



**Isle of Wight
Council**

Isle of Wight Council Childcare Sufficiency Assessment 2024-25



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1. Introduction

Childcare Sufficiency Assessment

- 1.1. The Isle of Wight Council (IWC) has a statutory duty to ensure there is sufficient access to childcare provision for parents on the Isle of Wight (IOW).
- 1.2. This duty is reviewed annually through the publication of the Childcare Sufficiency Assessment (CSA), which includes an action plan for elected council members and is made available to parents. Sufficient childcare allows families to find suitable provision for their child's needs and helps parents make informed decisions about their employment and training opportunities.
- 1.3. The report is an assessment of childcare sufficiency for the whole 0 to 4-year-old age range, utilising a range of local and national data sources to identify the type, amount and capacity of childcare that is available and whether this matches the demand from parents on the IOW. The report also addresses the broader childcare marketplace, encompassing the Wraparound childcare offer and the Government funded Holiday Activities and Food (HAF) programme.
- 1.4. The IWC will utilize this information to guide the work of the Early Years service and implement actions to develop and shape a diverse and sustainable local childcare offer that 'is sufficient to meet the requirements of parents in their area'.

What is Childcare?

- 1.5. A statutory definition from Section 18 of the Childcare Act 2006 is 'any form of care of a child' including 'education and any other supervised activity'. Early years provision is defined in Section 20 of the Childcare Act 2006, as 'the provision of childcare for a young child beginning with their birth and ending immediately before the 1st of September following the date on which they attain the age of 5'.
- 1.6. Childcare plays a crucial role in the lives of most families. It enables parents to go out to work to contribute to the family income and remain in the employment market when they have young children. There is an established body of academic evidence showing that good pre-school childcare positively effects a child's future educational attainment, health, and happiness¹.
- 1.7. Working parents with children utilise various forms of formal and informal childcare with their choices influenced by factors such as family income, employment patterns, geographical location, parental preferences, childcare availability, and the age of their child.

¹ [Best start in life: a research review for early years - 2022- Ofsted - GOV.UK](#)

The Early Years Service on the Isle of Wight

- 1.8. The Childcare Acts 2006 and 2016 place a variety of duties on all local authorities. There are several services across the IOW that focus on 'Early Years' which is usually defined by the DfE as children up to the age of 5. The services aim to ensure that IOW children and their families have access high quality childcare to achieve the best start in life and education.
- 1.9. The Early Years Advisory Team (EYAT) is responsible for supporting high quality Early Years provisions across the IOW, including within schools, in their practice and provision. The team is also responsible for the delivery of the Holiday Activities and Food (HAF) Programme and Wraparound Childcare.
- 1.10. The Early Years Special Educational Needs (SEN) Advisory Team provide advice, information and signposting to Early Years providers ensuring the needs of children with Special Educational Need or Disability (SEND) are being met.

Isle of Wight Education Strategy

- 1.11. The CSA supports the delivery of the draft Isle of Wight Education Strategy². The report is a deliverable outcome from the Isle of Wight Early Years Service Plan 2024/25.
- 1.12. The Strategy describes the aspirations and work of the IWC's Children's Services to build a world class education system for children and young people on the Island under the age of 25. The vision is by 2030 that 'all children on the IOW will be equipped with the skills and aspirations to access opportunities of their choice'. The Strategy is underpinned by five priorities that will support the achievement of our vision into the next decade creating a cradle to career approach. The 5 priorities are:
 1. High aspirations from all and of all.
 2. Enriching curricular experiences with meaningful pathways to adulthood.
 3. High quality special educational needs and abilities provision on Island for children and young people.
 4. A well-trained workforce, with a range of continued professional development and clear career routes.
 5. A sustainable education infrastructure.

Methodology

- 1.13. The Isle of Wight CSA has been based upon a measurement of the supply and demand for childcare using both national statistics referenced throughout this report and a variety of data collected by the IWC up to the end of December 2024.
- 1.14. The previous CSA³ covered the period 2023; this report will reflect the changes in the Isle of Wight childcare market from January to December 2024.

² [Draft Isle of Wight Education Strategy 2024 to 2030](#)

³ [Childcare sufficiency assessment \(iow.gov.uk\)](#)

2. Demographics

The Isle of Wight: Population, economy and deprivation

Population

- 2.1. The Isle of Wight (referred to as 'the IOW') spans 147 square miles and has a population of 140,400, making it the largest and second most populous island in England. The IOW is predominantly rural, with 84% of its area classified as such. The urban eastern part of the island, including the main towns of Newport, Cowes, East Cowes, Ryde, Sandown, and Shanklin, is home to 60% of its residents.
- 2.2. The 2021 Census highlighted a continuing demographic shift on the Isle of Wight, with residents aged 65 and over making up 29.5% of the population, compared to the England average of 18.4%. During the same period, the number of residents aged 0-15 decreased by 6.3%, and there was a 13% reduction in children under five. The IOW is among the top 20 local authority areas in the country that have experienced a reduction of 5% or more in the under-fives age group since the 2011 Census.
- 2.3. The upcoming Subnational Population Projections for England, based on the 2021 Census, are scheduled for release in May 2025. This data set will offer an updated projection of the longer-term trends in the IOW's population across all age groups into the 2030s.

Economy

- 2.2. Over the past year, the level of employment in the IOW's economy has dropped reflecting similar regional and national trends in employment. Based on the Office for National Statistics (ONS) monthly unemployment Claimant Count⁴, the Island's settled unemployment rate has remained between 3.9-4.1% both out of season and in the summer months of 2024, finishing the year at 4.2%. While the national claimant rate is similar at 4.1%, it remains significantly higher than the South East average of 3.2%.
- 2.3. Many job opportunities are still seasonal, with a lower proportion of full-time jobs (62%) and more part time employment (38%) on the IOW compared with the wider South East (67.7%, 32.3%) and national figures (68.8%, 31.2%). The IOW saw a slight improvement in the levels of employment with 75.5% (24.5% inactive) of the working age population being employed, compared with 78.4% nationally and 81.9% for the South East.⁵
- 2.5. The IOW has lower pay levels compared to the South East and the national average, which has historically made it financially challenging for parents to return to work before funded childcare becomes available. The increasing levels of part-time work could limit the demand for childcare to within the hours that are funded. Due to the relatively low wage levels in the local economy, there has always been a higher uptake of 'in work' benefits. 2024 saw the

⁴ [Unemployment December 2024 - Office for National Statistics](#)

⁵ [Labour Market Profile - Nomis - Official Census and Labour Market Statistics \(nomisweb.co.uk\)](#)

continued migration of claimants from Tax Credits (Working, Child) to Universal Credit with its expanded support for childcare introduced as part of the Government's growth agenda for the UK economy.

Deprivation

- 2.3 The levels of deprivation faced by communities on the IOW are assessed using the English Indices of Deprivation 2019⁶, published by the Department for Housing, Communities and Local Government. According to these weighted measurements, the IOW is ranked 98th (average score) and 80th (average rank) out of 317 local authorities in England, with 1 being the most deprived local authority district in the country.
- 2.4 Deprivation on the IOW is concentrated in 12 wards or Lower-layer Super Output Areas (LSOAs) located in East Cowes, Ryde, Newport, Shanklin, and Ventnor, which fall within the 20% most deprived areas in England. Among these, three wards (LSOAs) in Ryde and Newport are also ranked within the 10% most deprived in the entire country. The Isle of Wight Council (IWC) uses the Early Years Pupil Premium (EYPP) to support families in these highly deprived areas.
- 2.5 The IOW has a self-contained labour market with few commuters traveling to the mainland. There is a flow of commuters from rural areas to the main employment centres in Newport and, to a lesser extent, Ryde. The location of employment significantly influences where parents access childcare. Data shows that providers primarily serve their immediate geographic areas. However, providers in or near the main year-round employment centre (Newport) also attract children from other parts of the IOW.

Number of Early Years children

- 2.6 The most recent figures from 2022 show there are 5,483 children under the age of five living on the IOW (down from 5,552 in 2021). This is the available number of children who may require places in a childcare provision.
- 2.7 Not all 4-year-olds included in the table above will be accessing Early Years funded education within the Early Years sector. A significant number of these children, who are rising five, are accounted for in the school places planning as they may already be attending Year R through the annual September intake of new pupils. It is estimated that 40% of 4-year-olds will still need a preschool place throughout the year, which equates to approximately 460 children across the Island, a slight decrease from the previous year and reflecting the declining birth rate.

Number of school age children

- 2.8 On the 2021 Census there are a total of 9,685 (9,867 in 2020) children aged 5-11 and 5,636 (5,728 in 2020) children aged 12-14 living on the IOW. Many of these primary aged children will require childcare as part of the Government's Wraparound childcare offer, and/or during the school holidays.

⁶ [English indices of deprivation 2019 - GOV.UK](#)

- 2.9 The lower number of under 5-year-olds coming through Early Years has been managed to date through the gradual reduction of the Published Admission Number (PAN) for many IOW primary schools. A wider School Place Planning (SPP) review is currently underway to address the increasing surplus of places in primary schools, with 1,898 unfilled spaces in 2023 that will rise to 3,056 spaces in September 2027.
- 2.10 The number of school aged children eligible for Free School Meals (FSM) will guide the planning of HAF activities for the 2025 school holidays to help meet community needs. In 2024, the total number of children eligible for FSM grew by 2% from 3,937 to 4018 children. Notably, there were more significant rises in FSM eligible children in the Bay area and those transitioning to secondary school.

Birth Data

- 2.11 To shape childcare provision on the IOW, it is essential to gather and analyse data to identify key trends, such as understanding the number of future parents and children in the local community. This has been particularly important in 2024 with the IWC's SPP review. The table below presents a 6-year period of historic data on live births and the current projected births up to 2025:

Table 1: Live and projected births on the Isle of Wight 2017-2025

Year	Live Births	Projected Births
2020	1009	
2021	1028	
2022	970	1083
2023	919	1070
2024		1069
2025		1061

(Source - ONS)

- 2.12 The number of births in 2023 continued a downward trend, 5% down on the previous year and 14% below the projected figure for the year. The ongoing decrease in the local birth rate shows no sign of abating. This reduction in birth rate is the result of changes in fertility rates, social and economic change, internal migration and an older population⁷.
- 2.13 The shifts in fertility rates underscore the significant impact of demographic changes both locally and nationally. Since 2010, the overall fertility rate for England and Wales has been in decline, with the total fertility rate (TFR) down from 1.94 children per woman to 1.44 children in 2023. The IOW has experienced an even steeper decline in the TFR from 2.0 children per women in 2012 to 1.38 children in 2023.⁸

⁷ [Childbearing for women born in different years, England and Wales - ONS](#)

⁸ [Births in England and Wales - Office for National Statistics](#)

New Housing

- 2.14 The IWC's draft Island Planning Strategy⁹ is now in the public consultation phase with the revised housing targets outlined in the table below. The Strategy proposes to build an average figure of 555 dwellings of varying sizes per year over the first five years of the strategy across the IOW and will include a target for affordable housing.
- 2.15 The new Government announced a further revision to the National Planning Policy Framework (NPPF), proposing a new method to calculate housing targets for all local authorities. This target has been increased from 703 under the previous Conservative Government to 1,104 new dwellings per year for the next five years under the new Labour Government.
- 2.16 The IWC's Planning Team will consult with the Early Years Advisory Team to ensure any proposed large site developments consider the need for Early Years childcare places in that area.
- 2.17 The current Early Years/Housing formula amounts to 0.03 children per dwelling. With the 5 age groups covered (under ones to under-fives) the average number for each individual age group is 0.06 (calculated as 0.3/5). This 'cohort size' will be used to determine future additional figures for funded places for children aged 0- to 4-year-olds. The proposed new housing targets could generate 17 children per year (under-fives) across the IOW:

Table 2: Draft Indicative Housing Trajectory for the IOW

Source of Supply	Year 1	Year 2	Year 3	Year 4	Year 5	Years 6-10	Year 11 -15	Total
Large sites with permission	250	225	292	387	296	906	240	2596
Allocated sites	0	10	20	133	284	1465	805	2707
Windfall	100	100	100	100	100	500	500	1500
Total	350	325	735	760	608	2439	1545	6797

(Source – Draft Island Planning Strategy)

⁹ [Emerging Island Planning Strategy \(iow.gov.uk\)](https://www.iow.gov.uk/emerging-island-planning-strategy)

3. Supply of Childcare on the Isle of Wight

Early Years Providers & Places

- 3.1. There are 75 childcare providers on the Isle of Wight (IOW), offering a maximum of 2401 Early Years childcare places.
- 3.2. The work that the IWC undertake with these childcare providers helps deliver priority 5 of the draft IOW Education Strategy of 'a sustainable education infrastructure'.
- 3.3. The tables below provide an overview of the number and types of Early Years provision available on the Island.

Table 3: Number and change in all types of providers 2022-2024

Type of Provision	2022	2023	2024	% Change (2023-24)
Childminders	33(active) 2 (inactive)	30 (active) 1 (inactive)	28 (active) 1 (inactive)	-6.7%
Childcare on Domestic Premises (CoDP)	1	1	1	0%
Childcare without Domestic Premises (New)	N/A	N/A	0	0%
Pre School classes within schools	11 1 (inactive)	11 1 (inactive)	11	0%
Maintained nursery schools	1	1	1	0%
Private, voluntary and independent (PVI) nurseries	37	34	34	0%
Totals	84	78	75	-3.8%

(Source – Data Collection Dec 2024)

- 3.4. Appendix 1 includes the Ofsted definitions of all types of childcare provision mentioned in this section. In this CSA, the term 'provider' refers to either school-based or privately owned business or organisations running a preschool or nursery.

- 3.5. For all types of provision, the number of registered places indicates the maximum number of children that Ofsted allows on the premises at any given time. In practice, many providers choose to operate below this maximum for various business and operational reasons (cost, staffing availability, training, etc).

Table 4: Number and change in places 2022-2024

Type of Provision	2022	2023	2024	% Change (2023-24)
Childminders	217 places	185 places	176 places	-5%
Childcare on Domestic Premises (CoDP)	15 places	15 places	17 places	+13%
Childcare without Domestic Premises (New)	N/A	N/A	0 places	0%
Pre School classes within schools	318 places	298 places	331 places	+11%
Maintained nursery schools	30 places	29 places	29 places	0%
Private, voluntary and independent (PVI) nurseries	1948 places	1842 places	1848 places	+0.3%
Totals	2528 places	2369 places	2401 places	+1.3%

(Source – Data Collection Dec 2024)

- 3.6. The changes in the local market for childcare since the previous CSA generally reflect national trends¹⁰. Please be aware that because the local market is small, even a change of two or more providers can result in a significant percentage change.

