction of ten childminders delivering funded ELC to eligible two year-olds and a reduction of 13 childminders delivering funded ELC to three and four year-olds.*

Figure 1.

SUMMARY OF CHANGE IN NUMBERS OF CHILDMINDERS DELIVERING FUNDED ELC 2022-23



The number of children receiving funded ELC in childminding settings has also continued to decline. The Improvement Service has reported separately that this decreased to 1% of all children receiving funded ELC in Scotlandⁱⁱⁱ.

* It is understood that these decreases in Falkirk are due to the local authority giving childminders who didn't have any funded children in their settings the opportunity to come out of partnership, so that they did not need to continue unnecessarily with ELC-related paperwork and that the process to come back into partnership is quick and straightforward.

ADDITIONAL FINDINGS

Additional findings of the SCMA ELC Audit 2023 include –

Local Authority promotion of childminding to parents as an option for receiving their funded ELC:

While the vast majority of local authorities report that they promote childminding equitably to parents as an option for receiving their statutory entitlement of 1140 hrs of funded ELC per year, alongside their own nursery provision, linked survey data from childminders involved in funded ELC would indicate that this is not being done systematically or effectively.

In too many cases parents are having to request the ability to receive their statutory entitlement of funded ELC with a childminder (see page 10)

Business Sustainability: blended placements:

in last year's audit we reported that progress had been made in the number of local authorities who considered both providers' business sustainability when arranging a blended (or split) placement between two childcare providers (i.e. a nursery and a childminder). It is disappointing to note that this practice has not been adopted by more local authorities in the last year. This may also be a reflection of a reduction in blended placements being promoted by local authorities to parents with our linked childminder survey reporting, for a second successive year, childminders' concerns about an increase in local authorities promoting full days in nurseries to parents and the impact this is having on childminders' business sustainability (see page 11);

Outlying Practice: prioritisation of full 1140 hours in a single setting:

continuing on the subject of blended placements, outlying practice was recorded by a local authority continuing to prioritise requests from parents wishing to take the full entitlement of 1140 hours in a single setting ahead of requests from parents for blended placements. This is the only local authority in Scotland who reported doing so last year, with all other local authorities considering requests as they come in regardless of whether for full 1140 or a blended placement and against their placement criteria. It is of note that in our linked childminder survey, this local authority area also recorded the highest number of responses from childminders (n=19) reporting that they were aware of cases in which parents were being required to take the full entitlement of 1140hrs in a



local authority nursery setting even when they didn't need or want the full 1140hrs. This can result in less than 1140hrs going to parents, some requests for blended placements from parents not being accepted and nurseries receiving funding for time when children are not present. See page 11.

Sustainable rates: widespread variation continued to be reported by local authorities in their setting of sustainable rates - in terms of the levels of sustainable rates; if they have single rates for all providers or different rates for Private, Voluntary & Independent (PVI) providers and for childminders; if they have singular or separate rates for eligible two year-olds and for three to four year-olds; and also if the rates include lunch allowances.

The full tables, containing the returns from 28 local authorities to the SCMA website:

<https://www.childminding.org/news/early-learning-and-childcare-audit-2023>

CHILDMINDERS' EXPERIENCES OF FUNDED ELC

From our experience of engaging with and supporting childminders around Scotland, we recognise that there are limitations to how much the local authority returns to our annual audit tell us about what is happening in practice at a local level with funded ELC implementation and that, at times, the information provided can differ from childminders' and parents' actual experiences of funded ELC at a local level. For this reason we have also conducted a snapshot survey of childminders on their practical experiences of funded ELC linked to our last three successive ELC Audits.

This year we conducted our snapshot survey of members involved in funded ELC during October and received responses from 344 childminders around Scotland (further details of methodology on page 6). This provides a good sample and represents a response level of approximately 33% of the latest recorded number of childminders involved in funded ELC¹.

MAIN FINDINGS –

Funded ELC Offers

- ★ the majority of childminders delivering funded ELC continue to do so for three and four year-olds (69% through blended placements and 50% full hours); far fewer childminders are delivering funded hours to eligible two year-olds (9% through blended placements and 24% full hours)
- ★ 64% of childminders reported that none of the parents of children currently receiving funded ELC in their setting were offered these hours with a childminder and that parents had to request this.
- ★ 67% of childminders believe that their local authority is 'very ineffective' or 'ineffective' at promoting childminding equitably, alongside their own nursery provision, as an option to parents for receiving their funded ELC
- ★ more positively, 60% of childminders reported that their local authority did not place any limits on how these hours could be taken with them.
- ★ only 23% of childminders believe that there is a 'strong' or 'very strong' match between current ELC offers in their area and what parents wanted
- ★ 74% of childminders believe that funded ELC offers need to be 'much more' or 'more' flexible

