Department for Education

Survey of Childcare and Early Years Providers and Coronavirus (COVID-19) – Wave 3

Research report, March 2021

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Department for Education

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Contents

Acknowledgements

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We would also like to give particular thanks to all the providers who responded to the request to complete the survey.

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Notes on the data

- In wave 3 of this survey, 93% of all providers reported being open. This compares to up to 81% reported as being open by the Department for Education's Local Authorities Early Years attendance data collection between 26 November and 17 December[1]. There are different methods of data collection between the two sources.

- Wave 1 of this survey was conducted 2 to 20 July 2020 and the results of this have been published: Survey of childcare and early years providers and COVID-19 (coronavirus)

- Wave 2 of this survey was conducted 25 September to 18 October 2020: Survey of childcare and early years providers and coronavirus (COVID-19): wave 2

- Wave 3 of the survey was conducted between 27 November and 20 December 2020.

- Where comparisons have been made within wave 3 data in this report, these have not been tested for statistical significance. Where comparisons between wave 1 and wave 2 data or wave 2 and wave 3 data have been made, these have been tested for statistical significance where appropriate, and the results of this testing have been indicated in the report. There has been no significance testing between wave 1 and wave 3 data.

- When the symbol '^' features in figures or tables this means that results have been subject to statistical testing to determine whether the difference between waves was statistically significant at 5% level. Only certain response options have been tested for statistical significance to avoid issues of multiple comparisons. '*' indicates that the within-provider difference between wave 1 and wave 2 or wave 2 and wave 3 was statistically significant at 5% level.

- Figures with an unweighted base of between 30 to 50 have been highlighted as having a low base and should therefore be treated with caution. Figures with an unweighted base of less than 30 have been suppressed. Figures with less than 5 observations have also been suppressed, as per the accompanying tables.

- Some figures may not sum to the total due to rounding.

[1] In this data collection, there are a proportion of providers whose status is unknown and therefore may or may not be open.

- We asked providers to consider that ‘before COVID-19’ was before March 2020. We asked providers to think of a ‘typical day’ or ‘typical week’ when thinking about before COVID-19.

- Group-based providers who are part of a chain answered about provision run by their own branch.

Executive Summary

The Department for Education commissioned NatCen Social Research and Frontier Economics to conduct wave 3 of an online survey with childcare providers entitled the Survey of Childcare and Early Years Providers and Coronavirus (COVID-19) (SCEYP COVID). The purpose of this study was to understand how childcare providers have responded to the pandemic, the status of childcare provision and any potential longer-term consequences for the childcare market. This report presents findings from wave 3 of the survey. Findings from wave 2 can be found here: Survey of childcare and early years providers and coronavirus (COVID-19): wave 2. Findings from wave 1 can be found here: Survey of childcare and early years providers and COVID-19 (coronavirus)

The study

A nationally representative sample of group-based providers (GBPs), school-based providers (SBPs) and childminders (CMs) were invited to complete a 5-10-minute online survey between 27 November and 20 December. The first week of fieldwork coincided with the end of the second period of national restrictions (5 Nov – 2 Dec 2020). When the survey was launched it was not known whether or for how long the restrictions would continue. To ensure comparability in the data collected, whether settings answered before or after the end of national restrictions, the questionnaire prompted them to answer with respect to their situation in the last week of November.

Topics covered in the survey include:

- Operating models
- Attendance
- Workforce
- Finances
- Business models
- Financial sustainability

In total, 2,964 providers participated in the study; 293 SBPs, 1,147 GBPs and 1,524 CMs.

Several new questions were added to wave 3 to ask providers about staff at higher risk or absent from coronavirus (COVID-19), additional costs incurred in response to the pandemic, and whether settings had increased or decreased aspects of their provision such as staff pay or parent fees.

Key findings

Operating models

- The majority of providers reported being open at the time of the survey (27 November to 20 December), which coincided with the end of the second period of national restrictions (5 November – 2 December 2020). Ninety-eight per cent of SBPs, 96% of GBPs and 89% of CMs reported being open.
- For GBPs and CMs, this is significantly lower than at wave 2 (98% and 92%, respectively) which took place between 25 September and 18 October 2020.
- There were no significant differences in the proportion of open SBPs, GBPs and CMs who reported being open for 5 days a week between wave 2 and wave 3.
- Open GBPs and open CMs were significantly less likely to be open for more than 8 hours a day at wave 3 than at wave 2. Open SBPs were significantly more likely to be open for more than 8 hours a day at wave 3 than at wave 2.

Workforce

- Open SBPs had an average of 11 paid staff working full time at wave 2 and 12 staff working full-time at wave 3. They had an average of 5 staff working part-time at wave 2 and 6 staff working part-time at wave 3.
- Open GBPs had an average of 4 paid staff working full-time at both waves 2 and 3 and an average of 4 staff were working part-time at both waves 2 and 3.
- Seventy-four per cent of GBPs have made use of the Coronavirus Job Retention Scheme (CJRS) at any point at wave 3, compared to 11% of SBPs.
- At wave 3, open GBPs had an average of 1 member of staff absent due to coronavirus (COVID-19) and 1 member of staff who they identified as being at higher risk of coronavirus (COVID-19). Open SBPs had an average of 2 members of staff absent and 2 members of staff they identified at being at higher risk of coronavirus (COVID-19).

Finances

- Open SBPs, GBPs and CMs received less weekly income from parent-paid fees, on average, than they would have expected in the absence of coronavirus (COVID-19) restrictions.
- On average, open SBPs expected to receive £1,228 per week from parent-paid fees but received, on average, £827 at the time of the survey.

- On average, open GBPs expected to receive £3,592 per week from parent-paid fees but received, on average, £2,416 at the time of the survey.
- On average, open CMs expected to receive £618 per week from parent-paid fees but received, on average, £388 at the time of the survey.
- At wave 3, open providers were asked about additional costs incurred as a result of the pandemic. On average, open SBPs and GBPs reported that their highest additional weekly cost was for staff to cover absences (£311 and £104, respectively). CMs highest additional weekly costs were 'other costs' (£18).

Business Models

- In wave 3, open providers were asked two new questions about whether they had increased or decreased any aspects of their provision due to the pandemic, for example changing staffing levels or flexibility of hours.
- Most commonly, open SBPs, GBPs and CMs reported that they did not increase or decrease any aspects of their provision because of the pandemic ('none of the above' was the most common response to both questions for all 3 provider types).
- Forty-one per cent of open SBPs increased the use of agency or supply staff, 35% of open GBPs increased the hours of their permanent staff to cover staff absences and 31% of open CMs increased the choice or flexibility in hours that parents can use.
- Thirteen per cent of open SBPs, 18% of open GBPs and 16% of open CM decreased the choice or flexibility in hours that parents can use.

Financial sustainability

- As in waves 1 and 2, open GBPs and CMs were asked, based on what they knew about the current situation and upcoming developments, for how long they were reasonably confident that it would be financially sustainable to continue to run their childcare provision[2].
- At wave 3, 47% per cent of open GBPs and 56% of open CMs were reasonably confident that it would be financially sustainable to continue to run their childcare provision for another year or longer. This was a statistically significant increase from the findings at wave 2, where 42% of open GBPs and 51% of open CMs were reasonably confident that it would be financially sustainable to run their provision for another year or longer. Wave 3 of the survey was conducted between

[2] SBPs were not asked this question as the decision to run provision is usually part of wider decisions concerning the larger school strategy.

27 November and 20 December 2020 and wave 2 was conducted 25 September to 18 October 2020[3].

[3] The announcement about changes to spring term funding was made on 17 December, towards the end of the fieldwork period.

Introduction

Childcare provision in England is made up of approximately 33% of group-based providers (GBPs), 12% of school-based providers (SBPs) and 54% of childminders (CMs)[4].

The coronavirus (COVID-19) pandemic and subsequent lockdown has resulted in a large amount of change for the childcare sector in England. From 23 March 2020, the Government instructed the temporary closure of early years settings, except for children of key workers and vulnerable children[5]. Later, the Government instructed that children were able to return to early years settings from 1 June 2020[6]. The government continued to pay local authorities for the early years entitlements during the pandemic. From the start of the autumn term 2020, the government asked local authorities to fund childcare providers which were open, or closed (for public health reasons) at broadly the levels they would have expected to see in the 2020 autumn term had there been no coronavirus (COVID-19) outbreak.[7].

For further details about the context and other Government support that was offered to childcare providers, please see the wave 1 report: [Survey of childcare and early years providers and COVID-19 (coronavirus)]

The study

The Department for Education commissioned NatCen Social Research and Frontier Economics to undertake wave 3 of the Survey of Childcare and Early Years Providers and Coronavirus (COVID-19) (SCEYP COVID). This short survey aimed to understand how childcare providers in England have responded to the pandemic, the status of childcare provision and the potential longer-term consequences for the childcare market.

The survey specifically covered the topics of operating models, child attendance, workforce, provider finances, business models and financial sustainability.

A nationally representative, randomly selected sub-sample of providers from the postponed mainstage SCEYP 2020 sample were invited to take part[8]. SBPs, GBPs and CMs were invited to take part in the survey.

Providers were invited to complete a 5-10-minute web-survey between 27 November – 20 December 2020. The first week of fieldwork coincided with the end of the second

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[4] Survey of Childcare and Early Years Providers: Main Summary, England, 2019
[5] Press release: Schools, colleges and early years settings to close
[6] Guidance: Our plan to rebuild: The UK Government's COVID-19 recovery strategy
[7] News story: Free childcare offers to continue during coronavirus closures
[8] Collection: Statistics: childcare and early years

period of national restrictions (5 November – 2 December 2020). When the survey was launched it was not known whether or for how long the restrictions would continue. To ensure comparability in the data collected, whether settings answered before or after the end of national restrictions, the questionnaire prompted them to answer with respect to their situation in the last week of November.

In total, 2,964 providers participated in the study; 293 SBPs, 1,147 GBPs and 1,524 CMs.

The data has been weighted to provide a stand-alone snapshot that is representative of all providers in England and of the three provider types separately.

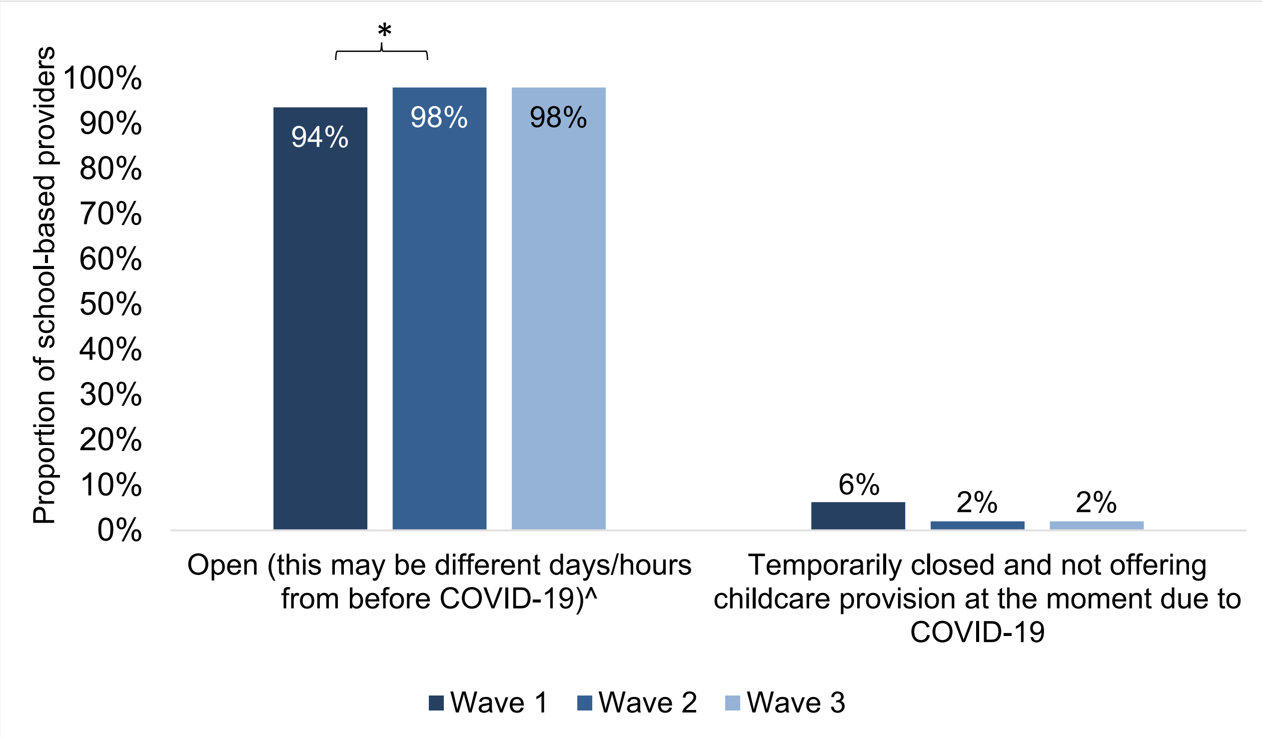
More information is provided in the technical report published alongside this release.

