

# **Expanding Childcare**

Time for children, parents and family learning

July 2023
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# Introduction

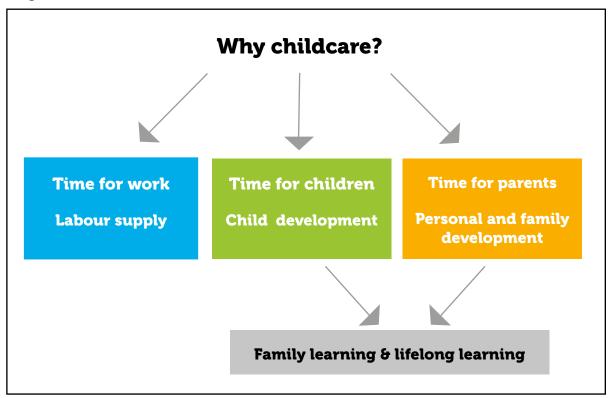
# **Time**

Childcare is understood to be about creating time for work and time for child development. Yet, important though these aims are, childcare is also about so much more (see Diagram 1).

It is about creating parental time outside of work, where parents have time to develop themselves through adult learning, time to train and retrain for better jobs not just any job and time for career breaks. Childcare is about making time for parents to access wider support to help their families including through family learning (see Box 1), and to take those first steps back into their own learning.

Childcare is also an opportunity to encourage a commitment to lifelong learning by parents and children.

# Diagram 1



### Box 1

### **Definition of family learning**

Family learning as a practice encourages family members to learn together as and within a family with a focus on intergenerational learning. It can be specifically designed to enable parents to learn how to support their children's learning. Family learning is defined as a benefit - informal and formal - to both parent/guardian and child up to the age of 16.

Campaign for Learning

Working through the links between childcare and parental time – especially to free-up time for parental engagement in child learning and family learning – is a challenging area of childcare policy but one that is vital for stronger families, family learning and lifelong learning.

# Parental decision making

No-one should underestimate the range of motivations and factors involved when parents make decisions over childcare.

And these decisions are arguably more complicated and stressful when parents are making decisions about very young children aged 9 months to 2 years olds, as opposed to decisions regarding children aged three and four who are closer to starting full-time schooling.

Considerations that are financial and about work are clearly important, but they are just one part of the equation.

Other considerations may include a desire to look after very young children, concerns about leaving very young children with a childcare provider for long periods of time, and the quality of childcare.

Another is the need for high-quality childcare and jobs to be close by, so that parents can make their way to the childcare provider in cases of illness and emergencies.

# Parental choice

A fundamental principle is that parents have choices over childcare. Effective choice should not be the domain of those with the greatest means. The poorest parents must have choices too, as well as the financial security to make effective choices.

# Family composition and childcare choices

Parental decision-making and effective parental choice will also be determined by family composition. Parents who are in couples may have more choice than single parents in that one partner can work whilst the other provides childcare – whereas single parents cannot work and provide childcare at the same time.

# Parental responsibility for childcare

We must also be mindful of which parent(s) are responsible for young children and childcare. Responsibility for childcare from birth to under 5 cannot be presumed to be that of a mother, although a great deal of the debate and statistics on childcare is based on this assumption. Parents with responsibility for childcare can be part of single or multi-parent homes.

### Box 2

### Compulsory school age

Your child must start full-time education once they reach compulsory school age. This is on 31 December, 31 March or 31 August following their fifth birthday - whichever comes first. If your child's fifth birthday is on one of those dates then they reach compulsory school age on that date.

For example, if your child reaches compulsory school age on 31 March, they must start full-time education at the beginning of the next term (summer term that year).

## School starting age

Most children start school full-time in the September after their fourth birthday. This means they'll turn 5 during their first school year.

For example, if your child's fourth birthday is between 1 September 2021 and 31 August 2022 they will usually start school in September 2022.

Source: https://www.gov.uk/schools-admissions/school-starting-age

Where single parents may be women, men, transgender or nonbinary, multi-parent households can be any combination of gender identities, and any one person may hold the main responsibility for childcare.

Maternity leave is available for 52 weeks, with <u>statutory maternity pay for 39 weeks</u>. Adoption leave for adoption or surrogacy is available with statutory adoption leave pay of 39 weeks. Shared parental leave – between two parents – <u>is available for 52 weeks and paid for 37 weeks</u>. Parents are also entitled to <u>18 weeks' unpaid parental leave</u>.

# **Devolution**

Both childcare policy and family learning are subject to devolution – and so the focus is on childcare and family learning in England – although we can learn from other nations of the UK.

# Childcare

Childcare is a term that means many different things. It can cover formal provision delivered by registered providers and qualified individuals, and informal provision delivered by non-registered providers, family and friends.

State support is limited to the funding of childcare delivered by registered childcare providers and qualified individuals. There are two main types of state funded childcare. The first is early years education and childcare (EYEC) – which dominates the policy debate and public funding – and the second is wrap around childcare (WAC).

Children must be in full-time education in the term after they reach their 5th birthday, although many children start in the September after their fourth birthday (See Box 2 above). Generally speaking, EYEC is for children under 5 and WAC is for both children under 5 and those aged 5-15.

# A diverse sector

The childcare sector is extremely diverse in terms of range of providers (see Box 3). There are 59,400 providers operating in the registered childcare sector, providing 1.54m places and employing 334,400 staff (see Box 4 and Box 5).

### Box 3

### Day Nurseries and Day Care

Day nurseries can take children from as young as six weeks old until school age and primarily cater for the needs of working parents. They are normally open all day and offer the choice of either full-time or part-time care and education. Some may also provide weekend provision for parents who work shifts. They are run by various different groups including local schools or councils, members of the community, a workplace or by a private provider.

### **Pre-School and Playgroups**

Pre-schools and playgroups offer care and education for specific sessions, which can last for between two-and-a-half to four hours a day. Many provide extra services such as breakfast clubs, lunch clubs and holiday play schemes.

### Childminders

Childminders are based in their own homes and provide early education and childcare for small groups of children. They give your child the chance to meet and play with other children, while being cared for in a home environment. They are usually self-employed and decide which hours they work.

### **Childminder Agencies**

Childminder agencies are organisations that can register and quality assure childminders and providers of childcare on domestic premises and non-domestic premises.

# **Nursery Schools and Nursery Classes**

Nursery schools are aimed at pre-school children aged three and four years old. Children start to attend a nursery school or nursery class in the September after their third birthday. A nursery school is a separate school that is only used by children under five years old. A nursery class is part of an existing primary school. Most nursery schools and nursery classes offer part time places and operate during term-time only.

# **Employed Home Based Child Carers**

A home-based childcarer is a person (over 18 years old) who is employed by a parent to look after children in the family home. Home-based childcarers can care for children of any age and can work flexible hours. They can choose to register with Ofsted on the voluntary part of the childcare register.

### Crèches

A crèche provides short-term occasional care for children under the age of eight and can take many forms. A crèche may be offered to you if you are attending training, visiting a leisure centre or may be provided in shopping centres. A crèche must be registered with Ofsted if it operates for more than 4 hours a day and for more than 14 days per year.

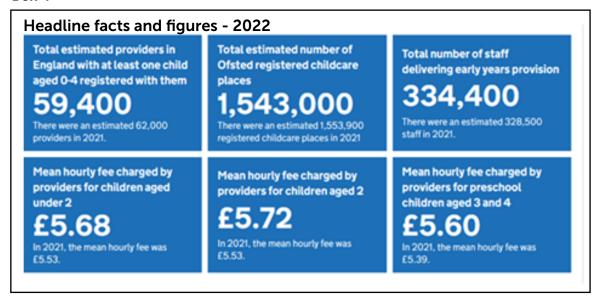
### School Managed Out-of-school Care Clubs

Out-of-school groups normally provide care for school-age children, up to the age of 11. This can be: before school, after school, during the school holidays, holiday schemes and play centres. Clubs that provide for children under eight years must be registered with Ofsted. Clubs that only cater for children aged over eight do not need to be registered but can choose to register on the voluntary part of the childcare register. Clubs that are managed by schools are automatically registered under the school's registration.

### **Children/Family Centres**

Children's centres offer all families with children under five a range of services, information and support in their local community. The support available varies according to local need, but most centres will offer the following: advice during pregnancy, health visitor services, drop-in sessions, adult learning, employment support, debt advice and much more besides. Many centres also offer childcare, baby and toddler groups and crèches.

### Box 4



Source: Department for Education Survey of Childcare and Early years Providers, published December 2022

Box 5

	2018	2019	2021	2022
School-based providers offering nursery	290,700	287,800	313,900	292,300
Maintained nursery schools	37,100	36,500	38,400	35,600
All school-based providers	327,900	324,300	352,300	327,900
Private group-based providers	662,900	695,100	707,000	757,200
Voluntary group-based providers	273,100	274,700	265,200	231,400
All group-based providers	968,900	1,003,300	1,008,600	1,044,500
Childminders	221,600	219,100	193,000	170,700

Source: https://explore-education-statistics.service.gov.uk/find-statistics/childcare-and-early-years-provider-survey/2022#dataBlock-3b8efb23-0404-443a-a3a8-734319d191a1-tables

# A sector in crisis

Childcare in the UK is more expensive and state provision less extensive than in other countries. The childcare sector – both subsidised and non-subsidised – suffered during Covid-19 as parents kept their children away.

Today, the cost-of-living crisis is making childcare too expensive for parents to afford and for some providers to deliver places as they face higher energy costs and wage costs to recruit and retain staff (<u>Early Years Alliance</u>, 2023, <u>Coram Family and Childcare</u>, 2023).

Local authorities report that they do not have sufficient places in different forms of childcare, and the lack of places is worse in 2023 than in 2022 (see Box 6).

The childcare sector is also a relatively low-paid sector with full-time staff earning around £20,000-£22,000 – well below the UK average of £33,000. About 11% of staff in school-based providers and 16% of group-based providers in the registered sector are paid at or below the national living wage of £10.42 per hour, although the proportion for childminders is 37%.

Box 6

Table 2 - Childcare sufficiency defined as	Yes: in all are	as' in Engl	and, for 202
	2023	2022	% point change
Children aged under 2	50%	57%	-7%
2 year old free entitlement	62%	63%	-1%
3 and 4 year old 15 hour entitlement	73%	79%	-6%
3 and 4 year old 30 hour entitlement	66%	73%	-7%
5 to 11 year olds after school	25%	26%	-1%
12 to 14 year olds after school	13%	13%	0%
Disabled children	18%	21%	-3%
Parents working full time	48%	59%	-11%
Parents working atypical hours	15%	19%	-3%
Families living in rural areas	30%	39%	-9%

Source: Coram Family and Childcare - Childcare Survey 2023

# Promises, promises

Inflation remains entrenched. The economy is stagnant. Interest rates are elevated and have yet to peak. Already at 5%, rates at 6% by the end of 2023 are a possibility.

Indeed, interest rates could remain above 5% throughout 2024. Growth could be hard to find and so too could tax cuts or spending increases as the fiscal deficit continues to be stubbornly high. At this moment in time, just two fiscal events remain: the Autumn Statement this year in 2023 and the Spring Budget in 2024. 2024 is also an election year. An election could be held in the spring but also possibly in the autumn in order to give more time to tame inflation and interest rates to fall.

Clearly, the economic and political cycles are misaligned. Yet, promises over expanding childcare have been made.

Labour made the running on promising to expand childcare.

The Conservative Government responded in the 2023 Spring Budget. Planned state support will rise from £5bn today to £8bn by 2027/28.

Labour is now fine tuning its childcare package. Any additional funding over and above the £8bn will depend on the state of the economy. We can also expect a future Labour Government to redeploy total funding on childcare – public spending, benefit payments and tax relief.

At the moment, the Conservative Government has presented a plan for childcare in England, with planned expansion in April 2024 and again in September next year. A further expansion is planned from September 2025 but will be after the general election.

The present Conservative Government has also made a commitment to expand childcare targeted on working parents with children aged 9 months to 2 years old.

Labour appears to want a more comprehensive approach towards childcare for under 3s than a work-focused strategy, although a universal system of free childcare seems to have been ruled out.

There is no doubting the commitment of Labour to childcare. It features heavily in Labour's latest policy statement Breaking Down the Barriers to Opportunity – 5 Missions for a Better Britain. Yet, there is no clear statement of new entitlements for children aged 9 months to 2 years old and indeed under 5s as a whole, including the role of Universal Credit, Tax Free Childcare as well as extra levels of public spending.

Perhaps by the time of the party conference season in the Autumn, Labour may have set out more detail for its plan for childcare funding and places in England.

Even so, key stakeholders continue to press for universal free childcare (<u>Early Years Alliance June 2023</u> and the <u>Sutton Trust, July 2023</u>).

# A new branch of the welfare state

Whatever the outcome of the general election, significant additional funding for childcare is in the offing. According to the Institute of Fiscal Studies, increasing state support in England to £8bn by 2027/28 will create a new branch of the welfare state.

The extra state support of £4bn by 2027/28 is equivalent to cutting employee national insurance contributions from 12% to 11% or increasing child benefit for the first child by £10 per week. Spending on childcare in England (£8bn) will be equivalent to two-thirds of public spending on child benefit in England (c£11bn).

The proposals announced at the Spring Budget represent the first large scale reform of childcare since 2017 (see Box 7).

### Box 7

# **Evolution of Childcare Policy in England**

### 2003

A new system of Tax Credits was introduced including support for childcare costs.

### 2010

In September 2010, an entitlement to 15 hours free childcare per week for all children aged 3-4 was introduced. (This is known as the Universal Offer).

### 2013

In April, Universal Credit was introduced as the roll-out progressed the childcare element would be funded through this benefit rather than tax credits.

In September, access to 15 hours free childcare per week was extended to disadvantaged two-year-olds. (This is known as the 2-year-old offer).

### 2017

In April, the system of Tax-Free Childcare was introduced.

In September, an entitlement of 30-hours free childcare was introduced for working parents with 3-4 year-olds. (This is known as the extended offer).

# **Current system**

There are three main types of funding for childcare: public spending of entitlements to free childcare, benefit payments increasingly through Universal Credit, and tax-free childcare (see Table 1).

Table 1

Estimated State Support for Childcare					
	2021/22	2024/25	2027/28		
Public Spending: Early Years and Childcare (England)	<sup>(1)</sup> £4.0bn	<sup>(3)</sup> £6.0bn	<sup>(3)</sup> £8.1bn		
Public Spending: Wrap Around Childcare (UK)		<sup>(4)</sup> £0.2bn			
Benefit Spending: Tax Credits/Universal Credit (UK)	<sup>(1)</sup> £0.6bn	<sup>(4)</sup> £0.7bn	Uncertain		
Tay Police (LIV)	<sup>(2)</sup> £0.4bn	<sup>(2)</sup> £0.4bn	Uncertain		
Tax Relief (UK)	, -, £0.4bH	~~EU.4bH	Officertain		
Total	c£5.0bn	c£7.3bn	c£8.1bn		

<sup>(1)</sup> Early Years Spending Update: The Impact of Inflation, IFS, November 2022. Spending in 2022/23 prices. (2) FY2021/22. Tax Relief Childcare Statistics, September 2022, November 2022. (3) Changes and Challenges in Childcare, IFS, March 2023. Spending in 2023/24 prices. (4) Spring Budget 2023, March 2023. Nominal prices.

Direct public spending on childcare in England – as distinct from benefit payments and tax relief – is allocated to the Department for Education (DfE). DfE distributes funding to local authorities through the Dedicated Schools Grant via an Early Years Block. Local authorities are responsible for planning childcare places in their area.

Central to the present system are three entitlements to free childcare:

- the universal offer of 15 hours free childcare for all 3- to 4-year olds;
- the extended offer of 30 hours free childcare for working parents with 3- to 4-year-olds; and
- the 2-year-old offer of 15 hours free childcare for disadvantaged two-year-olds.

Resources via the benefit system and tax relief support working parents with the cost of childcare outside the existing entitlements to free childcare.

# Spring Budget package

At the Spring Budget, the Government announced:

- a series of measures to tackle the current childcare crisis;
- a new entitlement to free childcare to be phased-from April 2024 to September 2025; and
- pathfinder funding for WAC (see Table 1).

# Children aged 9 months to 2 years old

The centre-piece of the proposed reforms is a new entitlement to free childcare of 30 hours per week for working parents with children aged 9 months to 2 years old.

- From April 2024, working parents of two-year-olds will be able to access 15 hours of free childcare per week (equivalent to 570 hours per year).
- From September 2024, 15 hours of free childcare will be extended down to working parents with children aged 9 months (equivalent to 570 hours per year).
- And from September 2025, working parents of children aged 9 months to the start of school will be entitled to 30 hours of free childcare per week (equivalent to 1,140 hours per year) (DfE Education Hub, June 2023).

# Wrap-around childcare

Wrap-around childcare (WAC) is the 'Cinderella' of the childcare system. Specific funding was announced in the Spring Budget but there is no commitment after 2025/26. A longer-term funding plan could be an issue for election manifestos.

# Limited to parents in work

The stand-out feature of the reforms is that the new entitlement to 30 hours of free childcare for children aged 9 months to 2 years old is restricted to working parents.

# The new system

Importantly, the entitlement to 15 hours of free childcare for all 3- to 4-year-olds will remain in place and so too will the entitlement of 15 hours for disadvantaged 2-year-olds. By September 2025, the entitlements to free childcare will resemble those shown in Box 8 and Box 9.

# Impact of the new entitlement

# **Labour Supply**

At the time of the Spring Budget, the OBR estimated that the entitlement would encourage 60,000 parents who are not in work to enter the labour market by 2027/28, as well as raising the hours of mothers in work (see Box 10). According to the IFS, the extra 60,000 entrants into the labour market will work on average 16 hours per week but there will be a similar impact from increasing the hours of parents who will have been in work anyway.

### Box 8



Source: HM Government: https://www.childcarechoices.gov.uk/upcoming-chang-

es-to-childcare-support

### Box 9

### Planned Entitlements for Children under 5

Working parents with children from the age of 9 months to the start of school – usually age 5 - will be eligible for 30 hours of free childcare per week for 38 weeks (1,140 hours per year) which can be spread throughout the year.

Each parent must work at least 16 hours per week and each earn at least £8,670 per year (i.e the national living wage of £10.42 per hour x 16 hours per week x 52 weeks). Each parent must also earn less than £100,000 per year.

All children aged 3-4 will be eligible for 15-hours free childcare per week for 38 weeks (570 hours per year) which can be spread throughout the year.