The headlines changes are:

- The IOW has seen a 3.8% decline in the total number of providers over the last year which is just above the national figure of 3% decline in providers.
- There has been no increase in school-based providers on the IOW against a slight drop of less than 1%, with the number of places locally was up 11% over the last year against a national increase of 3%.

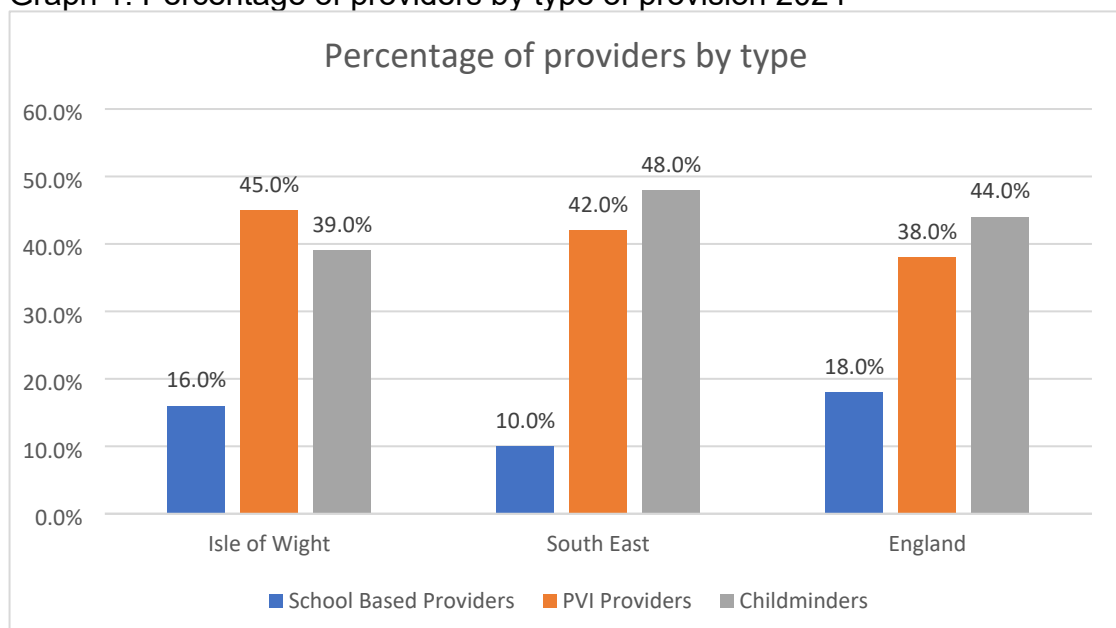
¹⁰ [Childcare and early years provider survey 2024](#)

- While the number of PVI providers on the IOW remained unchanged in line with national trends in 2024.
- The drop in the number of childminders, down a further 6.7% on the IOW, was in line with a 7% decline nationally, with the number of places available on the Island down 5% compared with this time last year.
- Overall, the number of available places increased by 1.3% (32 places) over the last year. This contrasts with national increase of 3% in registered places during the same period.
- As of December 2024, there were 2752 children under 5-years-old on roll (registered) with providers and childminders on the IOW, an increase of 8% on the previous year. Full details can be found in section 4 of this report.
- In November 2024 Ofsted introduced a new type of provider 'Childcare without Domestic Premises' for childminders who work solely from somewhere other than home, like a community or village hall. There are currently none registered on the IOW.

3.7. Compared to our closest statistical neighbour, Torbay (Devon), and using the latest data from 2024, their childcare market consists of 46 school-based and PVI providers (down from 47 in 2022) and 47 childminders, marking a 19% decrease in the number of childminders since 2022. Despite this the overall number of places has remained stable, with 2129 in 2022 to 2127 in 2024¹¹.

3.8. The graph 1 below shows the breakdown of the market into the different types of provision by provider and graph 2 illustrating how the places are distributed by each type of provision, both are then compared to both regional and national figures:

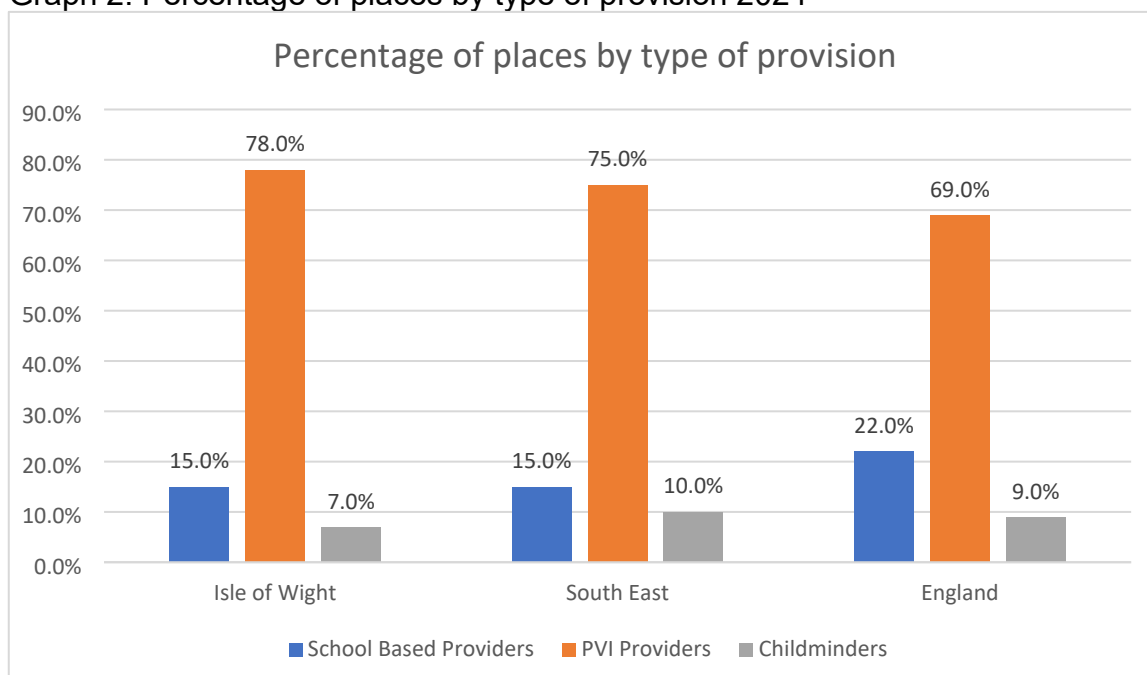
Graph 1: Percentage of providers by type of provision 2024



(Source - EYAT)

¹¹ [Early Years Sufficiency Duty Report - Torbay](#)

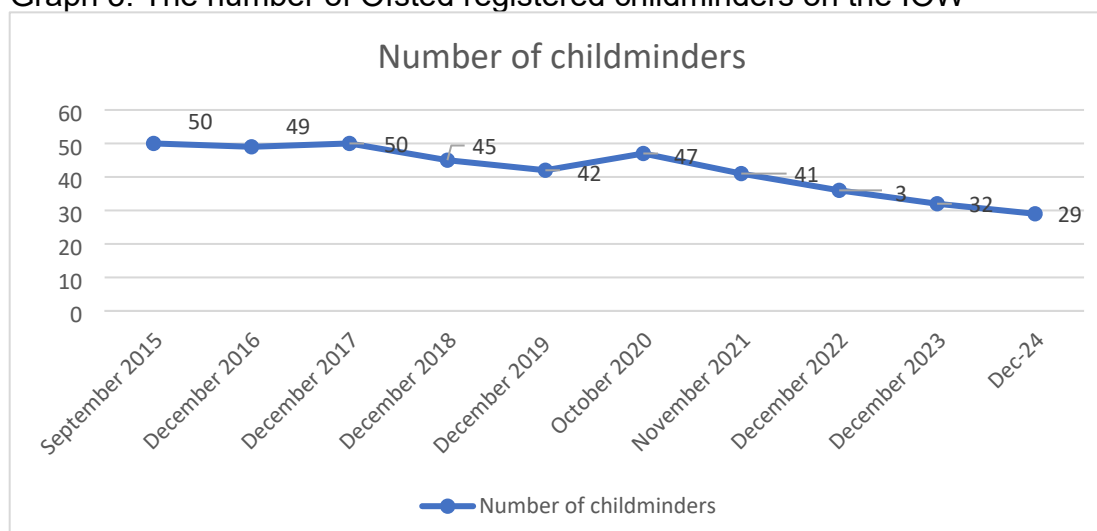
Graph 2: Percentage of places by type of provision 2024



(Source - EYAT)

- 3.9. The EYAT will keep tracking the decrease in the number of active childminders on the IOW and has already initiated local measures to support the recruitment and training of new childminders.
- 3.10. To tackle the national decline in the number of active childminders, the previous Government introduced a start-up grant scheme in the Spring 2023 Budget for new childminders registering on or after 15th March 2023. The start-up grant is worth £600 for a childminder registering directly with Ofsted or £1200 for new childminders registering through a CMA. This scheme is due to close on 31st March 2025, the IOW has seen 1 new childminder apply for the grant.

Graph 3: The number of Ofsted registered childminders on the IOW



(Source – Ofsted)

- 3.11. The 11 IOW Schools that operate pre-school/nursery provision do so under Section 27 ¹². Additionally, there is also 1 maintained nursery school provider.
- 3.12. 75 providers are locally owned or run by sole traders, businesses, charities or associations/ organisations. Only 2 providers, offering 178 places, are part of regional private and charitable childcare chains. Currently, 3 organisations each operate 2 providers, and one organisation operates 3 providers locally. All the other providers operate from single sites.
- 3.13. The distribution of places by three IWC localities (North East Wight, South Wight and West and Central Wight) remains unchanged over the last year. Most providers (including childminders) and childcare places remain focused in the main towns and settlements on the Island, in particular Ryde and Newport.
- 3.14. The table below analyses the size of the 29 PVI businesses/ organisations on their number of employees, excluding all childminders (28) and schools (12 providers). In 2024, there was additional employment growth among the remaining PVI providers, which were previously categorised as micro businesses but can now be defined as ‘small businesses’.

Table 5: Size of business by number of employees

Size of Business	Numbers of Providers (2022)	Numbers of Providers (2023)	Numbers of Providers (2024)
Micro (0-9 employees)	13	10	6
Small (10-49 employees)	14	16	20
Medium (50-249 employees)	3	3	3
Total	30	29	29

(Source – Data Collection Survey December 2024)

- 3.15. Table 6 examines the average size of providers on the IOW based on the number of childcare places available. It reveals that school-based providers on the Island remain significantly smaller in terms of the average number of childcare places offered. However, childminders and PVI providers have continued to track closely the respective national figures for England:

¹² [Education Act \(2022\) - DfE](#)

Table 6: Average number of childcare places per provider, IOW compared to England

Type of Provision	Average number of childcare places		
	Isle of Wight	England	% IOW Difference to National
Childminders	6.3	6	+5%
School based providers	28	37	-24%
PVI nurseries	53.2	52	+2%

(Source: Data Collection Survey December 2024, 2024 Childcare and Early Years Provider Survey¹³)

- 3.16. Analysing the data, there are sufficient childcare places across the IOW as of December 2024, with the 3 locality areas still well served by providers and childminders. Looking ahead to 2025, two challenges to this sufficiency are anticipated. First, there is limited capacity in childcare places to accommodate children moving due to the proposed changes in the SPP review; in such cases the EYAT will work with parents and providers to minimize the disruption to childcare. Second, the demand for the final phase (30 hours) of new funded childcare offer for working parents will continue to be assessed throughout the year to better understand the likely impact on sufficiency from September 2025.

Parental Demand

- 3.17. To assess the evolving parental demand for childcare and understand how locally the SPP review and nationally the new working parent entitlements have impacted parents' childcare choices. The EYAT will conduct a new Parental Survey in the summer term of 2025. The results of this survey will help guide work around ensuring there is enough capacity to deliver the final phase of the new Working Families entitlements alongside embedding the Wraparound childcare offer.

Other Childcare

- 3.18. The number of home child carers (nannies) voluntarily registered with Ofsted on the IOW has increased from 9 to 11 this year; they will provide childcare in the child's own home.
- 3.19. Creches provide temporary childcare while the parent(s) engage in activities such as shopping, leisure activities or training. Currently, there are no registered creches or creche providers active on the IOW. The demand for this type of childcare provision is met by existing providers.

¹³ [Childcare and early years provider survey, Reporting year 2024 - GOV.UK](#)

- 3.20. Finally, there are 2 residential holiday camp operators serving the educational tourism market: PGL Little Canada and 123 Camps. Both are on the Childcare Register (voluntary) with Ofsted as 'childcare on non-domestic premises'.

New and closed providers

- 3.21. The market has remained unchanged since the last CSA report was published in January 2024. A breakdown of the numbers of the different types of providers and places available can be found in Tables 4 and 5. The key business developments in the marketplace include the following:

Group and school-based providers:

- 3 school-based providers and 2 PVI provider are currently affected by the 5 proposed school closures under the SPP Review.
- No new providers have opened in 2024.

Childminders:

- 4 childminders have de-registered,
- 1 childminder remains registered but inactive.
- 1 new childminder has registered.

- 3.22. Overall, the sector's capacity has grown to 2401 places, marking a 1.3% increase since January 2024. This is slightly below the national trend of a 3% increase during the same period, reflecting the local market conditions and the changing demographics on the IOW.

- 3.23. According to the DfE's 2024 Childcare and Early Years Provider Survey¹⁴ the trend nationally is a continual decline in the number of active childminders, down a further 7% in 2024. The number of active childminders on the IOW declined by just 3.4% in 2024, with 30 (with 185 places) active in December 2023 dropping to 28 (with 176 places) active and 1 inactive in December 2024. The decisions to cease childminding are centred mainly around changes in personal circumstances.

- 3.24. The IWC continues to provide training and business support to active childminders and seeks to encourage new entrants to the local market. The Government's Childminder Start up grant, worth between £600 and £1200 to new childminders, is still available through until 31st March 2025.

- 3.25. In 2025, providers and childminders on the IOW will experience further changes with the final phase of the roll-out of the Working Parent Entitlement and increased awareness of the Wraparound childcare offer by parents. The EYAT will monitor the marketplace to assess the impact of these changes on business sustainability of IOW providers and the overall childcare sufficiency.