Operating models

Operating status

At wave 3, the majority of school-based providers (SBPs) reported being open at the time of the survey (98%) (Figure 1; Accompanying W3 Table 1 and W1/W2/W3 Table 1). This is similar to the proportion of SBPs who reported being open at wave 2 (98%). At wave 3, 2% of SBPs reported being temporarily closed.

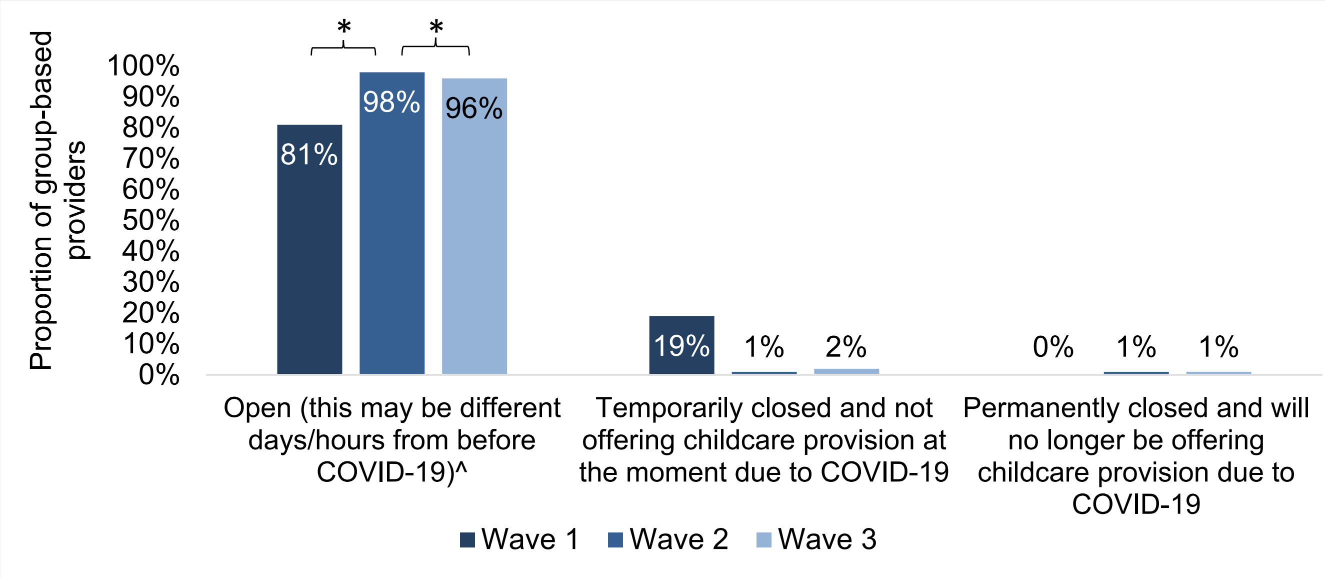
Figure 1: Operating status for school-based providers at waves 1 – 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and wave 2 and between wave 2 and wave 3 statistically significant at 5% level * indicates that the within-provider difference between wave 1 and wave 2 and between wave 2 and wave 3 was statistically significant at the 5% level. Data for permanently closed SBPs has been suppressed due to very low unweighted base size.*

At wave 3, the majority of group-based providers (GBPs) reported being open at the time of the survey (96%) (Figure 2; Accompanying W3 Table 1 and W1/W2/W3 Table 1). This is significantly lower than the proportion of GBPs who reported being open at wave 2 (98%). At wave 3, 2% of GBPs reported being temporarily closed and a further 1% reported being permanently closed.

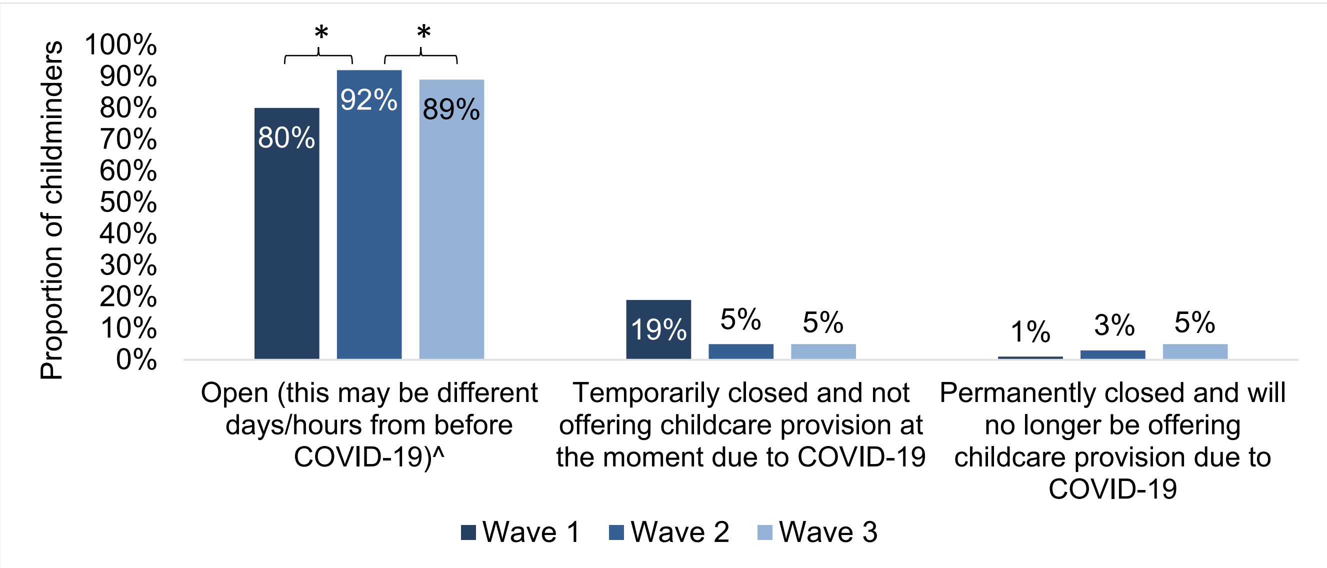
Figure 2: Operating status for group-based providers at waves 1 – 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and wave 2 and between wave 2 and 3 statistically significant at 5% level * indicates that the within-provider difference between wave 1 and 2 and between wave 2 and 3 was statistically significant at the 5% level*

At wave 3, the majority of childminders (CMs) reported being open at the time of the survey (89%) (Figure 3; Accompanying W2 Table 1 and W1/W2/W3 Table 1). This is significantly lower than the proportion of CMs who were open at wave 2 (92%). At wave 3, 5% of CMs reported being temporarily closed and a further 5% reported being permanently closed.

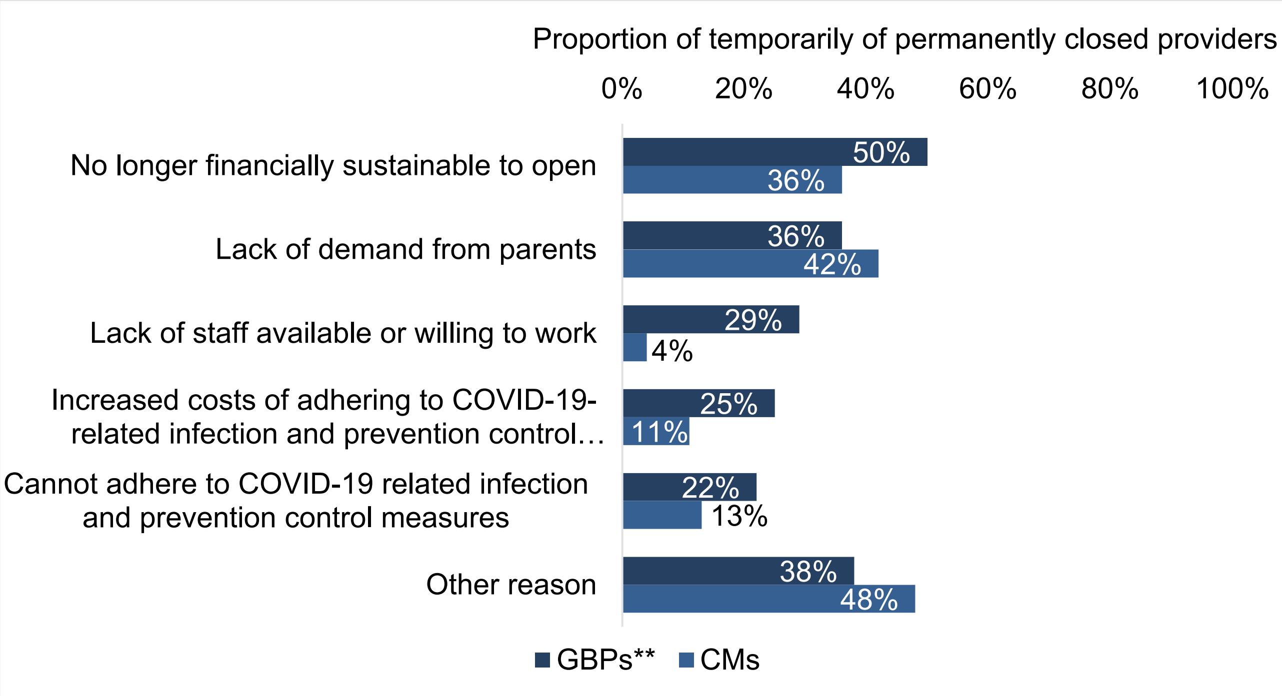
Figure 3: Operating status for childminders at waves 1 – 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and wave 2 and between wave 2 and 3 statistically significant at 5% level * indicates that the within-provider difference between wave 1 and 2 and between wave 2 and 3 was statistically significant at the 5% level*

The small proportion of temporarily or permanently closed providers (4% of GBPs and 11% of CMs) were asked to select the reason for their closure. The most common reason for GBPs at wave 3 was that it was no longer financially sustainable to open (50%). CMs most commonly selected 'other reason' (48%) followed by a lack of demand from parents (42%). Data for SBPs has been suppressed due to low unweighted base sizes (Figure 4; Accompanying W3 Table 7).