2-year-olds from disadvantaged backgrounds and with additional needs will be entitlement to 15-hours free childcare per week for 38 weeks (570 hours per year) which can be spread throughout the year.

Source: HM Government: https://www.gov.uk/30-hours-free-childcare

### **Box 10**

Childcare measures are the largest part of the total package. These include 30 hours a week of free childcare for working parents of nine-month- to two-year-olds, which is estimated to cost £4.9 billion in 2027-28. We expect this policy to raise employment by 60,000 by 2027-28, as well as raising the hours worked by mothers already in work. The package also includes increasing the cost cap and addressing upfront childcare costs in universal credit. These cost £0.1 billion by 2027-28, and the latter increases employment by 15,000 by the end of the forecast period.

Source: OBR Economic and Fiscal Outlook - March 2023, Executive Summary 3.7

# Many working parents will benefit

The new entitlement will benefit many working parents. According to the IFS, 'based on existing childcare use, today's expansion of the free entitlement will directly benefit just over half of parents with a child aged 9 months to 2 years old'.

# Financial benefits to parents already paying for childcare

The main effect of the new entitlement will be to reduce the cost of childcare for those working parents already paying for childcare. They will pay less or perhaps nothing. About 36% of 1-year-olds and 57% of 2-year-olds are already in formal childcare (see Box 11), even though the entitlement to free childcare is limited to disadvantaged 2-year-olds. The potential savings for working parents who are eligible for the 30-hour entitlement will be around £6,500 per year, i.e. £5.72 per hour for 30 hours and 38 weeks (based on the average rate for 2 year olds).

**Box 11** Figure 2.1. Share of children using formal childcare, by age (2019) 100% 90% 80% 70% Share of all children 60% 50% 85% 40% 30% 57% 20% 36% 10% 0% Ages 3-4 Age 1 Age 2 ■ Uses formal care ■ Uses informal care only ■ Does not use childcare

Source: IFS Report 210 - The Changing Cost of Childcare, 2022

# Lack of detail by the Government

From the Government, however, there has been a general lack of detail on the number of children aged 9 months to the age of 2 and working parents who will be eligible for the new 30-hour entitlement. Some sense of scale is therefore needed.

### Children

In 2022, the number of 3- to 4-year-olds registered for the entitlement was 348,100 (see Table 2, Box 12 and Table 3). The take-up rate was around 80%. So, the number eligible is 435,000, which was 34% of all 3- to 4-year-olds.

By using forecast projections for the population of young children by 2025, making an allowance for the fact that children aged 0-9 months are not covered, and applying the same share of the cohort and take-up rates for 3- to 4-year-olds, we can estimate for illustrative purposes the number of children aged 9 months to 2-year-olds who could be eligible for the 30-hours entitlement in 2025 – an illustrative figure is c472,000.

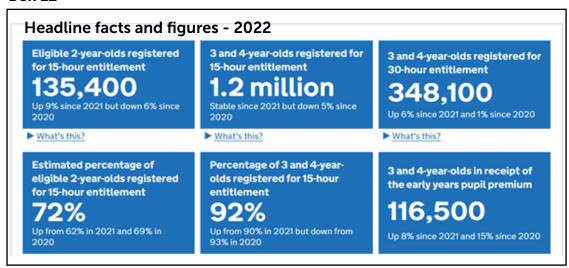
The key variable, however, is take-up. And because the entitlement is for very young children, there is no guarantee take-up will reach 80% as some parents choose to look after their children themselves.

Table 2

30-Hour Entitlement: Number of Children						
	Registered	Take-Up Rate	Eligible	Cohort	Share of Cohort	
	Actual	Actual	Actual	Actual	Actual	
3-4 Year-Olds: Actual 2022	348,100 <sup>(1)</sup>	80% <sup>(2)</sup>	435,000 <sup>(3)</sup>	1.29m <sup>(4)</sup>	34% <sup>(5)</sup>	
			Assumed	Assumed	Assumed	
9 Months to 2 Years Olds: Assumed 2025			472,000 <sup>(6)</sup>	1.39m <sup>(6)</sup>	34% <sup>(6)</sup>	

Source: (1) See Box 11. (2) (https://explore-education-statistics.service.gov.uk/find-statistics/childcare-and-early-years-survey-of-parents). (3) Derived from 1 and 2. (4) See Table 2. (5) Derived from 3 and 5. (6) The number of children aged 0-2 in 2025 is 1.848m in 2025 (see Table 3). The number of children eligible is all 1 year-olds (615,739), all two-year olds (620,898) and one quarter of under 1 year-olds (153,019), a total of 1,379. Assuming the same share of the cohort is eligible as 3-4 year-olds (34%), means 472,000 eligible children.

### **Box 12**



Source: Department for Education, Education provision: children under 5 years of age, published June 2022

Table 3

Age	2022	2025
0	614,260	612,076
1	621,663	615,739
2	630,207	620,898
3	632,341	627,697
4	658,104	635,867
Total	3,156,575	3,112,277

Source: NOMIS, 16th June 2023

### **Parents**

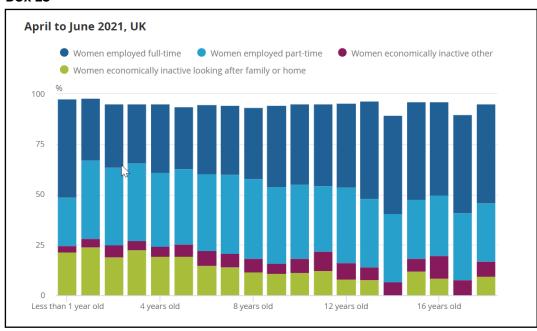
Trying to obtain an estimate of how many parents or families – couples and lone parents – are eligible for the 30-hour entitlement is extremely difficult.

What we do know is that there are about 3.25m adults aged 16-64 who have a child aged 0-2 living with them in England (LFS: Working and Workless Households in the UK).

Noting that childcare is not exclusively the responsibility for mothers, we also know that around 70% of mothers with one-year-old and two-year olds are employed and potentially eligible for the entitlement (see Box 13), although eligibility will depend upon whether they and their partners work at least 16 hours.

It should also be borne in mind that the aim of the policy is also to encourage non-working parents to enter the workforce and obtain 30-hours of free childcare. As such, economically inactive parents responsible for young children are part of the policy aim.

**Box 13** 



Source: ONS: Families and the labour market 2021

# What is childcare for young children for?

A perennial question is what is childcare for young children actually for? Often the debate boils down the purpose of state funded childcare into time for work and time for child development. Where the emphasis is placed splits political parties, Whitehall departments and the childcare community.

# Time for work, time for child development

Early years education and childcare is both a labour market intervention – assisting parents to enter and sustain paid work – and an education intervention, which improves child development and learning.

Although a caricature, the Treasury and DWP view childcare as a labour market measure – increasing the labour supply, lowering inflation and boosting output.

Meanwhile, the Department for Education, Department for Health and Social Care and arguably the Department for Business and Trade – responsible for work-life balance and parental leave – view childcare as an education measure, which ensures a good start in life, improves child development and boosts early learning outcomes.

## Time for work

Childcare is about work. Costly childcare is both a barrier to work and increasing labour market participation. This is the economic rationale for state subsidies.

The cost of non-subsidised full-time formal childcare at registered childcare rates is eye-watering. Assuming 50 hours per week at the average hourly rate for a two-year-old of £5.72 per hour for 52 weeks per year, this works out to be £14,872. And the costs can be higher. Private fees may be higher than the mean for registered childcare, and childcare in London has higher prices than elsewhere in England.

Even where free childcare is available, the issue of affordability arises for parents wishing to work longer than the free childcare entitlements. If a parent is entitled to 15 hours per week free childcare and wishes to work 25 hours per week, the extra cost at regulated prices would be £2,974.40 (10 hours per week paying £5.72 per hour for 52 weeks).

# Time for child development

Equally, the availability of free and subsidised childcare is also about creating time for child development before the start of primary school. This is another reason for state subsidies.

Not only is child development important between the age of 3 and 4, but also between birth and age 2 – the so-called first thousand and one days (see The Best Start in Life: A Vision for the Thousand and One Critical Days, DHSC, March 2021).

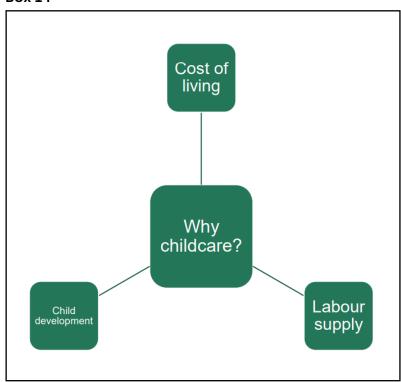
Entitlements to free childcare are the foundation of child development for the under 5s. The emphasis is on quality provision which nurtures development and learning. But even in the context of child development, a key question is whether the aim of the early years education and childcare system should be formalised learning or informal play, and vice-versa.

# A work-focused childcare strategy

In the aftermath of the 2023 Spring Budget, the Institute for Fiscal Studies reposed the question: why childcare? (Box 14).

The present Conservative Government has set out its stall, however, and chosen a work-focused childcare strategy aimed at working parents.

**Box 14** 



Source: IFS Presentation - Spring Budget: 23 Changes and challenges in childcare, 16th March 2023

# Issues for child development of a work-focused childcare strategy

A work-focused childcare strategy based on 30 hours free childcare for working parents has important implications for child development through state funded childcare. Some children are locked-out of 30 hours of childcare but have access to 15 hours whilst other children have no access at all (see Table 4).

# 3- to 4-year-olds

Eligibility to the 30-hour entitlement is restricted to instances where each parent works a minimum of 16 hours per week and are earning the national minimum wage – which for someone aged 23 and over is £10.42 per – equivalent to £8,670 per year. But the poorest parents with 3- to 4-year-olds do not work or do not work 16 hours per week. As the Sutton Trust points out, children aged 3 to 4 from the poorest families are locked out of 30 hours of childcare and by extension child development (A Fair Start, Sutton Trust, August 2021).

Table 4

Child Development: Locked Out of Childcare Entitlements					
	Locked out of 30-Hours?	Locked out of 15-Hours?			
3 to 4 Year-Olds	Yes: Children of non-working parents Yes: Children of low-income parents	No: Entitlement is Universal No: Entitlement is Universal			
9 Months to 2 Years Old	Yes: Children of non-working parents Yes: Children of low-income parents	Yes: No entitlement Yes: No entitlement  Exception is 15 hour childcare for 2-year olds from disadvantaged families or with additional needs			

In 2021, there were 200,000 children aged 3-4 living in long-term workless households (<u>ONS</u>, <u>October 2022</u>). They are locked out of 30-hours of free childcare, and so too are those in low -income families.

From the perspective of child development, locking out children from the poorest families - non-working parents and the low paid parents – from the 30-hour entitlement reinforces inequalities in education development and outcomes in later life. Yet, it is children from the poorest families who deserve and need 30 hours of childcare more than better off working parents and they should get it.

That said, children aged 3 to 4 are not totally locked out of free childcare compared to other younger children. They are entitled to the universal offer of 15 hours of free childcare for all 3- to 4-year-olds.

# 9 months to 2 years old

Children aged 9 months to 2 years old from poor families – working and non-working will also be locked out of the 30-hour entitlement. But it is also far worse. Most children from non-working and low-income families aged 9 months to 2-years-old will be locked out of any state childcare.

This is because there is no universal entitlement to 15-hour childcare at this age. Only disadvantaged 2-year-olds will be eligible for childcare as now. We estimate that 78.5% of two-year-olds are not eligible for 15-hours of free childcare (see Table 5).

Table 5

2-Year-Old Offer: Disadvantaged or with additional (2022)					
	Number Sh				
Registered	<sup>(1)</sup> 135,400	21.5%			
Non-Registered	494,807	78.5%			
Cohort	<sup>(2)</sup> 630,207	100.0%			

(1) See Box 12 (2) See Table 3

# System questions

# Universal childcare vs targeting support towards poorer families

The fact that the proposed childcare system locks out children from the poorest families and the 30-hour entitlement assists parents high up into the income scale until they earn £100,000 has raised fundamental questions over the childcare system. Universal childcare seems to have been ruled out on the grounds of costs – hence, interest in a system where state funding is targeted towards poor and low-income families might be an approach which sits in the middle of a work-focused childcare strategy and a universal system of childcare.

# Separating childcare funding from Universal Credit

Another aspect of the emphasis on work is the payment of the childcare element within Universal Credit. To receive the childcare element, parents must be working, although there is no minimum number of hours which need to be worked.

The expectation is that funding from Universal Credit for childcare will fall as the extended entitlements are phased-in – but a point of principle is whether Universal Credit should be part of the funding of the childcare system at all.

# Childcare and parental time

Whilst childcare policy must be assessed from the perspective of time for work and time for child development, policy makers need to consider whether childcare increases non-working time or what might be called parental time. The issues involved are complex. But if free childcare does increase non-working time for parents, new opportunities for parents and their children arise.

# How will parents react to the 30-hour entitlement?

Despite of all of the numbers and statistics, the fact of the matter is that it is not clear how parents will react – couple parents by couple parents, and lone parent by lone parent – to the 30-hour entitlement for working parents with children aged 9 months to 2 years old.

# Will the new entitlement change behaviour?

There are two groups of parents to consider: those who are already employed and those who are economically inactive who might be encouraged into the labour market.

For parents not in the labour market, the decision is relatively straightforward – to access the 30-hour entitlement they must work a minimum of 16 hours (along with their partners if they are part of a couple).

For working parents employed for 16 hours or more, the question is more complicated. Knowing that free childcare is available for 30 hours per week, the question is whether they will increase or reduce their working hours, which in part depends on whether they are working full-time or part-time.

# Working time and childcare time

Working time, however, is different from childcare time (Table 6).

Full-time employment is defined as 30 hours or more per week. Part-time employment is defined as 1-29 hours per week.

The 30-hour entitlement is based on term-time of 38 weeks. If a parent works for 38 weeks, the 30-hour entitlement just about matches a full-time job (30 hours or more per week), equivalent to a 6-hour day.

But if parents spread the entitlement of 1,140 hours – usually over a full year – this reduces the number of hours per week to 22 hours.

Another difference is that childcare tends to be offered during the working week (Monday to Friday) and restricted during the working day. Some jobs are for early morning, late evenings, shifts and over weekends.

Table 6

Hours for Childcare and Hours for Full-Time and Part-Time Work						
Full-time						
Childcare	30 hours per week	38 weeks	1,140 hours	30 hours over 38 weeks 6 hours per working day during term time 22 hours per week over 52 weeks		
				c4 hours per working day		
Work	30 hours or more per week	52 weeks	1,560 hours or more	30 or more hours per week over 52 weeks 6 hours or more per working day		
Part-time						
Childcare	15 hours per week	38 weeks	570 hours	15 hours per week during term time 3 hours per working day during term time 11 hours per week over 52 weeks		
Work	1 to 30 hours per week	52 weeks	Up to 1,560 hours	Less than 30 hours per week over 52 weeks Less than 6 hours per day		
Structure of the week						
Childcare				Within the working week e.g. 8am to 6pm Monday to Friday		
Work				Weekend/Non-Weekend Early Mornings/Evenings		

# Right to request flexible working and childcare

As well as introducing the entitlement to 15-hours of free childcare for working parents with children aged 9 months to two-years-old, the current Conservative Government is extending flexibilities to the right to request flexible working.

Employees have a right to request reducing their working hours. Included in the right to request flexible working is a request to work part-time (see Box 15). Working parents with young children might wish to spend more time with their young family after statutory maternity and shared parental leave ends, where childcare is delivered at home.

The Employment Relations (Flexible Working) Bill – a private members bill - entered the Commons in June 2022. In December 2022, the Government announced a series of measures to increase the number of employees able to make a request and for employers to grant the request (see Box 16).

### **Box 15**

# Asking for flexible working

You might be able to make a 'flexible working request' to your employer if you want to:

- reduce your hours to work part-time
- · change your start and finish time
- have flexibility with your start and finish time (sometimes known as 'flexitime')
- do your hours over fewer days ('compressed hours')
- work from home or elsewhere ('remote working'), all or part of the time
- share the job with someone else

You can ask for the change to be for:

- · all working days
- · specific days or shifts only
- · specific weeks only, for example during school term time
- · a limited time, for example for 6 months only

Source: Acas - https://www.acas.org.uk/making-a-flexible-working-request

### **Box 16**

The measures the government is committing to in full will:

- remove the 26-week qualifying period before employees can request flexible working, making it a day-one right
- require employers to consult with their employees, as a means of exploring the available options, before rejecting a flexible working request
- allow employees to make 2 flexible working requests in any 12-month period
- require employers to respond to requests within 2 months, down from 3
- remove the requirement for employees to set out how the effects of their flexible working request might be dealt with by their employer

The day one right to request flexible working will be delivered through secondary legislation.

The government is pleased that it is supporting the Employment Relations (Flexible Working) Bill throughout its journey in Parliament. This Bill was introduced by Yasmin Qureshi MP and will make the other policies law through primary legislation.

 $Source: \ HM\ Government - https://www.gov.uk/government/news/millions-of-britons-to-be-able-to-request-flexible-working-on-day-one-of-employment$ 

# Working parents: requesting flexible working and the 30-hour entitlement

The Government is simultaneously introducing greater opportunities for requesting part-time hours and the 30-hour entitlement. The combination of the right to request part-time working and the 30-hour entitlement could lead to:

- working parents going down to part-time hours but delivering childcare at home, or
- working parents going down to part-time hours of a minimum of 16-hours per week and using the 30-hour entitlement to free childcare.

### Parental time and the 30-hour entitlement

Parents who are not working or who are working below 16 hours per week or above 16 hours per week could decide to work for exactly 16 hours to secure the 30-hour free childcare entitlement.

The difference of 14 hours per week during term time – work time and childcare time – can be consumed by travel to and from the childcare provider and to and from work.

By contrast, the difference between working 16 hours per week and the 30-hour entitlement to free childcare is much less where childcare is spread a full year. Instead of 30 hours of free childcare per week (during term-time) it falls to 22 hours per week (over a full year).

# Time when the 16 hours work per week is worked

Importantly, however, we cannot assume working parents with very young children will work the 16 hours when the 30-hour entitlement is delivered during the typical working day, Monday-Friday. Extra parental time is possible where a parent works early mornings or late evenings and the childcare is delivered anytime during, say, 8.00am-6.00pm (see Table 7). The availability of wrap-around childcare during early mornings might be required where a parent works early mornings and a partner or family member where they work late evenings.

