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## Early Years

### Purpose of report

For discussion.

### Summary

This item will consider recruitment and retention in early education and childcare and the impact of this on sufficiency of places.

It will also provide the opportunity to consider the draft recommendations from research commissioned by Officers to develop further policy positions on early years provision.

### Recommendation/s

Members are asked to contribute their experiences regarding recruitment, retention and sufficiency in the early years and childcare market at the moment.

Members are asked to consider the draft recommendations summarised below and how these can inform future policy on the early years education and childcare model in England.

### Action/s

Officers will;

- Continue to work with councils to understand the situation regarding recruitment, retention and sufficiency in the early years and feed this into central government.
- Continue to develop key policy lines based on members' comments and accompanying work.

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## Early Years

### Background

1. Councils have a duty to secure 'early childhood services' for the benefit of parents, prospective parents and young children, taking 'reasonable steps' to involve parents, early years providers and other relevant people in those arrangements. They must also consider the quantity, quality and location of services, and consider the views of young children where possible. Councils must also make sure that there is enough childcare available for every eligible two, three and four-year-old to access their free 15 or 30 hours per week.
2. All three- to four-year-olds in England are eligible for 570 hours of free early education or childcare per year from the term after their third birthday ("the universal offer"). This is usually taken as 15 hours a week for 38 weeks of the year, or traditional school term-time.
3. Children of parents (including foster parents) who are working and each earning at least £120 a week, but no more than £100,000 a year, are eligible for an additional 15 hours free childcare on top of the universal offer ("the 30 hours offer").
4. Two-year-olds can get 15 hours free early education and childcare if their parents receive certain benefits, including income-based Jobseeker's Allowance (JSA) and Universal Credit. They are also eligible if they are looked after by a local council, have a current statement of special educational needs (SEN) or an education, health and care (EHC) plan, receive Disability Living Allowance or have left care under a special guardianship order, child arrangements order or adoption order.
5. The importance of a quality early education is well known, the first few years of a child's life has a significant impact on their development and long term outcomes. There is also a diverse market, with maintained nursery schools (MNS), where they exist, more likely to support children with additional needs or be in more deprived areas; the private, voluntary and independent (PVI) sector providing good quality support to children but in some places [referring children with additional needs to MNS](#), particularly more so due to the pandemic. However, some maintained nurseries are now also struggling to [support children who need it most](#), due to the impact of the pandemic. This builds on a [history of provision](#) unable to support children with additional needs due to limited funding.
6. Furthermore, the cost of childcare and education is increasing for both providers and families, and the sector is reporting concerns about closures and increasing concerns about children's development in light of the pandemic.

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7. There was positive investment into the early years system in the most recent spending review; increasing the hourly rate to be paid to early years providers for the government's free hours offers. This investment amounts to: £160m in 2022-2023, £180m in 2023-2024 and £170m in 2024-2025. Ongoing supplementary payments for maintained nursery settings have also been confirmed to 2025, although the figure is as yet unknown.

### **Sufficiency, recruitment and retention**

8. Recruitment and retention
- a. A snap quiz conducted by LGA in October 2021 (with responses from one third of upper tier councils) showed that;
    - i. 98 per cent of respondents were having difficulty with staff recruitment, particularly with level 3 staff
    - ii. Some respondents mentioned that to manage the challenges with vacancies, staff are either having to work longer hours or having to reduce the intake of children to ensure they are ratio compliant.
    - iii. Only 21 per cent of respondents anticipated that there would not be any closures in the next six months
  - b. This is supported by evidence from other parts of the sector, including this [report from the Early Years Alliance](#).
9. Sufficiency
- a. The full impact on sufficiency is not yet clear with families still readjusting to different ways of working following the pandemic and an anticipated drop in the number of young children due to a decline in the birth rate.
  - b. There are early signs that some providers are having to turn families away in part due to difficulty with recruitment and retention, but also due to short term illnesses within settings.
  - c. [Research by the Early Years Alliance](#) shows that there is a disparate picture across the country with the South West being the area with some of the biggest declines in the number of early years places and London with some of the greatest increases in early years places in the past six years.
10. Impact on vulnerable children
- a. There continues to be ongoing concern about the number of 2 years olds who are not taking up placements that they are entitled to.

### **Improving the early years education and childcare system**

11. In October 2021 the LGA commissioned Place Group to look at what works for children in early years settings, the cost of effective provision and what is needed to

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improve outcomes for children.

12. The models of what works (such as having qualified staff, low child-staff ratios) exist within a wider, more complex system that does not always allow these models to work to their best ability. The research has developed to include wider recommendations on the early years education and childcare system, with a focus on what would improve quality for early years education and childcare, and therefore outcomes.

13. In summary, the emerging recommendations suggest;

- a. A review of the 30 hours childcare offer to ensure equal access to quality places.
  - i. The ambition would be a move towards a more universal childcare offer for 3 and 4 year olds, removing barriers to access such as eligibility criteria aligned to household income. This would help more families access support, including those who are studying or training.
- b. A system that ensures that there is a clearer link between quality and accountability, learning lessons from the recent implementation of the Scottish '1140 hours' system.
  - i. This would ensure a focus on ensuring ease of access for eligible parents aligned to inherent structural quality. In this model, structural quality needs to be evidenced by a provider in order to meet eligibility to deliver funded childcare. This is would be in addition to existing requirements of local authorities to only fund provision that is above inadequate.
- c. A review of the Tax-Free Childcare programme to be re-targeted and reinvested to provide a clearer route for more families to access quality childcare.
  - i. Recent reports suggest that the Government has spent £2.4bn less on Tax-Free Childcare than was originally budgeted for the scheme over the last five financial years and has historically experienced low take-up.
- d. Continued investment into maintained nursery schools, which could be aligned to geography and socio-economic disadvantage.
- e. Providing local authorities with funding to enhance quality in local provision.

14. Questions to the Board

- a. Does the above picture regarding recruitment, retention and sufficiency reflect what you are seeing in your local area?
- b. What actions would be helpful to mitigate this?

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- c. Do Members have comments about the suggested recommendations in ‘improving the early years education and childcare system’? These will not form finalised LGA policy position until the full report with supporting evidence is published and agreed by the Board or Lead Members.

15. The report will be shared with Lead Members once completed.

### **Implications for Wales**

16. None – Wales has its own guidance regarding early years

### **Financial Implications**

17. None

### **Next steps**

18. Officers will use the discussion to inform future work in this area, on recruitment, retention and sufficiency and ongoing policy development.