1. As our ELC Audits have historically tracked local authorities' progress in including childminders in funded ELC delivery separately against the Scottish Government's categories/indicators of 'eligible two year-olds' and 'three and four year-olds', our audits have not contained a singular figure for the total number of childminders involved in funded ELC regardless of the age category of children they are supporting. As such, we cannot simply combine these to get a single total as this would involve some duplication in the form of childminders who may be supporting both eligible two year-olds and three to four year-olds. However, more recently, annual total figures have been captured in the Care Inspectorate's ELC Annual Statistics and by the Improvement Service's ELC Delivery Progress Reports. For the purposes of calculating this response level the latest published total of childminders involved in funded ELC (1044 in April 2023) was taken from the ELC Delivery Progress Report, June 2023. While this records the number of childminders in partnership to deliver funded ELC, and does not distinguish between those approved and actually delivering, this does provide the most recent total for all childminders involved in funded ELC.

Business Sustainability

★ only 23% of childminders believe that there is a 'strong' or 'very strong' match between current ELC offers and their business needs and viability as childminders

★ 81% of childminders believe that delivering funded ELC is 'very important' or 'important' to their business sustainability

★ only 20% of childminders believe their current level of funded ELC is 'high enough' to support their business sustainability, 40% believe this is a mix of 'high enough' and 'not high enough' (if delivering funded ELC for more than one child), and 31% do not believe their current level of funded ELC hours is high enough to support business sustainability.

★ childminders have experienced a change in demand to deliver funded ELC for families which could affect their business sustainability due to the following (respondents were asked to tick all that apply) –

- 73% of childminders reported that parents had been advised by nursery staff to place their children in a nursery rather than a childminding setting
- 67% of childminders reported that parents had been advised by health visitors to place their children in a nursery rather than a childminding setting
- 46% of childminders reported that their local authority is now promoting full day places in nurseries
- 29% of childminders reported that their local authority is now trying to get two year-olds into nurseries
- 11% of childminders reported that their local authority will not consider blended placements

★ 62% of childminders believe delivering funded hours has increased the competitiveness and attractiveness of their business to parents



Satisfaction with Funded ELC

★ 49% of childminders are 'satisfied' (and a further 17% 'very satisfied') with their experience of delivering funded ELC

★ 52% of childminders would recommend delivering funded ELC to other childminders

Paperwork

★ 75% of childminders have experienced a 'significant' or 'very significant' increase in paperwork while delivering funded ELC

★ 36% of childminders believe that if the current level of paperwork does not reduce it is 'very likely' or 'likely' that they will not still be childminding in two to three years' time (a decrease on last year)

Emerging Issue of Concern

★ in response to a new question asked this year, which we asked following feedback from members around Scotland, 32% of childminders reported that they are aware of cases in which their local authority has required parents to take the full 1140 hours (i.e. five days) in a local authority nursery, even when the parents only require less funded hours. This can result in wasted hours to the parent(s)/carer(s), blocks on other places (including blended placements) for other families due to allocated capacity, and local authority nurseries being paid for hours when children are not present. On this subject, SCMA published an anonymised case study in our ELC Audit 2021 from another local authority where a family had only required and used 804 hours and the local authority nursery took and banked the remaining 306 hours for funded ELC for that family, when the child wasn't in the nursery.

The full survey results from this year's snapshot survey of childminders involved in funded ELC can be accessed on the SCMA website <https://www.childminding.org/news/early-learning-and-childcare-audit-2023>

CHANGES IN THE CHILDMINDING WORKFORCE

ANNUAL DECLINE IN CHILDMINDING WORKFORCE

In parallel to capturing data on childminders involved in funded ELC as at 1 August 2023, we also undertook our annual analysis of the childminding workforce, based on Care Inspectorate data as at 31 July 2023.