Table 7

Flexible working and parental time						
Parent A	Working hours	30 hour childcare entitlement	Parental time			
When	Early mornings	Day: Monday to Friday	Day: Monday to Friday			
Childcare during work	Wrap-around care					
Parent B	Working hours	30 hour childcare entitlement	Parental time			
When	Evenings: Monday to Friday	Day: Monday to Friday	Day: Monday to Friday			
Childcare during work	Partner					

# Very local childcare

Parents of very young children might want a combination of close-by childcare providers and jobs in case a child becomes ill or there is an emergency. For parents to have time for themselves when working 16 hours in return for 30 hours of childcare, access to very local childcare is required.

# Local jobs and home working

Another source of parental time is possible through the availability of local jobs and home working.

# Mothers and childcare

Policy makers need to be careful about presuming that it is the economic status of mothers – employed or non-employed – that should be considered when trying to consider the behaviour of parents in terms of free childcare and working hours. A parent of any gender could be responsible as the main childcare provider.

Nevertheless, there is statistical data on the economic status of women with very young children which at least helps to delve into some of the choices faced by male, female and transgender parents.

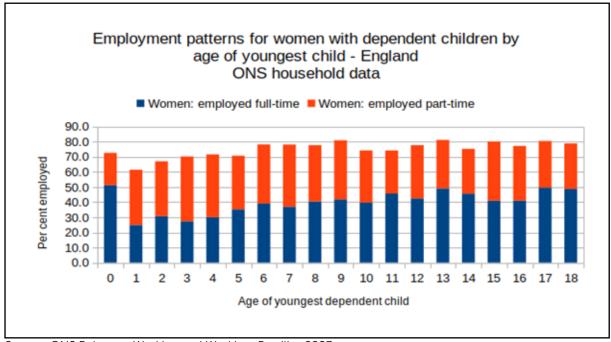
At present, over 70% of mothers with children under the of age 1 are employed (see Box 17). This dips to 60% at age 1 and rises to just under 70% at age 2. The high rate for children under 1 is in part due to the fact that mothers receiving statutory maternity pay are counted as employed.

For mothers with children aged one and two, part-time employment exceeds full-time employment. Part-time employment covers all jobs from one hour to 29 hours. We have some data on mothers with children of any age that shows they tend to work in jobs at the 'chunky end' - 16-29 hours – rather than 'mini jobs' below 16 hours (see Box 18), although we do not have data specifically for mothers with children aged under 2.

Of course, policy makers will require specific data on mothers with children under 2 and the number of hours they work if they are part-time, in terms of working 16 hours in return for 30 hours of childcare, in order to know whether mothers will need to 'trade up' their hours because they work less than 16 hours, or whether they will 'trade down' their hours because they work between 16 and 29 hours.

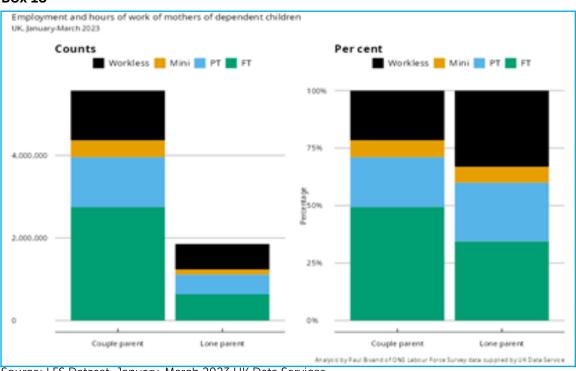
Alternatively, working mothers of very young children who combine working a minimum of 16 hours per week which do not overlap with the delivery of childcare between 8.00am and 6.00pm, and use more early morning WAC and very local childcare provision, could potentially have some time for themselves and their families.

**Box 17** 



Source: ONS Release - Working and Workless Families 2023

**Box 18** 



Source: LFS Dataset, January-March 2023 UK Data Services

# How will employers react to the 30-hour entitlement?

Clearly, a critical aspect of behavioural change towards the 30 hour entitlement is the reaction of parents. But important too is the behaviour of employers in terms of whether they agree to the request of working part time as part of the flexible working legislation, and the creation of part-time jobs of around 16 hours a week.

# Opportunities from increased parental time

Increasing parental time opens-up a whole host of possibilities for parents, children and their families (see Box 19 and Box 20).

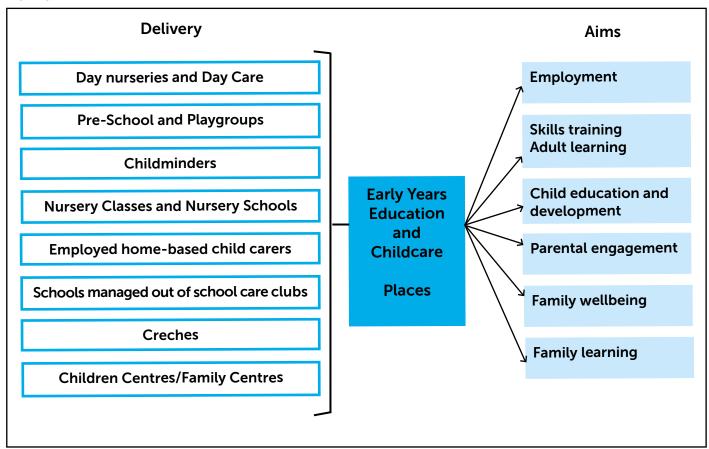
From a **labour market perspective**, extending free childcare to more parents and increasing the number hours of free childcare potentially creates more time for parents to:

- participate in basic skills programmes with a direct aim of finding employment; and
- participate in skills training so they can get better jobs rather than take any job.

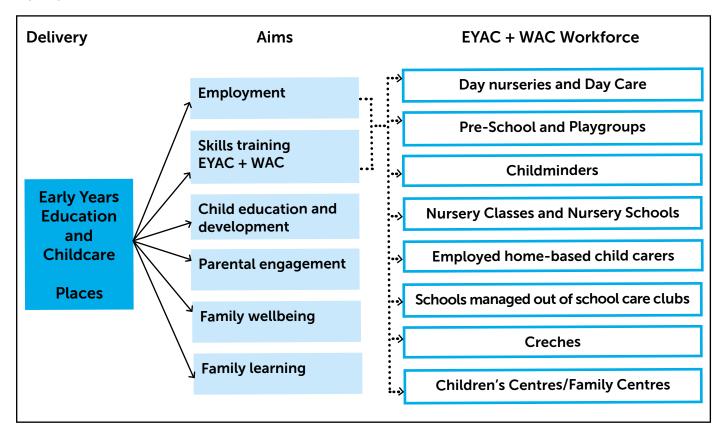
From a **childcare workforce perspective**, extending free childcare to more parents and increasing the number of hours of free childcare potentially creates more time for parents to:

- participate in taster courses linked to childcare; and
- participate in skills training so they can work in the childcare sector.

**Box 19** 



**Box 20** 



From a **child development perspective**, more hours of free childcare potentially creates more time for parents to:

- engage in the learning of young children including during the crucial first 1001 days of life; and
- support the learning of older children not in childcare.

From a **family perspective**, more hours of free childcare potentially creates more time for parents to:

- participate in parenting classes to strengthen family well-being; and
- participate in family learning which promotes parents and children learning and playing together, fostering a commitment to lifelong learning.

And from a policy perspective, there is an opportunity to integrate early years education and childcare with wider family strategies to nurture both stronger families and resilient children.

# Enabling more parents to benefit from family learning

The benefits of family learning are clear (Box 21). A broader appreciation of these benefits would help parents and families alike. We also need more settings such as children's centres and family centres – where parents can access family services and support as well as opportunities for parents to take family learning classes and activities which help child development and the wider family at home. But we need more parents to be in a position to be able to benefit from family learning, which requires time. Exploring the links between childcare, parental time and family learning needs to be examined so that the benefits to children, adults and families can be fully realised.

### **Box 21**

# Why family learning?

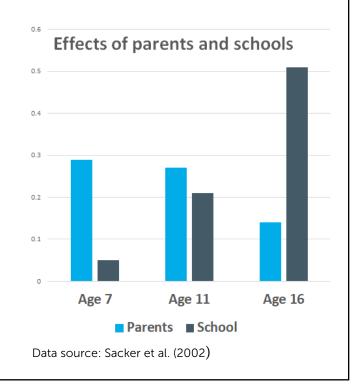
Parental engagement in children's learning has a positive impact on average of 4 months' additional progress.<sup>1</sup>

Up to the age of seven, parents' influence on children's educational outcomes is up to six times greater than their child's school.<sup>2</sup>

Many of the most impressive programmes are family learning programmes and, of these, the evidence of the impact of literacy interventions is particularly robust.<sup>3</sup>

Half of disadvantaged students (51%) reached the expected level for reading in 2022, down from 62% in 2019. The drop in attainment among non-disadvantaged pupils was smaller, down from 78% to 72%.<sup>4</sup>

Disadvantaged parents can become more engaged with their children's learning.<sup>5</sup>



Sources: (1) Endowment Foundation (2019) (2) Sacker et al. (2002) (3) Goodall & Vorhaus, (2011) (4) DfE (2022) (5) Vorhaus, Maier, Epstein, Lloyd, (2013)

# The pamphlet

### Government policy

This pamphlet brings together a wide range of experts on childcare from the perspective of the worlds of work, child development, parental engagement, adult skills, adult and community learning, and the wider issues of childcare and the welfare state and the childcare sector in England.

Our contributors have primarily concentrated on the work-focused childcare strategy of the present Conservative Government and the move towards 30-hours of free childcare for working parents with children aged 9 months to two-years old.

Campaign for Learning is extremely grateful to the 21 authors and their contributions to this policy pamphlet. We asked contributors to assess childcare policy and make recommendations particularly in relation to the proposal for the extension to childcare to 30 hours for working parents with younger children.

# Labour policy

Some contributors touch on the need for a wider childcare offer for the under 5s and the position of the Labour Party on childcare before the publication of Breaking Down the Barriers of Opportunity (see Box 22).

### **Box 22**

### **Education to spread opportunity**

Our plan to achieve this sets three long-term, measurable goals for this mission that we will work towards and be held accountable for. The goals are:

- 1. To boost child development with half a million more children hitting the early learning goals by 2030.
- To see a sustained rise in young people's school outcomes over the next decade, building young people's life skills.
- To expand high quality education, employment and training routes so more people than ever are on pathways with good prospects by 2035.

**Childcare as education:** For Labour, childcare must be more than just a facility that allows parents to work more hours. It is about providing every child with the best start in life; an early years education which sets them up for school and supports child development. Extensive evidence shows the positive impact of high-quality early education on long-term educational, behavioural and social outcomes, and on closing the gap for children in low-income households.<sup>9</sup>

With falling school rolls across many parts of the country, now is the time for fresh and imaginative thinking about how we integrate early years education and childcare with the wider school experience our children have and how we set them all up for the best start to life.

Families are essential for giving children the best start. The role of government should be to help every family succeed, through delivering high quality childcare and early support for new families, good healthcare and spaces for children to play, learn and develop in every part of the country.

**Breakfast clubs in every primary school:** For children, school life is about much more than the grades they leave with. It's about the friends they make, the skills they develop and how they are supported to develop as people.

Evidence shows breakfast clubs improve children's learning and development, boosting performance in maths and reading, alongside improving behaviour and attendance. Funded breakfast clubs provide opportunities for children to play, learn and socialise at the start of the school day.

These measures, from improving mental health support to introducing breakfast clubs, are key to tackling the rise in behavioural challenges and numbers of children missing school. This network of services and support is crucial to enabling schools to provide the best start for every child.

Source: Labour Party, 6th July 2023 - Breaking Down the Barriers of Opportunity

# Recommendations

The pamphlet is concluded by a set of recommendations by Campaign for Learning for childcare policy and family learning in England.

Julia Wright, National Director, Campaign for Learning Juliette Collier, National Director, Campaign for Learning Mark Corney, Senior Policy Adviser, Campaign for Learning

# Part One Childcare and the welfare state

# Will Snell, Chief Executive, The Fairness Foundation

# Childcare and a new social contract

When you stop to think about it, we have an identity crisis in Britain when it comes to the provision of public services. In some areas of life, it's a given that the state provides universal services for free.

Very few people question the founding principles of the NHS – universal, equitable, comprehensive, high quality, free at the point of delivery, centrally funded – even if delivering those principles is increasingly challenging.

Similarly, few would question the role of government in providing universal free primary and secondary education, even if there is a debate about the best way to do this.

And yet, when it comes to the early years education and childcare, no such consensus exists, and no such provision is in place.

Why do we not think about, and treat, the provision of early years education and childcare in the same way as primary education?

Why do we argue about whether to prioritise the development of the child or the provision of childcare to the parents so they can work or learn themselves, when the aim surely is to achieve both?

# **Fairness of opportunity**

The <u>philosopher John Rawls</u> talks about the 'fair equality of opportunity principle': that everyone should have a truly equal chance to succeed in life, regardless of their class, race or gender.

Removing the most obvious barriers to opportunity, such as discrimination on the basis of race, gender, sexuality or disability, isn't enough – we also have to tackle the inequalities that prevent people from enjoying equal life chances, so that no child is denied those chances because of the circumstances into which they were born.

As US President Lyndon Johnson said in 1965: "It is not enough just to open the gates of opportunity. All our citizens must have the ability to walk through those gates."

# Access to early years education and childcare

The implications for early years and childcare policy are clear.

While we cannot expect the early years sector to magically compensate for huge inequalities of wealth, income, housing, health and so on, the equitable provision of high-quality and affordable early years education and care is hugely important in giving children a <u>fair start</u> in life.

We cannot continue to tolerate a situation whereby disadvantaged children are <u>several</u> <u>months behind their peers</u> before they even start primary school.

### **Attitudes**

At the Fairness Foundation, we are interested in what the public thinks about arguments around fairness (specifically our five proposed principles of fairness, <u>The Fair Necessities</u>) in relation to issues such as early years provision. We commissioned some polling on this topic in February.

Our report, <u>Fair Pay for Critical Days</u>, found a widespread recognition that paying people a decent wage is in everyone's best interests – 79% of Britons thought that wages in the early years sector are too low, and only 10% disagreed.

Meanwhile, 61% agreed that 'the government should invest in making high-quality early years provision affordable for all parents because it is a basic need, just like primary and secondary education'.

A similar proportion, 62%, agreed to the statements that 'the government should invest in making high-quality early years provision affordable for all parents because it will help to ensure that all children have fair opportunities' and 'the government should invest in making high-quality early years provision affordable for all parents so that more parents can get back into work'.

However, respondents were divided about whether there should be universal, taxpayer-funded early years education and childcare provision.

# A minimum level of provision

The survey findings suggest that most people want the government to provide a minimum quantity and quality of early years provision, and see it as providing both childcare and education, rather than one or the other.

People want a system that guarantees the basic needs – and fair opportunities – both for children and their parents. However, not everyone thinks about early years education and childcare in the same way that they think about either primary and secondary education between the ages 5 and 16 – or the NHS.

# Early years education and childcare, and lifelong learning

We commissioned some more polling in March on the role of government in delivering a social contract. This found that a large majority of voters think that the government should fund a wide-ranging social contract, with guaranteed provision of a range of services including early years education and care, and lifelong learning.

# **Recommendation 1**

The Government should be guaranteeing a minimum level of provision of early years education and childcare, covering quality as well as affordability and availability.

## **Recommendation 2**

The Government needs to bring about a root-and-branch reform of early years education and childcare provision, so that this minimum level guarantee can be delivered in practice.

# **Recommendation 3**

The Government must look at the other end of the educational spectrum to deliver a similar offer on lifelong learning. These are crucial building blocks on the way to constructing a fairer society.

#### Anneka Dawson, Head of Pre-16 Education, Ceri Williams, Senior Research Fellow, and Alexandra Nancarrow, Research Fellow, Institute for Employment Studies

#### The childcare sector: providers and the workforce in England

Both the present Conservative Government and Labour opposition plan to expand childcare in England.

A realistic assessment is needed of where the childcare sector is today to inform what needs to change to meet the planned expansion. This includes both early years education and childcare (EYEC).

#### Current entitlements to funded childcare

There are three main entitlements to funded childcare in England at present:

- All 3- to 4- year-olds are entitled to 15 hours funded childcare per week for 38 weeks (570 hours in total) irrespective of whether their parents are working or not;
- Parents with 3- to 4- year-olds are entitled to 30 hours funded childcare for 38 weeks (1,140 hours in total) if they each work more than 16 hours per week at the national living wage (£10.42) equivalent to £8,670 per year and each earn less than £100,000 per year; and
- Some 2-year-olds from households that claim qualifying benefits or have additional needs are entitled to 15 hours funded childcare per week for 38 weeks.

#### Providers, places and take-up

In 2022, the number of providers delivering EYEC in England was 59,400 (see Box 1), including 28,200 childminders; 21,600 group-based providers and 9,600 school-based providers (see Box 2 for definitions of group-based providers and school-based providers). This is a drop from 62,000 in 2021.

#### Box 1



Source: Department for Education Survey of Childcare and Early years Providers, published December 2022

#### Box 2

#### Group-based providers (identified from the Ofsted register)

'Providers registered with Ofsted and operating on non-domestic premises. Eligible group-based provision includes full day and sessional care for children below school age and private and voluntary provision'.

#### School-based providers (identified from the School Census)

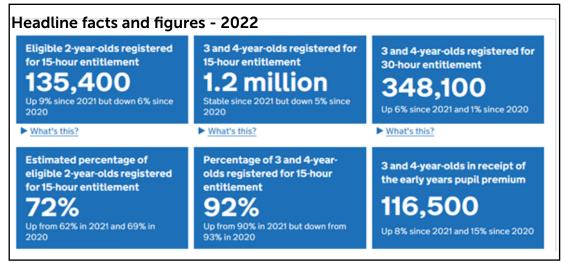
'Maintained nursery schools-purpose-built maintained schools specifically for children in their early years and with a qualified teacher present and School-based providers offering nursery provision'.

Sources: Department for Education, Education provision: children under 5 years of age, published June 2022 and Department for Education Survey of Childcare and Early years Providers, published December 2022

Together these providers offered 1.54 million Ofsted registered places in 2022: 1,044,500 group-based places, 327,900 school-based nursery places and 170,700 childminding places. Compared to 2021, this is a drop of over 10,000 places.