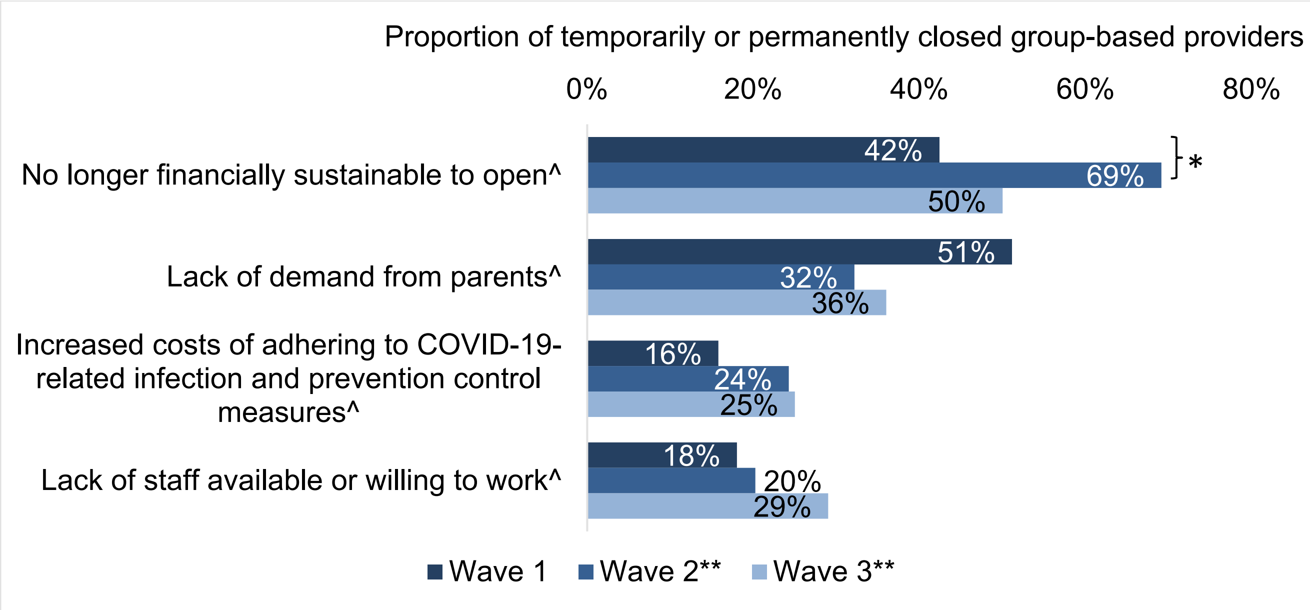
Figure 4: Proportion of providers who reported being temporarily or permanently closed due to the below reasons, by provider type, wave 3 only



*Notes: Data for SBPs has been suppressed due to very low unweighted base size. ** Low unweighted base so findings should be treated as indicative only*

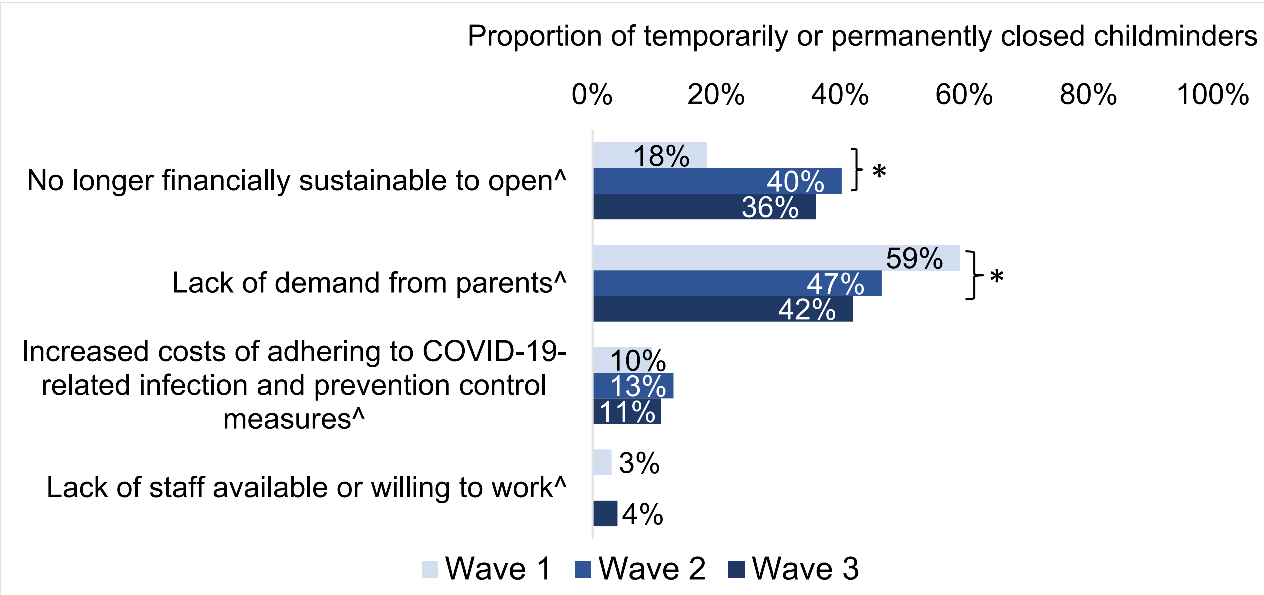
Four of the response options to this question were selected for statistical significance testing between waves 1 and 2, and between waves 2 and 3. Of the small proportion of providers who were closed, there were no significant differences in the proportions of providers selecting a reason for closure at wave 3 compared to wave 2 (Figure 5 (GBP) and Figure 6 (CM); Accompanying W1/W2/W3 Table 4)

Figure 5: Proportion of group-based providers who reported being temporarily or permanently closed due to the below reasons, waves 1 - 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and 2 and between wave 2 and 3 statistically significant at 5% level * indicates that the within-provider difference between wave 1 and wave 2 was statistically significant at the 5% level. ** Low unweighted base so findings should be treated as indicative only*

Figure 6: Proportion of childminders who reported being temporarily or permanently closed due to the below reasons, waves 1 - 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and 2 and wave 2 and 3 statistically significant at 5% level. * indicates that the within-provider difference between wave 1 and 2 and between wave 2 and 3 was statistically significant at the 5% level. Some data has been suppressed due to low number of observations (<5).*

Opening days

In all 3 waves, open providers were asked how many days they were currently open at the time of the survey.

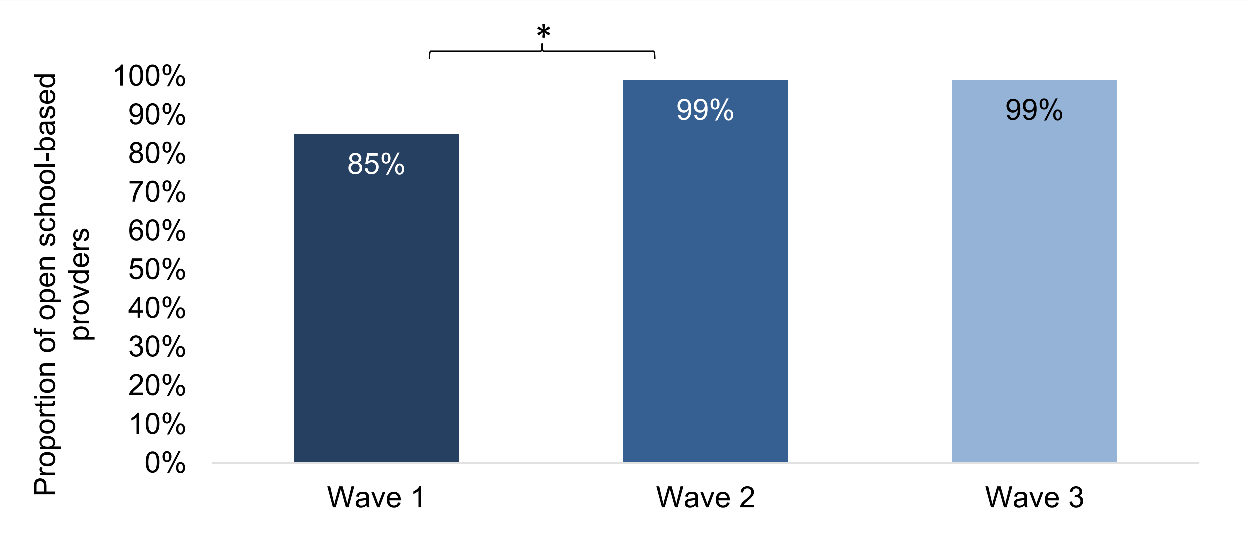
Open SBPs were, on average, open for 5 days per week at wave 2 and 5 days per week at wave 3. On average, open GBPs were open for 4.9 days per week at wave 2 and 4.9 days per week at wave 3. Open CMs were, on average, open for 4.5 days per week at wave 2 and 4.4 days per week at wave 3. These mean differences have not been tested for statistical significance. (Table 1; Accompanying W1 Table 4, W2 Table 4 and W3 Table 3).

Table 1: Mean opening days per week, at waves 1 - 3, by provider type

Timepoint:	**Open SBPs**	**Open GBPs**	**Open CMs**
Mean opening days per week, wave 1	4.8	4.5	4.0
Mean opening days per week, wave 2	5.0	4.9	4.5
Mean opening days per week, wave 3	5.0	4.9	4.4
Unweighted base: All open providers *Wave 1:* *Wave 2:* *Wave 3:*	 *373* *510* *286*	 *1109* *1571* *1106*	 *1790* *1870* *1365*

The distribution of opening days per week at the time of the survey for waves 1 - 3 for open providers shows that 99% of open SBPs were open for five days a week at wave 2 and 3, compared to 85% at wave 1. The difference between wave 1 and 2 is significant. (Figure 7; Accompanying W1/W2/W3 Table 2).

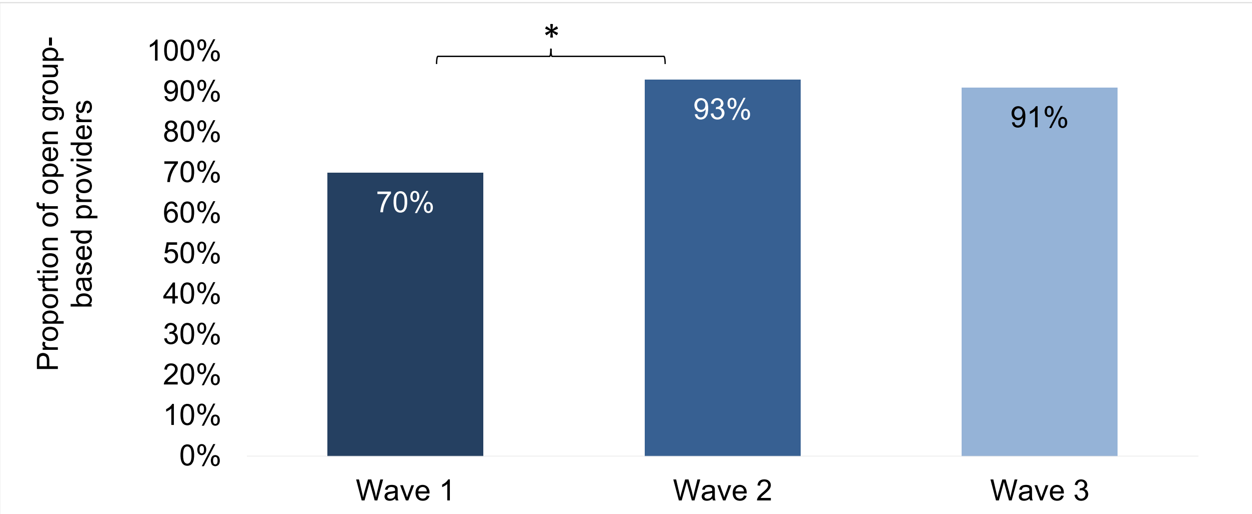
Figure 7: Proportion of open school-based providers open for 5 days per week, waves 1 – 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and wave 2 and between wave 2 and wave 3 statistically significant at 5% level * indicates that the within-provider difference between wave 1 and wave 2 was statistically significant at the 5% level.*

The distribution of opening days per week for waves 1 – 3 for open providers shows that 91% of open GBPs were open for five days a week at wave 3 compared to 93% at wave 2. (Figure 8; Accompanying W1/W2/W3 Table 2). This difference was not significant.