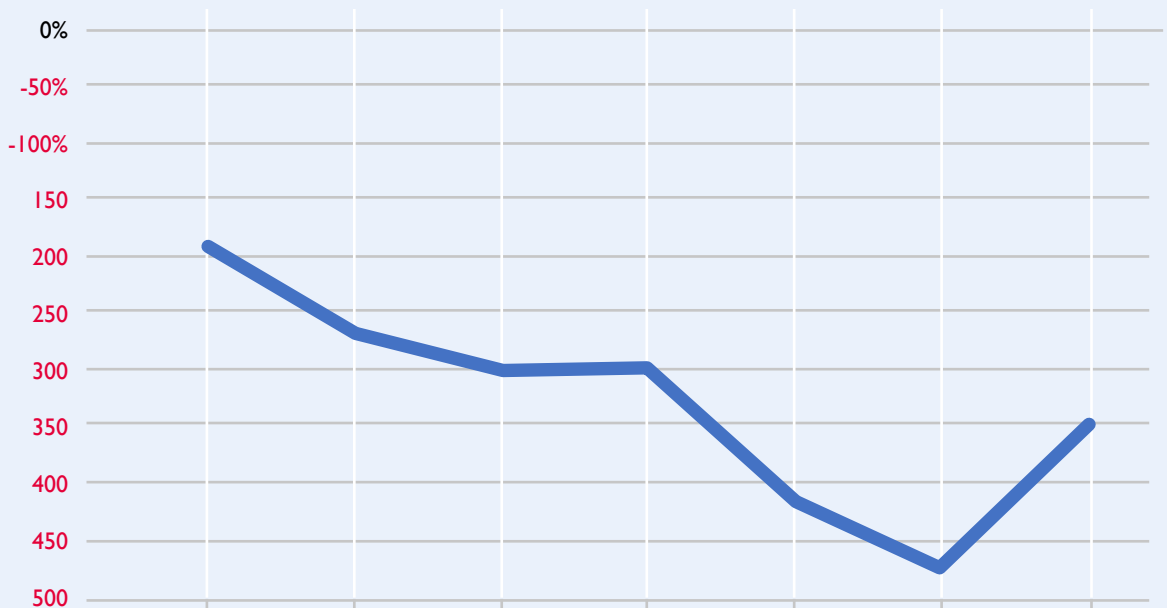
Within the last year (1 August 2022 – 31 July 2023) the childminding workforce declined by a further 9.7% (with the loss of a further 347 childminding businesses and 2047 childminding spaces for families). This means that the childminding workforce has now declined by 41.2% (with the loss of 2273 childminding businesses and 13,411 childminding spaces for families) since 2016 during ELC expansion. The reasons for this decline are now well understood and are detailed in our Childminding Evidence Paper (August 2022)*.

While the number of childminding businesses lost within this last year is still high and not sustainable, the number of childminding businesses lost (347) was encouragingly lower than in the same period in 2020-21 and 2021-22 (see Figure 2).



Figure 2.

CHILDMINDER WORKFORCE: LOSSES ANNUALLY (YEAR ENDING 31 JULY)



	Jul-17	Jul-18	Jul-19	Jul-20	Jul-21	Jul-22	Jul-23
Total	-192	-264	-296	-292	-413	-469	-347

Source: Childcare Statistics, Care Inspectorate



Correspondingly, the percentage decline last year (-9.7%) was lower than in 2021-22 (-11.5%), but a little higher than in 2020-21 (-9.3%) due to the numbers presenting in a declining workforce (see Table 2).

Table 2.

CHILDMINDING WORKFORCE: ANNUAL & CUMULATIVE CHANGE SINCE 2016

	Number	Annual Change (n)	Annual Change (%)	Cumulative Change Since 2016	
				(n)	%
Jul-15	5502	-75	-1.3%		
Jul-16	5520	18	0.3%		
Jul-17	5328	-192	-3.5%	-192	-3.5%
Jul-18	5064	-264	-5.0%	-456	-8.3%
Jul-19	4768	-296	-5.8%	-752	-13.6%
Jul-20	4476	-292	-6.1%	-1044	-18.9%
Jul-21	4063	-413	-9.2%	-1457	-26.4%
Jul-22	3594	-469	-11.5%	-1926	-34.9%
Jul-23	3247	-347	-9.7%	-2273	-41.18%