In 2022, there were an estimated 1.2 million 3- and 4-year-olds and 135,400 2-year-olds enrolled in the 15-hour entitlement for funded childcare. Also, approximately 348,100 3- and 4- year-olds were enrolled on the 30-hour entitlement limited to working parents who meet the eligibility criteria (see Box 3).

#### Box 3



Source: Department for Education, Education provision: children under 5 years of age, published June 2022

#### Workforce

#### Number of staff

There were estimated to be 334,400 early years staff (see Box 1) in 2022. The total included 248,200 group-based provision staff, 52,300 school-based provision staff, and 33,900 childminders and childminder assistants.

This was an overall increase of 5,900 (from 328,500 in 2021). While the number of school-based provider staff decreased by 3% and the number of childminders and childminder assistants decreased by 12%, the number of group-based provider staff increased by 5%.

About 45% of early years and childcare staff were employed by group-based providers and 38% by school-based providers (<u>DfE, 2022b</u>).

#### Most staff are females under 40

The majority (98%) of all staff (including temporary staff) were female and most were aged 25 to 39 years old (DfE, 2022b).

Private group-based providers had the most staff under 25 years old (23%) and had the biggest percentage increase in staff between 2021 and 2022 (a 9% increase). Childminders included the most staff aged 50 years old or older (42%).

On average, school-based providers had five staff members and group-based providers an average of 11 staff members.

#### Temporary staff and voluntary workers

Since 2021, the number of temporary staff had increased by 11%, the number of voluntary workers was up by 44% and the number of apprentices rose by 32%.

#### Jobs with apprenticeships

There has been an increase in the number of apprenticeships in the sector, predominantly in group-based providers. There was an increase in apprentices of 32% between 2021 and 2022 to 24,600. Nearly all of these extra apprentices (5,700 of the 6,000 increase) were in group-based providers (<u>DfE, 2022b</u>).

#### Minimum pay by broad occupation and registered providers

Approximately 3% of all jobs in the broad occupation group 'caring, leisure and other service occupations' were paid below the National Minimum Wage compared with 1.7% for the whole economy in 2022 (ONS, 2022). National Minimum Wage rates in 2023 are: 21- and 22-year-olds - £10.18; 18- to 20-year olds - £7.49; and under 18 year olds and apprentices - £5.28.

The National Living Wage applies to 23-year-olds and over. The rate from April 2023 was £10.42 per hour. In terms of the 334,400 staff delivering early years provision with registered providers (see Box 1), 14% of staff in school-based settings, 16% in group-based settings and 37% of childminding assistants were paid below the National Living Wage in 2022 (DfE, 2022b).

#### **Salaries**

Data from Adzuna on salaries showed that across the past year, the median listed salary for vacancies in this area was £21,500, which is 33% less than the median salary of £30,000 across all vacancies (D. Muir, Adzuna blog, 2023).

#### Staff turnover in registered providers

Group-based providers had a staff turnover rate of 18%. School-based providers had a rate of 9%.

#### **Vacancies**

Between April 2022 – April 2023, there were 19,600 vacancies for childcare practitioners, 37,300 vacancies for childcare assistants, 14,500 vacancies for childminders and 3,300 vacancies for playworkers (D. Muir, Adzuna blog, 2023).

Growth in demand for these roles has been at a similar or higher level than for all other occupations since the pandemic low of mid-May 2020. Alongside growth in demand, however, is low interest levels for these roles amongst jobseekers, especially for practitioner roles.

Providers are consequently reporting it is very difficult to recruit (DfE, 2023).

#### Qualifications of staff with registered providers

82% of school-based provider staff, 80% of group-based provider staff and 74% of childminder staff have a Level 3 qualification or higher (<u>DfE, 2022b</u>).

#### Training and progression with registered providers

In terms of training and progression, the Education Policy Institute and NDNA conducted research around Covid-19 regarding the early years workforce. It found significant gaps, including in speech and language and trauma and bereavement training (NDNA and EPI, 2021).

#### **Child ratios**

In the Spring Budget, the Chancellor announced an optional relaxation in child ratios for 2-year-old children from 1:4 to 1:5 from September 2023.

#### Further qualification flexibilities

All settings are required to have enough staff qualified with a 'full and relevant' qualification to meet the legal standards for staff:child ratios.

The DfE provide a list of qualifications that meet these standards, which includes over 50 qualifications. This system is currently under consultation (until July 2023), including possibly changing the need for all Level 3 practitioners to hold a maths qualification to only requiring this of the setting manager, and reducing the number of Level 2 practitioners needed for setting ratios.

Although these courses were consolidated in the past, research on the sector's understanding of the 'full and relevant' qualifications suggests that the system is confusing, and updates are needed (Morton, Nursery World, 2023).

The response to the consultation in the sector press, however, suggests that this should not be through making the qualification requirements lower, as this will reduce the quality of the provision.

#### **Problems before expansion**

#### Recruitment and retention

Overall, there is no doubt that the childcare sector has a significant recruitment and retention problem.

#### Local Authorities not using funding correctly

There is evidence that the funding devolved to local authorities by DfE for early years education and childcare is not being used by them for early years education and childcare or not being used in the right way (<u>I. Priestly, NDNA, 2023</u>).

#### Professionalising the childcare workforce

The childcare workforce needs greater professionalisation before we embark on the expansion of the system.

#### Extended entitlements to funded childcare

The present Conservative Government has put in place the following plans:

- From April 2024, working parents of two-year-olds will be able to access 15 hours of funded childcare equivalent to 570 hours per year.
- From September 2024, 15 hours of funded childcare will be extended down to the age of 9 months for working parents equivalent to 570 hours per year.
- From September 2025, working parents of children aged 9 months and upwards will be entitled to 30 hours funded childcare per week right up to their child starting school equivalent to 1,140 hours per year (<u>DfE Education Hub, June 2023</u>).

Although the entitlements are phased in, the expansion from 2024 and the reduction in staff:child ratios will put more pressure on providers, with more settings being likely to close in coming years.

#### **Recommendation 1**

Policy makers should shift their focus from childcare to education (<u>P.Moss, 2020</u>). Early years education should be fully-funded by the Government to bring EYEC in-line with education for 5-to 18-year-olds and the Government must urgently address the underspends in early years education by some local authorities.

#### **Recommendation 2**

The Government should introduce an Early Years Workforce Development Plan. Employers and employees need greater clarity and financial support. These need to follow a clear career path with progression points mapped out and training to be free or heavily subsidised.

#### **Recommendation 3**

A high proportion of the registered childcare workforce aged 23 and over are not paid the National Living Wage (between 14-16% of staff with registered providers and 37% of childminder assistants are paid below the National Living Wage). The National Living Wage needs to be enforced in the sector. Further, to tackle low pay in the early years education and childcare sector and recruit and retain 18 -23 year olds, the National Living Wage should be paid to all workers in the registered sector who are over 18.

## Part Two Childcare and time for work

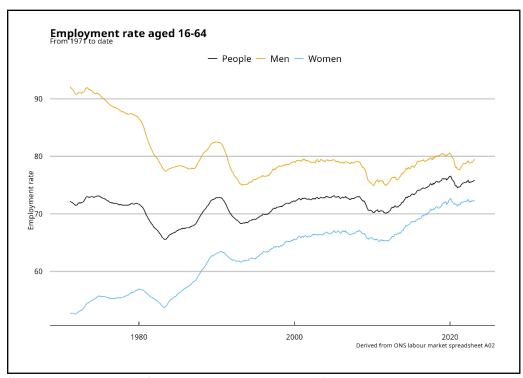
#### **Paul Bivand, Independent Policy Analyst**

#### Women, employment and childcare

#### More working women

A major social change in Britain has been the re-entry of women with children into the workforce. In 1971, when data was first collected, the female employment rate was 53%. By 2023, it had increased to 72% (see Chart 1). Some **15.7m** women are in employment today.

#### Chart 1



Source: Derived from ONS labour market spreadsheet A02

#### Households with dependent children

There are **8.24 million** households in the UK with dependent children aged 0-18 (see Box 1 for definitions). This is the highest number since these figures were first produced in 1996. They are divided into three groups:

- 59.7% of households with dependent children are **working households** with all adults in work. This is below, but close to, the highest ever figure. It reached 60.8% just before the pandemic.
- 32.1% of households with dependent children are **mixed households** with both working and non-working adults.
- A further **8.2%** of households with dependent children are **workless households** with no adults working.

#### Box 1

#### **Working and Workless**

Working means working for at least one hour. Workless means not working even for one hour. Some people who are actually not working are counted as working if they have a job to go back to. A key group for childcare policy is parents on maternity leave and paternity leave.

#### Household

Household includes all those living at an address. However, this means there is a very confusing implication: single parent households can be 'mixed households' – at least one working – if the household includes a single parent and one or more non-dependent children, with one (or more) working and one (or more) not working.

#### Dependent Children

Dependent children include all those under 16 and those 16-18 in further education. Those who are either in employment (but not learning) and those who are NEET get classed as non-dependent, as well as those over 18. So, the age range for children goes up quite a long way.

#### **Full-Time and Part-Time Working**

Full-time working is defined as 30 hours or more per week. Part-time working is defined as below 30 hours per week.

#### Workless households

The number of workless households is now 669,000 (see Chart 2). This is up from the prepandemic level of 626,000 but close to the all-time low. Of these:

- 600,000 are workless couples with dependent children, and
- 69,000 are workless lone parents with dependent children.

#### Employment patterns for women by dependent children by age of child

#### Rates

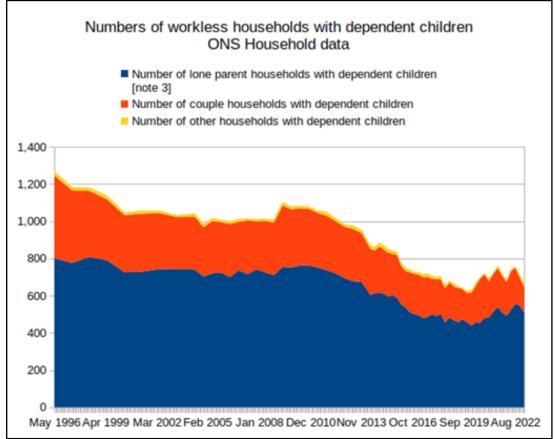
The employment rate of women with dependent children does not fall below 60% (see Chart 3).

For those with a youngest child aged 3 and 4 – where entitlements to free childcare of 15 hours per week for all children, and 30 hours per week for most working parents – the employment rate is 70%.

For those with a youngest child aged 2 – where some parents are entitled to free childcare of 15 hours per week – the employment rate is still 68%.

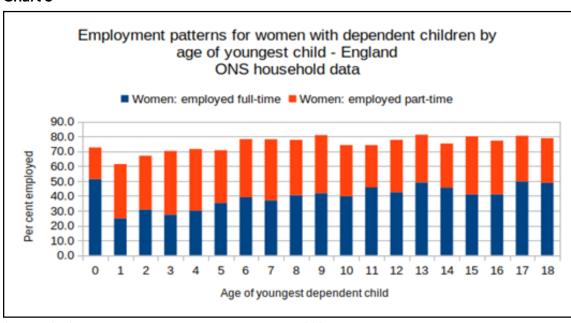
For those with a youngest child aged 1 – where there are no childcare entitlements – the employment rate dips but only to 60%.

Chart 2



Source: ONS Release - Working and Workless Families 2023

Chart 3



Source: ONS Release - Working and Workless Families 2023

#### Full-time and part-time working

In terms of women with a youngest child at age 4 and below, more work part-time than full-time (see Chart 3), although this simply means more work below 30 hours per week.

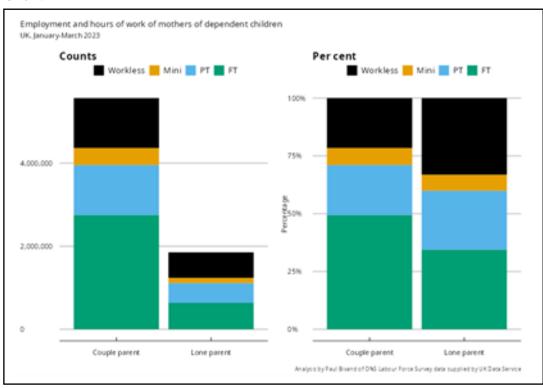
The high proportions of women working part-time (less than 30 hours per week) with the youngest child aged 5 and over relates at least in part to lack of **wrap-around and holiday care**. In turn, this impacts on the careers of women and gender pay gaps of women who have children.

#### Hours worked by women with dependent children

Turning to hours worked by women (see Chart 4), they can be grouped into three categories:

- Full-time jobs: 30 hours or more
- Part-time jobs up to full-time jobs: between 16 hours and 29 hours
- Mini-jobs up to part-time jobs: up to 16 hours.

#### Chart 4



Source: LFS Dataset, January-March 2023 UK Data Services

#### Mothers with dependent children on benefits

An important factor in mothers' consideration of working or not working is the policies of the Department for Work and Pensions (DWP) towards benefit claimants. The extent to which parents will be affected by this depends on their family circumstances, but the DWP benefit rules are that parents should usually be working, with very limited exceptions.

The only group of parents that have no work requirements in Universal Credit are those with a child under the age of one.

If they have a child aged 1, they are expected to attend meetings to plan for work.

If they have a child aged 2, they are expected to prepare for work. This includes attending, and co-operating with, work-focused interviews.

Parents caring for children aged 3 or over must search for work, or more work, if the family earnings are below £617 a month (for lone parents) or £988 a month (couples). This is 15 hours for the lone parent and 24 hours for couples (across both parents) at the National Minimum Wage.

#### **Tougher conditionality**

DWP has previously reacted to DfE expanding childcare by increasing conditionality on parents to work if free childcare places are available. The 15 free hours for 2-year-olds from April 2024 may mean parents will be subject to work requirements up to that level, with similar changes when the planned free places from 9 months child age occurs.

#### Paying the childcare element of Universal Credit in advance

DWP funding for childcare (while working) has now been extended so that it can be paid in advance rather than arrears (a big issue in low-income families) but is not 100% of childcare cost. It is up to 85%, with a cap.

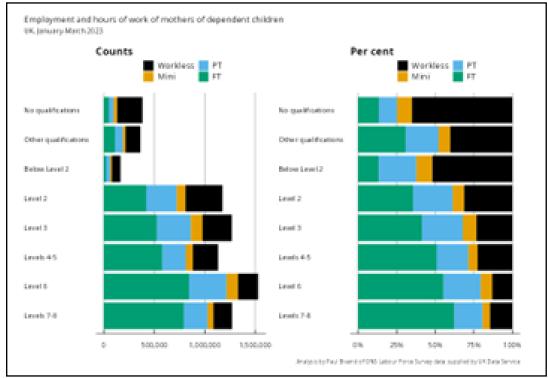
#### Qualifications for women by dependent children by age of child

Employment rates of mothers step up with each level of highest qualification, with those with no qualifications and those with below Level 2 having employment rates below 50% (see Chart 5).

'Other qualifications' in ONS are those that have not been given a formal equivalence, including a range of overseas qualifications. Employers seem to place these between Level 1 and Level 2, on average.

Overall, however, the numbers of mothers with qualifications below Level 2 are low. On the other hand, there are substantial numbers of workless mothers with high qualifications.

#### Chart 5



Source: LFS Dataset, January-March 2023 UK Data Services

The number of workless mothers with no qualification is 250,000 (200,000-300,000 confidence interval) in the UK. Those with below Level 2 are between 60,000 and 110,000, and other qualifications between 110,000 and 180,000. The numbers with Level 2 are between 320,000 and 420,000.

The relatively small number of mothers with low qualifications is likely to relate to the pressure on schools and colleges over the preceding period to ensure people have at least a full Level 2. The employment disadvantage for the small remaining group persists.

#### **Recommendation 1**

DWP should enable parents on Universal Credit, who must plan or prepare for work, to choose forms of skills training that they think would best help them to get jobs that are paid enough to claim in-work Universal Credit or not claim Universal Credit at all.

#### **Recommendation 2**

DWP should enable claimant parents to undertake the skills training they need to help them get better-paid work to better combine work and caring.

#### **Recommendation 3**

DfE and DWP should recognise that parents of school-aged children are time constrained and combine careers with childcare, and that a vision for wrap around childcare is needed.

## James Cockett, Labour Market Economist and Claire McCartney, Policy Adviser, Resourcing and Inclusion, CIPD

#### The planned childcare entitlements and progression into work

In the Spring Budget, the present Conservative Government announced a major childcare package of planned entitlements to free childcare.

At present, there are three entitlements to free childcare in England:

- All children aged 3-4 are entitled to 15 hours of free childcare for 38 weeks (570 hours per year) whether their parents are working or not;
- Working parents with 3- to 4-year-olds, who each work at least 16 hours per week at the National Living Wage of £10.42 equivalent to £8,670 per year and less than £100,000 per year are entitled to 30 hours of free childcare per week (1,140 hours per year); and
- 2-year-olds from disadvantaged backgrounds or with additional needs are entitled to 15 hours of free childcare per week for 38 weeks (570 hours per year).

#### The planned changes are:

- From April 2024, working parents of two-year-olds will be able to access 15 hours of free childcare equivalent to 570 hours per year.
- From September 2024, 15 hours of free childcare will be extended down to the age of 9 months for working parents equivalent to 570 hours per year.
- From September 2025, working parents of children aged 9 months and upwards will be entitled to 30 hours free childcare per week right up to their child starting school equivalent to 1,140 hours per year (<u>DfE Education Hub, June 2023</u>).

The entitlement to 15 hours of free childcare for all 3- to 4-year-olds will remain in place and so too will the entitlement of 15 hours for disadvantaged 2-year-olds.

#### **Extending opportunity**

The extension of free childcare of 30 hours per week to working parents with children from 9 months to age 5 – the start of school – will boost the labour supply and support working parents with childcare costs. Some parents might wish to work up to 30 hours per week – the definition of part-time employment – or 30 hours or more per week – the definition of full-time employment.

CIPD has long called for the UK Government to provide affordable childcare from the end of maternity leave to enable parents to return to work if they choose to.

We believe it is vital that any new entitlements are properly funded.

#### Increasing labour market participation

The cost of childcare is currently forcing one in four UK parents to give up their jobs.

The broader issue in the UK is that since the pandemic there has been an exodus of workers from the labour market, with the number of economically inactive people about half a million higher than in 2020.