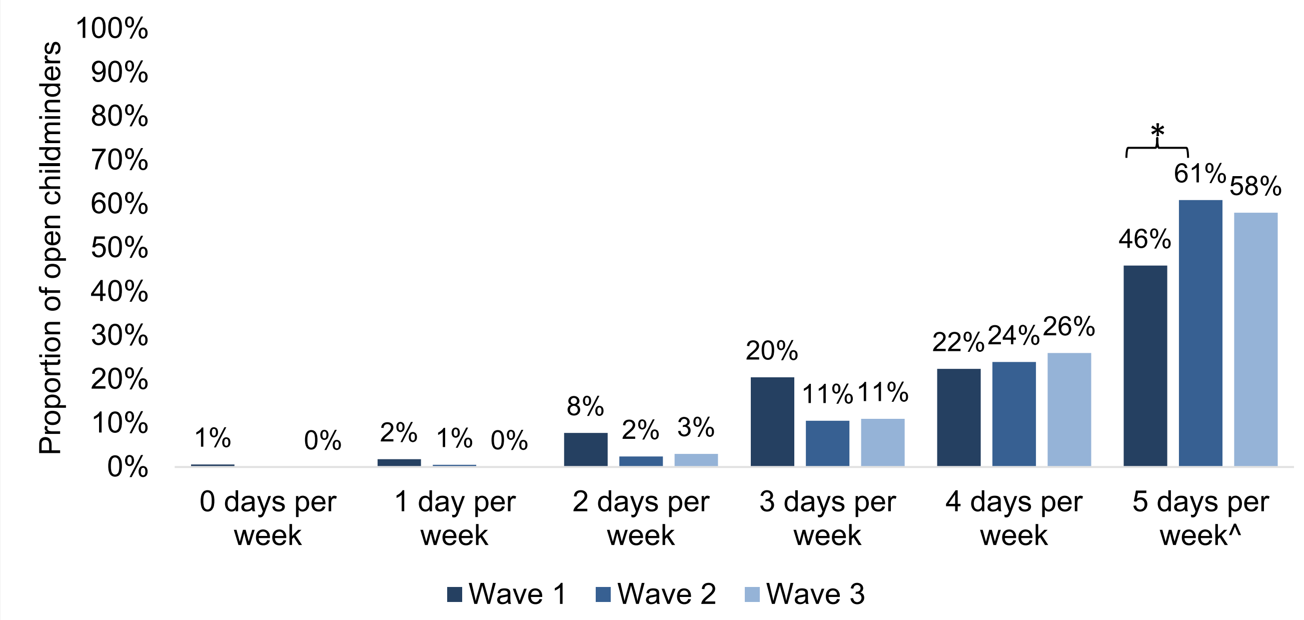
Figure 8: Proportion of open group-based providers open 5 days per week, waves 1 - 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and wave 2 and between wave 2 and 3 statistically significant at 5% level * indicates that the within-provider difference between wave 1 and wave 2 was statistically significant at the 5% level.*

The distribution of opening days per week for waves 1 – 3 for open providers shows that 58% of open CMs were open for five days a week at wave 3 compared to 61% at wave 2. (Figure 9; Accompanying W1/W2/W3 Table 2). This difference was not significant.

Figure 9: Distribution of open childminders' opening days per week, waves 1 - 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and wave 2 and between wave 2 and wave 3 statistically significant at 5% level * indicates that the within-provider difference between wave 1 and wave 2 was statistically significant at the 5% level. Some data is suppressed because of low number of observations.*

Opening hours

Open providers were asked how many hours they were open per day at the time of the survey.

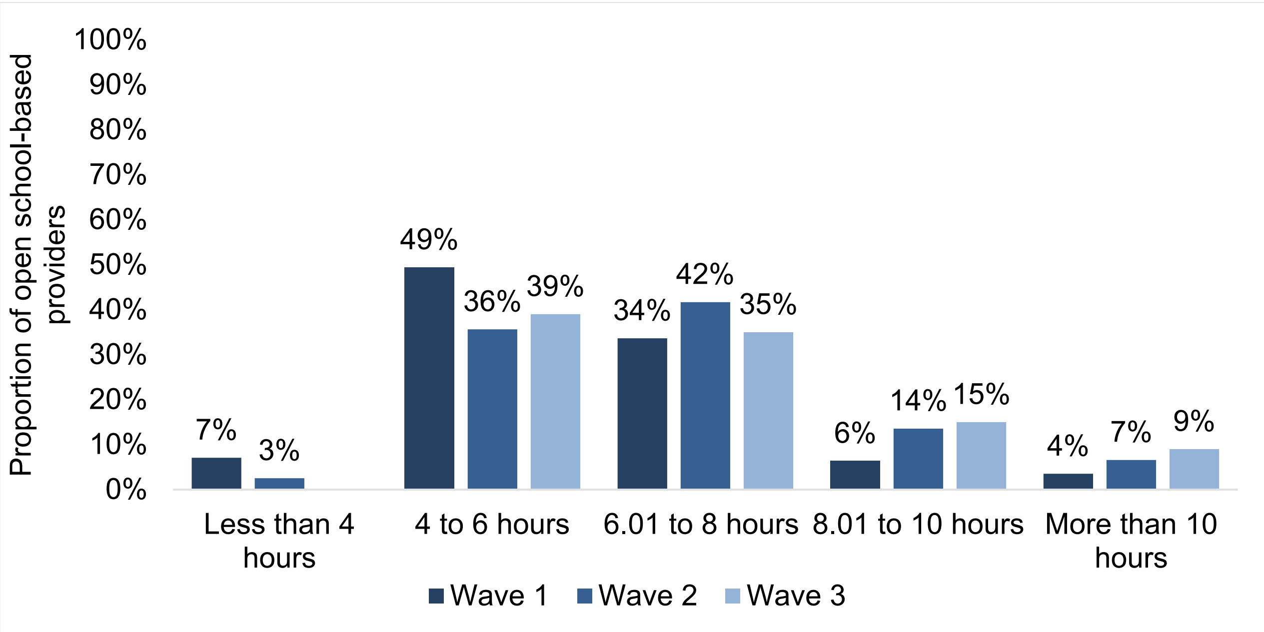
Open SBPs were, on average, open for 7.3 hours a day at wave 3, compared to 7.1 hours at wave 2. Open GBPs were, on average, open for 7.4 hours per day at wave 3 and 7.6 hours per day at wave 2. Open CMs were, on average, open for 9.0 hours per day at wave 3 and 9.1 hours per day at wave 2. These mean differences have not been tested for statistical significance. (Table 2; Accompanying W1 and W2 Table 6, W3 Table 5).

Table 2: Mean opening hours per day at waves 1 – 3, by provider type

Timepoint:	Open SBPs	Open GBPs	Open CMs
Mean opening hours per day, wave 1	6.4	7.2	8.4
Mean opening hours per day, wave 2	7.1	7.6	9.1
Mean opening hours per day, wave 3	7.3	7.4	9.0
Unweighted base: All open providers	*373* *509* *287*	*1110* *1571* *1106*	*1789* *1869* *1363*

When looking at the distribution of opening hours per day across the 3 waves, 10% of open SBPs were open for more than 8 hours per day at wave 1. At wave 2, 20% of open SBPs were open for more than 8 hours per day, compared to 24% at wave 3. The difference between wave 1 and 2 and between wave 2 and 3 was significantly different (Figure 10; Accompanying W1/W2/W3 Table 3).

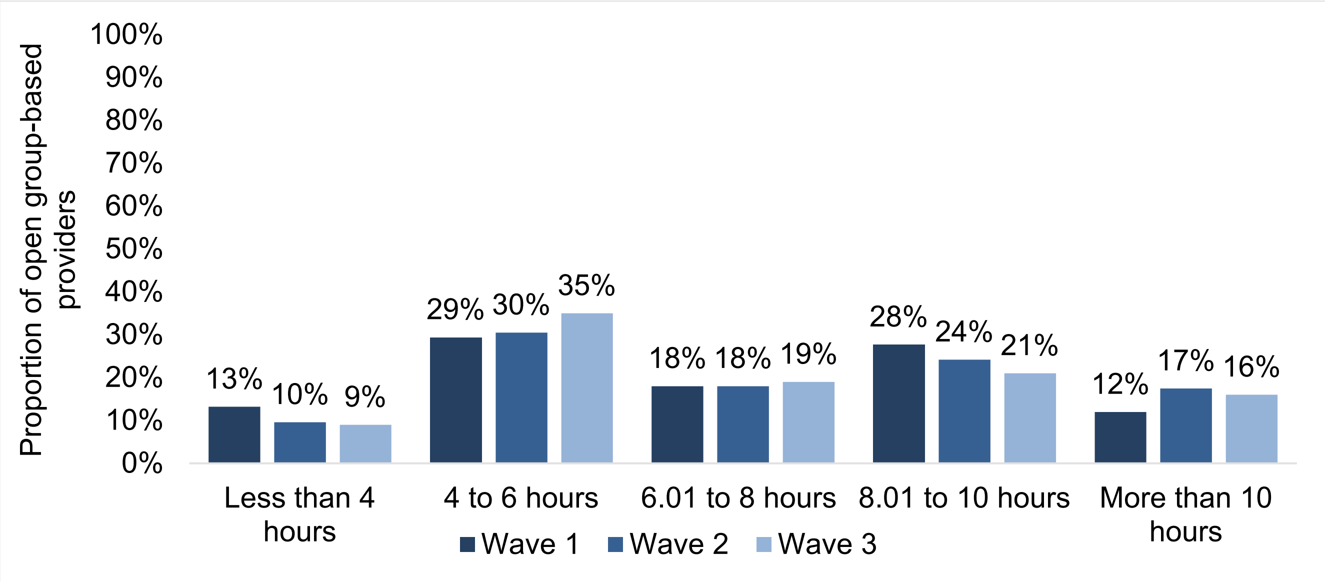
Figure 10: Distribution of open school-based providers' opening hours per day, waves 1 - 3



Notes: Some data is suppressed because of low number of observations

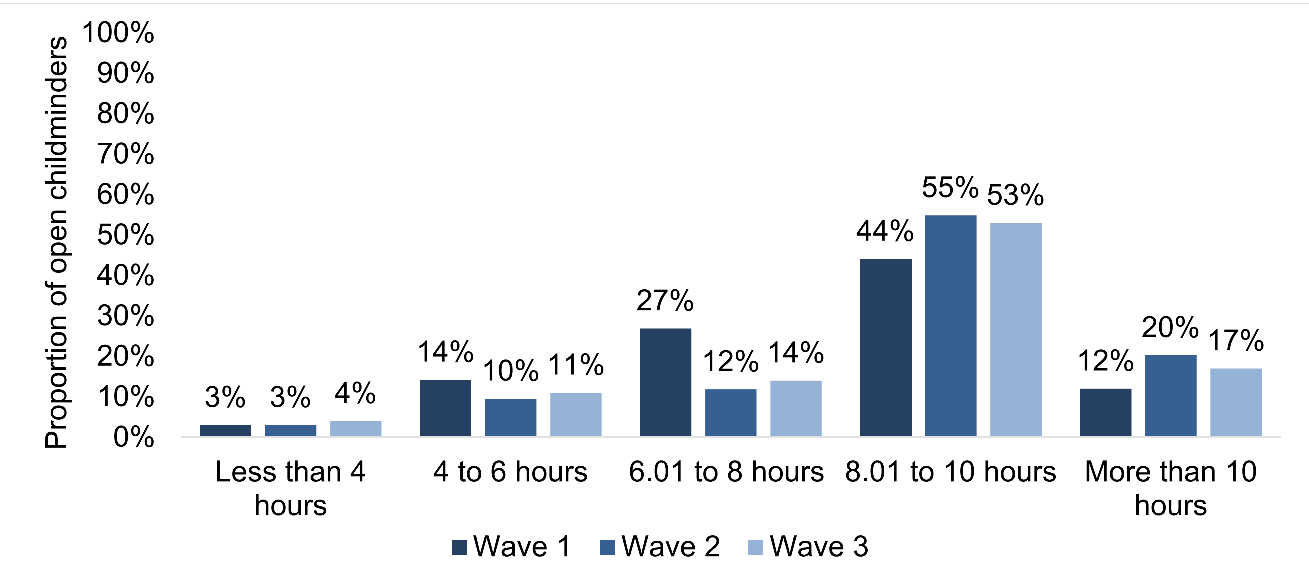
At wave 1, 40% of open GBPs were open for more than 8 hours per day. At wave 2, 42% of open GBPs were open for more than 8 hours per day. At wave 3, 37% of open GBPs were open for more than 8 hours per day. The difference between wave 2 and 3 was significantly different. (Figure 11; Accompanying W1/W2 Table 3).