Source: *Early Learning and Childcare Statistics, Care Inspectorate*

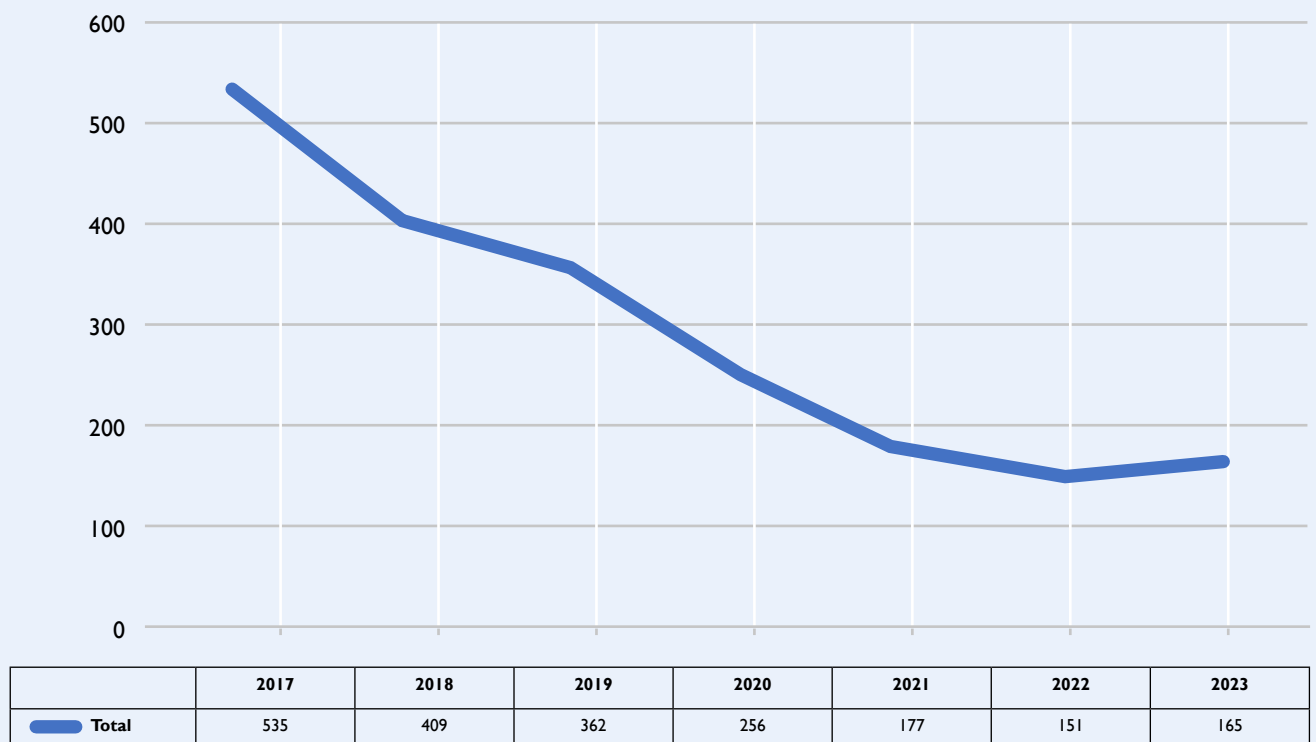
The above serve to report the headline trend in terms of the annual change in the childminding workforce, but deeper insights can be obtained by looking beneath this data at the numbers of new registrations (those coming into the childminding workforce) and cancelled registrations (those leaving the childminding workforce).

NEW REGISTRATIONS

Looking first at those coming into the childminding workforce, the number of new registrations has been decreasing annually since 2016 (see Figure 3). In the last year (to 31 July 2023), the number of new registrations increased to 165 new childminders. This small increase against 2022 (9% / n=14) included 44 newly registered childminders recruited through the SCMA-led Scottish Rural Childminding Partnership (SRCP) pilot (within the reporting period to 31 July 2023) and without which the number of new registrations would have continued to decline. These 44 new registrations also accounted for 27% of new registrations last year. More new childminders continue to come through and further details of this can be found on pages 18-19).

Figure 3.

CHILDMINDING WORKFORCE: NEW REGISTRATIONS ANNUALLY (YEAR ENDING 31 JULY)