Opening hours of settings

- 3.26. Nationally, childcare is typically provided between 8am and 6pm on weekdays, aligning with the traditional working week. Daily bookings usually follow a 2-session model, consisting of a morning and/or an afternoon session:

¹⁴ [Childcare and early years provider survey, 2024 - GOV.UK](#)

Table 7: Opening times of childcare provision

Type of Provision	Number of Providers	Open 8am or earlier weekdays	Open 6pm or later weekdays	Open weekends	Open Term Time only	Open for more than 38+ weeks	EYE funded open for 38+ weeks
Childminders	28	27	10	0	0	28	27
CoDP*	1	1	0	0	0	1	1
Nursery classes in schools	11	3	0	0	11	0	0
Maintained nursery schools	1	0	0	0	1	0	0
PVI nurseries	34	30	12	0	0	34	34

(Source- Data Collection December 2024 *CoDP = Childcare on Domestic Premises, Ofsted)

3.27. The table above demonstrates a consistently flexible childcare market, enabling parents to arrange their childcare around their work commitments. However, there are still limitations in accessing childcare during early evening, weekend and school holiday periods. Trends since the last report include:

- No change in the opening and closing times for school-based providers.
- Opening and closing times for PVI nurseries remain almost unchanged.
- All school-based providers remain term time only.
- A slight decrease in the number of childminders offering childcare after 6.00pm.
- No provider offers weekend provision.

3.28. Feedback from DWP/Jobcentres highlights the need for increased childcare availability during weekends and especially over school holidays. This would help facilitate parents returning to work or needing more hours under the Government's growth agenda for the UK economy.

Vacancies & Waiting Lists

3.29. Vacancy rates can fluctuate daily. The EYAT has requested that providers report vacancies to help promote them, however not all providers choose to do this. Providers often use social media, parental messaging groups and direct conversations with parents to help fill available sessions.

3.30. As previously mentioned, many providers operate below capacity due to various operational models. Generally, vacancy rates are higher in the Autumn, when 4-year-old children are likely to transition to school.

- 3.31. The EYAT is aware of 19 providers (unchanged from 2023) and 12 childminders (down from 18 in 2023) operating a waiting list system as of December 2024. Reasons for the continued use of waiting lists centre around ongoing sector wide difficulties in recruiting and retaining qualified staff.
- 3.32. The EYAT has not received any contact from parents indicating difficulties in finding childcare places. Further work with providers through 2025 is needed to understand what waiting list numbers reveal about the anticipated demand for the final phase (30 hours) of the Working Parent entitlements, which will be introduced from September 2025.

Fees & Charges

- 3.33. Following the introduction of the new Working Parent entitlement in 2024, the range of funded entitlements cover a significantly higher proportion of childcare places than in previous years. Working parents who need more than 15 hours of Extended or Working Parent Entitlements or who are ineligible for government financial support, will need to pay for those additional hours.
- 3.34. Table 8 below presents the average cost per hour as reported by providers in the Data Collection Survey December 2024. Providers may adjust fees based on the number of hours booked, offering reductions for longer hours, or discounts for siblings. The national figures assume a parent accessing 25 hours of childcare per week, with the universal entitlement covering the first 15 hours for 3- and 4-year-olds, and that the parent is paying for the remaining 10 hours.
- 3.35. These average local figures from 2024 include a wide range of fees being charged by individual providers and childminders. Due to the small size of the local market, it only takes 2+ outliers to produce a significant % change. The introduction of the Working parent entitlement in 2024 has led to fewer parents paying for childcare places.
- 3.36. Headline changes are:
- The hourly fee level has continued to rise across all age ranges as providers experience considerable financial pressure on their business models from the substantial rises in business costs over 2024.
 - Fees for 0–2-year-olds have seen the most significant local rise, up 16% through the year against a national increase of 12%. The median average is now £7.07, and price per hour range is now £5.90 to £9.44 up from £5.40 to £8.68 in 2023.
 - Fees for 2-year-olds have seen a rise of 13% in the last year, well above the national rise of only 8%. The median average is now £6.50 (£6.00 in 2023), and price per hour range is still from £5.00 to £11.08.
 - Fees for 3- & 4-year-olds saw a small rise locally (7%) in line with a similar rise nationally of 6%. The median average is now £6.00 (up from £5.50 in 2023), and the price per hour range is still from £4.20 to £8.36.
 - The new Working Parent entitlement has reduced the level of income from fees for all providers.

- It is worth noting that for both nursery providers and childminders the actual price per hour remains 40-50p per hour below the national average price.

Table 8: Average (mean) cost of childcare by school based and group providers on the IOW and England.

Age of child	Average price per hour – Nursery providers					
	Isle of Wight		% Change	England		% Change
	2023	2024		2023	2024	
0-2-year-olds	£6.66	£7.15	7%	£7.11	£7.56	6%
2-year-olds	£6.15	£6.62	8%	£6.48	£6.99	8%
3 and 4-year-olds	£5.72	£6.11	7%	£6.18	£6.55	6%

(Source – Data Collection 2023 & 2024, Childcare and Early Years Provider Survey 2024)

- 3.37. Since 2019, childminders' prices on the IOW have been closing the gap with national figures across all the age groups. Over the past year, the hourly rate has risen on average by 11% for under 2-year-olds, 2-year-olds and 3- and 4-year-olds, compared to a national increase of 7-8% during the same period. The hourly rates charged by individual childminders varies between £3.50 to £7.00 per hour across all age groups, with a median average of £6.00 per hour (up from £5.00 in 2023):

Table 9: Average (mean) cost of childcare by childminders on the IOW and England

Age of child	Average price per hour – childminders					
	Isle of Wight		% Change	England		% Change
	2023	2024		2023	2024	
0-2-year-olds	£4.92	£5.45	11%	£5.62	£6.05	+8%
2-year-olds	£4.92	£5.45	11%	£5.56	£6.03	+8%
3 and 4-year-olds	£4.92	£5.45	11%	£5.50	£5.90	+7%

(Source – Data Collection 2024, Childcare and Early Years Provider Survey 2024)

- 3.38. There is still no formal regulation by DfE or Ofsted regarding non-funded childcare fees or charges made by providers, including those for before or after school clubs. The DfE continues to provide guidance to providers delivering funded childcare around fees and charges, advising them on what is or is not included in the free entitlement and to have a clear, fair and transparent policy in place.
- 3.39. In January 2024 the DfE introduced changes to the model agreement¹⁵ used by LAs with providers on what is included in the funded entitlement, what a provider can charge for (meals and snacks) and what they can seek as a voluntary contribution from parents for items such as consumables etc. In October 2024 DfE announced they were looking again at 'top up fees' (consumable/ activities charges) to the funded entitlements and will clarify statutory guidance in this area in due course.
- 3.40. Over the past year, there has been a slight increase in the number of providers charging for a consumable/ additional activities, with 44% of providers (up from 41% in 2023) and 43% of childminders (up from 42% in 2023) now implementing some form of charge. Comparing these charges across the sector remains challenging due to the varied application to parental bookings.
- 3.41. Fee increases for non-funded childcare are likely to be driven by inflationary business costs especially around utilities and wage costs, with the rises in NLW/NMW rates and Employers NI due in April 2025. IOW fees are gradually closing the gap with national and regional averages. The EYAT will continue to monitor the situation in 2025, closely examining the factors driving fee increases, the response of parents still facing financial pressure, and the impact of the last phase of the new Working Parent entitlement.

Parental Information, Advice and Guidance

- 3.42. The IWC has a statutory requirement under Section 12 of the Childcare Act 2006 to have a Family Information Service (FIS) in place to provide free impartial information and signposting for families with children aged 0 to 19 (up to 25 years for those with additional needs). The current site hosting the Local Offer covering all providers offering funded childcare places can be found on this link [Local Offer \(iow.gov.uk\)](https://www.iow.gov.uk/local-offer)
- 3.43. The IWC has an established, mobile friendly site for its Family Information Service- [IW Family Information Hub \(iow.gov.uk\)](https://www.iow.gov.uk/family-information-hub). This site is regularly updated and features a comprehensive directory of support services available open to families. It has been central to the marketing of the HAF activity programmes on the IOW across all the school holiday delivery periods in 2024. Additionally, the relevant Local Offer information will be added in due course. All local Early Years providers are now listed, along with details of available government financial support for childcare, and appropriate links to the Government's main portal for information on childcare options - [Childcare Choices](#).

¹⁵ [Free early years provision and childcare: model agreement - GOV.UK](#)

4. Quality of childcare on the Isle of Wight

Background

- 4.1. Statutory guidance states all children should have the opportunity to take up their government funded hours in high quality Early Years provisions.
- 4.2. Ofsted conducts regular inspections to assess the quality and standards of Early Years provision, ensuring they align with the principles and requirements of the Early Years Foundation Stage Statutory Framework (EYFS)¹⁶. Since 2019, Ofsted has also used the EIF (Education Inspection Framework)¹⁷ to maintain consistency across inspections from early years to post 16 education and skills provision.
- 4.3. The IWC understand achieving high quality Early Years provision delivers priority 1 of the draft IOW Education Strategy of 'high aspirations from all and of all'. Success in this area is that 'the IOW is at or above national educational benchmarks, such as examination outcomes and Ofsted, across the Island, and in places exceed it'

Ofsted outcomes: Providers

- 4.4. As of December 2024, 98% of Early Years providers on non-domestic and domestic premises on the IOW received inspection outcomes of Good or Outstanding. This figure aligns with the national average figure of 98% and surpasses the national percentage of providers rated as Outstanding (14%). The table below demonstrates that the IOW consistently delivers high-quality childcare across all providers and childminders.

Table 10: Comparison of Ofsted judgements locally and nationally 2024

	Isle of Wight	All England
Total No Inspected	55	36,002
% Outstanding	18%	14%
% Good	80%	83%
% Good & Outstanding	98%	98%
% Requires Improvement	2%	2%
% Inadequate	0%	1%

(Source – Ofsted)

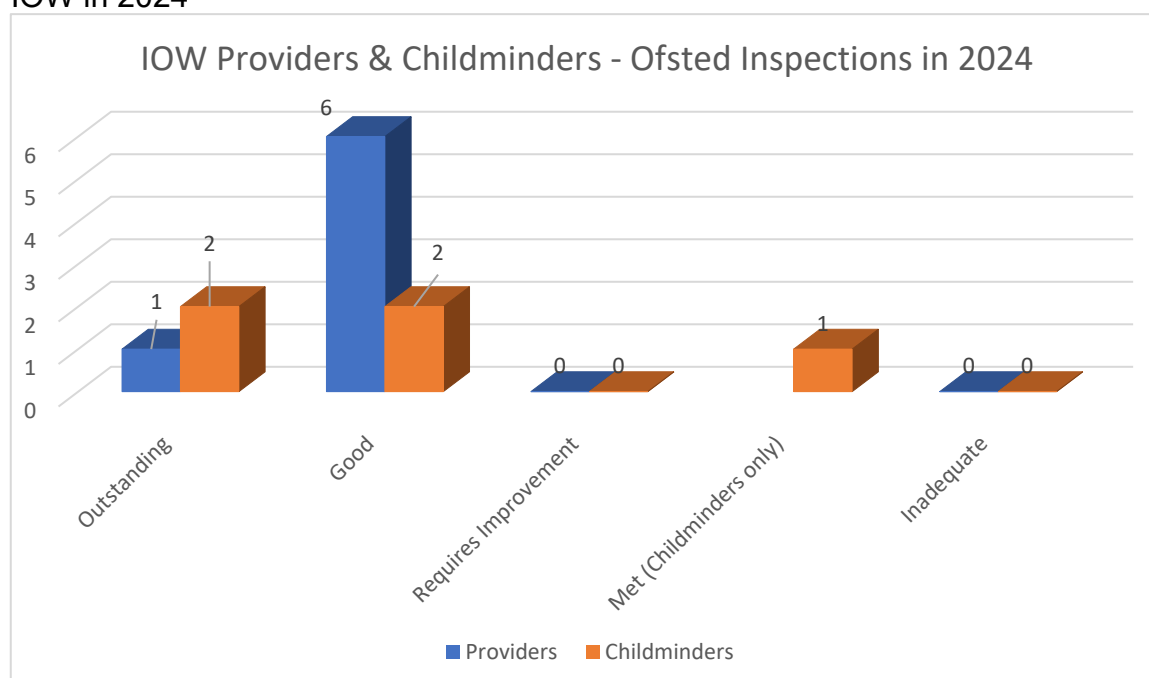
- 4.5. There are a further 3 providers who are waiting for their 'first inspection' following changes in their status which requires a new Ofsted registration. The providers remain open through this process. Another 2 providers are now due an Ofsted inspection in the foreseeable future. Due to the size of the IOW, the 2% that 'Requires Improvement' represents just 1 provider.

¹⁶[Early years foundation stage \(EYFS\) statutory framework 2024 - DfE - GOV.UK](#)

¹⁷[Education inspection framework \(EIF\) 2023 - DfE - GOV.UK](#)

4.6. The outcomes of all inspections of providers undertaken in 2024 are shown in Graph 4:

Graph 4: Ofsted judgements of provider and childminder inspections on the IOW in 2024

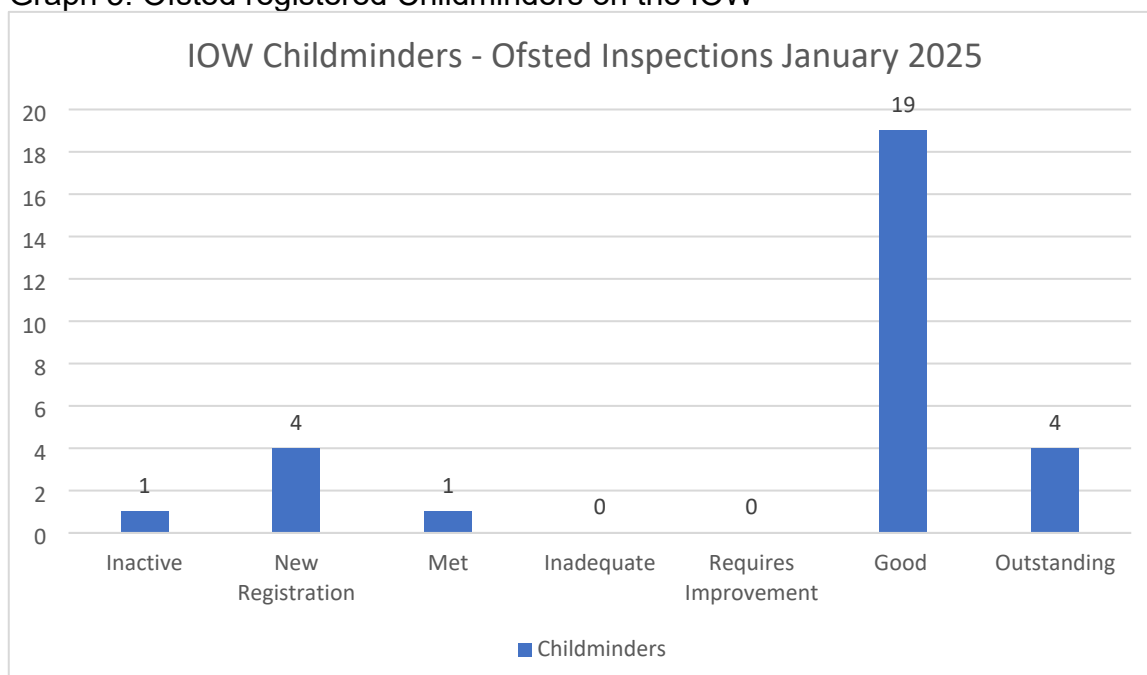


(Source - Ofsted)

Ofsted Outcomes: Childminders

4.7. In 2024, 96% of inspected childminders achieved outcomes of Good or Outstanding, consistent with 2023 and just below the national figure of 98%. 1 childminder was rated as 'Met/compliant', and none were rated as either Requires Improvement or Inadequate. 4 new childminders are awaiting their first Ofsted inspection, which will occur within the first 30 months of registration, and there is 1 inactive childminder on the IOW. In 2024, 5 childminders received an Ofsted inspection, with the judgements shown in Graph 4 above.