Figure 11: Distribution of open group-based providers' opening hours per day, waves 1 - 3



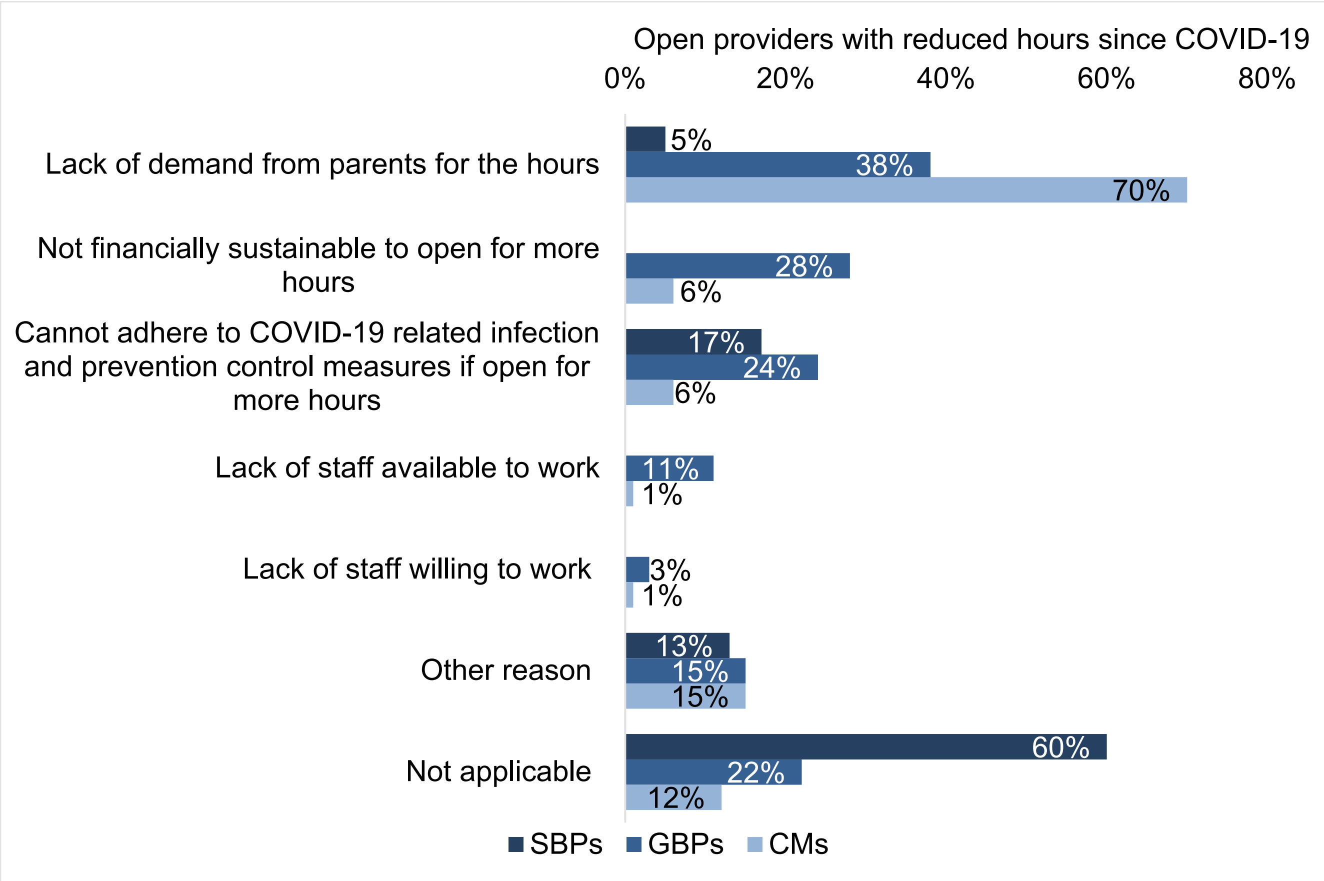
At wave 1, 56% of open CMs were open for more than 8 hours per day. At wave 2, 75% of open CMs were open for more than 8 hours per day. At wave 3, 70% of open CMs were open for more than 8 hours per day. The difference between waves 1 and 2, and waves 2 and 3 was significantly different (Figure 12; Accompanying W1/W2/W3 Table 3).

Figure 12: Distribution of open childminders' opening hours per day, waves 1 – 3



Open providers with a reduction in their opening days or hours were asked to select the reasons behind the reduction. For this question, data from wave 3 is not compared to wave 2 because the response options offered differed between waves, therefore limiting comparability. At wave 3, the most common reason for reduced operating hours for open GBPs and CMs was a lack of demand from parents (38% and 70%, respectively). For open SBPs, the most common reason was not being able to adhere to coronavirus (COVID-19) related infection and prevention control measures if open for more hours (17%) (Figure 13; Accompanying W3 Table 6).

Figure 13: Proportion of open providers who reported a reduction in opening days/hours due to the below reasons, by provider type, wave 3 only



Notes: Some data is suppressed because of low number of observations

Attendance

Providers were asked about the number of children they expected to attend their setting in a typical week in November 2020[9]. For providers who were open at the time of the survey, they were asked how many children did attend. To allow for a comparison between expected and actual attendance, only providers who reported being open at the time of the survey are compared. Data is presented for wave 2 and wave 3 only due to expected differences in attendance between wave 1 in the summer term and wave 2 and 3 in the autumn term, regardless of coronavirus (COVID-19).

On average, open school-based providers (SBPs), expected 4 two-year old children to attend during a typical week in November 2020 and, at the time of the survey, 3 two-year old children attended their setting (Table 3; Accompanying W3 Tables 9 and 13). Open SBPs expected, on average, 34 three and four-year old pre-school children to attend and, at the time of the survey, 29 children attended their setting (Table 3, Accompanying W3 Tables 10 and 14). Expected and actual attendance at wave 3 was very similar to wave 2. There were no significant differences in actual attendance between waves 2 and 3 for open SBPs (Accompanying W1/W2/W3 Tables 10, 11 and 12).

On average, open group-based providers (GBPs), expected 13 two-year old children and at the time of the survey 10 two-year old children attended their setting (Table 4; Accompanying W3 Tables 9 and 13). This compares to an expected and actual attendance of 14 and 11, respectively, at wave 2. On average, open GBPs expected 21 three and four-year old pre-school children and 18 attended (Table 4; Accompanying W3 Tables 10 and 14). This compares to 22 and 17, respectively, at wave 2. For open GBPs, there was a significant decrease in the actual attendance of two-year-olds between waves 2 and 3 (Table 4; Accompanying W1/W2/W3 Table 11).

Open childminders (CMs), expected, on average, 2 two-year old children and, on average, 1 child aged 2 attended their setting at the time of the survey (Table 5; Accompanying W2 Tables 9 and 13). They expected, on average, 2 three and four-year old pre-school children and 1 child aged three or four attended (Table 5; Accompanying W2 Tables 10 and 14). These figures are comparable to the expected and actual attendance figures for open CMs in wave 2. There was a significant increase in the actual attendance of three and four-year olds between waves 2 and 3 (Table 5; Accompanying W1/W2/W3 Table 12)

[9] Providers were asked about the expected number of children in November 2020 to cover attendance during the second national lockdown, rather than number attending before coronavirus (COVID-19) because of the differences in attendance rates in the autumn term compared to the spring term. This also helped to ensure comparability in the data collected, given that providers could respond to the survey in November or December.

Table 3: Mean number of children expected in a typical week and mean number of children that actually attended, for open school-based providers.

Age category:	Wave 2: Expected*	Wave 2: Attended	Wave 3: Expected*	Wave 3: Attended**
Under age two	1	0	0	0
Age two	4	3	4	3
Three and four-year-old pre-school children	33	27	34	29
School aged children aged 4 or over[10]	-	-	-	-
Unweighted base: Open providers	*Between 506-509*	*Between 508-509*	*Between 285-287*	*Between 285-287*

*Note: numbers have been rounded to whole numbers. Unweighted bases range due to different number of providers answering each question. *At waves 2 and 3, providers were asked to consider a typical week in the 2020 autumn term. **At wave 3, providers were asked to consider a typical week in November 2020.*

Table 4: Mean number of children expected in a typical week and mean number of children that actually attended, for open group-based providers.

Age category:	Wave 2: Expected*	Wave 2: Attended	Wave 3: Expected*	Wave 3: Attended**
Under age two	6	5	6	5
Age two	14	11	13	10
Three and four-year-old pre-school children	22	17	21	18
School aged children aged 4 or over	17	11	18	13
Unweighted base: Open providers	*Between 1534-1558*	*Between 1554-1565*	*Between 1083-1097*	*Between 1092-1102*

*Note: numbers have been rounded to whole numbers. Unweighted bases range due to different number of providers answering each question. *At waves 2 and 3, providers were asked to consider a typical week in the 2020 autumn term. **At wave 3, providers were asked to consider a typical week in November 2020.*

[10] Figures for school age children not shown for SBPs. SBPs cover nursery provision only, not reception classes.

Table 5: Mean number of children expected in a typical week and mean number of children that actually attended, for open childminders.

Age category:	Wave 2: Expected*	Wave 2: Attended	Wave 3: Expected*	Wave 3: Attended**
Under age two	2	1	2	1
Age two	2	1	2	1
Three and four-year-old pre-school children	2	1	2	1
School aged children aged 4 or over	4	3	4	3
Unweighted base: Open providers	*Between 1930-1959*	*Between 1813-1837*	*Between 1325-1333*	*Between 1349-1358*

*Note: numbers have been rounded to whole numbers. Unweighted bases range due to different number of providers answering each question. *At waves 2 and 3, providers were asked to consider a typical week in the 2020 autumn term. **At wave 3, providers were asked to consider a typical week in November 2020.*

Workforce

Open group-based providers (GBPs) and school-based providers (SBPs) were asked how many paid staff were involved in the delivery of their provision, including how many were working full-time and how many were working part-time at the time of the survey[11]. Here, this data was compared between waves 1, 2 and 3. The data described in the text have not been tested for statistical significance, unless specified.

Open SBPs had, on average, 9 paid staff working full time at wave 1, 11 staff working full-time at wave 2 and 12 staff working full time at wave 3 (Table 6; Accompanying W1 and W2 Table 27, W3 Table 25). They had an average of 6 staff working part-time at wave 1, 5 staff working part-time at wave 2 and 6 staff working part-time at wave 3 (Table 6; Accompanying W1 and W2 Table 28, Wave 3 Table 26). There were no significant differences in the proportion of open SBPs reporting that 5 or less members of staff were working full-time or part-time between waves 2 and 3 (Accompanying W1/W2/W3 Tables 6 and 7).

Table 6: Open school-based providers mean number of paid staff at waves 1 - 3

Staff category:	Open SBPs: Mean number of staff at wave 1	Open SBPs: Mean number of staff at wave 2	Open SBPs: Mean number of staff at wave 3
Full-time (30 hours+)	9	11	12
Part-time (<30hours)	6	5	6
Furloughed (full-time)	1	0	0
Furloughed (part-time)[12]	N/A	0	0
Unweighted base	*Full-time question: 364* *Other questions: 363*	*Full-time question: 505* *Part time question: 503* *Furlough questions: 505*	*Full-time question: 282* *Part-time question: 281* *Furlough (full-time): 283* *Furlough (part-time): 282*

Notes: The staff numbers for SBPs are higher than in the main SCEYP, therefore, caution should be taken when making comparisons to the main SCEYP and when making conclusions about the whole SBP workforce. Numbers have been rounded to whole numbers. Unweighted bases range due to different number of providers answering each question. Mean differences in the table have not been tested for significant differences.

[11] Childminders (CMs) were not asked this question, due to the low number of CMs employing staff.
[12] On 29 May, the Chancellor announced upcoming changes to the Coronavirus Job Retention Scheme. These changes included new flexibility, meaning from 1 July, employers could bring back to work employees that have previously been furloughed for any amount of time and any shift pattern, while still being able to claim the Coronavirus Job Retention Scheme grant for their normal hours not worked. Wave 1 of this survey asked in general about number of furloughed staff but wave 2 and 3 separated this out into part-time and full-time furloughed staff.