Source: Childcare Statistics, Care Inspectorate

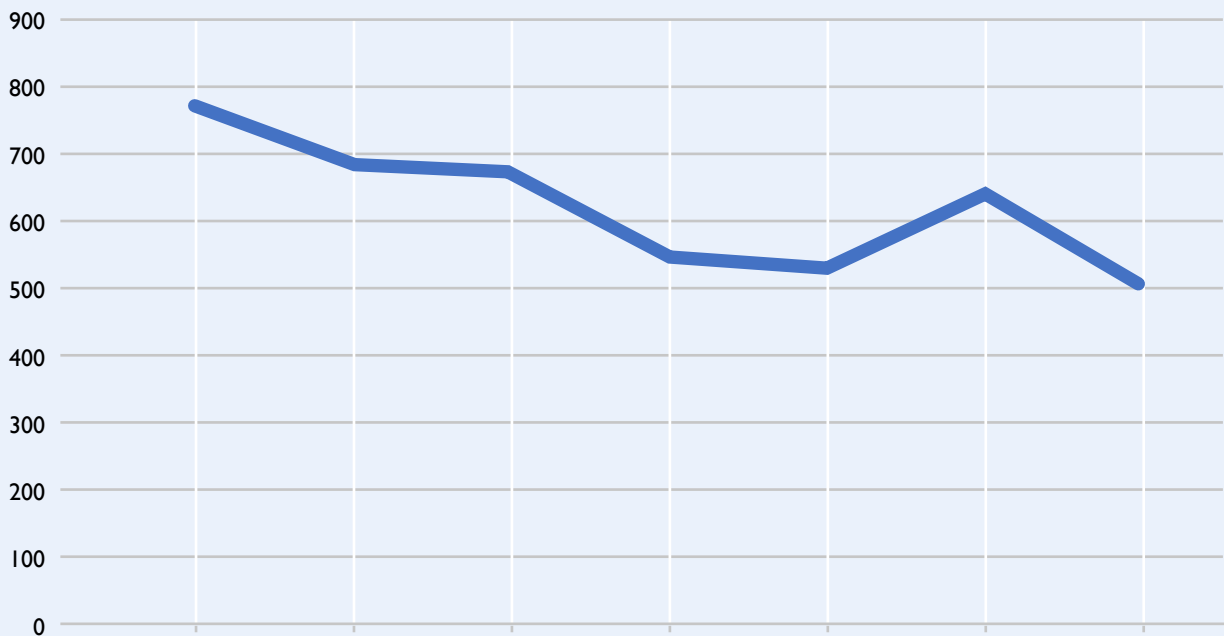
CANCELLED REGISTRATIONS

Looking next at those leaving the childminding workforce, the number of childminder registrations cancelled each year has been very high. A total of 508 childminders cancelled their registrations in the last year (to 31 July 2023). While this was still very high and unsustainable, this represented a marked decrease against the previous year (when 648 childminders had cancelled their registrations, heightened by difficulties experienced in sustaining their businesses during the pandemic - see Figure 4) and is also lower than in previous years.



Figure 4.

CHILDMINDING WORKFORCE: CANCELLED REGISTRATIONS ANNUALLY (YEAR ENDING 31 JULY)



	2017	2018	2019	2020	2021	2022	2023
 Total	777	693	679	556	536	648	508

[Please note that the annual number of new registrations cannot be compared directly against the annual number of cancelled registrations to derive the annual net loss/gain, as these do not also include the number of childminders whose registration with the Care Inspectorate is temporarily 'inactive'].

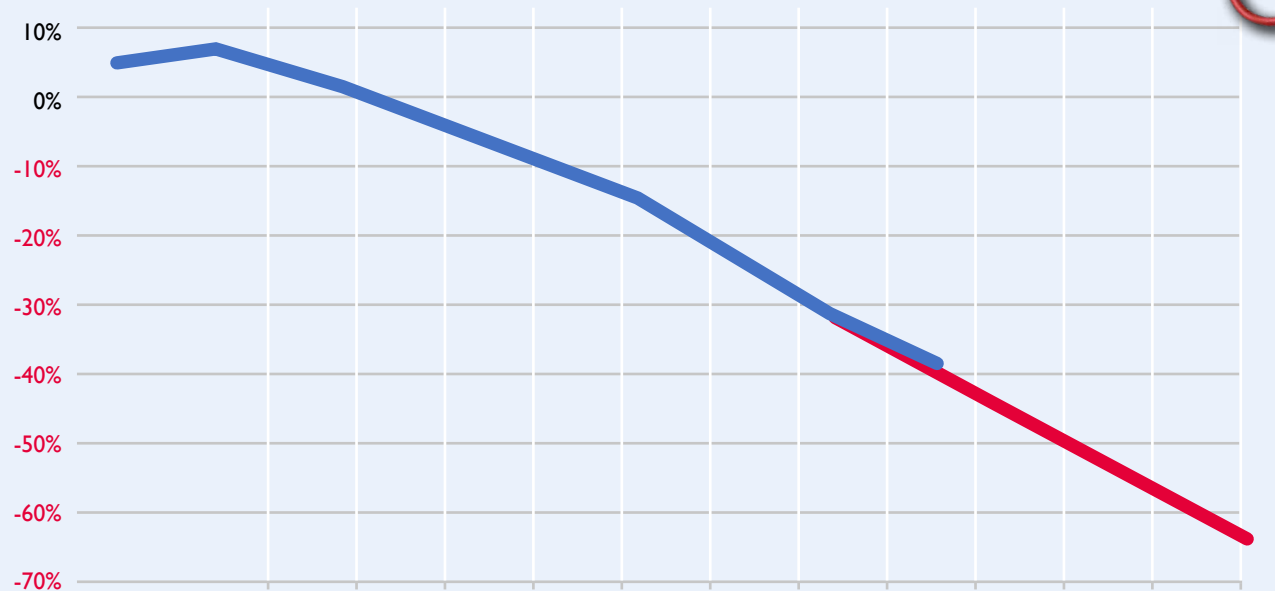
Source: Childcare Statistics, Care Inspectorate