Graph 5: Ofsted registered Childminders on the IOW



(Source - Ofsted)

- 4.8. Childminders can register with Ofsted directly or through a Childminder agency (CMA); as of January 2025, no childminder on the IOW have registered with a CMA.
- 4.9. The IOW's Ofsted inspection figures have maintained a consistent trend of being in line with national data.

Early Years Foundation Stage (EYFS) outcomes

- 4.10. Evidence indicates shows that high quality early years education significantly impacts outcomes for young children, particular those from disadvantaged backgrounds. Historically, this impact was measured using a series of outcomes (Good Level of Development - GLD) in areas of learning (Early Learning Goals – ELG) as a benchmarking exercise at the end of EYFS/Year R before children transition into Key Stage 1. The Early Years Foundation Stage (EYFS) data suggested that children on the IOW performed at or above the national average as measured by GLD.
- 4.11. In September 2021, the EYFS was reformed, and children are now assessed against revised Early Learning Goals (ELG). As a result, comparisons with the previous GLD were no longer valid. The table below shows three years of results from the Early Years Foundation Stage Profile 2021- 2024¹⁸, with the Island's reception year now just above the national average and just below our statistical neighbour's average score.

¹⁸ [Early years foundation stage profile results, Academic year 2023/24 - GOV.UK](#)

Table 11: GLD outcomes compared to national and statistical neighbour averages

Area	2021-2022	2022-2023	2023-2024
Isle of Wight	63.2%	69.8%	68%
England	65.2%	69.6%	67.7%
Statistical Neighbour	63.7%	63.5%	68.8%

(Source – Early Years Foundation Stage Profile, DfE)

Safeguarding

- 4.12. All settings and childminders adhere to statutory guidance Keeping Children Safe in Education, Isle of Wight Safeguarding Children Partnership (IOWSCP) and Hampshire, Isle of Wight, Portsmouth, and Southampton (HIPS)¹⁹ procedures.
- 4.13. The EYAT provides advice and signposting as needed. Safeguarding audits are conducted annually, and safeguarding visits are carried out on a four-year rolling programme. The EYAT reports annually to the IOWSCP on safeguarding trends and recommendations in the sector locally.
- 4.14. All providers have a named Designated Safeguarding Lead (DSL) who receives the required training according to IOWSCP standards and is available to deal with safeguarding issues as they arise whenever the setting is operational.

Workforce

Existing workforce

- 4.15. Work undertaken in this area by EYAT delivers priority 4 of the draft IOW Education strategy of ‘a well-trained workforce, with a range of continued professional development and clear career routes’. The DfE requires providers to report the qualification status of their staff through the Statutory Early Years census return.
- 4.16. The table below shows the qualification levels obtained by Early Years Practitioners on the IOW, as reported in the EYAT’s Data Collection survey (December 2024). Key findings from most recent survey of the workforce’s qualifications include:
- The Early Years workforce has grown by 17% from 494 employees in 2023 to 576 employees by December 2024, with 16 providers taking on staff during the year.
 - The percentage (81%) of the IOW’s Early Years workforce holding a Level 3 and above qualification has remained unchanged in 2024.
 - The sector now employs a third fewer Level 6 and Level 7+ qualified practitioners compared to 2023. These still concentrated in school-based providers with 18% (17.8% in 2023) of the schools’ early years workforce at these levels compared with 4% (6.1% in 2023) of the PVI providers’ early years workforce and 14% (15% in 2023) of the childminders.

¹⁹ [Hampshire, Isle of Wight, Portsmouth and Southampton Safeguarding Partnership](#)

- PVI providers are still making use of unqualified staff representing just over 11% of their workforce.
- The qualifications of childminders (including assistants) remain almost unchanged from the previous survey:

Table 12: IOW Childminder, School, and providers staff qualifications December 2024

Qualification Levels	School based providers	PVI Providers	Childminders (including assistants)	Market Combined Totals	
				Qualifications Totals	Level of Qualification % of total staff number
Unqualified	0	54	13	67	11.6%
Relevant early years level 2 qualification/s	1	32	5	38	6.6%
Relevant early years level 3 qualification/s	42	306	5	353	61.3%
Relevant early years level 3 qualification/s and in management	11	65	7	83	14.4%
Early year's professional status (Level 6)	2	6	2	10	1.8%
Qualified teacher status (Level 7)	8	8	3	19	3.3%
Early year's teacher status (Level 7)	2	4	0	6	1%
Total number of staff	66	475	35	576	100%

(Source – Data Collection Dec 2024)

4.17. In January 2024, DfE implemented several reforms to qualifications in the Early Years sector, primarily through the publication of a new statutory document on Early Years qualification requirements and standards²⁰.

²⁰ [Early years qualification requirements and standards 2024 - DfE](#)

Additionally, changes were made to who qualifies for the staff: child ratio, which are detailed in Appendix 1.

Recruitment

- 4.18. Job vacancies in the sector remain low, with peak recruitment around the beginning of each academic year (September and October). Providers are not required to report vacancies, so the EYAT monitors local and national employment data on a regular basis. In 2024, an average 4 vacancies (down from 5 in 2023) for Early Years practitioners being advertised monthly locally and online.
- 4.19. Interest from young people in an Early Years career remains strong but the twin issues of low pay and high levels of responsibility do create a higher turnover of younger staff. In 2025 the EYAT will work with sector to ensure that qualified staff are not lost to Early Years from the preschools affected by the SPP review.
- 4.20. The 2024 Data Collection survey indicated an improvement in recruiting qualified staff, with only 15% of providers (excluding childminders) facing difficulties, a decrease from over 30% the previous year. In the same survey 14% of providers reported that they were extending hours of existing staff to help fill gaps in staffing requirements. Nationally the DfE launched their 3-year Early Years careers campaign 'Do something Big'²¹ in 2024 raising the profile of the sector through marketing across TV, social media and general advertising.
- 4.21. The IOW has two well-established post-16 training providers: Isle of Wight College and HTP Apprenticeship College. These institutions offer full time campus-based courses (Levels 1 and 2 and the new T Levels) and work-based apprenticeships (Levels 2,3 and 5) in collaboration with local childcare providers.
- 4.22. The IWC supports future childcare and early years practitioners through the apprenticeship model, collaborating with providers in maintained schools to utilize the IWC's Apprenticeship Levy. Currently, there are no Early Years apprentices in IOW schools.

²¹ [Do something big - Early Years Careers](#)

5. Funded Early Years Education on the Isle of Wight

Introduction

- 5.1. Government funding for Early Years Education (EYE) expanded in 2024 with the introduction of the new 'Expanded Entitlement' for children of working parents (aged 9 months to 36 months), introduced in three stages from April 2024.
- 5.2. The new Expanded Entitlement, now called the 'Working Parent Entitlements', introduced funded childcare for qualifying working parents in April 2024 for 2-year-olds. It will expand to include children aged 9 months to 2 years old in September 2024 and will further increase to 30 hours for working parents from September 2025.
- 5.3. The DfE fund local authorities for their expenditure on schools, early years and children and young people with high needs through the Dedicated Schools Grant (DSG), made under section 14 of the Education Act 2002. The Early Years National Funding Formula (EYNFF) then allocates funding to each local authority to deliver the universal and additional entitlements for 3- and 4-year-olds, with a separate formula that sets the funding for delivery of the 2-year-olds disadvantaged entitlement and the new Working Parent entitlement.
- 5.4. The IWC's delivery of this funding is part of priority 5 of the draft Education Strategy in achieving 'a sustainable education infrastructure'.
- 5.5. All providers (school-based, PVIs, and childminders) receiving EYE funding must annually sign the IWC's Terms and Conditions, these are written based on DfE guidance. This document outlines the requirements for delivering funded entitlements, meeting all standards and safeguarding requirements, supporting children with SEND, and providing appropriate data to inform local and national decision making.
- 5.6. In 2024-25 all school-based (12, 100%) and PVI providers (35, 100%) signed up to access EYE funding, and 27 of 28 (96%) childminders take children with EYE funding.
- 5.7. The tables below show the numbers of funded and non-funded children on roll as reported in the recent Data Collection survey (December 2024). It now shows how even more central EYE funding is to Early Years providers. Following the introduction of the Working Parent entitlements the 2024 percentage figures for funded (92%, in 2023 59%) and unfunded (8%, in 2023 41%) childcare have changed significantly from the previous CSA. The total number of children on roll with childcare providers has also increased by 8% on the 2023 figure of 2,540 children.

Table 13: Number of funded children on roll on the IOW December 2024

Type of Provision	No of under 1-Year-Olds	No of 1-Year-olds	No of 2-Year-olds	No of 3-Year-olds	No of 4-Year-olds	Total number of children	% of Total Places
School Based Providers	0	7	48	165	66	286	93%
PVI Providers	26	334	546	834	266	2006	91%
Childminders	10	53	61	74	38	236	95%
Totals	36	394	655	1073	370	2528	92%

(Source – Data Collection December 2024)

Table 14: Number of non-funded children on roll on the IOW December 2024

Type of Provision	No of under 1-Year-Olds	No of 1-Year-olds	No of 2-Year-olds	No of 3-Year-olds	Total number of children	% of Total Places
School Based Providers	1	2	15	4	22	7%
PVI Providers	37	49	85	19	190	9%
Childminders	3	4	5	0	12	5%
Totals	41	55	105	23	224	8%

(Source – Data Collection December 2024)

- 5.8. Providers and childminders can also access indirect government support through parents from HMRC and DWP. Parents can claim back a percentage of eligible childcare costs through tax free childcare accounts (extra 20%) and Universal Credit (up to 85%). Some costs for non-funded places listed in table 15 above will be claimed back by parents.

Universal Entitlement

- 5.9 The 'Universal Entitlement' applies to all 3-year-olds from the term after their third birthday and all 4-year-olds. They are eligible for up to 15 funded hours of childcare per week, or up to 570 hours per child's eligible birthday year. This can be distributed as 15 hours over 38 weeks and 'stretched' over 52 weeks to include school holidays.

Table 15: Number of 3 & 4 years olds in some form of EYE education

Year	Number of 3- & 4-year-olds benefiting from some early years' education	Percentage of 3- & 4-year-olds benefitting from some early years' education			
		Isle of Wight	Statistical Neighbour	South East	England
2019	2639	96%	95%	93%	92%
2020	2448	93%	93%	95%	92%
2021	2287	91%	90%	95%	93%
2022	2295	93%	92%	94%	93%
2023	2146	89%	92.5%	96.5%	93.7%
2024	2082	89.9%	93.3%	98%	94.9%

(Source – LA Interactive tool²²)

- 5.10 Early years education hours under the Universal Entitlement on the Island had remained relatively unchanged until 2023 when they decreased by 3.9%, this past year has seen a moderate recovery in the percentage of 3- & 4-year-olds in some form of EYE education. However, the overall number of children in EYE education continues to drop due to the ongoing fall in the birth rate on the Island.

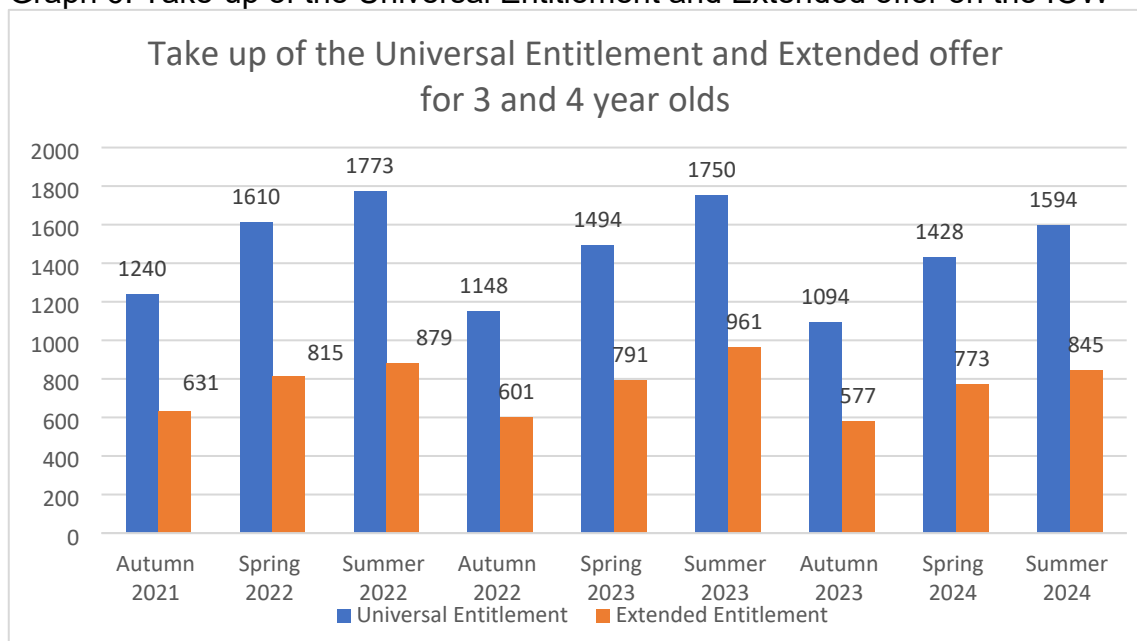
Extended Early Years Entitlement (30 hours)

- 5.11 This entitlement allows eligible families with children aged 3- and 4-years-old to receive up to 30 funded hours of childcare per week. The additional 15 hours are available if both parents, or the sole parent, are employed²³.
- 5.12 The graph below illustrates the take-up of the Universal Entitlement of 15 hours, as well as the number of children who qualified for the additional 15 hours under the Extended offer on the IOW from 2021 to 2024. It shows a consistent level of take-up each term for 3- and 4-year-olds over the past 3 academic years, with working parents of 50+% of the children then stretching the hours to 30. This trend partly reflects the seasonal nature of employment on the IOW, the tourist season running through summer term. The year-on-year reduction in total numbers of 3- and 4-year-olds corresponds to the ongoing drop off in the birth rate and the number of under 5-year-olds on the IOW.
- 5.13 In the Data Collection Survey (2024), providers reported the number of children whose working parents (in full time employment) were going beyond the Extended Entitlement (30 hours) and purchasing additional hours to provide sufficient childcare. As of December 2024, a total of 406 children were in childcare for 30+ hours. This marks an increase of 9% on the previous year's figures.