This is a problem for employers and the Government. Initial actions taken by the Government in the budget to address levels of economic inactivity also focused on encouraging other groups – including older workers and those with disabilities or health conditions – back to work.

#### Benefits of maternal employment

High-quality early years provision improves the social mobility of young people. It affects their outcomes at every stage of life. Maternal employment is also associated with higher rates of academic achievement for the child, as well as less negative behaviour.

Returning to work when their children are young means parents, particularly mothers, are not penalised for their time outside of the labour market. It can help avoid loss of skills and confidence and support career opportunities and progression and ultimately boost gender equality. A <u>recent survey of 4,000 women</u> found 67% felt childcare duties in the past decade had cost them progress at work – including pay rises, promotions, or career development. Almost 90% believed that additional support was needed.

#### Challenges in the childcare sector

However, there are several issues that need to be addressed if the expansion of free childcare is to be rolled out effectively across the UK:

#### Availability of nursery places and labour shortages

Early years provision is currently delivered by an estimated 340,000 staff. While Department for Education (DfE) statistics show around half of providers have one or more surplus places, this does not consider the uneven geography of provision. For example, just 28% of local authorities in Outer London have enough provision for under-2s 'in all areas'.

There is a clear need for the Government to support local authorities to ensure sufficient provision for all age groups following the staggered rollout. There are also signs of growing labour shortages.

In January 2023 there were 22,165 job postings for nursery nurses and assistants –almost three times the pre-pandemic level. The level of pay offered is a particular problem for the attraction and retention of nursery workers.

#### **Under-funding**

A further challenge is funding. Nurseries currently receive £4.80 per hour for 3- and 4-year-olds covered by the 'free entitlement'. Yet, the Early Years Alliance says that the <u>cost to the provider is more than £7.50</u>. Currently, the care of these children is being "subsidised" by charging a higher amount for care of younger children. When nurseries are unable to charge more for younger children, financial trouble could follow.

#### Low levels of awareness among parents

Research by the Centre for Social Justice shows awareness of the existing support is surprisingly low with a quarter of parents of 0-4-year-olds unaware of the 15-hour universal entitlement. Better communication of existing and future entitlements is needed, with government responsible for delivering an accessible system.

#### What can employers do

In light of such low levels of awareness, employers should highlight the current and future government support on offer to working parents. It is also important to create a broader culture of support for working parents including enhancing and enabling take up of any parental leave provisions and supporting parents, where possible, through paid leave for childcare emergencies.

Employers should also look to offer a range of flexible working provisions and advertise roles as open to flexible working.

In terms of progression, <u>evidence</u> shows that women aren't always given the same opportunities and development support as men. Ensuring that women's talents and achievements are recognised and that they are supported to access challenging work, networking and development opportunities, can help overall progression.

#### **Recommendation 1**

The Government needs to learn lessons from the existing free childcare offer and foresee future challenges to ensure high-quality early years provision – including ensuring adequate nursery places, tackling labour shortages and properly funding childcare provisions.

#### **Recommendation 2**

The Government should better communicate to parents of the current and future planned support around childcare.

#### **Recommendation 3**

The Government should enhance the statutory paternity/partner provision to six weeks at or near the full rate of pay, to help deliver more balance and choice over caring responsibilities.

#### Jane van Zyl, Chief Executive, Working Families

## Combining flexible working and childcare to solve the childcare crisis

#### A system in crisis

Childcare is on its knees. It is scarce and unaffordable for many. The childcare system doesn't serve the needs of families – often it doesn't even enable families to earn an income they can survive on.

Whilst a radical overhaul of the childcare system is needed, flexibility is too often overlooked as being a straightforward part of the solution. Flexible working has the power to unlock the door that shuts out so many — especially women — from the labour market or prevents them from progressing in their careers. And it is a vital piece of the puzzle when it comes to solving the UK's childcare challenges.

#### Families in stress

Our recent Working Families Index Spotlight Report focused on families on lower incomes – those who have little or no financial room to manoeuvre in order to cope with the current cost of living. The findings were alarming. Four in ten families said they had gone into debt to pay for childcare, essentially meaning they are paying to go to work.

The stress of accessing childcare has resulted in nearly half of parents on lower incomes reporting their mental health was negatively impacted, and three in ten saying it had affected their relationship with their partner. Finding and affording childcare is putting families under immense strain, damaging the quality of family life and eroding their ability to cope.

#### The childcare barrier

Rather than enabling parents to develop their careers and increase their earnings, childcare – or rather the lack of affordable childcare – acts as a barrier to work.

Over half of parents in our 2022 Working Families Index said the availability of childcare impacts their capacity to work, with mothers twice as likely to be in this position, and seven in ten parents needing to consider childcare options before going for a new job or promotion.

The picture is particularly stark for parents on lower incomes, half of whom have had to reduce their working hours to manage childcare needs, and a fifth having had to quit their job altogether, with women and Black parents most affected.

#### Combining flexible working and informal childcare

The Government's proposals in the Spring Budget to increase free childcare to children over 9 months to the start of school at the age of 5 were a step in the right direction, but without adequate funding they may exacerbate the issues for struggling childcare providers and result in higher fees and more nursery closures.

Flexible working can't (nor should it) replace affordable, quality childcare. Instead, it should be seen as the bedrock of an approach that recognises the complexities of managing work whilst carrying out the incredibly important role of raising children. For many families, flexible working isn't just an added bonus, it makes work feasible.

Our research showed that families on a lower income who had a flexible request accepted were a third less likely to quit their job to manage childcare, 25% less likely to fall into debt, and half as likely to have had their mental health negatively affected by childcare.

Plus, it enables families to manage tight budgets. Almost a quarter of parents in our research who don't use formal childcare used flexible working arrangements to share childcare responsibilities between them – a lifeline in a cost-of-living crisis.

#### The part-time penalty

Of course, many people – mainly women – already work flexibly by working reduced hours. Whilst this can be a positive choice, it can be the result of being denied alternative forms of flexibility – lower-income parents in our study were twice as likely to have their informal flexible request rejected. Part-time workers not only suffer a loss of income, but also a part-time penalty in terms of a lack of progression. To remedy this, we need an abundance of high-quality, flexible roles and dedication to developing and promoting part-time workers.

#### The right type of flex

To meet the needs of working parents – of whom almost half work in site-based roles or are shift workers – we need to start thinking beyond remote or hybrid working. Job shares, staggered starts, flexitime, and an output-model – there are many examples of innovative practices that can work for people who need to be in a certain location or who work shifts.

There's no one way to work flexibly; in fact, flexible solutions work best when they are built around the individual needs of the employee and the business needs of the organisation. It's time we started thinking creatively and collaboratively, and seeing an opportunity to work a different way that's more inclusive and productive.

#### **Recommendation 1**

Employers should make flexible working the default. All jobs should be designed and advertised as flexible, unless there's a legitimate reason not to.

#### **Recommendation 2**

The Government must deliver on their promise to make flexible working a day one right once the Employment Relations Bill has been passed, and should commit to evaluating the impact of the reforms on the availability of flexible working opportunities.

#### **Recommendation 3**

The Government needs to ensure that the proposals set out in the Spring Budget are fully funded at sustainable rates which allow childcare providers to meet increased demand.

# Part Three Childcare and time for child development

## Janeen Hayat, Director of Collective Action, Fair Education Alliance

#### Improving childcare quality to support educational outcomes

#### Some of the most expensive childcare in the world

In the past year, we've seen childcare rise to the top of the priority list for both the Conservative Government and Labour Opposition. And it's no wonder – childcare in England is less affordable than ever, and among the most expensive in the world (OECD).

The cost of childcare is keeping many women out of the workforce (<u>Economics Observatory</u>, <u>2022</u>) and pushing those on the margins of poverty into it (<u>CPAG</u>, <u>2015</u>).

So, it makes sense that both major parties would recognise the salience of this problem to voters, and the necessity of solving it to unlock economic growth and secure social equality for the next generation. However, when we talk about childcare policy, we must acknowledge that these goals – economic growth and social equality – aren't always aligned.

#### Childcare vs early years education

Childcare, which aims to increase workforce participation, is not synonymous with early years education, which aims to give every child the best educational start in life.

We know that the current situation results in gaping academic inequality: poorer children start reception an average of 4.5 months behind their wealthier peers, accounting for 40% of the attainment gap at 16 (EPI, 2018).

#### Children in greatest need have a lower entitlement to free childcare

The poorest children are least likely to access any sort of childcare (Sutton Trust, 2021).

Currently, there is an entitlement to 15 hours of free childcare per week for 38 weeks for all 3 to 4 year olds and for some 2-year-olds from disadvantaged backgrounds or with additional needs. From April 2024, working parents of two-year-olds will be able to access 15 hours of free childcare – equivalent to 570 hours per year. From September 2024, 15 hours of free childcare will be extended down to the age of 9 months – for working parents – equivalent to 570 hours per year. From September 2025, working parents of children aged 9 months and upwards will be entitled to 30 hours free childcare per week right up to their child starting school – equivalent to 1,140 hours per year (DfE Education Hub, June 2023).

The Government's recent extension therefore only applies to working parents. While extending free hours only to those in work may arguably serve the short-term economic purposes of childcare, it does not best serve the educational purposes.

However, the solution can't be as simple as bestowing free hours to all children – even if a government was willing to make such an investment - there simply isn't the supply of childcare providers or staff.

The 'free' entitlement hours are currently underfunded by government, so providers currently must rely on paid hours to subsidise the free ones (<u>Early Years Alliance</u>, <u>2023</u>).

Many nurseries cannot afford to take children who are only accessing free hours. 300 nurseries closed their doors last year (<u>Nursery World, 2022</u>), and it is predicted that many more will do so when the extension of free hours to younger children is rolled out (Early Years Alliance, 2023).

Already, there is worse provision of childcare in poorer neighbourhoods and a staggering lack of provision for children with special educational needs and disabilities (SEND). Less than 18% of local authorities have enough childcare for children with disabilities (Coram, 2023).

The financial realities of nurseries underpin this; current funding for children not paying fees, and for those with SEND, is insufficient to cover the costs of early years settings.

If the Government were to extend free hours to all children, it would not solve the problem of access – those providers that did survive would still be incentivised to prioritise feepaying children and those without SEND.

There must be properly funded childcare places, as well as the funding, training, and incentives for providers to accept and support children with SEND.

#### Staff are essential to high-quality provision

And still, even if there were fully-funded places for all children regardless of need, an additional piece of the puzzle would remain — ensuring that provision is high-quality. Without quality provision for all, the gap that exists at the start of reception is unlikely to close.

A huge part of ensuring quality is having enough well-equipped staff. When the Government announced its extension of free nursery hours in the last budget, it acknowledged the staffing challenge in this by increasing staff ratios. However, this raises questions about quality, and will put more pressure on an already beleaguered workforce.

The early years workforce is experiencing a recruitment and retention crisis, with difficulties recruiting qualified staff, a high proportion of EU nationals, and concerns that older, more experienced and qualified staff who retire will not be replaced (EPI, 2019).

Contributing factors to this include low pay, which providers cannot afford to increase, the low status of the profession, and a lack of opportunity for progression. Turnover in staff, and under-qualified or less experienced staff, pose risks for children – particularly those facing the greatest challenges (EPI, 2020).

We also need to think more creatively about routes into the workforce for currently untapped labour – particularly parents, and training and supporting those delivering childcare outside of nurseries, such as childminders. All of this should form a holistic strategy for recruiting, training, progressing and rewarding the early years workforce.

#### **Recommendation 1**

The Government should introduce universal free hours for all children aged 9 months to the start of school, funded at the true cost to providers to enable high-quality provision and fair pay for staff.

#### **Recommendation 2**

The Government should remove the barriers to nurseries providing places to low-income and disabled children, including bringing the Early Years Pupil Premium in line with that for primary pupils, and increasing the Disability Access Fund.

#### **Recommendation 3**

The Government must develop a broader and stronger Early Years Workforce Strategy, including creative solutions for entry points into the profession, providing continuing professional development and progression, and building respect and professionalism for the profession, across all settings.

#### Megan Jarvie, Head of Coram Family and Childcare

#### Making a step change in child development through childcare

Early years childcare and education has the potential to change young children's lives, particularly disadvantaged children. The need for affordable childcare to enable parents to work is well discussed, but the role it can play in supporting children's development does not grab the headlines in the same way. Child development needs equal weight with entry into the labour market.

The extra £4bn investment in childcare announced at the Spring Budget could make significant progress on childcare affordability. But these plans were curiously silent on the other important role of childcare – to level developmental outcomes and give all children the best start in life.

The recent announcement to extend free childcare to children of working parents from the age of 9 months is a welcome help to make childcare more affordable, but it will do little to help disadvantaged children or narrow the achievement gap.

#### A balanced childcare strategy

We now have an overly complex childcare system with different policies pulling in different directions, and not achieving value for money for children, parents or the tax payer. Instead, we need a step change in childcare policy.

There are not many interventions that we know make a difference to the achievement gap, but high-quality early years childcare is one of them. It is completely possible for our childcare system to both support parents into work and children's development.

We have worked with the Joseph Rowntree Foundation to set out how the childcare system in England should be designed. We identified the five key pillars of what makes a system that truly tackles disadvantage:

- Meaningful action to make childcare affordable for all
- High quality provision, consistently, to improve children's outcomes
- Thoughtful design of provision to maximise takeup and access
- Building home learning into the support offered
- Integrating childcare into a wider landscape of support services

Only high-quality childcare makes a real difference to children's outcomes and narrows the achievement gap, but childcare in England is not consistently high enough quality to do this. Higher funding, better pay and qualifications and stronger quality requirements are needed to make a step change here.

There needs to be action to make sure that disadvantaged children are able to take up the childcare that they are entitled to. There are currently significant inequalities in which children take up childcare, with low-income children, children with SEND and some ethnic minority children all less likely to take up the childcare on offer.

#### Integrated childcare and wider family policies

Children will always spend more time at home with parents and carers than in childcare. In order to make the biggest difference for children, it is vital to consider the role that childcare can play in supporting children's learning and development outside as well as inside the setting. Childcare should be a fully integrated part of a wider support system, joining up to identify and address any additional needs early.

Effective childcare policy balances the two priorities of enabling parents to work and supporting children's outcomes. It is entirely possible to design a system that does both, but recent policy changes are tipping the scales further and further towards childcare for working parents – at the expense of children's outcomes, pushing problems further down the line into school and beyond.

Government has signalled an appetite for much higher public investment into the formal early years childcare sector, but complete system reform is needed so that childcare policy can achieve its potential.

#### **Recommendation 1**

The Government should introduce one simple, supply-side funding mechanism for childcare, provide all funding to childcare providers and give them the levers to improve quality and make sure that parents only ever face a bill that is affordable to them.

#### **Recommendation 2**

The Government must focus on pushing up the quality of childcare through improving pay and qualifications in the sector, making sure that every childcare provider is able to meet the needs of all children – including those with special educational needs and disabilities – and providing the funding levels that would enable this to happen.

#### **Recommendation 3**

The Government should integrate childcare into the wider family policies – including family learning – to meet the needs of families holistically. Childcare professionals, wider support services and parents will work together to support children's development.

## Professor Elizabeth Rapa and Professor Louise Dalton, University of Oxford

#### Childcare, children's development and education outcomes

High quality early childhood education and care, both formal and informal, can have positive and long-term impacts on children's outcomes. However, the quality of the care and parental engagement play a key role (Melhuish et al, 2020).

The Brain Story (<a href="www.Oxfordbrainstory.org">www.Oxfordbrainstory.org</a>) is a community-wide initiative that uses scientific understanding of the neuroscience of child development and its implication on lifelong physical and mental health to improve outcomes for children and adults in the future. The Brain Story uses a series of metaphors to help articulate a number of key concepts in an accessible way.

#### **Brain architecture**

Brain development starts in the moments after conception and the brain is not considered to be mature until the age of 24 years. The first 1001 days (from conception to age 2) is a time of rapid neural proliferation, with 1 million new neural connections formed every second. Babies' experiences play a crucial role in developing new connections, influencing which connections are strengthened through repeated use, and which are 'pruned away' (National Science Council on the Developing Child, 2007).

#### **Caring adults**

Caring adults play a critical role in building children's brains; in the same way that a house needs a sturdy foundation, building strong brain architecture through positive experiences will support children's future development and outcomes.

Despite scientific research consistently highlighting the importance of children's early experiences for longer term cognitive, behavioural, social and emotional outcomes, these key public health messages are not well established within the wider community. It is essential that all professionals and caregivers understand the vital role they play in promoting children's development from birth through to adulthood.

#### Building strong brain architecture: serve and return

A baby is primed for social interactions from birth; caregivers and educators play an important role in noticing their cues and responding positively in a timely, appropriate way (<u>Eshel et Al, 2006</u>).

The metaphor for this contingent responsiveness has been framed as a game of bat and ball: serve and return. The ball represents communication, this includes both verbal and non-verbal communication: eye contact; facial expressions; touch; telling stories; rhymes; playing simple games such as peek-a-boo. The child serves by showing that they are interested in something, this could be through their gestures or vocalisations, and then the adult returns with a positive response; this increases the interest and excitement of the child so they are keen to repeat the activity.

This sensitive pattern of attuned interaction between an adult and a child promotes neural development; serve and return continues as the child grows through shared activities that reflect their developing skills.

#### Executive functioning skills: air traffic control

Robust and sturdy brain architecture supports the development of children's social and emotional skills, including self-regulation and executive functioning (<u>Center on the Developing Child, Harvard University, 2011</u>). Childhood executive functioning skills predict academic achievement at age 16 years (<u>Pearson et al, 2016</u>).

Executive functioning refers to a range of skills which include working memory, mental flexibility, balancing multiple demands and self-control. For example, remembering to follow rules, listen to their caregiver or nursey practitioner and completing the task requested. These skills are interconnected and cannot develop in isolation from each other.

Working memory governs our ability to retain and manipulate distinct pieces of information over short periods of time. Mental flexibility helps us to sustain or shift attention in response to different demands or to apply different rules in different settings. Self-control enables us to regulate our emotions, set priorities, and resist impulsive actions or responses. The Brain Story likens executive functioning to the 'air traffic control' tower at a busy airport; we are all our own 'air traffic controller', directing and managing the take-off and landing of aircraft on multiple runways, making sure that none crash or run out of fuel.

These skills need to be learned throughout childhood and adolescence, with everyday games and activities providing opportunities to develop and strengthen these skills (for example, songs with actions, memory games, Simon Says, or sport).