DECLINE IN THE CHILDMINDING WORKFORCE: ACTUAL VS. PROJECTED

Last year, in our SCMA ELC Audit 2022, we reported that the childminding workforce had declined by 34% since 2016 during ELC expansion. In addition, for the first time, we also included workforce projections based on the established trend data. This projected that, without intervention, the decline in the childminding workforce during and since ELC expansion would continue to decrease annually and almost double by July 2026 (and reach a loss of 64%). The actual decline since 2016 one year further on (to 31 July 2023) has reached -41.2% against a projected decline by July 2023 of -42.2% (see Figure 5). As such, this is still very much in line with our projections and expectations. The actual level of decline is 1% (n=100 childminders) lower than projected. While this variance could be viewed as being within the expected confidence intervals for projecting statistics of this nature, we do believe that this is indicative of the first signs of dedicated action on recruitment and retention starting to have a positive impact. When considering the other small signs of encouragement reported earlier (increase in new registrations arising from childminder recruitment activity, decrease in cancelled registrations, a reduction in the annual loss of childminders and active interest in becoming a childminder through our ongoing recruitment activity), we believe we are starting to see a number of positive indicators which need to be built on, at both scale and pace, to slow down and halt the decline in the childminding workforce and bring it back into gain for the benefit of children, families and communities around Scotland and to support national policy delivery.

Figure 5

DECLINE OF CHILDMINDER WORKFORCE IN SCOTLAND DURING ELC EXPANSION (2016 -): ACTUAL AND PROJECTED (WITHOUT INTERVENTION)



	Jul-15	Jul-16	Jul-17	Jul-18	Jul-19	Jul-20	Jul-21	Jul-22	Jul-23	Jul-24	Jul-25	Jul-26
Declining size of the childminding workforce (in numbers)	5502	5520	5328	5064	4768	4476	4063	3594	3247	2699	2252	1805

Source: Childcare Statistics, Care Inspectorate

The full tables on this year's workforce analysis, including the changes in the childminding workforce annually, by local authority area, since 2016 can be accessed on SCMA website

<https://www.childminding.org/news/early-learning-and-childcare-audit-2023>



DEVELOPMENTS SINCE

A number of important developments have occurred since we published the SCMA ELC Audit 2022 in November of last year including –

December 2022:

the Scottish Government responded to our audit and recommendations and –

- ✓ committed contributory funding to repeat and further test the application of our Scottish Rural Childminding Partnership (SRCP) childminder recruitment pilot in four larger, more densely-populated urban local authority areas;
- ✓ funded SCMA to undertake the 'Reducing the Burdens' pilot. This involved widening access for 500 childminders in 5-6 local authority areas to SCMA 'Quality in Practice' Continuing Professional Learning (CPL) courses, developed to support childminders with translating policy into practice; testing a self-evaluation template to support childminders with their evidencing requirements for different purposes; and commissioned SCMA to develop Effective Practice Principles for local authorities working with childminders.



January 2023:

SCMA published the Childminding Cost Pressures & Business Sustainability Report (and recommendations) informed by SCMA's large-scale #TellSCMA Childminding & You Survey 2022 (1263 responses/45% response level) ^{vi}. This included a number of important findings including that only 13% of childminders in Scotland could afford to pay themselves the Real Living Wage. In response to this report and recommendations, the Scottish Government invited SCMA to submit detailed proposals and solutions (spanning recruitment and retention) aimed at reversing the decline in the childminding workforce.



February 2023:

SCMA launched the Scottish Childminding Partnership (SCP) to further test the application of SCMA's demographically-targeted marketing campaign and supported childminder recruitment model (already piloted in remote and rural areas) in larger, more densely populated, urban areas while undertaking some targeted rural follow-up. Led by SCMA, this is a partnership and participative funding model involving the Scottish Government, the City of Edinburgh, Glasgow and Dundee Councils, East Renfrewshire, Dumfries & Galloway and Highland Councils, Highlands & Islands Enterprise and South of Scotland Enterprise. This pilot is ongoing. At the time of writing, 18 new childminders have registered with the Care Inspectorate. We continue to receive enquiries and many more are progressing through the process with support from SCMA.



PUBLISHING LAST ELC AUDIT

March 2023:

the preceding SCMA-led SRCP pilot in remote and rural areas came to a close. As a result, 44 new childminding businesses had been established in remote and rural areas where childminding places were most needed (with further new childminders working their way through the registration process behind). These 44 new registrations accounted for 27% of new registrations (in the year to 31 July 2023) and resulted in the first increase in the number of new registrations since 2016. Since July, the number of childminders recruited through our pilots has increased further and we will report on this separately.



May 2023:

SCMA gave oral evidence to the Scottish Parliament's Social Justice & Social Security Committee Inquiry on Child Poverty and Parental Employment.



June 2023:

the Scottish Government convened the first meeting of a new group involving SCMA, the Care Inspectorate, Education Scotland and the Association of Directors of Education looking at what more could be done to reduce duplicative quality assurance and paperwork as it affects childminders.