Open GBPs had, on average, 4 paid staff working full-time at wave 1, 2 and 3 and an average of 4 paid staff working part-time across all 3 waves (Table 7; Accompanying W1 and W2 Tables 27 and 28, W3 Tables 25 and 26). The proportion of open GBPs who reported that 5 or less members of staff were currently working full-time significantly increased from 73% at wave 2 to 76% at wave 3. The difference in the proportion of open GBPs reporting that 5 or less members of staff were working part-time between waves 2 and 3 was not statistically significant (Accompanying W1/W2/W3 Tables 6 and 7).

Table 7: Open group-based providers mean number of paid staff at waves 1 - 3

Staff category:	Open GBPs: Mean number of staff at wave 1	Open GBPs: Mean number of staff at wave 2	Open GBPs: Mean number of staff at wave 3
Full-time (30 hours+)	4	4	4
Part-time (<30hours)	4	4	4
Furloughed (full-time)	3	0	0
Furloughed (part-time)[13]	N/A	1	1
Unweighted base	*Full-time question: 1,093* *Part-time question: 1,097* *Furlough question: 1,088*	*Full-time question: 1549* *Part-time question: 1550* *Furlough (full-time): 1530* *Furlough (part-time): 1528*	*Full-time question: 1083* *Part-time question: 1084* *Furlough (full-time): 1063* *Furlough (part-time): 1060*

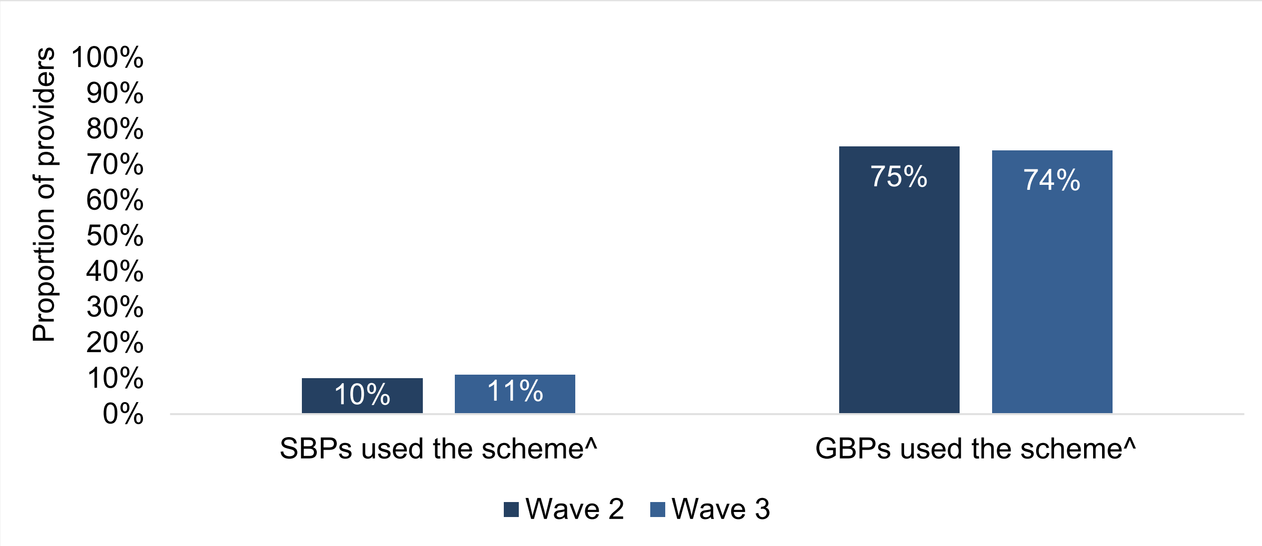
Notes: Numbers have been rounded to whole numbers. Unweighted bases range due to different number of providers answering each question. Mean differences in the table have not been tested for significant differences.

Open providers were also asked about the number of staff that were currently on furlough as part of the Coronavirus Job Retention Scheme (CJRS). At the time of the survey, open SBPs reported having an average of 0 members of staff on furlough and open GBPs reported having an average of 1 member of staff on part-time furlough (Table 6; Accompanying W3 Tables 27 and 28).

[13] On 29 May, the Chancellor announced upcoming changes to the Coronavirus Job Retention Scheme. These changes included new flexibility, meaning from 1 July, employers could bring back to work employees that have previously been furloughed for any amount of time and any shift pattern, while still being able to claim the Coronavirus Job Retention Scheme grant for their normal hours not worked. Wave 1 of this survey asked in general about number of furloughed staff but wave 2 and 3 separated this out into part-time and full-time furloughed staff.

Seventy-four per cent of GBPs have made use of the scheme at any point at wave 3, compared to 11% of SBPs (Figure 14; Accompanying W3 Table 29 and W1/W2/W3 Table 9). There were no significant differences in the proportion of GBPs or SBPs that have made use of the CJRS at any point, across waves 2 and 3. It is important to note that the furlough scheme could only be used by settings to cover up to the proportion of their salary bill which could be considered to have been paid for from their private income (and in line with the appropriate guidance).

Figure 14: Proportion of school-based and group-based providers that have made use of the Coronavirus Job Retention Scheme at any point, waves 2 and 3 only



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 2 and 3 statistically significant at 5% level * indicates that the within-provider difference between wave 2 and wave 2 was statistically significant at the 5% level.*

Staff risk and absence

New to wave 3, open school-based (SBPs) and group-based providers (GBPs) were asked how many of their paid staff were absent from work due to coronavirus (COVID-19)[14] and how many they identified as being at higher risk from coronavirus (COVID-19). On average, at the time of the survey, open SBPs had 2 members of staff absent, and 2 members of staff who they identified as being at higher risk from coronavirus (COVID-19). Open GBPs had 1 member of staff absent and 1 member of staff they identified as being at higher risk from coronavirus (COVID-19) (Table 8; Accompanying W3 Tables 30 and 31)

[14] This could be a confirmed or suspected case, due to self-isolating or caring for dependents for coronavirus (COVID-19) related reasons. Respondents were asked not to include staff on furlough.

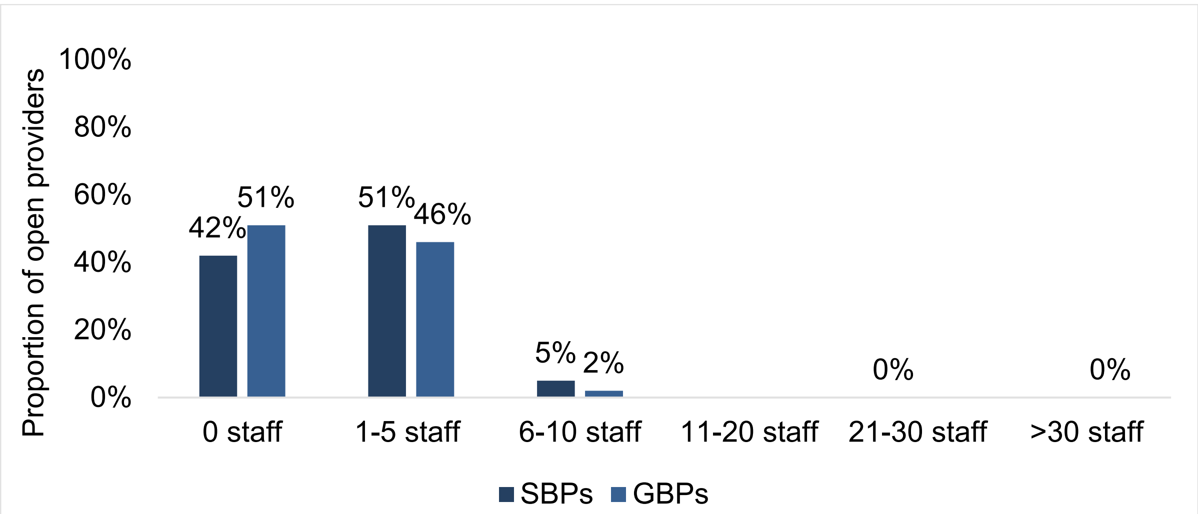
Table 8: Open group-based provider and school-based provider mean number of staff at risk and absent due to coronavirus (COVID-19), waves 1 - 3

Staff category:	Open SBPs: mean number of staff	Open GBPs: mean number of staff
Staff at higher risk from coronavirus (COVID-19)	2	1
Staff absent due to coronavirus (COVID-19)	2	1
Unweighted base	*Between 283-287*	*Between 1101-1104*

Notes: Numbers have been rounded to whole numbers. Unweighted bases range due to different number of providers answering each question. Providers were asked to think about staff risk and absence in the last week of November, excluding any apprentices.

The distribution of staff identified as higher risk across the two provider types shows that 51% of open SBPs and 46% of open GBPs have between 1-5 staff members in this category. Five per cent of open SBPs have 6-10 members of staff at higher risk, compared to 2% of open GBPs. Forty-two percent of open SBPs and 51% of open GBPs identified 0 staff as being at higher risk (Figure 15; Accompanying W3 Table 31).

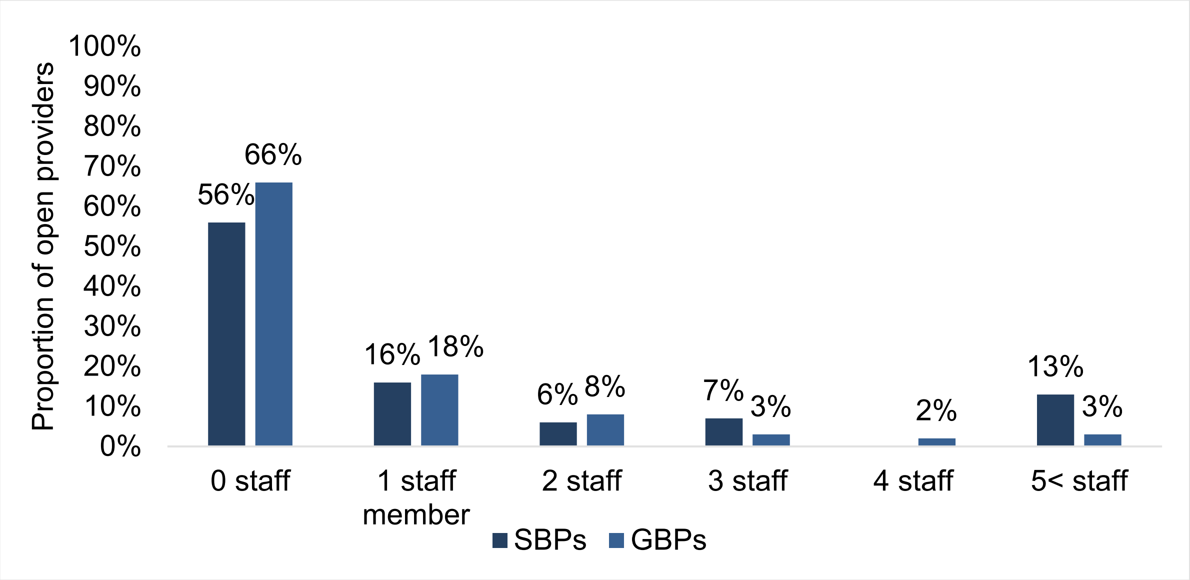
Figure 15: Distribution of number of staff identified as being at higher risk of coronavirus (COVID-19) for open school based and group-based providers, wave 3 only



Notes: Some data is suppressed because of low number of observations

When looking at the distribution of staff absences due to coronavirus (COVID-19) across the two provider types, the majority of open SBPs and GBPs in wave 3 reported that 0 staff were absent due to coronavirus (COVID-19) (56% and 66%, respectively). Twentynine per cent of open SBPs had 1-4 members of staff absent, compared to 32% of open GBPs. Thirteen per cent of open SBPs had 5 or more staff members absent due to coronavirus (COVID-19), compared to 3% of open GBPs (Figure 16; Accompanying W3 Tables 30 and 31).