Importantly, these skills are much harder to acquire when children are living in chaotic, threatening or unpredictable environments. Adults can encourage air traffic control skills by establishing routines, modelling social behaviour, and creating and maintaining supportive, reliable relationships.

#### **Recommendation 1**

Financial investment should be targeted at services supporting children and their families during the early years. Collaboration across professional silos and services will facilitate a joined-up approach to ensure children are supported to maximise their potential.

#### **Recommendation 2**

Embedding a community-wide understanding of the importance of the early years for life-long health will ensure that services are configured and delivered in line with current scientific knowledge about what matters and why. Children's education curriculum and the professional training of educators should include the science of brain development.

#### **Recommendation 3**

Using the Brain Story to communicate the key principles of the neuroscience underpinning development will empower parents, caregivers and professionals in understanding the vital role they play in children's long term cognitive, behavioural and emotional outcomes. For example, early care and education programmes should focus on developing and supporting executive function (air traffic control) skills.

### Part Four Childcare and time for parental engagement

#### Lee Elliot Major, Professor of Social Mobility, University of Exeter

## The childcare revolution: a new opportunity for parental partnerships in child learning

#### **Estonian inspiration**

Estonia's famed affordable childcare system has got politicians around the world flocking to Tallinn seeking inspiration from the small Baltic state.

Parents in Estonia enjoy affordable fees for sending their children to kindergarten in contrast to the crippling costs of childcare in Britain.

Sensing a potential vote winner in the next General Election, both major political parties are now promoting less draconian and more Estonian childcare policies.

But just focusing on superior childcare is to miss the point completely; it is the quality of the Estonia's pre-school system that has made it the go-to place on the global trail for educational wisdom.

What is striking about Estonia's rising position in the international PISA education league rankings is that so few of the country's students are among low performers in any of the three core subjects assessed by the OECD.

As in Finland, compulsory schooling does not begin until children are seven years old, but large proportions of 3- and 4-year-olds enjoy state-funded early education.

Early years teachers must be well qualified. They are well paid and joined by in-house psychologists and speech therapists. They are guided by a national curriculum and children learn through play. It means that most children know how to read and write by the time they start school.

Affordable childcare combined with high quality pre-school should be a no-brainer policy for all governments. But you must pay for a policy whose benefits may not be fully realised until many years into the future.

#### **Teacher-parent partnerships**

We must tread carefully when seeking policy answers from overseas. But another recurring theme among countries ranked highly on education is that they boast strong teacher-parent partnerships. From Finland to Shanghai in China the message is the same – progress comes from healthy home and school learning environments.

These international lessons resonate with what we know from decades of education research. A recurring finding is that much (between 50-80 percent) of the variation in pupils' achievement is due to factors that lie outside the school gates. A big part of this is due to what happens before children start school.

In my own research we found that half of teenagers who leave secondary school in England without the 'expected standard' of a grade 4 pass in GCSE English language and maths were iudged to be falling behind at age 5.

Children in homes with poor learning environments do less well at earlier ages in school. Having parents with low levels of parental education is a strong predictor of failure at every age. Children with non-graduate parents are far less likely to grow up in two parent homes and family-owned homes than children with graduate parents. The stark education divides of the post pandemic era do not bode well for social mobility prospects.

In my book the Good Parent Educator, I showed how simple habits can make life-defining differences. Sitting down with a book with a son and daughter each day just for 20 minutes for example can transform their children's learning. Daily routines are also important. Currently, only 36 percent of parents feel they are provided with adequate guidance to help with their children's education.

These steps would be truly revolutionary. Caring for children is not just about providing safe environments so parents can work, but working together with parents to stimulate minds so they can flourish in the future.

#### **Recommendation 1**

More parents should be eligible for childcare. Our current and planned system is unfair, with many of the poorest families locked-out of the Government's entitlement to 30 hours of free childcare. To be eligible for support, adults need to be working. We need to widen the offer of 30 hours of free childcare to families with children under 5 who are in desperate need of support during the early formative years.

#### **Recommendation 2**

The Government should develop a plan to professionalise the childcare sector especially in education settings, properly pay teaching staff and, hire and retain qualified and trained people. Many nursery staff in the UK lack basic qualifications. Two decades ago, Britain was envied across the world for its Sure Start Centres; now it has fallen behind. Extra investment is needed. Affordable childcare is only one half of the challenge – this is about providing children with the foundations so they can prosper in school and life.

#### **Recommendation 3**

The Government must establish parent partnership plans. These would be established with early years providers and then maintained with schools as children grow up. The aim would be to help develop habits in the home environment to support learning. This 'parent promise' would be a win-win strategy for teachers, as children would be more likely to attend nursery or school and be better prepared to learn when they arrive.

#### Bea Stevenson, Head of Education, Family Links the Centre for Emotional Health

#### Childcare and parental engagement in child learning

The partnerships that develop between parents and childcare providers are fundamental in supporting a child to feel safe, valued and understood.

Shared understanding about the child's experiences – for example, support with transitions, understanding of the activities within the home or childcare setting and knowledge of the people that are important in the child's life – all contribute to a child's capacity to learn and grow in their environment.

Parental engagement in child learning can sometimes be talked about as if it is something that needs to be predetermined, tracked, and assessed. In terms of school readiness or academic outcomes, perhaps, this makes sense. But it is important to recognise that parents are always part of their child's learning; whether intentional or not, a child observes and learns from the everyday interactions around them.

The relationships in their family as well as between their family and caregivers are fundamental to their understanding of the world: 'the cultural learning and social-emotional experiences that result from everyday human interactions and cognitions play a critical role in brain development and learning' (<a href="Immordino-Yang, Darling-Hammond and Krone, 2019">Immordino-Yang, Darling-Hammond and Krone, 2019</a>). It is the healthy relationships, and the environment in which they take place, which supports and enables the child to be curious about the world around them.

Through the Nurturing Programme, Family Links the Centre for Emotional Health supports childcare settings to think deeply about the relationships between parents and staff in the childcare setting, and how these then relate to the interactions with the children, through transitions as well as ongoing conversation and mutual support.

We should therefore consider three things, with resulting implications for policy.

#### Learning thrives in emotionally healthy, inclusive environments

First, we must recognise the importance of developing an emotionally healthy environment in the childcare setting, driven by relationships – one in which parents feel welcomed and part of an inclusive community to which they belong.

Supporting parents with their own emotional health provides a basis, a 'stable and reliable resource' for relationships with their child or children and for learning which is 'more valuable than teaching' (Gopnik, 2016).

After all, the parent's own beliefs about their ability to interact with and influence how their child learns about the world is fundamental (Goodall, 2017)— being given space and time to reflect on their own influences and attitudes may support them to recognise the importance of their role.

#### Start with families

We must emphasise and celebrate, wherever possible, diversity through a relational approach. Rather than setting too rigid a pre-existing agenda, or be driven by goals or outcomes, childcare settings can start where families and children are – being responsive to their needs, interests, and backgrounds.

For this, we can hold in mind the principle that the value of the child-parent relationship, or any relationship for that matter, is intrinsic, not instrumental. It may well lead to other good outcomes, but that must not be our starting point.

#### Play, freely chosen, supports relationships to thrive

And finally, be playful. It is well recognised that play is a fundamental way in which children learn about their world and can provide the bridge between experiences at home and in the childcare setting (Yahya and Wood, 2017).

Family Links the Centre for Emotial Health Playful Parenting programme facilitates an approach to play that gives ample space and time for child-led play, ensuring that it does not become oversimplified, goal-orientated or dictated by adult parameters. The idea of school readiness is unhelpful, as if being at school were in itself the end goal, and has the potential to distort our understanding of children's development (Kay, 2022), as well as the danger of making play purpose driven.

Of course, we can support a child's independence – being able to use the toilet, being able to express their needs and interests, for example – without the focus of the endeavour being 'ready' to be at school.

#### Making good decisions about childcare and education

If we want to make good decisions about childcare and education, we 'need to think deliberately about what caring for children is all about in the first place' (Gopnik, 2016). Family Links the Centre for Emotional Health argues that caring for children is to enable them to thrive, in their individual, myriad, often complexly different ways, and to be supported and valued by the adults around them. The emotional health, built through relationships of these adults – both parents and staff in childcare settings – is therefore key.

#### **Recommendation 1**

Childcare settings should be properly resourced in terms of capacity and financially to provide safe spaces for parents to engage and reflect on their roles, for example through relationship programmes.

#### **Recommendation 2**

Continuing professional development should be offered to all staff that provides space and time to discuss challenges, and bears in mind the principles of diversity and inclusion.

#### **Recommendation 3**

Both staff and parents should be offered programmes that facilitate and encourage child-led play. Allowing adults as well as children time to be playful will support relationships and learning to thrive.

# Part Five Childcare and time for adult skills

# Simon Ashworth, Policy Director, AELP

# The new childcare entitlements and Skills Bootcamps

A central plank of the Chancellor's Spring Budget earlier this year was supporting people to return to the labour market through increasing access to childcare. At the same time, upskilling and reskilling are critical to getting a good job rather than any job. So, we need to think creatively about joining-up the new entitlements to childcare and time to train and retrain.

## The new planned entitlements

From April 2024, working parents of two-year-olds will be able to access 15 hours of free childcare – equivalent to 570 hours per year. From September 2024, 15 hours of free childcare will be extended down to the age of 9 months – for working parents – equivalent to 570 hours per year. From September 2025, working parents of children aged 9 months and upwards will be entitled to 30 hours free childcare per week right up to their child starting school – equivalent to 1,140 hours per year (DfE Education Hub, June 2023).

All 3- to 4-year-olds and some disadvantaged 2-year-olds will still be entitled to 15 hours of childcare as this policy remains in place.

# Childcare: just for work

To be entitled to 30 hours of free childcare, parents must work a minimum of 16 hours a week each, and earn the National Living Wage if they are 23 and over of £10.42 per hour, which is equivalent to £8,670 per year. They are entitled to 30 hours of free childcare spread over 38 weeks – but if they need to spread it over a year, it equates to 22 hours per week.

Full-time work is defined as 30 hours or more per week. So, the entitlement supports full-time work during term time (38 weeks). Part-time work is defined as fewer than 30 hours per week. So, the entitlement supports part-time work over a full year (52 weeks).

The childcare element of Universal Credit is also currently available to working parents – with no minimum number of working hours – and is in addition to the free entitlements. This may change as the entitlements to free childcare are extended.

## Childcare: supporting skills training

To enable parents with young children to secure better jobs in the labour market, they need relevant training and retraining. So, the question must be asked whether access to free childcare through the entitlements should be flexed-up to support skills training.

## A role for Skills Bootcamps

In turn, we need to ask whether there is a role for Skills Bootcamps. They offer free training at Level 2 to Level 5, lasting 13 to 16 weeks with a minimum of 50 hours training. The flexible, speedy nature of Skills Bootcamps make this an increasingly attractive option to offer parents of young children seeking new careers.

Even so, there is much to be done to improve Skills Bootcamps

## Access routes for returners into high-skilled digital careers

Skills Bootcamps in the digital sector represent a golden opportunity to encourage more woman returners into critical high demand and highly paid technology jobs, whilst utilising the access to the Government's new fully funded childcare offer to help enable this to be achieved.

One great example of a programme like this is Firebrand Training's 'TechHer' programme supported by Microsoft, launching this month and helping woman in tech jobs. One of the key progression routes for Skills Bootcamps is to progress on an advanced or higher-level apprenticeship – within digital these are developed and highly recognised and valued by employers.

#### Quality of provision

It is essential to ensure providers delivering Skills Bootcamps are high quality and capable of delivering compliant and effective provision, while also encouraging new provider market entry. Evidence from Ofsted's thematic review identified early warning signs, so it is important to ensure that there is a suitable quality threshold and due consideration of track record when contracting with providers to limit the risk of poor quality and provider failure.

#### Inspection

Although Skills Bootcamps should certainly be subject to rigorous external oversight by Ofsted, judging the different range of bespoke programmes that are contractually agreed through the tendering process is complex. Inspectors should judge each programme individually and properly understand the variability of different provision being deployed through differing delivery models.

In their reporting on Skills Bootcamps, Ofsted should focus on the effective delivery of the programme and while referencing outcomes, focus being on the quality of provision and the outcomes it generates holistically for different cohorts of participants.

## Simplifying audit, funding and funding rules

There are a number of audit, funding and funding rules issues that need solving. For instance, provision is currently independently audited by Department for Education (DfE) team members which is out of sync with the normal provider financial assurance process. There needs to be clear and defined audit and funding rules as per other mainstream provision for providers to follow and for DfE to commit to, as the process currently is too iterative.

## **Funding rules**

There are also ways in which funding rules and arrangement need fixing. For example, the current contracting arrangements currently limit continuity. Short-term contracts and stop-start make it difficult to have continuity or capacity, so longer-term contracting is required. In addition, funding payments are not reflective of delivery costs. Indeed, the latest model also shifts the balance of payments to backend outcomes.

## **Scope of Skills Bootcamps**

Further transparency is needed on the scope of Skills Bootcamps and, in particular, on how 'high-priority' sectors are selected. Currently, not all sectors with skills shortages are currently supported through the programme. For example, despite being a Migration Advisory Committee priority occupation, social care is not included. It would also be useful to see more Skills Bootcamps offered at Level 2.

The role of Mayoral Combined Authorities (MCAs) needs to be closely looked at as the crossover between national DfE and regional tendering has already caused some confusion for providers and employers. The announcement to give deeper devolution to WMCA and GMCA gives more flexibility to enter different sectors, but deeper devolution also creates further differences between national, devolved and deeper devolution deals.

## **Recommendation 1**

The Treasury, DfE and DWP should permit and encourage parents working 16 hours or more in return for 30-hours free childcare to participate in skills training. Participation could be extended to include Skills Bootcamps, where courses last no longer than 13 to 16 weeks and other short intensive programmes such as sector-based work academy programmes (SWAPs). Parents would benefit from free childcare and free training.

## **Recommendation 2**

DWP should increase the awareness of Skills Bootcamp provision with Jobcentre Plus Advisors and promote how the existing entitlements to fully funded childcare of 15 hours and 30 hours can support woman returners.

#### **Recommendation 3**

DfE should continue to improve every aspect of Skills Bootcamps so parents of young children and adults in general can upskill and reskill speedily and effectively.

# Sharon Cousins, Vice Principal, Newham College and Executive, National Association for Managers of Student

## The new childcare entitlements and access to further education

The recent Spring Budget announcements included <u>extending free childcare</u> to support more parents returning to work after parental leave ends, which is a much-needed change to current funding. The increase in funded childcare places will be phased in from now until September 2025 meaning that by September 2025, working parents of children under the age of five will be entitled to 30 hours free childcare per week.

## Challenges and barriers for parents not in work

However, many parents are not returning to work – they are starting out on their journey into work, are new entrants that have gained the right to work or have had a career break and decide to study instead to gain the necessary qualifications and skills they need to enter the workforce. There has been a plethora of courses aimed at upskilling adults including Multiply and sector-based work academies (SWAPS).

So if childcare is one of the biggest costs facing working households how does this impact those families where one or more parents are not in work, or finds themselves needing to retrain and upskill. How do they access further education and afford childcare whilst gaining the skills and qualifications to even start the journey into securing sustainable employment?

The challenge of finding childcare that is affordable, flexible and convenient is in itself another hurdle to overcome. Courses are generally delivered during term time, yet finding a childcare place that accommodates this pattern can be problematic and often leaves the learner having to find the cost of the childcare for the holiday weeks.

# Current funding in FE for childcare costs

Any provider with an Adult Education Budget (AEB) contract will be able to support learners aged 20 or older through the <u>Learner Support fund</u> with the cost of childcare – however, the allocation of this is left to each individual college or training provider and can therefore alter considerably from one provider to another.

Learners aged 16 to 20 can access a different scheme called <u>Care to Learn</u>, which is administered by the Government and provides a capped amount for eligible applicants.

The process for allocating Learner Support funds is administered by college staff using in house systems, and at a time when funding for further education is lagging behind inflation, staff resources are often inadequate and unable to distribute funding adequately.

How much a learner is allocated, how it is linked to attendance, and the number of hours that are funded are all factors that are used when decisions are made by each individual provider.

This can often be confusing and the application process lengthy and complicated – learners are expected to provide additional information regarding their level of income, childcare contracts, and receipts. Colleges and training providers will then have to confirm that the childcare provider is Ofsted registered and calculate how much funding the learner will be given. This often involves trying to work out if the learner is already accessing their entitlement for funded childcare and ascertaining if additional costs are related to the hours they are studying.

Learners can often be left unsure of how much they will receive. Learner Support Funds are only paid for the time in college and therefore does not cover holiday weeks, travel or study time and are often paid in arrears meaning learners are faced with finding money they do not have, opting for cheaper childcare providers and struggling to balance childcare with studying.

## How are nurseries, childminders and childcare providers being supported

The Government's proposal includes increasing the hourly rate to childcare providers, increasing the number of children a staff member can look after at the same time and, for those parents on Universal Credit, being able to access funds upfront.

# Impact on the childcare workforce

This proposal would also suggest that more qualified childcare professionals will be needed by September 2025 – therefore, we expect to see an increase in the uptake of childcare courses and in turn more applications for support with childcare costs whilst they study, due to many parents seeing a career in childcare as one that aligns itself to working whilst looking after their own children. The impact on providers to process and approve these claims for financial support and release funds will increase and may become another barrier to learners wishing to enter further education.

## Recommendation 1

The Government should introduce a national campaign to raise awareness of the funding available to parents for childcare costs when they decide to return to further education.

## **Recommendation 2**

DfE should introduce a standardised approach to allocating and distributing childcare funding from providers' AEB allocations to ensure learners are clear about their entitlement and can secure places with childcare providers in a time to start their courses.

## **Recommendation 3**

The Government should introduce a system where parents wanting to study can apply for childcare funding in the same way as those entering the workforce to ensure consistency in funding and entitlement.

# **Susan Pember, Policy Director, HOLEX**

# A thriving society means linking the new childcare entitlements to adult learning

Childcare and adult learning are two essential components of a thriving society. They enable parents to work, pursue education, and contribute to the economy, while also fostering personal growth and development.

However, many families struggle to access affordable and high-quality childcare, particularly those on low incomes. This can limit their ability to work or progress in their careers, leading to a lack of financial security and a perpetuation of poverty.

Although implementation comes with its challenges, it is also an opportunity for the further education sector who will need to train the extra staff needed when childcare is extended.

