

Meeting: Children and Young People Board

Date: 14 March 2023



Early Years Education and Childcare

Purpose of report

For direction

Summary

There are known challenges with the early education and childcare system in England in relation to cost for parents, access to local provision and support for more vulnerable children. This item seeks member's views on the future policy direction for early years education and childcare.

Recommendation/s

That the Children and Young people Board consider policy options for early years education and childcare, in particular providing a steer on the questions outlined at paragraph 11.

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Early years education and childcare



Background

1. Councils must 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 and quality of services, and where in the area they are provided, 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 can get 570 hours of free early education or early years childcare per year from the term after their third birthday. 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.
4. An item on early years education and childcare came to the CYP Board in early 2022 where Board members recognised the challenges facing the early years system. Since then, the challenges facing early years providers have exacerbated with an increased number of providers closing. National data suggests there is not yet a national sufficiency challenge but this varies across regions and local areas.
5. The Coram annual childcare survey will be released in March. Early findings suggested that parents are facing increasingly high costs and early years providers are closing at short notice.
6. The early years education and childcare system is also getting high profile media attention with campaigns by others in the sector, such as the charity Pregnant then Screwed, highlighting the costs to families. Part of the cause of this cost is an underfunding of early years entitlements, which is requiring providers to charge more for non-government funded hours.
7. Local authorities, despite having a statutory duty to secure early childhood services, have limited tools to develop and change the market. They are often not told when a provider opens or closes.
8. Other challenges include:
 - A complex system with multiple interventions that is difficult for families to understand and navigate.

- The high cost of provision is resulting in fewer people entering and staying in work, this is disproportionately affecting women.
- There is an increase in settings closing, many of these closures are happening abruptly. This is leaving parents in some areas without access to childcare.
- High numbers of childminders leaving the system.
- Fewer providers offering early entitlements.
- There is an increasing gap between disadvantaged families and families that can afford childcare, despite free entitlements.
- Workforce recruitment and retention. There are fewer high skilled staff.
- Children have increasingly complex needs such as speech, language and communication needs.
- Local authorities have historically had weak tools with which to manage the market and these have lessened over time.
- The childminder agency approach has proved challenging to align with local authority support to childminders. There has recently been an inadequate inspection of the Rutland childminder agency which has resulted in local authorities providing enhanced support to those childminders that have been registered with this agency, and the families that use those childminders.

Proposal

9. Given the challenges within the existing system and the impact it is having on access to work, particularly for women, the LGA would like to ensure there is an early years offer that works for all children, families, providers and local authorities. This requires thinking beyond tweaks to the current system.
10. The LGA is holding a series of roundtables with early years leads in local authorities to develop our early years approach. We will be triangulating this feedback with wider research including research conducted by Isos Partnership on early years provider closures, analysis of early years provision in other countries and engagement with early years stakeholders.
11. To kick off this work, we would welcome an initial steer from members on:
 - What should we be trying to achieve with the early years education and childcare system?
 - What is the role of local authorities in this?
 - What does a new system need? What do local authorities need to deliver this?
 - What should the priority be for the LGA?

Implications for Wales

12. None – the provision of early education is devolved.

Financial Implications

13. It is likely that proposals to the early years system would require changes to the current way of investing in early years support from national government. This could include repurposing the existing funding or including further funding.
14. There are no financial implications for the LGA.

Equalities implications

15. There is disproportionality in access to early years education and childcare. The quality of provision is worse in deprived areas, with more settings in deprived areas being rated less than good, than those in the least deprived areas. Two-year-olds from more disadvantaged families get access to 15 hours of free entitlements, however there is some evidence of providers restricting these entitlements as they cannot afford to offer them.
16. There is also disproportionality in the attainment of children within the early years education system. In 2022, 67 per cent of white students achieve a good level of development compared to 61 per cent of Black African children and 60 per cent of Pakistani children. There is disproportionality in gender with girls performing better than boys with 71.9 per cent of girls achieving a good level of development compared to 58.7 per cent of boys.
17. We know that there have been acute challenges for providers in supporting children with SEND. In 2022, 22.9 per cent of children with SEN support had a good level of development which is over six times higher than children with an Education, Health and Care plan at 3.6 per cent. 65.2 per cent of all children achieve a good level of development.
18. Children from poorer areas are less likely to be 'school ready' than those from more affluent backgrounds. In 2022, 49.1 per cent of children eligible for free school meals achieve a good level of development, compared to 68.8 per cent of their peers.

Next steps

19. Officers will continue to develop the LGA's vision for early years education and childcare and return to the CYP Board in June with a refined position for sign off. Conversations will take place throughout this process with lead members.