Figure 16: Distribution of number of staff absent due to coronavirus (COVID-19) for school based and group-based providers, wave 3 only



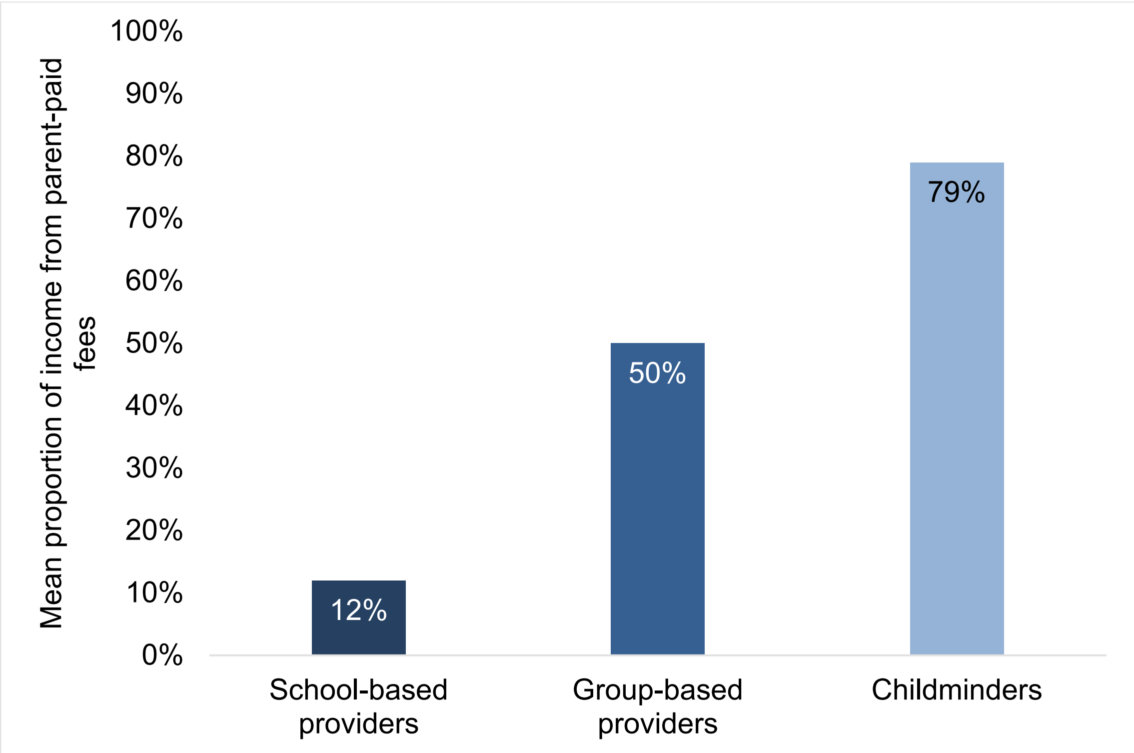
Notes: Some data is suppressed because of low number of observations

Finances

During the pandemic, the Government continued to pay funding to local authorities for the free entitlements for two, three and four-year-olds, even if the provider had to close or there were no children attending due to coronavirus (COVID-19) and therefore the main financial loss that providers likely experienced would be the loss of income from parent-paid fees, due to reduced attendance rates[15]. Therefore, parent-paid fees are the focus of this section.

To understand the impact of the loss of these fees, all providers were asked approximately what proportion of their total income typically came from parent-paid fees. As can be seen in Figure 17 (Accompanying W3 Table 19), at wave 3 the mean proportion of income was highest for childminders (CMs; 79%), then group-based providers (GBPs; 50%) and was lowest for school-based providers (SBPs; 12%).

Figure 17: Mean proportion of income from parent-paid fees before coronavirus (COVID-19), by provider type, wave 3 only



Providers were asked how much income they would have been expecting to receive from parent-paid fees for a typical week in November 2020 and how much they actually

[15] This funding arrangement was still in place during wave 3 of the survey, which was carried out between 27 November and 20 December 2020. The announcement about spring term funding was made on 17 December, towards the end of the fieldwork period.

received[16]. Data is presented for wave 2 and 3 only due to expected differences in attendance between wave 1 in the summer term and wave 2 and 3 in the autumn term, regardless of coronavirus (COVID-19), and therefore potentially expected differences in parent-paid income.

At wave 3, open SBPs, GBPs and CMs received less weekly income, on average, than expected. On average, open SBPs expected to receive £1,228 per week from parent-paid fees but received, on average £827 at the time of the survey (Table 9: Accompanying W2 and W3 Tables 20 and 21). On average, open GBPs expected to receive £3,592 per week from parent-paid fees but received, on average, £2,416 at the time of the survey (Table 10, Accompanying W2 and W3 Tables 20 and 21). On average, open CMs expected to receive £618 per week from parent-paid fees but received, on average £388 at the time of the survey (Table 11; Accompanying W2 and W3 Tables 20 and 21).

Table 9: Open school-based providers mean and median weekly income from parent-paid fees, expected and received at the time of the survey, waves 2 and 3

Expected weekly income	**Wave 2**	**Wave 3**
Mean	£945	£1,228
Median	£0	£14
Unweighted base: Open providers	*429*	*249*
Received weekly income at time of survey	**Wave 2**	**Wave 3**
Mean	£511	£827
Median	£0	£10
Unweighted base: Open providers	*436*	*250*

[16] Providers were asked about the expected income from parent-paid fees for a typical week in November 2020, rather than this income before coronavirus (COVID-19) because of the differences in attendance rates, and therefore income, in the autumn term compared to the spring term.

Table 10: Open group-based providers mean and median weekly income from parent-paid fees, expected and received at the time of the survey, waves 2 and 3

Expected weekly income	Wave 2	Wave 3
Mean	£3,736	£3,592
Median	£1,000	£900
Unweighted base: Open providers	*1370*	*990*
Received weekly income at time of survey	**Wave 2**	**Wave 3**
Mean	£2,054	£2,416
Median	£600	£600
Unweighted base: Open providers	*1377*	*1003*

Table 11: Open childminders mean and median weekly income from parent-paid fees, expected and received at the time of the survey, waves 2 and 3

Expected weekly income	Wave 2	Wave 3
Mean	£555	£618
Median	£400	£400
Unweighted base: Open providers	*1678*	*1228*
Received weekly income at time of survey	**Wave 2**	**Wave 3**
Mean	£390	£388
Median	£300	£300
Unweighted base: Open providers	*1679*	*1250*

Additional costs

New to wave 3, open providers were asked about additional costs incurred as a result of the pandemic such as PPE, cleaning products or use of agency staff. On average, open SBPs and GBPs reported that their highest additional weekly cost was for staff to cover absences, with mean weekly costs of £311 and £104 respectively. Other additional costs for SBPs included £128 for cleaning products, £67 for heating, £48 for PPE, and £104 for ‘other costs’. Other additional costs for GBPs included £39 for cleaning products, £29 for PPE, £26 for heating and £60 for ‘other costs’. CMs highest mean additional weekly costs were ‘other costs’, at £18 per week, and heating, at £13 per week. Other additional costs included £9 for cleaning products, £7 for PPE and an average of £2 per week for staff to cover absences (Table 12, Accompanying W3 Tables 16a, 16b, 16c, 16d, 16e).

Table 12: Mean and median additional weekly spending by cost item and provider type, wave 3 only

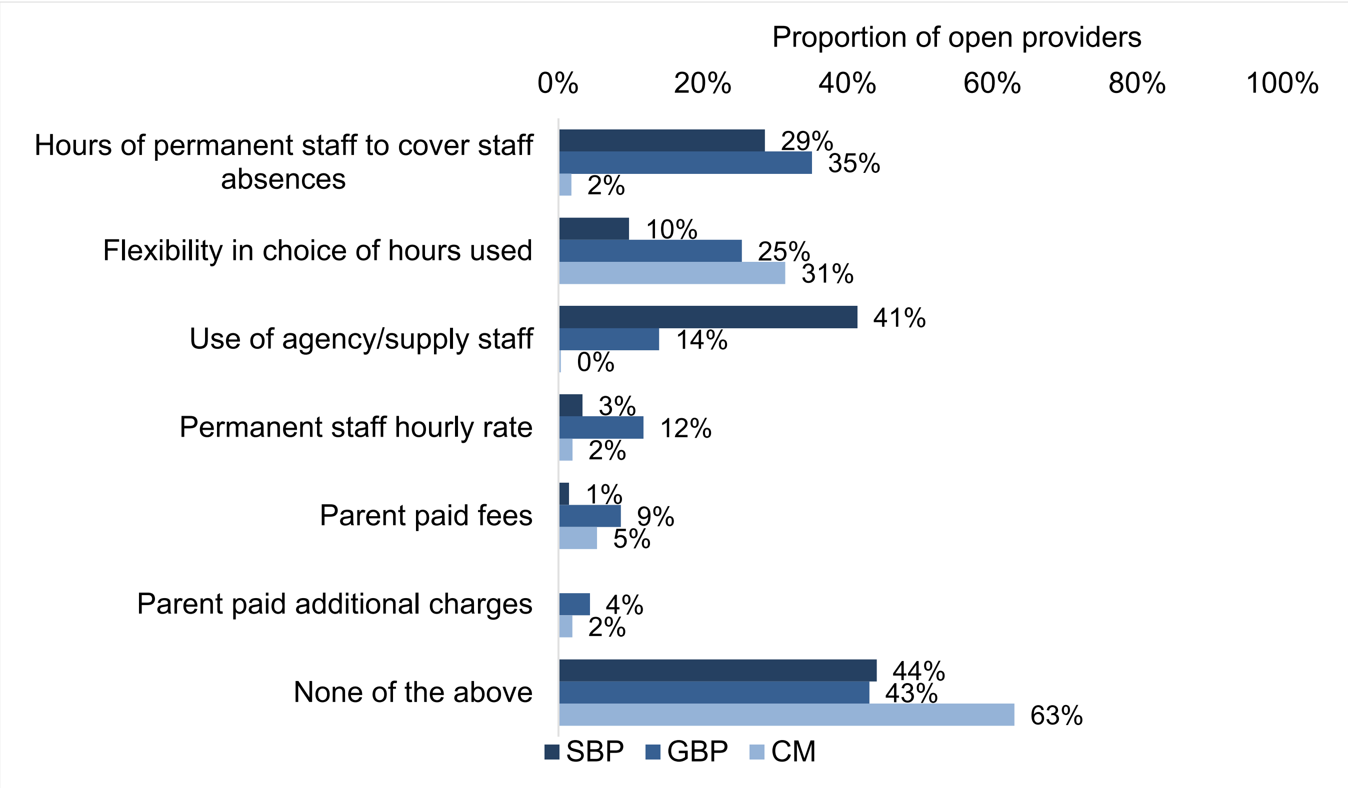
Additional cost item:	Open SBPs: mean	Open SBPs: median	Open GBPs: mean	Open GBPs: median	Open CMs: mean	Open CMs: median
PPE	£48	£20	£29	£10	£7	£5
Cleaning products	£128	£50	£39	£20	£9	£5
Additional spending on staff to cover absences	£311	£0	£104	£0	£2	£0
Heating	£67	£20	£26	£0	£13	£10
Other costs	£104	£0	£60	£0	£18	£0
Unweighted base: Open providers	*Between 236 and 255*	*Between 236 and 255*	*Between 1000 and 1080*	*Between 1000 and 1080*	*Between 1192 and 1317*	*Between 1192 and 1317*

Business models

In wave 3 of the survey, open providers were asked whether they had increased or decreased any aspects of their provision due to the pandemic. This included hourly pay rate for permanent staff, hours for permanent staff to cover other absences, use of agency or supply staff, fees paid by parents, additional charges paid by parents, and the choice or flexibility in hours that parents can use.

Forty-four per cent of SBPs, 43% of GBPs and 63% of CMs did not increase any aspects of their provision because of the pandemic. For SBPs the most common change was to increase use of agency of supply staff (41%). For GBPs, the most common change was to increase the hours of permanent staff to cover staff absences (35%). For CMs, the most common change was to increase the choice / flexibility in hours that parents can use (31%) (Figure 18; Accompanying W3 Tables 17).