²² [Local authority interactive tool \(LAIT\) - DfE - GOV.UK](#)

²³ [Childcare Choices](#)

Graph 6: Take-up of the Universal Entitlement and Extended offer on the IOW



(Source - EYAT)

Funding for Disadvantaged Two-year-old Entitlement

- 5.14 The funding for Disadvantaged two-year-old entitlement provides 15 hours of funded childcare, contingent upon the parent receiving a qualifying benefit²⁴, the child being looked after by the Local Authority, or the child is receiving Disability Living Allowance. The entitlement aims to enhance the social and cognitive of disadvantaged children, ensuring they are as their most advantaged peers to start and fully benefit from school by age 5.
- 5.15 The IWC receives a list from the DWP 6/7 times a year of potentially entitled parents in receipt of the eligible DWP benefits. The IWC then contacts these parents via email or text through the Gov.uk/notify service to inform them of their potential eligibility for the 2-year entitlement and provides a link to apply.

Table 16: Numbers of 2-year-olds benefiting from funded Early Years education

Year	Number of 2-year-olds benefiting from funded early years education	Percentage 2-year-olds benefitting from funded early years education			
		Isle of Wight	Statistical Neighbour	South East	England
2019	320	69%	73%	68%	68%
2020	323	76%	75.5%	69%	69%
2021	280	67%	65%	61%	62%
2022	300	77%	76%	69%	72%
2023	279	85.6%	76%	74%	74%
2024	278	87.1%	77.5%	74%	74.8%

(Source – LA Interactive tool, Dec 2024)

²⁴ [Help paying for childcare: Free education and childcare for 2-year-olds - GOV.UK](https://www.gov.uk/help-paying-for-childcare)

- 5.16 The table above shows the number and percentage of eligible 2-year-olds who have taken up this funded entitlement. In 2024 the percentage take-up increased, even though the overall number of children slightly declined, reflecting the impact of the declining birth rate on the IOW. The IOW continues to exceed regional and national averages, as well as our statistical neighbour.
- 5.17 The DfE have recently announced a consultation on renaming this entitlement due to the wide range of terms used by central and local governments, DfE currently use 'children aged 2 years receiving additional forms of support'. A new name will be announced by Easter 2025 that all levels of government, providers and stakeholders will then use.

Working Parent Entitlement

- 5.18 Originally announced in the Spring 2023 Budget as the Expanded Entitlement, it has since been renamed the Working Parent entitlement to bring it more in line with the Government's wider growth agenda for the UK economy. It was to be implemented in 3 stages from April 2024:
- Phase 1: From April 2024, working parents of 2-year-olds will be able to access 15 hours of childcare support.
 - Phase 2: From September 2024, 15 hours of childcare support will be extended to working parents of children from the age of 9 months to 3-year-olds.
 - Phase 3: From September 2025, working parents of children aged 9 months to the age of 5 will be entitled to 30 hours of childcare support a week.
- 5.19 The DfE have collaborated with local authorities across the country to help plan the roll out of the new entitlement. Through 2024 DfE provided data from various sources to outline the potential size of the new market for funded childcare and forecast the expected increase potential rise in demand at each stage of the roll out. The DfE also awarded funding to all local authorities to support the roll-out over the next 2 years.
- 5.20 The DfE's predicated a 0% increase in demand for places in April 2024 followed by a 2% increase in September 2024. However, the formula used by the DfE to calculate these increases is a single, national one that does not take account of local factors affecting the supply and demand of childcare. The IOW already has more 2-year-olds in funded and non-funded childcare compared with the April 2024 DfE's predicted demand figures.
- 5.21 In the Data Collection survey (December 2024) providers were asked to provide initial figures for the take up and impact of the new funded entitlements, here are the key headlines:
- A total of 855 children were in receipt of the Working Parent entitlement.
 - This included 31 children aged 9 to 12 months, 337 children aged 1-year-old, and 487 children aged 2-years-old.
 - Parents of 59% of 0-to-1-year olds and 63% of 2-year-olds went on to book additional hours of childcare. A key indicator for the likely take up of the final phase (30 hours) of the roll out in September 2025.

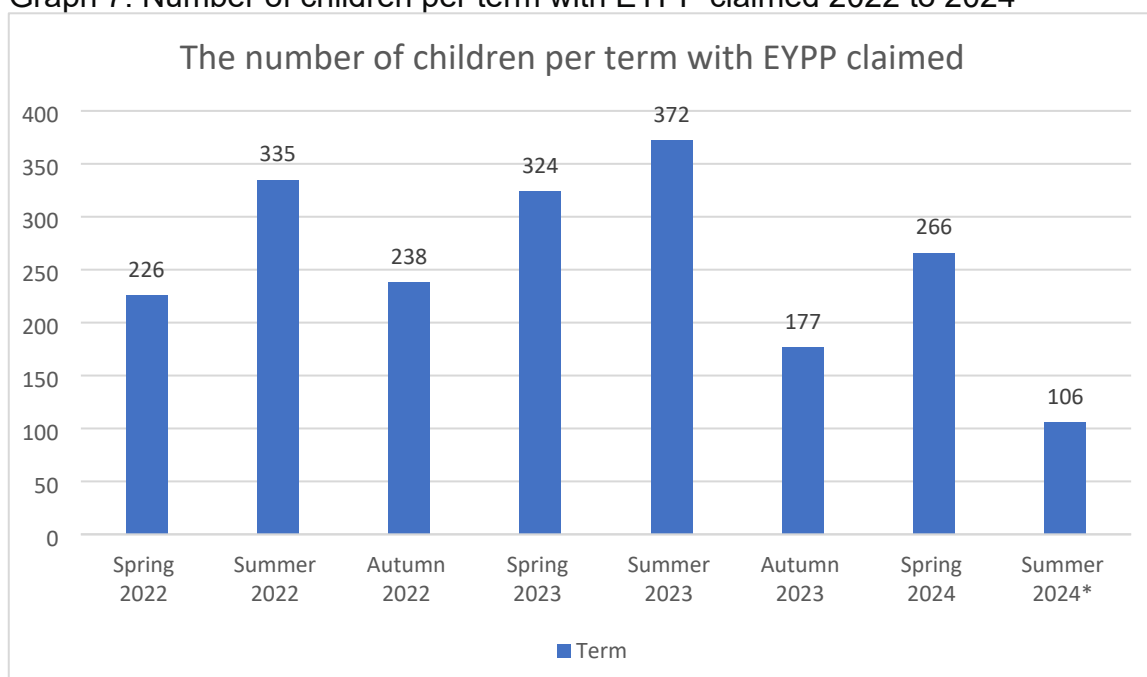
- For 16 providers who are operating waiting lists the majority of children registered are looking to access the Working Parent entitlement. However, it is worth noting that this does include children not old enough to qualify for this funding.

Early Years Pupil Premium

5.22 The Early Years Pupil Premium (EYPP) offers additional funding for 3- and 4-year-old children whose parents receive certain benefits or children who have been in care or adopted from care. Provider may be eligible for up to £387.60 per year of funding to support 3- and 4-year-old children's development, learning and care to ensure they are 'school ready'.

5.23 The table below shows the numbers of 3- and 4-year-old children where providers have made a claim for EYPP over the last 3 years. The yearly lower Autumn figures reflect the annual move of 4-year-olds into Year R in schools. The number of applicants for summer 2024 is still a provisional figure. The upward trend in the numbers claiming during the height of the Cost-of-Living crisis seems to have eased over the past year, with an average of 12% of this age group claiming EYPP.

Graph 7: Number of children per term with EYPP claimed 2022 to 2024



(Source – EYAT, * provisional figures)

5.24 In 2024 EYPP was extended to cover children under the existing disadvantaged 2-year-old entitlement as well as the new Working Parent Entitlements, starting with 2-year-olds from April 2024, followed by 9 months to 23 months from September 2024.

Other Funding

- 5.25 Additional indirect funding options for childcare are available from the Government (through HMRC and DWP), depending on parents' circumstances and incomes. Parents must apply directly with the relevant organisation. Following the Spring 2023 Budget announcements regarding the enhanced Early Years and Wraparound childcare offers, these funding options will be crucial for working parents to receive further government support to access additional childcare in the future.

Tax Free childcare (TFC)

- 5.26 Financial support is available for parents whose income exceeds the upper threshold for assistance through UC or previously Tax Credits. Parents can open an online account on Gov.uk through which they can pay for their childcare with an accredited provider²⁵.
- 5.27 The table below displays shows the annual number of families and children using TFC accounts on the IOW. There has been consistent year-on-year growth in these numbers, indicating growing awareness of this Government support among providers and more importantly parents.

Table 17: Number of Tax-Free Childcare accounts in use on the IOW

Year	Annual number of families with used Tax-Free Childcare Accounts	Annual number of children with used Tax-Free Childcare Accounts
2017- 2018	100	120
2018- 2019	250	305
2019- 2020	470	585
2020- 2021	510	625
2021- 2022	675	825
2022- 2023	845	1,075
2023-2024	1005	1,275

(Source – HMRC²⁶)

Tax Credits

- 5.28 Working Tax Credits (WTC) and Child Tax Credits (CTC) were working-age benefits administered by HMRC. They provided financial support to parents on a low income both in (WTC and CTC) and out of work (CTC only), with working parents able to claim eligible childcare costs²⁷. The benefit closed to new applicants in early 2019 and in 2024 recipients were migrated over to Universal Credit.
- 5.29 HMRC's provisional 2024 figures, estimate there are less than 800 households with around 1,700 children still in receipt of Tax Credits²⁸. This is a

²⁵ [Get Tax-Free Childcare: step by step - GOV.UK \(www.gov.uk\)](https://www.gov.uk/get-tax-free-childcare)

²⁶ [Tax-Free Childcare Statistics, September 2024 - GOV.UK](https://www.gov.uk/tax-free-childcare-statistics)

²⁷ [Tax credits: work out your childcare costs - GOV.UK \(www.gov.uk\)](https://www.gov.uk/tax-credits-work-out-your-childcare-costs)

²⁸ [Child and Working Tax Credits Statistics: Provisional Awards - April 2024 - GOV.UK](https://www.gov.uk/child-and-working-tax-credits-statistics)

substantial reduction on the figures reported in the previous CSA and reflects the ongoing migration to UC.

Universal Credit (UC)

- 5.30 UC is now the primary working-age benefit available to IOW residents. Working parents on UC can claim back up to 85% of eligible childcare costs each month. The maximum monthly allowance for childcare costs is £950.92 (for 1 child) or £1630.15 (for 2 or more children). There is also help for parents when starting work with meeting up-front childcare costs.
- 5.31 Moving forward, it is essential to increase awareness among parents and providers about this additional indirect government funding for Early Years and Wraparound childcare costs. With the transition of Tax Credits claimants to UC there will be an opportunity to work with DWP/Jobcentres to more directly reach a significant number of Island households on low incomes with eligible children.

Childcare Vouchers

- 5.32 This Government scheme, which assisted working parents with childcare costs, closed to new applicants on 4 October 2018. Consequently, it is unlikely that any Early Years childcare is currently paid for through the voucher scheme.

Future Demand

- 5.33 One of the objectives of producing the annual CSA report is to predict the future demand for childcare on the IOW. As highlighted in the previous two CSA reports, there is a clear downward trend in the birth rate on the Island which will affect the numbers of children requiring childcare places over the next few years. However, at the same time the announcement of the new Working Parent Entitlement has changed the boundaries of the marketplace and generated new demand for childcare from parents now able to return to work earlier.
- 5.34 In the short-term developing a methodology to better understand the likely demand for the final phase of the new entitlement (30 hours for 9 months to 2-year-olds from September 2025) will include applying the take up percentage of the Extended Entitlement (30 hours for 3- & 4-year-olds) to this younger age group. Initial data from the Data Collection Survey (December 2024) showed that on average 61% of working parents in this age group purchased additional hours of childcare, this figure is around 10% higher than the take up percentage of the Extended Entitlement.
- 5.35 Additional data is supplied on a regular basis by the DfE in the form of the Local Authority Readiness Self-Assessment, this had forecast demand for places will rise by 0% for phase 1 in April 2024, 2% (18 places) for phase 2 in September 2024 and finally by 11% (127 places) for the final phase in September 2025.

- 5.36 Understanding the location and level of demand for early years childcare for working parents will assist the EYAT in forecasting future demand may be for primary aged Wraparound childcare.
- 5.37 With the new Working Parent entitlements now a part of the childcare offer on the Island, further work with the marketplace will be necessary over the next year to better understand the impact of this new childcare offer. In addition to engaging with parents and providers, the EYAT will work with IWC colleagues and external stakeholders such as Jobcentres to understand employment trends on the IOW.

6. Wraparound & Holiday Childcare

Introduction

- 6.44. Since the Spring 2023 Budget announcement of the Wraparound Childcare programme, the term 'Wraparound childcare' has become the standard term to cover breakfast/ before school clubs and after school clubs running term time only. This form of childcare can operate either on or off a school site and can be run by the school or by a PVI childcare provider, a childminder or activities provider.
- 6.45. 'Holiday childcare' refers to the Holiday Activity and Food (HAF) programme and other holiday play and childcare schemes running during school holidays and half terms.
- 6.46. The activities covered in this section deliver priority 2 of the draft Education Strategy to provide 'enriching curricular experiences with meaningful pathways into adulthood'. Within this priority the HAF programme helps 'develop a wide range of opportunities within and outside of the curriculum that inspires children and young people to be physically active, including promoting active classrooms.'