## Extending childcare - but not far enough

Supporting parents with childcare entitlements can help to address this issue by ensuring that all families have access to affordable and high-quality childcare.

From April 2024, working parents of 2-year-olds will be able to access 15 hours of free childcare – equivalent to 570 hours per year.

From September 2024, 15 hours of free childcare will be extended down to the age of 9 months – for working parents – equivalent to 570 hours per year.

From September 2025, working parents of children aged 9 months and upwards will be entitled to 30 hours free childcare per week right up to their child starting school – equivalent to 1,140 hours per year (DfE Education Hub, June 2023).

Even so, the entitlement to 15 hours of free childcare for all 3- to 4- year olds will remain in place as will the entitlement of 15 hours for disadvantaged 2-year-olds.

Whilst these reforms are welcome, they do not go far enough. Every family with children aged 9 months to 2 years should have access to free childcare of 15 hours per week.

## Time for adult training

An extended childcare system would help give more children the opportunity to develop social and educational skills.

Affordable childcare should improve the financial situation of families and the financial position of women in particular, who are more likely than men to reduce their working hours or leave the workforce altogether due to caring responsibilities.

Affordable childcare can also help to close the gender pay gap and promote gender equality.

But the Government must make sure the extended entitlements to free childcare provide time for parents of young children to train and retrain to get a good job rather than any job, and, if they are already working, to progress in their careers.

## Time for adult learning

Of course, entitlements to free childcare of 15 and 30 hours per week are only part of the equation. We also need to enable parents to use these time entitlements to participate in skills training and adult learning more generally.

Many parents need to regain confidence and refresh their maths, English and digital skills. Adult learning is a crucial component of a thriving society, as it enables individuals to develop new skills, knowledge, and expertise, and pursue their personal and professional goals.

Free childcare should help to overcome the problem of affording childcare to participate in adult learning.

Being permitted and encouraged to learn during some of the hours of free childcare – if a place can be secured of course – should ease the time constraints on hard pressed parents of young children.

The cost of adult further education should not generally be a barrier either. Many courses are fully funded. This includes the recently introduced Lifetime Skills Guarantee, which offers adults without a Level 3 qualification (equivalent to A-Levels) the chance to access fully funded courses in a range of sectors. Plus, there are still free programmes for adult literacy and numeracy for those with poor basic skills.

The FE sector must ensure appropriate courses are available during periods when childcare is being provided.

# Training childcare professionals

The expansion of childcare services also provides an opportunity to invest in the recruitment and training of more childcare providers and teachers. By doing so, it can ensure that there is an adequate supply of skilled and qualified professionals to meet the growing demand for childcare services.

Training more teachers will not only help to meet the demand for childcare services, but it will also improve the quality of care and education provided to children. Studies have shown that high-quality early childhood education can have a positive impact on a child's academic and social development, as well as their long-term outcomes.

Therefore, investing in the recruitment and training of more teachers and support workers is a crucial step in ensuring that children receive the best possible care and education.

This can be achieved through initiatives such as providing funding for teacher training and development, creating apprenticeships and training programmes for new teachers, and offering incentives to attract and retain qualified professionals in the childcare sector.

Furthermore, training more staff can also provide opportunities for individuals from underrepresented groups to enter the profession. By promoting diversity and inclusion in the early childhood education workforce, we can ensure that all children receive care and education that reflects their backgrounds and experiences.

## Wider support for children and families

There is a further prize which must be grasped for a thriving society. The extension of free childcare for parents of young children provides an opportunity for parents and children to learn together.

## **Recommendation 1**

DfE should communicate to parents who must work for a minimum of 16 hours per week in return for 30 hours of free childcare that they can combine working hours with time to train and retrain. Parents do not have to work every hour their child is in childcare. DfE should also make clear to working parents that in many instances the training will be free. DfE should encourage parents to consider using some of the time when their child is in childcare to participate in short adult learning courses including basic numeracy, literacy and IT courses.

#### **Recommendation 2**

The Government must increase funding for the Adult Education Budget – devolved and non-devolved allocations – to support the training of adult childcare professionals. Extra funding will also be needed for early years and childcare courses studied by 16- to 18-year-olds and for childcare apprenticeships.

### **Recommendation 3**

DfE should use the introduction of extended entitlements to free childcare to re-invigorate family learning, so that parents and young children can reap the benefits of learning together.

# Part Six Childcare and time for family learning

# Sam Freedman, Senior Fellow, Institute for Government

# The childcare revolution and family learning

Back in March, at the Budget, the Chancellor announced the largest ever expansion in childcare provision. You would be forgiven for forgetting this given they have barely mentioned it since, with few details on implementation published. But it has the potential – assuming it happens – to transform the sector.

## Planned changes

The plan is to expand the childcare offer currently available for 3- and 4-year olds – up to 30 free hours a week if both parents are working more than 16 hours – to children from 9 months old onwards. There were also changes to Universal Credit to make childcare allowances more generous. The Office of Budget Responsibility's post-budget analysis suggested that the combination of measures would enable 75,000 more people to work and allow many others to increase their hours.

## **Initial Reaction**

The initial indication was that the funding rate for younger children would be significantly more generous than that for 3- and 4-year-olds, which providers complain is too low and requires cross-subsidy from paying parents. We have not, though, had any confirmation of rates.

Nor has there been any word on other major implementation questions.

The rollout is supposed to start in April 2024 with 15 free hours for working parents with 2-year-olds – but where will the additional supply of places come from? Especially in areas where it is already hard to find a spot. And where will the staff come – given there are already big shortages across the sector and an extremely tight labour market for minimum wage jobs?

## A labour market package

The underlying problem is that this package was designed almost entirely to boost labour market participation – which means no thought was given to how to use the opportunity of such a substantial investment to improve the system, and, by doing so, outcomes for children and families.

#### A broken model

The current childcare model is increasingly dominated by for-profit providers backed by private equity capital, who are incentivised to focus on richer parts of the country.

Staff are increasingly unqualified. High-quality provision by trained staff in the areas that need it most is now a rarity.

Simply increasing investment in place numbers without tackling these dysfunctions would be a huge wasted opportunity.

## Labour's position

Labour have echoed these criticisms, complaining that the Government's approach lacks vision. But, as yet, they have given little detail about their own plans.

Shadow Secretary of State for Education Bridget Phillipson talked earlier in the year of plans so ambitious they would be equivalent in ambition to the birth of the NHS. In recent months, though, given rising costs of government borrowing, Labour have been focusing on fiscal credibility rather than visionary policy.

The Guardian reported that initial plans to offer free places to all children from 9 months to 4 years are being watered down, with options like means-testing and hybrid models – where payment is shared between parents and the state – under consideration.

It would not be a surprise, come election time, to see Labour plans costed at a similar amount to the Government but with more focus on low-income families, rather than using work as the only criteria.

As for system reform Phillipson has, again, said little but has praised Ireland's recent reform programme which focused on improving workforce via higher pay and professional development.

# Still a priority

What is clear is that both main parties are committed to a big expansion of the current offer which means it is very likely to happen in some form, regardless of the upcoming election. There is, therefore, a once in a generation opportunity to influence reform and resuscitate a wider agenda around children and families.

# A national strategy for supporting children and families

Since 2010, there has been no national strategy around supporting families. There is still some activity at local authority level but it is not monitored and due to cuts in council funding has been scaled back considerably. Given the well documented importance of family support in outcomes for children, both in terms of attainment and social development, this is regrettable.

Bringing more younger children into childcare is an excellent opportunity to revive a national approach as it offers early access to families, especially if the Labour model of focusing more on low-income rather than work is followed.

One way to connect the dots would be to encourage schools, particularly Multi-Academy Trusts (MATs), to offer the additional capacity needed. Few currently offer places to under-3s but there is no reason in principle why they cannot if given the right incentives. Moreover, with primary rolls dropping due to falls in the birth rate they will have available space and trained staff.

As schools are part of the state – unlike private nursery providers – and fully networked into their communities, they could be used for a wider family offer alongside childcare places.

For instance, the nascent network of family hubs, whose purpose seems to resemble Sure Start but with less clarity and very little money, could be physically sited within the same MATs.

As families accessed this childcare they could also be offered parenting classes, health support, and information about other entitlements. And a school setting would also make it easier to build in a family learning offer where parents who would value it are taught basic literacy and numeracy, so that they can help their children as they get older.

There is an incredible chance here to use a massive financial investment in childcare to refocus schools, and the wider system, on supporting families – let's not waste it.

### **Recommendation 1**

The Government should focus on schools, particularly MATs, as the provider of choice for additional capacity needed for 9 month to 2 year olds. They should offer a package of incentives including capital grants to repurpose space; retraining for staff, and marketing/administrative support.

## **Recommendation 2**

Family Hubs should be physically located within MATs providing the full childcare offer, giving them more immediate access to families who need the most support.

#### **Recommendation 3**

Family Hubs funding should be dependent on having a family learning offer to parents which could then be provided by staff at the MAT (which would also give schools an extra income stream).

# **Susan Doherty, Development Officer - Family Learning, Education Scotland**

# Family learning and childcare: lessons from Scotland

Family learning in Scotland is a universal approach that can be utilised in early intervention and prevention programmes. This approach is ideal for reaching the most disadvantaged communities. Done well, family learning helps close the poverty-related attainment gap through breaking the inter-generational cycles of deprivation and low attainment.

## **Definition of family learning**

Scotland's definition for family learning was developed after extensive consultation with practitioners across sectors. This provides a common language for practitioners who support children and families.

Family Learning encourages family members to learn together as and within a family, with a focus on intergenerational learning. Family learning activities can also be specifically designed to enable parents to learn how to support their children's learning.

Family learning is a powerful method of engagement and learning which can foster positive attitudes towards life-long learning, promote socio-economic resilience and challenge educational disadvantage.

Scottish Family Learning Network, 2016

# Achieving excellence and equity in education outcomes for learners

A renewed focus was placed on family learning in 2013. This was a direct result of emerging research and policy changes in Scotland. It included the <u>Building the Ambition</u> (2014) strategy, a key document for the Early Learning and Childcare (ELC) sector. The strategy contains family learning as a programme of change which supported the workforce to utilise a family learning approach as a powerful method of engagement and learning for families.

Two years later, the <u>National Improvement Framework</u> (2015) was published and this embedded family learning under the <u>Parental Involvement Act</u> (2006). It brought together parental involvement, parental engagement, family learning and learning at home for the first time.

A <u>Review of Family Learning in Scotland</u> carried out in 2016 resulted in a family learning quality indicator being included in the inspection frameworks <u>HGIOS 4</u> and <u>HGIOELC</u>. This provided schools and ELC settings with guidance to evaluate the impact of their family learning programmes. Family learning has continued to be included in key policy and strategy documents, such as the <u>Scottish Attainment Challenge</u> (2016-26), <u>Realising the Ambition</u> (2020) and the <u>Adult Learning Strategy</u> (2023).

## What is working well in Scotland

The Scottish Government recognise that family learning impacts the whole family, including adult learners. It encourages families to learn together through activities designed to help adults learn how to support their child's and their own learning. Parents supporting their child's learning raises attainment and helps close the poverty-related attainment gap.

Our Adult Learning Strategy sets out actions to create more opportunities for family learning. This will be realised through collaboration by increasing professional learning opportunities and supporting the delivery of family learning by sharing practice and resources.

## Early learning and childcare links

Realising the Ambition identifies the importance of placing the child at the centre of everything we do. At the heart of this are three key areas: the child as an individual; the child and their environment; and the child and their surrounding culture.

The latter of these highlights the importance of supporting the child, understanding the family and the child's wider support networks and culture. The national practice guidance explores the key role of family learning in breaking down inter-generational cycles of poverty, through a collaborative learning approach, that is designed and built upon partnership and true parental engagement.

## Lessons 1

Ensuring the workforce is developed and equipped to work with families is an ongoing challenge. This is particularly important given that family circumstances and methods of communication can change rapidly through developing technology and other societal and economic influences. Previous research suggests many practitioners do not have appropriate skills, knowledge and confidence to work with parents, particularly those from deprived communities. Research calls for training or continuous professional development (Dyson, 2007).

## Lesson 2

Scotland's policy landscape has changed over time. There is clear evidence of the benefits in having family learning woven across the policy and strategy landscape both nationally and locally. This provides structure and guidance for local authorities, settings, schools, colleges, and community and third sector practitioners who work with families. It has provided a robust and consistent service to children, young people, parents and families across Scotland.

## Lesson 3

Research calls for family learning to be 'built into the core offer... and seen as an effective use of school funding, to ensure that the parents and carers of children, particularly those from disadvantaged backgrounds, are offered high-quality family learning opportunities' (NIACE, 2013, p11).

In our pursuit of Scotland being the best place for children and young people to grow up, we must acknowledge the immense power that lies within families and recognise its significance in building a prosperous and inclusive nation. Research is key in helping us achieve this ambitious outcome for families in Scotland.

# Susannah Chambers, Independent Consultant

# Bringing childcare and family learning together

Childcare is the beating heart of day-to-day life for many parents and carers that rely on it around the UK. In fact, the Childcare and Early Years Survey of Parents conducted by the UK Government's Department for Education in August 2022 states that:

'Overall, in 2021, 69% of families in England with children aged 0 to 14 had used some form of childcare during their most recent term-time week.'

The usage of childcare is said to have fallen since before the COVID-19 pandemic. This drop is being fuelled by the tandem forces of unavailability of childcare and its unaffordability amidst the cost-of-living crisis.

In spite of that change in the childcare landscape, however, it remains – in all its formal and informal settings as defined by the Department of Education in the aforementioned report – a lifeline for a significant proportion of families.

The childcare sector also remains powerful in its potential impact to support early learning outcomes and intergenerational learning in the wider educational landscape. The research literature shows the value of prioritising effort in early learning in childcare. The 'State of the Nation: Understanding Public Attitudes to the Early Years' report executive summary from the Royal Foundation of the Duke and Duchess of Cambridge states:

'The first five years of childhood, are more pivotal for development, future health and happiness, than any other single moment in our lifetime.'

Combine that with the educational expertise in childcare settings and the immense power of family learning as a uniquely positioned high-impact low-cost intergenerational learning model and there is evidently untapped potential to unleash.

Family learning – activities where there are learning outcomes for both children and their parents/carers – has repeatedly been cited as a positively impactful model.

As far back as June 2014, the Deputy Director for Further Education and Skills at Ofsted, commenting on family learning best practice case studies – rather ironically, given the lack of emphasis placed on parental engagement in the inspection framework - stated that:

"... family learning can achieve great things and have a positive impact on the lives of children and young people. This can include improving their numeracy, literacy and language skills. Family learning schemes also play a critical role in aiding parents and carers to enjoy and understand better how to help their children in their learning."

## Blockers to family learning in childcare settings

Why then is family learning not a more prominent and widespread feature of parental engagement strategies in most childcare settings? There are two big blockers.

The first is competing priorities of parents and carers in their busy lives. Perhaps they are juggling the coordination of their parenting responsibilities with childcare setting timings and their working hours, which may not leave much spare time to engage in additional shared activities.

The second is, some might say, the draconian inspection regime of Ofsted that does not leave much time for childcare settings to invest in developing the skillset and partnerships needed to provide a high-quality, sustainable family learning offer.

The compliance dimension of the work of Ofsted and childcare settings may – in spite of the research evidence – project a lack of valuing parental engagement activity in a more substantive way than putting on the occasional fundraiser coffee morning or reviewing children's work at parents' evenings.

This is at their peril and clearly jeopardises children fulfilling their potential through the benefits of working intergenerationally with their parents/carers, which are withheld by an educational system not aligned to support family learning provision.

## Scotland is leading the way

Scotland is the leading light policy-wise for proving through actions rather than words that parental engagement is valued and that family learning is a key vehicle for enabling children and their parents/carers to fulfil their potential. They made the commitment many years ago through their inspection regime framework to check family learning is provided in settings as mandatory provision and an entitlement for families in the early years.

## **Recommendation 1**

DfE should make family learning a universal entitlement for all families with children aged 0-5. This will help 'normalise' accessing such provision for families who may face skills challenges themselves and build their confidence.

## **Recommendation 2**

DfE should incorporate inspection of family learning provision into inspection frameworks for formal childcare settings such as nurseries. Making family learning a mandatory requirement for achieving a high grade of excellence in early years education provision will serve to elevate the value associated with parental engagement.

## **Recommendation 3**

DfE should develop and provide a family learning toolkit for parents and carers, childcare settings and primary schools to develop family learning as a familiar practice for children, support transition to learning at school and sustain parental and carer engagement.

# **Henriett Toth, Parent**

# Family learning and childcare: a personal experience

I first heard about family learning from a leaflet from my local children's centre, as well as staff asking if I wanted to participate – so I thought I'd give it a try. I took a Happy Parents, Happy Family Course in 2019 run by Learning Unlimited.

## Childcare and time for learning

At the time that I first started family learning, my children were small and I was socially not active as I am now – so it was very refreshing to be able to meet with grown-ups, share my thoughts with them and spend some hours without my children, as the course provided a creche for the little ones.

It was a kind of lifeline to me at the time.

Through these connections, it was also good to learn that other parents are experiencing challenges of parenting in similar ways to myself, and that we all have doubts and fail from time to time.

## Family learning and further courses

I've learned so much from family learning sessions. They have helped me understand my children and their reactions, and supported me to respond in a different way – such as not be upset. It has also given me great confidence to raise my children in a different manner which works best for them. I've also learnt a lot about ways to maintain a happy and balanced life at home.

Family learning has also helped me to develop my understanding of my children's learning needs. I've done a Family Maths course and a Helping Children with Writing course online – both of which helped me to understand my own children's development and prepared me to be able to help them more effectively with their learning at home. I learned maths a long time ago and in a different country, so it's very useful to understand the terms that the schools are using these days. I also learnt methods that are more effective and simpler than the ones I remembered.

The writing course was also very important to me, as my son was behind with writing, and I was desperate to help him. I learnt fun ways to support him, and he is on the right track now.

Most recently, I took the Support Children with Disabilities and Special Educational Needs course. I found that interesting too, as it also helped me to understand my children better –

for example, I do not expect them to learn the same way as they are both different learning types.

Beyond what I've learned about my own children, I also took a course on 'Connecting Families Volunteer Training'. The main aim of this was to help to tackle loneliness and find out the needs in the community. I really enjoyed the training and the events we organised at the end. I think it is a good way to give some back to families in my own community and just to help people to have a little bit of fun with arts and crafts.