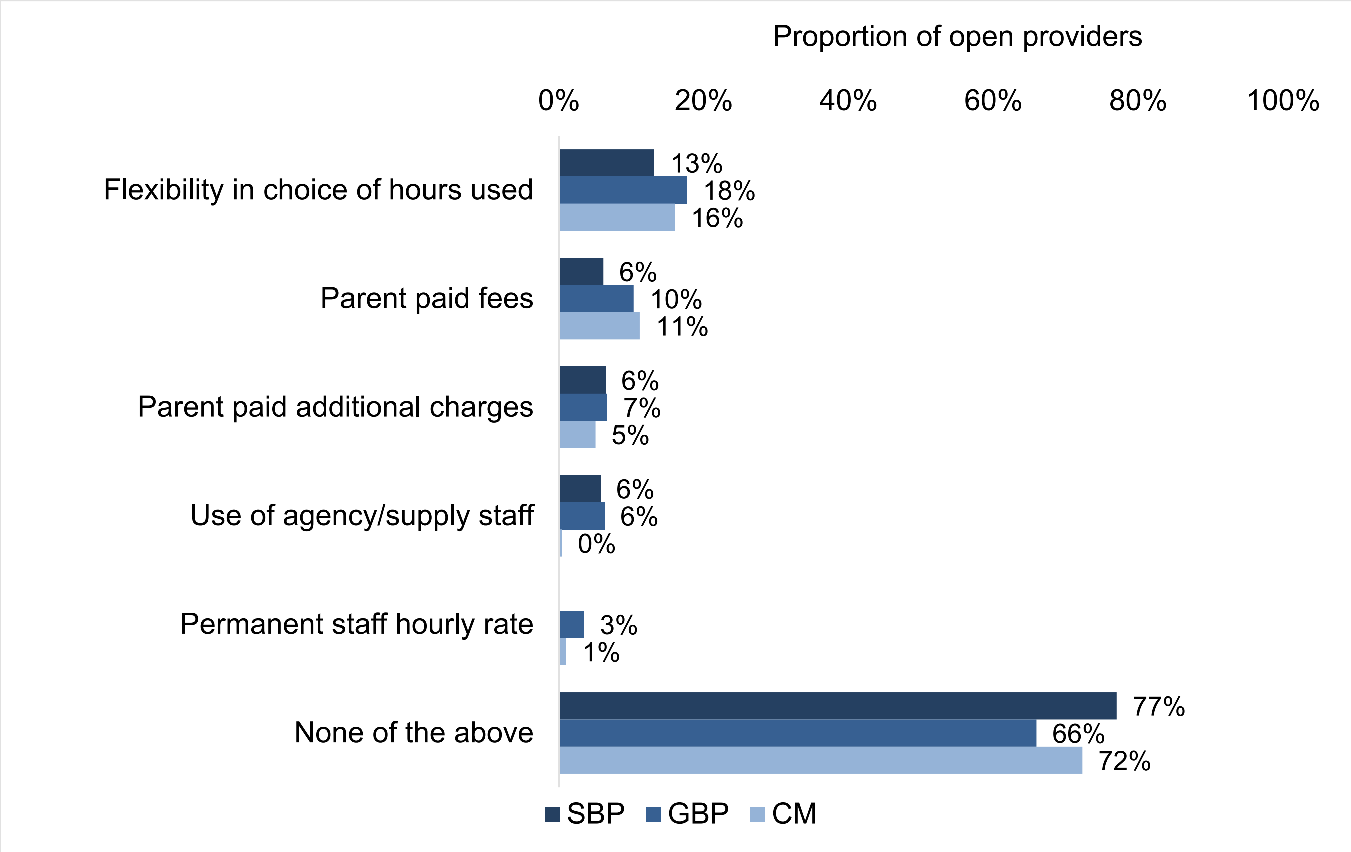
Figure 18: Proportion of open SBPs, GBPs and CMs reporting they increased aspects of their provision because of the pandemic, wave 3 only



Notes: Some data is suppressed because of low number of observations

Similarly, the majority of open SBPs, GBPs and CMs did not decrease any aspects of their provision because of the pandemic (77%, 66% and 72%, respectively). Thirteen per cent of SBPs, 18% of GBPs and 16% of CMs reported decreasing the choice or flexibility in hours that parents can use (Figure 19; Accompanying W3 Tables 18).

Figure 19: Proportion of open SBPs, GBPs and CMs reporting they decreased aspects of their provision because of the pandemic, wave 3 only



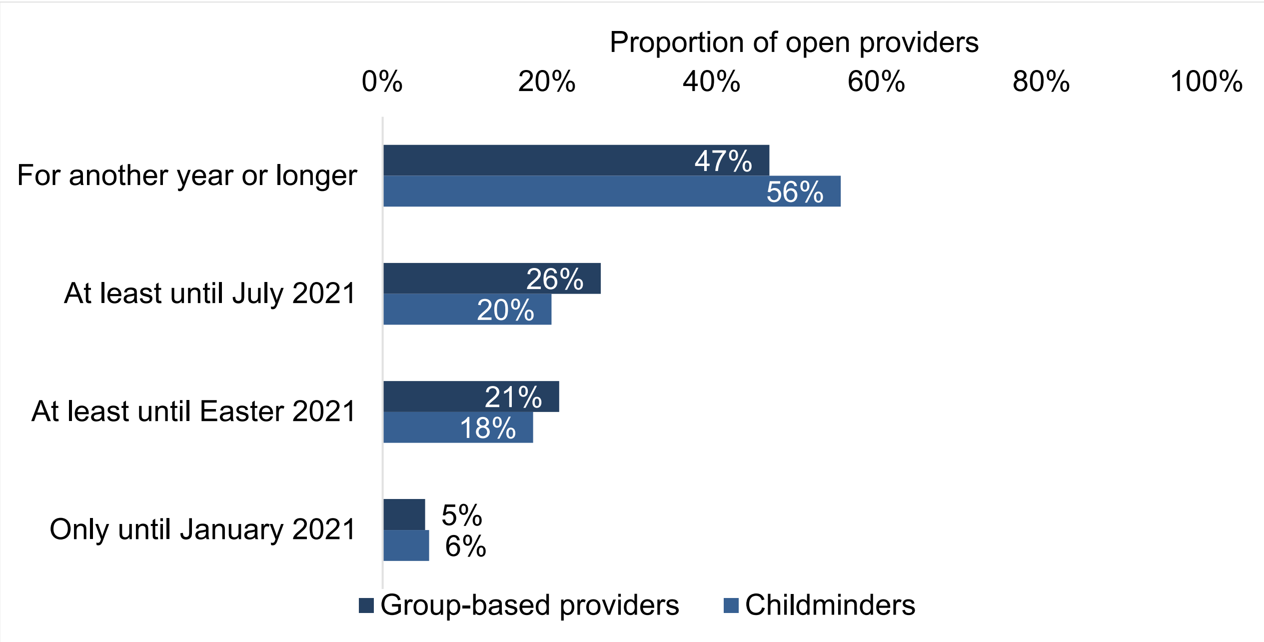
Notes: Some data is suppressed because of low number of observations

Financial sustainability

Open group-based providers (GBPs) and open childminders (CMs) were asked, based on what they knew about the current situation and upcoming developments, for how long they were reasonably confident that it would be financially sustainable to continue to run their childcare provision for[17]. Wave 3 of the survey was carried out between 27 November and 20 December 2020, so providers may have responded to this question before the announcement about spring term funding on 17 December.

At wave 3, 47% of open GBPs and 56% of open CMs reported that they were reasonably confident it would be financially sustainable to continue to run their provision for another year or longer (Figure 20; Accompanying W3 Table 22). Five per cent of open GBPs and 6% of open CMs reported that they were reasonably confident it would be financially sustainable to continue only until the end of January 2021, and 21% of open GBPs and 18% of open CMs reported that they were reasonably confident it would be financially sustainable to continue at least until Easter 2021.

Figure 20: Proportion of open providers reporting how long they were reasonably confident it would be financially sustainable to continue to run their childcare provision

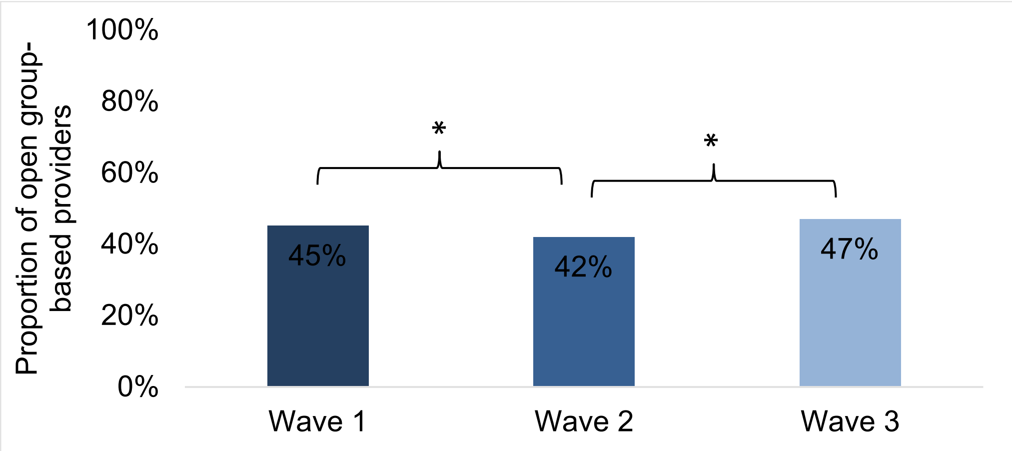


To compare any statistically significant differences between responses to this question between wave 1 and 2 and wave 2 and 3, those selecting ‘for another year or longer’ were compared. As can be seen in Figure 21, there was a statistically significant increase in the proportion of open GBPs who were reasonably confident that it would be financially

[17] School-based providers (SBPs) were not asked this question as the decision to run provision is part of wider decisions concerning the larger school strategy

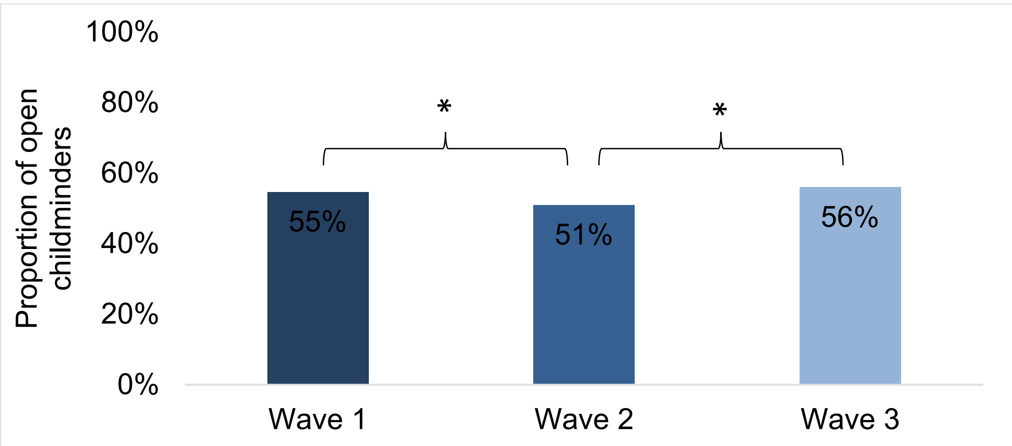
sustainable to continue to run their childcare provision for another year or longer at wave 3 (47%), compared to wave 2 (42%). As can be seen in Figure 22, there was a statistically significant increase in the proportion of open CMs who were reasonably confident it would be financially sustainable to continue to run their childcare provision for another year or longer at wave 3 (56%), compared to wave 2 (51%) (Accompanying W1/W2/W3 Table 5).

Figure 21: Proportion of open group-based providers reporting that they were reasonably confident it would be financially sustainable to continue to run their childcare provision for another year or longer, waves 1 – 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and wave 2 and between wave 2 and 3 statistically significant at 5% level * indicates that the within-provider difference between wave 1 and 2 and wave 2 and 3 was statistically significant at the 5% level*

Figure 22: Proportion of open childminders reporting that they were reasonably confident it would be financially sustainable to continue to run their childcare provision for another year or longer, waves 1 – 3



*Notes: ^ indicates results subject to statistical testing to determine whether difference between wave 1 and wave 2 and between wave 2 and 3 statistically significant at 5% level * indicates that the within-provider difference between wave 1 and wave 2 and wave 2 and 3 was statistically significant at the 5% level*

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