

Equality, Diversity, Cohesion and Integration Screening



As a public authority we need to ensure that all our strategies, policies, service and functions, both current and proposed have given proper consideration to equality, diversity, cohesion and integration.

A **screening** process can help judge relevance and provides a record of both the **process** and **decision**. Screening should be a short, sharp exercise that determines relevance for all new and revised strategies, policies, services and functions.

Completed at the earliest opportunity it will help to determine:

- the relevance of proposals and decisions to equality, diversity, cohesion and integration.
- whether or not equality, diversity, cohesion and integration is being/has already been considered, and
- whether or not it is necessary to carry out an impact assessment.

| | |
|---|--|
| Directorate: Children & Families | Service area: Little Owls nurseries |
| Lead person: Amanda Ashe | Contact number: 0113 3784500 |

1. Title: Nursery Fee increase

Is this a:

Strategy / Policy

Service / Function

Other

If other, please specify

2. Please provide a brief description of what you are screening

As the financial position of Leeds City Council becomes increasingly challenging, the Little Owls current ongoing deficit has resulted in a full review of the Service. The decision has been made to close three nurseries and to undertake a market sounding exercise for a further twelve settings whilst retaining nine.

To support financial sustainability and in line with annual processes, the fees charged for Leeds City Council Little Owls childcare are being increased.

Children’s Centre early learning and childcare provision fees have increased on an almost annual basis since 2011, to incrementally aim to keep in line with inflation and bring fees in line with the rest of the childcare market. However, in 2022 and 2023 CPI inflation rates were significantly higher, 10% and 7% respectively, than the 5% annual price increase of fees. In addition to this, the Leeds commitment to fair pay and a real living wage for all staff, particularly the lowest paid has resulted in an above inflation salary increase for those lowest paid workers. These factors

combined, have resulted in a greater gap between actual costs and potential fee income.

To reflect the higher rates of inflation in recent years and address the unsustainable budget deficit of the Little Owls daycare provision, there is now a need to increase fees by a higher %

It is crucial that annual price increases are set appropriately to ensure the Little Owls service moves to a financially sustainable footing and operates within budget over the course of the medium term financial strategy. In 2024/25 budget the service has a full year savings target of £900k.

3. Relevance to equality, diversity, cohesion and integration

All the council's strategies/policies, services/functions affect service users, employees or the wider community – city wide or more local. These will also have a greater/lesser relevance to equality, diversity, cohesion and integration.

The following questions will help you to identify how relevant your proposals are.

When considering these questions think about age, carers, disability, gender reassignment, race, religion or belief, sex, sexual orientation. Also those areas that impact on or relate to equality: tackling poverty and improving health and well-being.

| Questions | Yes | No |
|---|-----|----|
| Is there an existing or likely differential impact for the different equality characteristics? | | x |
| Have there been or likely to be any public concerns about the policy or proposal? | x | |
| Could the proposal affect how our services, commissioning or procurement activities are organised, provided, located and by whom? | | x |
| Could the proposal affect our workforce or employment practices? | | x |
| Does the proposal involve or will it have an impact on <ul style="list-style-type: none"> • Eliminating unlawful discrimination, victimisation and harassment • Advancing equality of opportunity • Fostering good relations | | x |

If you have answered **no** to the questions above please complete **sections 6 and 7**

If you have answered **yes** to any of the above and;

- Believe you have already considered the impact on equality, diversity, cohesion and integration within your proposal please go to **section 4**.
- Are not already considering the impact on equality, diversity, cohesion and integration within your proposal please go to **section 5**.

4. Considering the impact on equality, diversity, cohesion and integration

If you can demonstrate you have considered how your proposals impact on equality, diversity, cohesion and integration you have carried out an impact assessment.

Please provide specific details for all three areas below (use the prompts for guidance).

- **How have you considered equality, diversity, cohesion and integration?** (think about the scope of the proposal, who is likely to be affected, equality related information, gaps in information and plans to address, consultation and engagement activities (taken place or planned) with those likely to be affected)

The increase to childcare fees will mainly impact on working parents with children under 3 years old who access childcare. However, since the fee increase means that our daily rate remains below or brings fees in line with the market and are not focussed on any particular community the impact on all parents should be equal. Market forces may dictate where parents choose to access childcare and there is parental choice. Parents may choose to take childcare at another setting if they wish. This action will not prevent them doing so.