Holiday Activity and Food Programme (HAF)

- 6.47. HAF is a DfE funded initiative that has been running on the Island since 2021, with programme delivery returning to the IWC in January 2024. The HAF programme's aims are to provide free, enriching activities and healthy food for free school meal (FSM) eligible children and young people aged 5 to 16²⁹. These activities have been run through the main school holidays of Easter, Summer and Christmas in 2024.
- 6.48. The numbers of FSM children on the IOW increased by 2.0% from 3937 to 4018 according to the Spring School Census 2024.
- 6.49. The delivery of the 2024/25 HAF programme reverted to the IWC in February 2024 following the end of the Children's Services partnership with Hampshire County Council (HCC). The IWC's new HAF team set about the task of developing a new simpler commissioning process, establishing new local partnerships and started to develop a marketplace of Island based providers. Support for this new organisational infrastructure came from the IWC's Legal and Procurement teams alongside close collaboration with the Short Breaks team.

Easter 2024

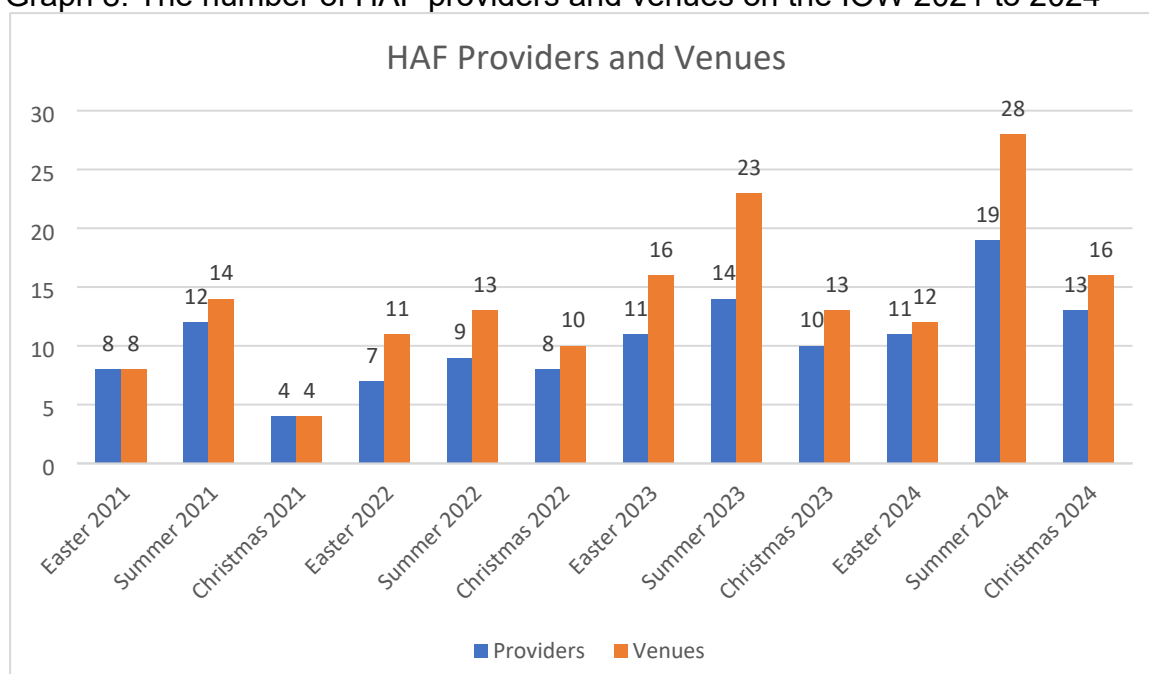
- 6.50. Easter 2024 marked the final HAF delivery period delivered under the HCC Framework; 10 providers delivered activity programmes across 12 venues compared with Easter 2023 with 11 providers delivered at 16 venues. The decrease in providers was due to a number of the mainland-based providers deciding to withdraw from the IOW marketplace. The new IWC HAF Team

²⁹ [Holiday activities and food programme 2024 - GOV.UK](https://www.gov.uk/government/news/holiday-activities-and-food-programme-2024)

began a greater engagement with potential local providers supported by colleagues in the Short Breaks team. This led to two new Island based providers joining the programme for Easter 2024.

- 6.51. Despite a decrease in providers, there was a 6.7% increase in the number of spaces commissioned, with 1808 spaces for Easter 2024 compared with 1686 spaces for Easter 2023. However, Easter 2024 experienced a 9% decrease in the number of unique children accessing HAF, compared with Easter 2023. This could be attributed to a 25% reduction in providers for Easter 2024, resulting in children attending for more days.
- 6.52. The HAF team partnered with a local museum consortium to pilot an outreach/information session at a provider venue to encourage more educational based activities.

Graph 8: The number of HAF providers and venues on the IOW 2021 to 2024



(Source: HCC, IWC)

Summer 2024

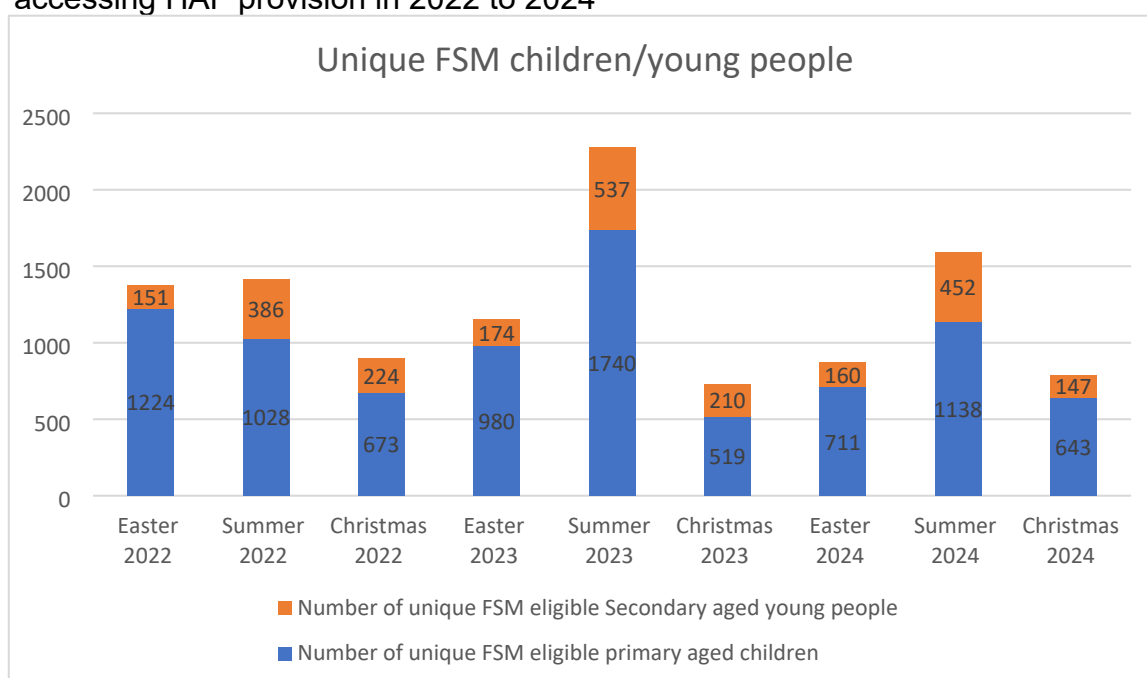
- 6.53. Summer 2024 marked the first full delivery period separate from HCC. During this period, 19 providers delivered HAF activities across 28 venues. This included the development of 11 new venues by six new island-based providers and the expansion of existing HAF providers into new areas. Additionally, a SEND specific programme was introduced for the first time.
- 6.54. 1590 unique children accessed the programme in Summer 2024, a decrease from 2277 in Summer 2023. This decline can be attributed to several factors: the adoption of a more robust eligibility checking system, the alignment of the 15% discretionary funding criteria with other LA programmes, and the need for new providers to establish local community links.

- 6.55. Of the 1590 unique children who accessed the HAF scheme, 1138 (71.6%) were primary age and 452 (28.4%) were secondary age. This indicates a small percentage increase in secondary aged unique children attending HAF activities compared with Summer 2023 (24%). Summer 2024 saw a 4.2% increase in the attendance of unique children with SEND compared Summer 2023.
- 6.56. A partnership was developed with a local housing association to fund additional spaces in Ryde and Newport. Commissioned provision was enhanced through partnerships with the Schools Mental Health team and the IWC's Heritage and Library Service, who delivered funded workshops at HAF provider venues.

Christmas 2023

- 6.57. Christmas has traditionally been a challenging period for HAF delivery on the IOW, primarily due to the limited dates available for delivery, fewer venues available and the reduced number of providers active over the Christmas holidays.
- 6.58. During Christmas 2024, 1346 places were commissioned, which is a decrease from the 1421 places commissioned for Christmas 2023. A total of 654 unique children participated in activities provided by 12 providers across 16 venues. For providers who could only offer two or three days of activities, their offer was enhanced with a take home offer made up of an activity pack and food bag.
- 6.59. Of unique children who attended, 76.9% were of primary age and 23.1% were of secondary age. This represents a slight decrease in the percentage of secondary age children attending HAF compared to Summer 2024. However, only 20% of the places available for Christmas 2024 were for secondary age children. Additionally, 29.5% of the unique children who attended were identified as SEND, marking an increase from all previous delivery periods.
- 6.60. New funding has just been confirmed by the DfE and the programme will run for a further year covering the three school holidays in 2025. Objectives for 2025 include:
- Maintaining a varied and changing programme of activities suitable for all ages.
 - Explore the possibility of a central booking system dependent on confirmation of long term HAF funding.
 - Developing an improved food offer with providers.
 - Improved signposting to relevant local agencies to better support parents/carers.
 - More providers becoming Ofsted registered as appropriate for age range of delivery.
 - Develop new partnerships with other youth-based services and activities.

Graph 9: The number of children and young people qualifying for FSM accessing HAF provision in 2022 to 2024



(Source – HCC & IWC HAF DFE returns: *FSM eligibility from IWC schools attendance data.)

Wraparound Childcare

- 6.61. In the Spring 2023 Budget, the Government announced an investment of £289 million to LAs to support and expand wraparound childcare for primary school-aged pupils (5 to 11-years-old). The Government aims to ensure that all working parents of primary school children who need it can access childcare in their local area from 8am – 6pm term time only. This initiative is intended to help parents secure sufficient childcare to work full time, take on more hours and work more flexibly.
- 6.62. The allocation of this funding for the IOW will enable the IWC to work with Island primary schools and Early Years providers including childminders to extend availability or expand the number of Wraparound childcare places. It will also enable us to test flexible ways of providing childcare and gather evidence of what works.
- 6.63. Parents of primary school aged children will still need to pay for this provision, as the programme focuses on increasing the availability of childcare, rather than provide ongoing subsidised childcare. Eligible parents can receive government support for these childcare costs through Tax Free Childcare accounts and Universal Credit childcare.
- 6.64. The DfE defined ‘full wraparound’ childcare as starting at or before 8.00am and finishing on or after 6.00pm. The IWC has mapped supply and demand in the marketplace through locally held data and surveys of schools and early years (EY) providers. In the Autumn term 2024, 13% (5) of schools delivered a

full wraparound offer, while 100% of schools provided before school/breakfast clubs starting at 8:00 am or earlier.

- 6.65. Additionally, 92% of schools offered some form of after-school provision, with only 3 schools (8%) having none in place. The demand for after-school provision remained strong until 5:00 pm (87% of schools) and then decreased to 52% by 5:30 pm, reflecting local employment patterns and shorter commuting distances for parents.
- 6.66. In later 2024 DfE produced a second definition of 'full wraparound' as being 10 hours of childcare, for example, before school provision starting at 7.30am and after school provision finishing at 5.30pm would now qualify as 'full wraparound'. This was to better reflect a more diverse range of established local employment patterns. Under this new definition a further 5 schools on the Island could now be included as offering 'full wraparound' childcare.
- 6.67. The programme delivery plan for the IOW was submitted to DfE and their delivery support partner Childcare Works in June 2024, approved and then revised to take into consideration the SPP review in November 2024.
- 6.68. Stakeholder briefings on this programme were conducted for primary headteachers, EY providers, and childminders. Followed by launching an Expression of Interest (EOI) process for schools, EY providers, and childminders, to gauge the level of demand. This will lead to a formal application process for funding to be launched in spring 2025.
- 6.69. Following the delay in rolling out the programme due to the SPP review, it is anticipated that parents should start to see an expansion in the availability of Wraparound childcare from summer term 2025, with every parent who needs it able to access term-time Wraparound childcare by September 2026.
- 6.70. In addition to formal after school clubs, parents can use school-based activity clubs as childcare. However, since these clubs provide a specific activity (football, dance, etc) for children over eight, they are not required to be registered and regulated as childcare by Ofsted. Consequently, parents are unable to use Tax Free Childcare accounts and UC childcare to pay for this childcare. In 2024 there are now 11 providers (4 in 2023) who are on Ofsted's voluntary Childcare Register to allow parents to access this funding to pay for childcare for 8-year-olds and over.
- 6.71. Moving forward the EYAT will conduct regular surveys of out of school provision (Wraparound and holiday clubs) with primary schools and early years providers. This will help gather more intelligence and understanding about this changing market and help inform the roll out of the Wraparound childcare programme. The DfE will continue to support the programme by providing data on a regular basis from several central government sources to all local authorities.

Fees & Financial Support

- 6.72. The next table shows the average (mean) prices per hour for breakfast clubs (before school) and after school clubs delivered by Early Years providers, the line for childminders covers both before and after school as part of their longer standard working day. The average cost of breakfast clubs has increased by 11% over the last year and the cost of after school provision has increased by 12%, this compares with 17% increase regionally and 2% increase nationally for after school provision. The increased cost of this provision delivered by childminders has been 8%, above the regional and national average price increase of 4-5%. Efforts will continue with providers to gain a better understanding the dynamics of this market segment and its connection to local seasonal employment patterns across the Island.
- 6.73. The allocated Wraparound Childcare funding can't be used to subsidise fees, the Government expects parents to continue to pay themselves for this childcare. Eligible parents can access indirect childcare financial support through Tax Free Childcare accounts and Universal Credit Childcare. Work has been carried to raise the profile of both forms of indirect government support for childcare with parents and stakeholders. All schools and PVIs are able to take payments from parents using Tax Free Childcare accounts.