March 2023:

the Scottish Government published its response to their consultation on the future of inspection in ELC and School Age Childcare (SACC) services in Scotland^{vii}. This recognised the strong demand from the sector for change and committed the Care Inspectorate and Education Scotland to develop a new single/shared inspection and framework to be developed by the end of December 2023 and implemented for childminding from April 2024. This is to be more proportionate to different forms of childcare (particularly childminding and SACC), involve greater provider-specificity and a major reduction in paperwork. Strong recognition was given within the formal response to SCMA's earlier in-depth response to the consultation exercise on behalf of members which was also informed by the large-scale #TellSCMA Childminding & You Survey 2022^{viii}. Work on developing the single/shared inspection and framework is ongoing.



September 2023:

the Scottish Government published its Programme for Government for 2023/24 and beyond^{ix}. This has a strong focus on tackling poverty, places childcare at its heart and includes a number of important commitments for childminding including scaling-up "innovative childminder recruitment pilots" to recruit an additional 1000 childminders and with parallel action on childminder retention (including piloting funded 'time off the floor' and mentoring to support existing childminders).



CHILDMINDING DATA COLLECTION & VALUE OF SCMA ELC AUDIT

As noted earlier, SCMA was originally commissioned by the Scottish Government to undertake an annual independent audit of local authorities' progress during ELC expansion in including childminders in delivering funded ELC. During this time our audit has continued to evolve, asking both repeat questions (to measure progress) and new questions (in response to evolving issues) and has become an increasingly valuable source of independent data on funded ELC in Scotland.

In parallel, the Improvement Service has collected and published some childminding data within its ELC Delivery Progress Reports and the Care Inspectorate has expanded the childminding data within its annual ELC Statistics reports. These reports collect different data and can also co-inform the other i.e. while the Improvement Service only publish headline figures of the total number of childminders in partnership and do not distinguish between childminders approved to deliver funded ELC and actually delivering, the Care Inspectorate has adopted SCMA's practice on this point and now also reports separately on the number of childminders approved to deliver funded ELC and actually delivering.

While both the Improvement Service and Care Inspectorate report more widely on all forms of childcare provision, SCMA's audit remains the most in-depth childminding-specific source of data on childminders involved in funded ELC through capturing data from both local authorities and, importantly, childminders so as to provide a balanced overview. In a sector featuring multiple statutory stakeholders and requirements, SCMA also plays an important role as an independent, national Third Sector organisation, in providing scrutiny to statutory responsibilities and how these are being discharged.

While the increase in the statutory entitlement of funded ELC and '1140 by 2020' (or 2021 as it became due to the pandemic) has been implemented, it is common in other areas (i.e. health and post-market surveillance of new drug treatments for adverse effects) to continue to monitor after the point of implementation to identify and address any adverse issues which emerge. Similarly, we believe that the annual SCMA ELC Audit will continue to have an important role in providing independent data on childminders' experiences of the local implementation of funded ELC and important workforce analysis linked to developing a sustainable childminding workforce.







COMMENTARY & RECOMMENDATIONS

Having published a series of in-depth reports and evidence-based recommendations over this last couple of years, we will keep our closing comments and recommendations shorter this year.

Following the implementation of the increase in the statutory entitlement to 1140 hours of funded ELC for all three, four and eligible two year-olds in 2021, this year's audit reports the second successive year of a decline in the number of childminders delivering funded ELC and also in which the number of childminders coming into delivering funded ELC has been overtaken by those giving up.


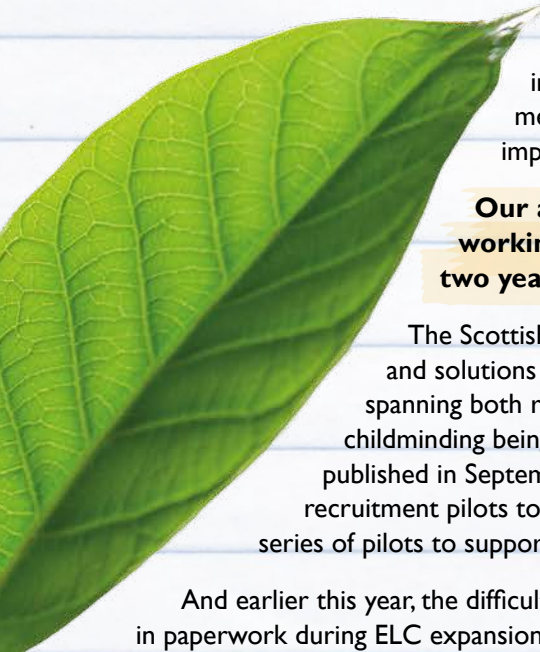
At a time when childminder inclusion in delivering funded ELC should have been progressing, numbers are regressing.