Of the children attending the centres around 9% of families pay the childcare fee daily rate. Of these fee payers, 59% are able to claim up to 30 hours free entitlement per week. Any families claiming universal credit can get help with childcare costs for up to 85% of costs. Tax free childcare has been rolled out to all full day care Little Owls settings enabling working parents to access additional 20% discount on day care fees.

However, it is vital that the social value of LCC continuing to deliver high quality, accessible child care to families in the more deprived areas of Leeds is considered. An analysis of the economic factors influencing pricing for 2024/25 has been conducted. Within this analysis it has been determined that for the current daily rate to be in-line with annual inflation rate rises since 2021 the daily rate should be £59.90. This would be a 10% increase on the current rate of £54.30.

Alongside the financial benefits of any proposed price increases, which would increase financial sustainability, it is also likely to make Little Owls provision unaffordable/undesirable for parents working full-time in lower paid jobs.

- **Key findings**

(think about any potential positive and negative impact on different equality characteristics, potential to promote strong and positive relationships between groups, potential to bring groups/communities into increased contact with each other, perception that the proposal could benefit one group at the expense of another)

Engagement with executive members and elected members as well as parents has taken place as part of the Little Owls review during engagement sessions, Executive Board and Scrutiny Board meetings.

It is acknowledged that Little Owls nurseries are some of (if not the most) affordable option across the city for parents and carers.

As part of the consultation to review Little Owls nurseries, queries have been raised as to why the Council has not considered increasing the fees, to improve the sustainability of

the nurseries indicating that some Parents would be receptive to being charged a higher rate for their childcare, in order to secure the little Owls provision.

This action may impact differently on different communities however, the impact may be mitigated by the following:

Most families using the service are in receipt of some element of free or discounted provision. This is through:

- 15 hours Free Early Education Entitlement for eligible 2 year olds.
- 15 hours Free Early Education Entitlement for all 3 and 4 year olds.
- 30 hours Free Early Education Entitlement for working families with 3 and 4 year olds.
- Extension of the Free Early Education Entitlement in 2024/2025.
- Universal credit claimants up to 85% of childcare costs, dependant on means testing.
- Child tax credit dependant on income.
- Tax free childcare when claimed can give up to a 20% discount off childcare fees.

Taking into account many families will be eligible for some element of free or discounted provision it is felt that the proposed 10% increase balances the need to generate additional income whilst still supporting the social value of the Little Owls provision and ensuring families in more disadvantaged areas of the city have access to high quality early learning and childcare opportunities.

5. If you are **not already considering the impact on equality, diversity, cohesion and integration you **will need to carry out an impact assessment.****

| | |
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| Date to scope and plan your impact assessment: | N/A |
| Date to complete your impact assessment | N/A |
| Lead person for your impact assessment (Include name and job title) | N/A |

6. Governance, ownership and approval

Please state here who has approved the actions and outcomes of the screening

| Name | Job title | Date |
|--|---------------------------------------|-------------|
| Amanda Ashe | Childrens centre and Early Start Lead | 10/07/2024 |
| Victoria Fuggles | Head of Early Help Services | 16/07/2024 |
| Date screening completed 10/07/2024 | | |

7. Publishing

Though **all** key decisions are required to give due regard to equality the council **only** publishes those related to **Executive Board, Full Council, Key Delegated Decisions** or a **Significant Operational Decision**.

A copy of this equality screening should be attached as an appendix to the decision making report:

- Governance Services will publish those relating to Executive Board and Full Council.
- The appropriate directorate will publish those relating to Delegated Decisions and Significant Operational Decisions.
- A copy of all other equality screenings that are not to be published should be sent to equalityteam@leeds.gov.uk for record.

Complete the appropriate section below with the date the report and attached screening was sent:

| | |
|--|------------|
| For Executive Board or Full Council – sent to Governance Services | Date sent: |
| For Delegated Decisions or Significant Operational Decisions – sent to appropriate Directorate | Date sent: |
| All other decisions – sent to equalityteam@leeds.gov.uk | Date sent: |