Table 18: Average (mean) cost of before and after school provision delivered by early years providers.

Type of provision	Average price per hour				
	Isle of Wight			South East (2024)	England (2024)
	2022	2023	2024		
Before school	£4.29	£4.29	£4.75	N/A	N/A
After school	£4.98	£5.22	£5.88	£5.38	£4.61
Childminders	£4.65	£4.70	£5.08	£4.99	£5.03

(Source- Data Collection Survey December 2022, 2023, and 2024, Coram Childcare Survey 2024³⁰)

Ofsted

- 6.74. Early Years providers involved in the Wraparound childcare market will always be on the Early Years Register. Additionally, they may be registered on 1 or 2 other Ofsted registers based on their wider offer. The Compulsory Register includes providers caring for children aged 5- and 8-years-old for more than 2 hours on each day. The Voluntary Register is for those offering childcare for children over 8-years-old.
- 6.75. The DfE has made it a requirement of all providers active in delivering the Wraparound childcare offer to be registered with Ofsted to ensure quality.

³⁰ [Childcare Survey 2024 - Coram](#)

- 6.76. The IWC will support and encourage existing and new HAF providers to join Ofsted childcare registers. To date 7 HAF providers have registered on the appropriate childcare registers (compulsory and/or voluntary) with Ofsted.

7. Special Educational Needs and Disabilities (SEND)

Current SEND offer

- 7.1 Childcare and early years education for children with special educational needs and disabilities is available on the IOW. These services are offered both within mainstream settings and at a Special school that offers early years places where this has been assessed as appropriate to meet the needs of the child.
- 7.2 Work in this area by the IWC delivers priority four of the draft Education Strategy of a 'high quality special education needs and abilities provision on the Island for children and young people'.
- 7.3 The Childcare and Families Act 2014 mandates each Local Authority to produce and publish a Local Offer. This Local Offer ([Local Offer \(iow.gov.uk\)](https://www.iow.gov.uk/local-offer)) consolidates information about the provision available across education, health and social care for children and young people in the area, who have special educational needs and or disabilities.
- 7.4 The Early Years SEN team ensure all registered Early Years childcare providers have their own versions of the local offer. This information is held on the IOW Family Information Service site ([IW Family Information Hub](https://www.iow.gov.uk/family-information-service)) and by providers on their websites, all registered Early Years providers have their own local offer in place.
- 7.5 The Early Years SEN team offer a 'portage service' for eligible children who have a significant delay in two or more areas which must include cognition and learning. This is a home visiting education service for pre-school children with SEN.
- 7.6 There are currently 101 children (1.8%) under 5 with SEND supported directly by the Early Years SEN Team. This represents growth of 20 from 81 (1.25%) in 2019. 39 children with EHCPs across 20 EY providers and 41 children with SEN support funding across 13 providers.
- 7.7 In this year's Data Collection Survey, providers were asked if they were supporting children not classed as SEND but requiring support from Speech & Language, CIN and Early Help. 97% of providers responded affirmatively, with 287 children receiving such support.

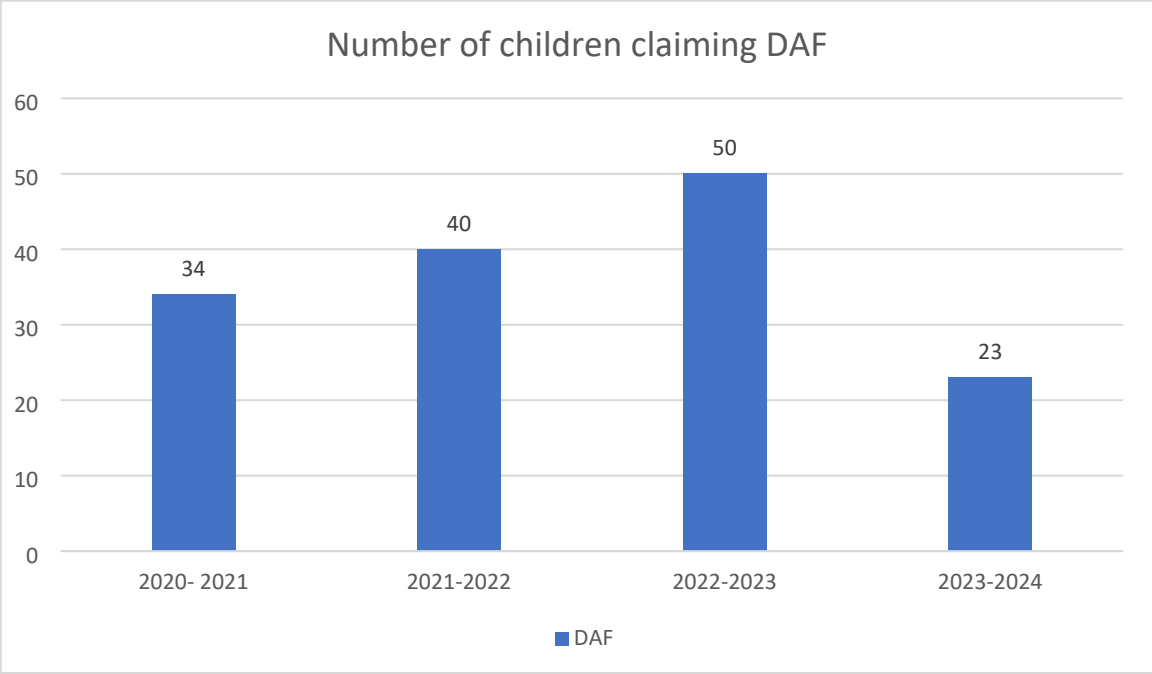
Disability Access Fund (DAF)

- 7.8 The Disability Access Fund (DAF) provides funding to support children with disabilities and/or special educational needs. A child in receipt of Disability Living Allowance (DLA) is eligible to receive an annual lump sum of £910.00 in 2024/2025.
- 7.9 The DAF is intended to facilitate access to early years places by supporting providers in making reasonable adjustments to their settings. This may include

enhancing capacity accommodate the specific needs of the child in question or for the benefit of all children attending the setting.

- 7.10 Changes to DAF in 2024/25 allowed for qualifying children under the new Working Parent Entitlements from April and September 2024 to apply.

Graph 10: Numbers of children in receipt of DAF 2020-2024



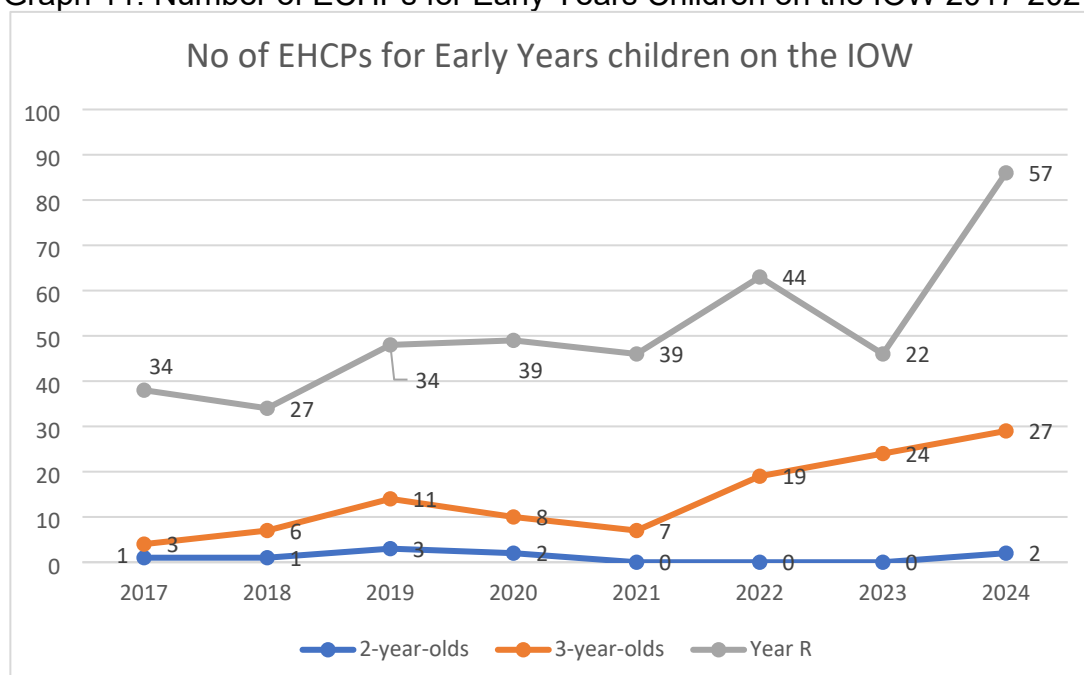
(Source: IWC EYAT)

- 7.11 Providers accessed DAF to support a provisional figure of 23 children in 2023/24.

Education, Health and Care Plans (EHCP)

- 7.12 Education, Health and Care Plans (EHCP) and the associated needs assessment process were introduced under part 3 of the Children and Families Act 2014. The Act, along with the accompanying SEND Code of Practice, outlines how local authorities must deliver these responsibilities.
- 7.13 The graph below shows the number of Early Years children with EHCPs since 2017. There is a continued upward trend in EHCPs for 3-year-olds alongside a significant increase in EHCPs for 4-years-olds.

Graph 11: Number of EHCPs for Early Years Children on the IOW 2017-2024



(Source – IWC EY SEN Service)

- 7.14 Early identification is crucial as it leads to prompt intervention, supporting children and their families. This ensures that difficulties can be addressed early, preventing educational gaps from widening as children prepare to enter primary school.

‘Short Breaks’ and Holiday provision

- 7.15 Short Breaks is a statutory service under Section 25 of the Children and Young Persons Act 2005, funded by the IWC. It aims to expand the range of activity opportunities available for children and young people (0-19) with disabilities and/or additional needs.
- 7.16 The IWC’s Short Breaks programme provides a variety of opportunities, including after-school, evenings and weekend activities, as well as overnight stays. Full details of the service can be found here: [Short Breaks \(iow.gov.uk\)](https://www.iow.gov.uk/short-breaks). In 2024 the Short Breaks programme consisted of 14 providers delivering 16 different activities, over the year 687 sessions were delivered for 3508 children and young people.
- 7.17 There remains only one local Ofsted registered childcare provider offering specialist SEND OOS childcare for early years and primary aged children.
- 7.18 The Holiday activity and food (HAF) programme provides inclusive access for SEN children with the programme’s providers supporting children with a range of SEND. For 2024 the local HAF offer included a dedicated SEND programme with additional funding for providers to enhance inclusive access for eligible children and young people.

Vacancies

- 7.19 Medina House³¹ is the only Special school on the Island that caters for Early Years children with complex needs. As of December 2024, there are 17 YR children attending the Specialist school, there were no vacancies.
- 7.20 The resourced provisions on the IOW attached to primary schools who cater to children with range of needs, but none of them have any Early Years children attending.

³¹ [Welcome - Welcome to Medina House School](#)

8. Overall Sufficiency and Action Plan

Conclusions

- 8.1. At the end of 2024 the IOW has sufficient childcare places (2,401) to meet the current demand from parents for high quality childcare. This is delivered through a diverse, mostly unchanged marketplace of 75 childcare providers. This childcare marketplace consists of 12 school-based providers, 35 Private, Voluntary and Independent (PVI) providers, 28 childminders and 11 home child carers. The EYAT has received no requests or enquiries from parents in rural areas, indicating that childcare provision is geographically distributed across the Island, serving all the main towns and employment centres.
- 8.2. The EYAT has delivered work, activities and initiatives in the Early Years sector that align with the 5 priorities of the draft IOW Education Strategy.

Providers and places

- 8.3. In 2024 the sector experienced a slight overall change, with the total number of all types of providers decreasing by 3.8% (down 3% nationally) from 78 to 75. The number of available places increased in 2024 by 1.3% in the same period from 2369 to 2401 places. There was no change in the number of school-based and PVI providers, which mirrored national trends for both types of provider. Following national trends, the number of childminders on the IOW decreased by 6.7% during this period, with 28 active in the market in December 2024, delivering 176 places, down 5% in the last year.
- 8.4. The EYAT continues to collaborate with the sector and other stakeholders to manage the transition to a lower birthrate and its impact on delivering funded childcare. Simultaneously, the EYAT is supporting the sector to identify the likely increase in demand for childcare at each phase for the new Working Parent entitlements and from the Wraparound childcare offer.
- 8.5. Opening hours have remained largely unchanged across all types of childcare providers over the last year, with a slight reduction in the closing times (after 6.00pm) by some childminders in response to changes in parental demand. Vacancy rates remain low, with 19 providers maintaining a waiting list, unchanged from the previous year, and 12 childminders down from 18 previously. The latest Data Collection Survey in December 2024 indicated that providers continued to primarily use their waiting lists to manage the ongoing parental interest in the new Working Parent entitlement.
- 8.6. Inflationary pressures on business costs, particularly wages, continued in 2024, leading to increased fees for non-funded childcare for all ages of children in Early Years. Local group providers have raised their fees by an average by just over 7%, aligning with national average increase of 6.5%. Childminders, however, saw a higher increase of 11% compared to the national average fee increase (7.5%). The new Working Parent entitlement has already greatly reduced fee income for providers. With the introduction of the final phase in September 2025 this will complete a transformation of the

main revenue streams in Early Years, resulting in an increased reliance on EYE funding.

HAF and Wraparound

- 8.7. 2024 was a year of transition for the delivery of the Holiday Activities and Food (HAF) programme on the IOW, with the IWC taking inhouse programme delivery starting in February. A new team worked at pace to develop a new commissioning model, develop a marketplace of Island based activity providers and build partnerships with stakeholders in preparation to deliver the first programme at Easter 2024.
- 8.8. The team successfully delivered programmes across the Easter, Summer and Christmas school holidays in 2024, making full use of IOW based staffing, improved local marketing and partnerships with schools. In total 3,251 children and young people (77% primary aged, 23% secondary aged) attended HAF programmes at 34 venues across the Island delivered by 22 providers. The activities offered were the most diverse yet, including arts & crafts, theatre, skateboarding, dance, horse riding, surfing, football, and multi sports. DfE have recently confirmed an additional year of funding for 2025/26 to continue the HAF programme on the Island.
- 8.9. There was extensive mapping of the existing Wraparound Childcare offer for primary aged children on the Island during 2024. DfE defines "full wraparound" childcare as starting on or before 8:00 am and ending at 6:00 pm or later. In Autumn 2024, 13% of primary schools (5) offered full wraparound care, while 100% of schools provided before-school provision starting at 8:00 am or earlier. Additionally, 92% of schools had some form of after-school provision, with demand remaining strong until 5:00 pm (87% of schools) and decreasing to 52% by 5:30 pm, reflecting local employment patterns and shorter commutes for parents.
- 8.10. In the autumn term 2024 DfE produced a second definition of 'full wraparound' as being 10 hours of childcare, for example, before school provision starting at 7.30am and after school provision finishing at 5.30pm would now qualify as 'full wraparound'. Under this new definition a further 13% of primary schools (5) on the Island could now be included as offering 'full wraparound' childcare.