This should not be surprising given the acute decline in the childminding workforce. This year's audit reports that within the last year (1 August 2022 – 31 July 2023) the childminding workforce declined by a further 9.7% (with the loss of a further 347 childminding businesses and 2047 childminding spaces for families). This means that the childminding workforce has now declined by 41.2% (with the loss of 2273 childminding businesses and 13,411 childminding spaces for families) since 2016 during ELC expansion.

While these numbers are in line with our workforce projections, this does not make them and the impact on families and communities around Scotland any less shocking. However, it does feel as though we are in a very different place 12 months on from the publication of our last audit - if political commitments within the last year are converted into reality.

We believe that the Scottish Government has recognised the severity of the situation, the risks this poses to a number of national policies and the need for a substantive response. This included acting quickly in response to the publication of our last ELC Audit in November 2022 and contributing funding to enable us to build on our earlier successful childminder recruitment pilot in remote and rural areas, to further test its application in larger, more densely populated urban areas and to capture further learning to inform potential national scaling-up. This pilot is ongoing.

SCMA was also commissioned by the Scottish Government to develop Effective Practice Principles for local authorities working with childminders involved in funded ELC. While some local authorities have been very supportive of and understand childminding, others have been less so and it should be very clear from this year's audit and linked childminder survey just how much work remains to be done in supporting some local authorities to improve their support for childminding. Draft principles were developed, consulted on over the summer and responses are undergoing analysis with further discussion planned. We believe that these principles could play a very valuable role and it will be important that local authority representative and improvement bodies recognise their need and value and work in partnership with us to positively influence their use in practice by local authorities.



SCMA has also recognised our own responsibilities and we have been leading nationally, in partnership with others, on addressing childminder recruitment and retention since our current strategy was launched in May 2021*. Through this we have developed the evidence base on the challenges experienced by childminding and in addition to advocating for change we have demonstrated our ability to be part of the solution by adopting a solutions-focused approach, innovating, creating partnerships, piloting recruitment models and other measures aimed at supporting the existing childminding workforce and improving retention. In essence, creating a platform for change.

Our approach has been recognised by others and seen us go from working with 9 to 24 local authorities around Scotland in the last two years.

The Scottish Government also invited SCMA to submit more detailed proposals and solutions aimed at reversing the decline in the childminding workforce and spanning both recruitment and retention. This led to a number of vital commitments to childminding being included in the Scottish Government's Programme for Government published in September - including the scaling-up of existing innovative childminder recruitment pilots to recruit an additional 1000 childminders over the next three years. and a series of pilots to support the existing workforce and increase retention.

And earlier this year, the difficulties caused by duplicative quality assurance and a significant increase in paperwork during ELC expansion which had affected all providers, and childminders disproportionately (including those not involved in funded ELC) was recognised with a commitment to a new single/shared inspection and framework. This will be more proportionate and specific to different forms of childcare provision (including childminding and SACC) and with a major reduction in paperwork.

SCMA strongly welcomes all of these commitments, most notably those within the Programme for Government to scale-up targeted action on childminder recruitment and retention nationally. Through this range of action we have more grounds for optimism than we did 12 months ago.

The latest childminding workforce figures are still stark, the annual losses are too high and are not sustainable without intervention, but deeper analysis within these trends has identified some positive changes arising from targeted action to date which can be scaled-up to reverse this decline, but this needs to be accelerated as a matter of urgency. As such, we need to turn these positive commitments into reality.

Graeme McAlister

Chief Executive
SCMA

November 2023



LINKS

SCMA ELC AUDIT 2023

- DATA TABLES - available to download from the **SCMA website:**
- Full Data Set: Childminder Involvement in Funded ELC (eligible twos & three and four year-olds)
- Changes in the childminding workforce
- i Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland, Scottish Government, October 2016
- ii Early Learning & Childcare Audit 2022, SCMA, November 2022
- iii Early Learning & Childcare Delivery Progress Report, Improvement Service, June 2023
- iv Early Learning & Childcare Annual Statistics, Care Inspectorate, October 2023
- v Childminding Evidence Paper, SCMA, August 2022
- vi Childminding Cost Pressures & Business Sustainability, SCMA, January 2023
- vii Early learning and childcare and school age childcare services inspection consultation: SG response, 24 March 2023
- viii Future of inspection for early learning and childcare and school age childcare services in Scotland: SCMA response and evidence, October 2023
- ix Equality, Opportunity, Community: our Programme for Government, Scottish Government, September 2022
- x Changing the Narrative: Strengthening Childminding, Supporting Families and Increasing Choice: SCMA Strategy 2021-24, SCMA, May 2021.



Scottish
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