Quality and workforce

- 8.11. Quality is central to childcare provision; the Island continues to uphold high standards in this area with 98% of settings inspected by Ofsted achieving 'Good' and 'Outstanding' and 96% of childminders achieving 'Good' and 'Outstanding' at Ofsted inspections. Both parts of the Early Years register are aligned with national inspection figures. The EYAT will continue to support providers in maintaining high standards in 2025.
- 8.12. Early Years childcare requires a highly trained and qualified workforce, with an unchanged 81% of those employed in the sector achieving a relevant Level 3 qualification and above. As a result of the new funded childcare there has been an increase of 17% in the size of the workforce. The EYAT will continue to work closely with training providers to offer apprenticeships to the sector.

Additionally, the EYAT will continue to provide training, tailored CPD programmes and highlight DfE funded educational opportunities when available.

Early Years Entitlement

- 8.13. Funded Early Years education is a crucial part of the offer with 100% of our providers and 96% of the local childminders participating. The IOW has consistently seen high engagement levels of 3- and 4-year-olds with early years provision, whether through childcare providers or primary schools for Year R. In 2024, 89.9% of 3- and 4-year-olds on the IOW were enrolled in early years provision, marking an improvement from the previous year, though still below both regional and national averages for this age group.
- 8.14. The Universal Entitlement of 15 hours for all 3- and 4-year-olds is the core offer, with 1594 children accessing these hours in the Summer 2024 term. During the same term, 53% (845) of working parents had children who qualified for the Extended offer of up to an additional 15 hours of funded of childcare. By December 2024, 406 children were in additional hours of childcare beyond the 30 funded hours, representing 25% (up from 21% in 2023) of those claiming the Universal Entitlement and 48% (up from 39% in 2023) of the Extended Entitlement take-up. This indicates a strong trend of parents on the IOW taking up more full-time work.
- 8.15. Funding for Disadvantaged 2-year-olds provides 15 hours of funded childcare for those children whose parents receive a qualifying benefit. The EYAT has worked in partnership with the DWP to identify and engage 87.1% of those qualifying in some form of early years provision, an increase from 85.6% the previous year. The IOW continues to exceed the regional and national averages (74%). DfE plan to issue a new standard name for this entitlement in 2025.
- 8.16. The new Working Parent entitlements, previously known as the Expanded entitlements, were rolled-out in April (15 hours for 2-year-olds) and September (15 hours for 9 months to 2-years-old) 2024. The DfE provided national data forecasting the likely extra demand for the new entitlement from April (0 places) and September (18 places) 2024. EYAT worked with providers to assess the level of parental demand and ensure sufficient places were available for the new offer in both April and September 2024. According to the December 2024 Data Collection survey, providers reported that 855 children were enrolled on the new entitlements, with 61% of these children requiring additional hours. This is a key indicator of the likely demand levels for the final phase (additional 15 hours) of these entitlements, set to be introduced in September 2025.

Support for vulnerable children

- 8.17. The Early Years Pupil Premium (EYPP) provides additional funding to qualifying children to ensure they are 'school ready'. Over the last year 12% (provisional) on average of the 3- and 4-year-olds on the Island had made a claim for EYPP funding, compared to a national figure of 14%.

- 8.18. Early Years providers continue to effectively utilise the Disability Access Fund (DAF) to support 23 children (provisional) receiving DLA to access enhanced Early Years childcare.
- 8.19. The demand for SEND services has continued to grow on the Island. The number of early years children with ECHPs remains high, with 57 children in reception year on the Island having agreed ECHPs at the beginning of 2025.
- 8.20. The IOW has a well-developed Short Breaks offer which has partnered with the HAF programme to share specialist activity providers and to deliver a more inclusive offer for children with SEND.
- 8.21. In conclusion, in 2024 parents/ carers on the IOW had access to a successful, high quality childcare market. Based on the evidence in this report, it is expected to continue providing sufficient childcare places for the under 5-year-olds, a comprehensive HAF programme and expand and extend Wraparound childcare for primary aged children on the Island over the next year.

2025-26 Action Plan

8.22. In the coming year, the EYAT will prioritise the development and implementation of initiatives as part of the following CSA's action plan. The priorities align with the statutory duties of the IWC in this area of service delivery, as well as deliver the 5 priorities of the draft IOW Education Strategy. However, they will be flexible to allow the IWC to effectively respond to the impact of the new Early Years funded entitlements for Working Parents and the Wraparound childcare on the sector's stability and sustainability.

8.23. These actions will continue to build our knowledge and understanding of sufficiency and management of the local childcare market (Early Years, Wraparound and Holiday) and help ensure continued sufficient high-quality childcare for all children on the IOW:

Statutory Duty	Actions
Early Years Childcare market (Section 7, Childcare Act 2006)	• Support the recruitment of new childminders to sustain the current market with the intention of growing the market in areas where needed. • Broaden the business support package for Early Years Providers to address environmental sustainability and bidding strategies for external funding. • Continue to support all Early Years providers to deliver flexible funded places for 9 months to 4-year-old nursery education, as well as supporting where needed the expansion and development of new childcare places across the IOW. • Undertake further research into the size, demand and trends for 2-year-old and under provision on the IOW to support the roll-out of the final phase of the Working Parent Entitlement in September 2025. • Continue to ensure childcare is inclusive and meets the needs of children with special educational needs and disabilities by ensuring the Local Offer is fit for purpose. • Support the roll-out of the Wraparound childcare offer and make effective use of the available funding to ensure there are sufficient childcare places for parents. • Deliver the 2025-26 Holiday Activities and Food (HAF) programme, and seek to improve its reach, effectiveness and the range of activities delivered through the programme on the IOW. • Work with the IWC's Planning team on new housing developments to ensure Early Years places are prioritised in the initial planning stage to meet possible future childcare demands. • Continue to develop the Early Years business risk register for all providers to identify any risks that might affect business viability and the availability of sufficient childcare places.

	• Develop a dashboard of data sources on all available aspects of the marketplace built around the existing Power BI interactive mapping tool to better inform market management, future CSA reports and other IWC reporting requirements.
Promotion of childcare options (Section 12, Childcare Act 2006)	• Continue to develop the content on the Family Information Service website to ensure information is up to date and signposting is clear to maximise the ability for parents to identify, secure and fund the appropriate childcare provision. • Ensure the IWC's websites are kept up to date with accurate information to enable parents to secure the childcare and funding that meets their needs. • Promote the availability and monitor the level of take-up of disadvantaged 2-year-old and the Working Parent Entitlements to parents. • Work with DWP/Jobcentres and other partners/stakeholders to promote the availability of childcare options as part of the Government's growth agenda for the UK economy.
Early Years Education (Sections 1 & 2, Childcare Act 2016)	• Continue to monitor and promote Early Years Education funding for all entitled children to ensure sufficient places. • Continue to monitor and promote entitlements for disadvantaged children of EYPP and DAF funding and SEND services. • Liaise with other LAs at regional meetings to share processes and identify good practice models.

Appendix 1 Childcare: Statutory Duties, Definitions and Ratios

Statutory Duties

The Isle of Wight Council (IWC)'s has a statutory duty to ensure sufficient access to childcare provision for parents on the IOW is based on the following acts of Parliament:

Childcare Act 2006³²

The act assigns Local Authorities a key role in shaping the childcare market in their area. By collaborating with providers from the Private, Voluntary, Independent (PVI) and maintained sectors, the Local Authority aims to establish a robust, sustainable, and diverse childcare market that meets the needs of local parents.

Section 6: gives Local Authorities a duty of securing, so far as reasonably practicable, that the provision of childcare (whether or not by them) is sufficient to meet the requirements of parents in their area in order to enable them to:

- take up, or remain in, work, or
- undertake education or training which could reasonably be expected to assist them to obtain work.

Section 7: also gives Local Authorities a related duty to secure funded Early Years provision in the area. The Local Authority needs to secure Early Years education places offering 570 hours a year over no fewer than 38 weeks of the year, for every 3- and 4-year-old child in their area from the term after their third birthday until the child reaches compulsory school age, known as 'Universal Entitlement'. There is also a requirement to secure Early Years Education provision for eligible 2-year-old children, from the term after their second birthday.

Childcare Act 2016³³

Section 2: In September 2017 this act placed an additional duty on the Local Authority to secure funded childcare for those children who qualified to receive an 'extended entitlement'. This requires childcare places to be made available to working parents who meet eligibility criteria to secure a further 15 hours for 3- and 4-year-olds on top of their universal entitlement. Early Years Education and childcare should be accessible, flexible, inclusive, and provided through a range of settings to meet parental demand.

Section 12: gives Local Authorities the duty to provide information, advice and assistance to parents and prospective parents relating to the provision for childcare, services, or facilities that may be of benefit to parents and prospective parents, children, and young people.

Section 13: gives Local Authorities the duty to provide information, advice, and training to childcare providers.

³² [Childcare Act 2006](#)

³³ [Childcare Act 2016](#)

The Department for Education (DfE)'s The Childcare (Free of Charge for Working Parents) (England) Regulations 2022 revised guidance on both Childcare Acts of 2006 and 2016 to reflect the introduction of the new working parents' entitlements from April 2024.³⁴

Definitions

Parents on the IOW have access to a variety of different types of Ofsted registered childcare providers. In November 2024 the DfE introduced changes in Early Years Foundation Stage (EYFS) framework revising definitions and introducing a new childcare provider type. This report uses the following terms to describe the different types of childcare available:

- **Childminders** – these are self-employed childcare professionals who work in their own home. They are limited to smaller numbers of children and often a wider age range.
- **Childcare on Domestic Premises (CoDP)** – The 2024 EYFS updated the definition to where there are five or more childminders (including assistants) working together to deliver childcare.
- **Childcare without domestic premises** - This new type of childcare was introduced in the 2024 EYFS and covers those childminders operating solely from non-domestic premises other than a home such as a community or village hall.
- **Nursery classes within schools** - a nursery class is a pre-school class attached to a primary school.
- **Maintained nurseries** - a maintained nursery school is funded and controlled by the local authority.
- **PVI nurseries** – a nursery that has identified its business structure as private ('for profit'), voluntary (committee led) or independent school.
- **Home childcare** – a nanny providing childcare in the child's home.
- **Out of School (OOS) Provision** – Childcare that is provided term time outside school hours, for example breakfast clubs and after school clubs.
- **Holiday Activities and Food (HAF) Programme** – The DfE funded programme to provide healthy meals and enriching activities to qualifying children during school holidays.
- **Holiday play providers** - childcare that is available during school holidays for a variety of ages.
- **Wraparound Childcare** – the childcare offer for primary-aged children available term time only from 8.00am to 6.00pm weekdays, to be in place by September 2026.

Ofsted also uses several other terms when referring to childcare provision. These include:

- **'Childcare on non-domestic premises'** - a collective term used by Ofsted to describe nurseries, pre-schools, play groups, creches and out of school providers all operating from premises not being used as a home.
- **'Group based providers'** - an alternative title for PVI nurseries that operate on non-domestic premises.

³⁴ [Early education and childcare \(applies from 1 April 2024\)](https://www.gov.uk/government/consultations/early-education-and-childcare) - GOV.UK (www.gov.uk)

- **‘School based providers’** - covers both maintained nursery schools and nursery classes within schools.

To deliver childcare providers are registered on one or more Ofsted childcare registers

- **Early Years Register** – This compulsory register is for all providers who care for children from birth until the 31 August following their fifth birthday. Providers on this register must meet the requirements of the EYFS framework.
- **Childcare Register (Compulsory)** – For providers who care for children from 1 September following their fifth birthday until they turn 8 years old.
- **Childcare Register (Voluntary)** – For providers who care for children aged 8 years old and over, or those who choose to register voluntarily.

Ratios

The DfE’s EYFS Statutory Framework details the level of staffing required depending on the age of the children in question. It goes on to determine the level of qualifications needed by staff to manage a setting and to look after the children in that setting.

Following a national consultation in Summer 2023, the DfE approved a variety of changes to the EYFS Statutory Framework for both group providers and childminders that took effect from 4th September 2023 and then from 4th January 2024.

All Childcare and Early Years providers must adhere to the following ratio of suitably qualified adults (with the appropriate childcare qualifications at Level 2 and above) to look after children:

- 0- 2 years old – at least one adult for every three children,
- 2-3 years – at least one adult for every five children,
- 4-8 years – at least one adult for every six children

In addition, the manager of the setting is required to have a Level 3 or above qualification and from 4th January 2024 must already have a suitable Level 2 maths qualification or must do so within 2 years of starting in the position.

The DfE’s Early Years qualification requirements and standards document sets out the minimum qualification requirements that staff must meet to be recognised as in the staff:child ratios for Early Years. This took effect from 4th January 2024 and sits alongside an approved list of Early Years qualifications: [Check early years qualifications - GOV.UK \(www.gov.uk\)](https://www.gov.uk/check-early-years-qualifications)

Childminders are not required to have a formal Early Years qualification but must be registered with Ofsted. According to the Childminder EYFS Statutory Framework³⁵, childminders (whether providing the childminding on domestic or non-domestic premises) can care for up to six children under the age of eight. Of these six children, a maximum of three can be young children, and only be one child under the age of one. Childminders can care for more than the specified maximum of three young children if they are caring for siblings of children they already care for, or if the childminder is caring for their own child. A child is defined as a ‘young child’ up until 1 September following his or her fifth birthday.

³⁵ [Early years foundation stage \(EYFS\) statutory framework - GOV.UK \(www.gov.uk\)](https://www.gov.uk/early-years-foundation-stage-eyfs-statutory-framework)

For those childminders active in the delivery of wraparound childcare, any care provided for these older children must not adversely affect the care of children receiving early years provision.

If a childminder employs an assistant, they in turn can look after a maximum of 6 children under the age of 8. They are also able to be left in sole care of children for a maximum of 2 hours per day with parents/ carers permission.