## Gaining a teaching assistant certificate

One of the best things about family learning is that I didn't just get pleasant memories or support from Learning Unlimited – I went on to finish the Level 2 Teaching Assistant Certificate course and I am now a trained teaching assistant.

I'm currently volunteering at my children's primary school, which I enjoy doing so much. I go in every Wednesday and help the other teaching assistant and the teacher. I love helping the children, going out with them in groups, and helping with their learning – it's fantastic. I'm not in my children's classes, but I do see them on the playground and they are really happy to see me in school.

Education is a very big thing and people can underestimate it. But if you can learn something for free, then it's like this jackpot, as you get something that is so valuable from it.

I say to other parents and carers who haven't tried family learning, just do it. Go and see how you find it, because it's great fun – you'll meet nice people and have a genuinely nice experience. There is nothing to lose. I truly have nothing bad to say about this experience.

Thanks to Learning Unlimited, I earned a profession and a passion as well.

## **Recommendation 1**

The Government should support learning providers to offer childcare which helps parents have the dedicated time to take up family learning and further courses.

## **Recommendation 2**

Family learning should be available to everyone in all areas and local and central government agencies should act as referral points so that people accessing services are aware of the opportunities.

### **Recommendation 3**

A national family learning campaign by the Government should be implemented to help raise awareness of the benefits of family learning and help parents find out more and take part.

# **Campaign for Learning**

# Childcare policy and family learning

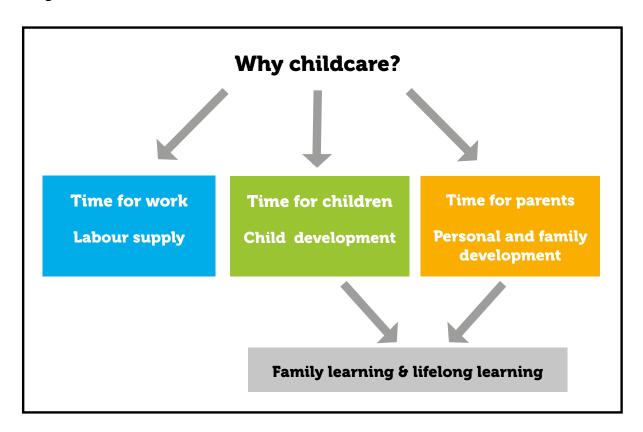
## Widen the vision

We must widen the vision over the benefits that expanding childcare can bring to our economy, to our society, to our children and to our families.

Childcare provides time for parents of young children to work. It provides time for child development which can do so much to limit the inequalities that blight the longer-term education outcomes of our poorest children.

But childcare can provide time for so much more. It can provide parental time for activities outside of work (see Diagram 1).

## Diagram 1



## Parental time

Childcare can provide time for parents who want to return to work but need to train and/ or retrain to get a good job rather than just any job. It can provide for parents to develop themselves through adult learning. And it can provide time for family leaning.

## Time for family learning

Childcare can provide opportunities for parents to take parenting classes and join parent groups. It can provide opportunities for parents to participate on family learning courses and wider activities which benefit both children and families.

The benefits of family learning are clear (see Box 1). But if we can integrate childcare entitlements and access to family learning, it could be highly beneficial for children in those crucial 1001 days of their lives, as well as the days after that lead to the start of full-time school.

#### Box 1

# Why family learning?

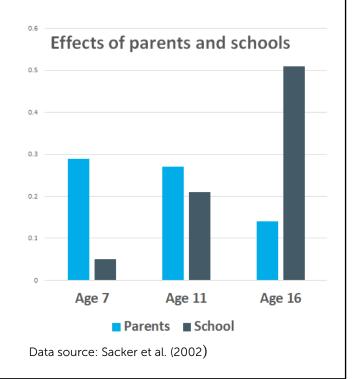
Parental engagement in children's learning has a positive impact on average of 4 months' additional progress.<sup>1</sup>

Up to the age of seven, parents' influence on children's educational outcomes is up to six times greater than their child's school.<sup>2</sup>

Many of the most impressive programmes are family learning programmes and, of these, the evidence of the impact of literacy interventions is particularly robust.<sup>3</sup>

Half of disadvantaged students (51%) reached the expected level for reading in 2022, down from 62% in 2019. The drop in attainment among non-disadvantaged pupils was smaller, down from 78% to 72%.<sup>4</sup>

Disadvantaged parents can become more engaged with their children's learning.<sup>5</sup>



Sources: (1) Endowment Foundation (2019) (2) Sacker et al. (2002) (3) Goodall & Vorhaus, (2011) (4) DfE (2022) (5) Vorhaus, Maier, Epstein, Lloyd, (2013)

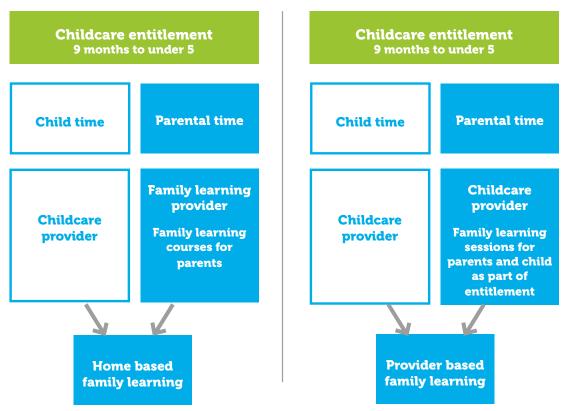
## Time for family learning within the childcare entitlements

Childcare enables parents to participate in family learning courses whilst their child is attending formal childcare. Parents can use the skills they have learned to support family learning – where parents and children learn together – at home. But we need to go beyond this.

We need to incorporate weekly family learning sessions within the current and planned entitlements of 30 and 15 hours of free childcare per week during term for under 5s, as well as where free childcare is spread over a full year (see Diagram 2). Provision of time for family learning between parents and a child within childcare entitlements would be voluntary by childcare providers. Parents too would be able to choose to attend.

The impact on parents and young children could be truly transformational. And indeed, incorporating weekly family learning sessions within free childcare entitlements fits perfectly within the overarching principles of the Statutory Framework for the Early Years Foundation Stage (Box 2).

#### Diagram 2



Alongside incorporating time for family learning sessions within the entitlement to free childcare for under 5s, parents should have a universal entitlement to family learning covering free workshops for parents and provision where parents and their child can learn. Parents may or may not choose to use the universal entitlement to family learning and providers may or may not choose to deliver the universal entitlement to family learning - but where they do so they would be formally inspected.

#### Box 2

## Overarching principles

- 6. Four guiding principles should shape practice in early years settings. These are:
  - every child is a unique child, who is constantly learning and can be resilient, capable, confident and self-assured
  - · children learn to be strong and independent through positive relationships
  - children learn and develop well in enabling environments with teaching and support from adults, who respond to their individual interests and needs and help them to build their learning over time. Children benefit from a strong partnership between practitioners and parents and/or carers.
  - importance of learning and development. Children develop and learn at different rates. (See "the characteristics of effective teaching and learning" at paragraph 1.15). The framework covers the education and care of all children in early years provision, including children with special educational needs and disabilities (SEND).

Source: Statutory Framework for the Early Years Foundation Stage: Setting the standards for learning, development and care for children from birth to 5, DfE, 12th July 2023

# An opportunity for lifelong learning

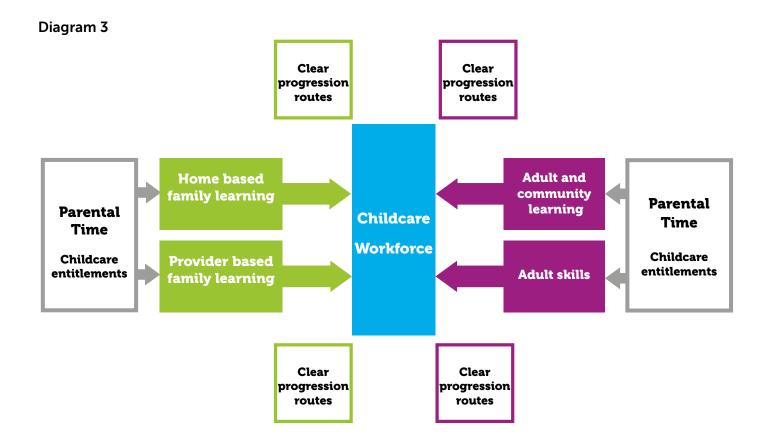
Incorporating time for family learning within childcare entitlements and providing each parent with a universal entitlement to family learning also creates an opportunity to build a commitment to lifelong learning. Children can be inspired to learn throughout life and so too can parents.

# Family learning and the childcare workforce

By expanding opportunities for family learning at home, through childcare providers and designated family learning centres, parents might become interested in entering the childcare workforce. Access to family could be a new progression route into the childcare sector (see Diagram 3). This is in addition to parents training and retraining in childcare through adult learning and skills whilst their child is with a childcare provider.

# **Principles**

Our recommendations cover the childcare system as a whole, and childcare and family learning more specifically - but these are based on two principles.



#### **Parental Choice**

The principle which must guide every childcare decision is parental choice. Parents of every means must be able to make choices over the childcare which meets the needs of their young children and their family.

## Childcare is about people

In developing a system centred on parental choice, we must remind ourselves that childcare is about people – parents, children and staff.

As the modellers attempt to measure the behavioral change associated with the big expansion of childcare, the metric they will turn to is hours. The number of extras hours worked in the economy, the maximum number of hours of childcare that each place can deliver in any one day, and how many hours parents might need per day.

This sounds all very technocratic and managerial. And we must avoid the childcare system becoming an hours-machine.

At its heart is each child, each parent and each member of staff.

## **Extending childcare for child development**

#### **Recommendation 1**

The first one thousand and one days are critical for every child whether their parents work or not. This was the main finding of 'The Best Start in Life: A Vision for the Thousand and One Critical Days' published by DHSC in March 2021.

The Government has chosen not to give every child aged 9 months to 2 years an entitlement to free childcare, primarily on the grounds of affordability. Only those with working parents are eligible for 30 hours of free childcare, and some children aged 2 from disadvantaged backgrounds or with additional needs.

It is essential that all children under 5 from disadvantaged backgrounds or with an additional need should be entitled to 15-hours free childcare. This is central to a fair and equitable child development policy. The offer of 15 hours of free childcare to 2-year-old children from disadvantaged families or with additional needs should be extended to children aged 9 months and one year old. Children aged 3-4 from disadvantaged backgrounds are covered by the universal entitlement to 15-hours free childcare.

#### **Recommendation 2**

All children under 5 in long-term workless households should be entitled to 30 hours of free childcare. This is also critical to child development policy. Parents in workless households are locked-out of the 30-hour entitlement to free childcare, yet children in these families are in most need of such provision. In return, long-term workless parents should be expected to actively seek work, participate in skills training or attend family hubs to access appropriate family services.

# Delivering the 30-hour entitlement to parents

#### **Recommendation 3**

We need a Delivery Plan for the implementation of the entitlement to 30 hours of free childcare for working parents with children aged 9 months to 2 years old, and the extension proposed above. The plan needs to show how capacity in the childcare sector will build to April 2024, September 2024 and September 2025. DfE must work with local authorities to agree the Delivery Plan.

### **Recommendation 4**

An urgent review of the capacity of providers should be undertaken to meet the needs of the extra children entitled to 30 hours of free childcare.

#### **Recommendation 5**

The Department for Education should consider the use of schools to provide additional capacity for the extra children aged 9 months to 2 years old entitled to free childcare, including primary schools which have falling rolls and MATs.

#### **Recommendation 6**

Capital investment should be made available to providers in the Autumn Statement (2023) to repurpose space and extend buildings.

#### **Recommendation 7**

Both family centres and children's centres must be enhanced to meet the demand for childcare from parents with children under 3.

## Creating parental time

#### **Recommendation 8**

The Department for Business and Trade, and the Department for Education should issue a consultation on the interaction between the **right to flexible working** – including moving from full-time to part-time hours – and the entitlement to parents working at least 16 hours per week in return for **30 hours of free childcare** for children aged 9 months to 2 years old.

#### **Recommendation 9**

Parents may choose to work only 16 hours per week in return for 30 hours of free childcare (during term time) and 22 hours per week (for a whole year) so they have more time for themselves. The Government should develop a strategy so parents can maximise parental time.

#### **Recommendation 10**

The Department for Business and Trade, Department for Education and the Department for Work and Pensions should commission government-wide research into whether:

- parents intend to work exactly 16 hours per week in return for the 30-hour entitlement to free childcare;
- how many hours might be free after time to travel to the childcare provider and work is taken into account; and
- steps to maximise parental time relative to work-related time.

#### **Recommendation 11**

The Government should work with local authorities to develop a highly localised childcare provider base to reduce the time travelled to and from childcare providers.

#### **Recommendation 12**

The Government should communicate to working parents that 16 hours of work undertaken either side of the standard working day – early mornings and evenings – means they are entitled to 30 hours free childcare per week which can be taken during the day, Monday to Friday.

## **Recommendation 13**

The Government should increase wrap around childcare so that working parents can work early mornings and then benefit from 30 hours free childcare during the working day.

#### **Recommendation 14**

Where localised and wrap around childcare combined with local and flexible working creates extra parental time whilst children are aged 9 months to 2 years old, the Government and local authorities should encourage working parents to:

- engage in their child's development through parent-provider play and learning plans;
- participate in family learning where parents and children can play and learn together;
- participate in parenting classes and family well-being support if required, and
- develop themselves by participating in unit-based adult learning courses, taster courses, numeracy, literacy and IT courses some of which are delivered online.

## Non-working parents with children under 3

#### **Recommendation 15**

At present, parents claiming Universal Credit do not have to actively seek work if their child is under 1. They must attend work-focused interviews but do not need to actively seek work if their child is aged 1. And they should prepare for work if their child is aged 2 but they are not expected to actively seek work. **There should be no changes to the actively seeking work rules for parents with children aged under 3**. Extending the entitlement to free childcare of 15 hours per week to disadvantaged children and children with additional needs aged 9 months and 1 year old will benefit parents claiming Universal Credit.

#### **Recommendation 16**

For parents with children aged 9 months to under 3 who do not work but would like to work – whether they are claiming Universal Credit or not – should have access to job search support.

#### **Recommendation 17**

Non-working parents with children aged 9 months to under 3 should be encouraged to:

- engage in their child's development through parent-provider play and learning plans;
- participate in family learning where parents and children can play and learn together;
- participate in parenting classes and family well-being support if required, and
- develop themselves by participating in unit-based adult learning courses, taster courses, numeracy, literacy and IT courses some of which are delivered on line.

## Opportunities for parents to train and retrain

#### **Recommendation 18**

Free training should be combined with free childcare. Each parent must currently work at least 16 hours per week in return for 30 hours free childcare. Access to skills training can help secure better jobs. Training and retraining for 16 hours per week should be permitted to count as work at least for a limited period of time. Consideration should be given by the Treasury, Department of Work and Pensions and Department for Education to allow working parents to remain eligible for the 30 hours of free childcare entitlement to train and retrain up to 16 weeks. This would allow participation on sector work-based academy programmes which last up to 6 weeks but also on Skills Bootcamps, which last up to 16 weeks and deliver Level 2-5 skills training.

#### **Recommendation 19**

Training for 16 hours or more instead of working 16 hours in return for 30 hours of free childcare should be permitted where parents wish to train and retrain on early years educator and childcare courses at FE colleges for up to one academic year. There should be no tuition fees. Free childcare will be combined with free training. This should boost the supply of qualified childcare workers into the childcare sector.

#### **Recommendation 20**

Increasing parental time through the introduction of 30 hours of free childcare for working parents as well as more childcare for parents from disadvantaged backgrounds will provide opportunities for parents to participate in online learning and training to improve their employability at home, at children and family centres, and colleges and training providers.

## **Employers and the 30 hour entitlement**

#### **Recommendation 21**

The Department for Business and Trade should conduct research into the proportion of parents with children aged 9 months to 2 years old who are working part time, but below 16 hours and who might need to 'trade up' and increase their working hours to become entitled to 30 hours childcare.

#### **Recommendation 22**

The Government should work with employer representative bodies to encourage employers to allow part time working to a minimum of 16 hours per week under the framework for flexible working – this will enable parents to combine work, parental time and time for child development through accessing the 30-hour entitlement.

# Family learning and childcare

#### **Recommendation 23**

To support child development and family wellbeing, the Government should consider allowing for family learning at childcare settings as part of the 30-hour entitlement and the 15-hour entitlement to childcare.

### **Recommendation 24**

The Department for Education should make family learning a universal entitlement for all families with children aged 0 to 5 years.

#### **Recommendation 25**

The Department for Education and Department for Health and Social Care should fund family learning provision so that it is accessible to parents, especially for those who have no entitlement to childcare provision.

#### **Recommendation 26**

Funding to Family Hubs should be dependent upon having a family learning offer to parents.

#### **Recommendation 27**

Childcare providers should have a duty to support the development of the family as well as the child.

#### **Recommendation 28**

Existing family centres and children's centres should be turned into children and family learning centres and required to offer family learning opportunities to parents and children.

#### **Recommendation 29**

The Department for Education should incorporate inspection of family learning provision into inspection frameworks for formal childcare settings such as nurseries. Making family learning a mandatory requirement for achieving a high grade of excellence in early years education provision will serve to elevate the value associated with parental engagement.

#### **Recommendation 30**

The Department for Education should develop and provide a family learning toolkit for parents and carers, childcare settings and primary schools to develop family learning as a familiar practice for children, support transition to learning at school and sustain parental and carer engagement.

## **Recommendation 31**

The Department for Education should work with awarding bodies to include a family learning module in all early years educator and childcare qualifications, including classroom-based qualifications and apprenticeships. A family learning module should be inserted within appropriate T Levels for young people and adults.

## Registered childcare workforce

#### **Recommendation 32**

A Childcare Workforce Plan should be developed. An expanded childcare sector needs to be professionalised. The sector is relatively low paid, which will require addressing.

#### **Recommendation 33**

DfE should consider how routes from family learning could encourage parents to enter the childcare workforce.

#### **Recommendation 34**

The Department for Education should encourage more childcare providers who do not pay the apprenticeship levy to register on the digital service to be eligible for funding for apprenticeship training at all levels.

## Integrated children and family services

### **Recommendation 35**

Family Hubs should be physically located within MATs, providing the full childcare offer to children aged 9 months to the start of school and wrap-around childcare up to the age of 15. This will give families more immediate access to families who need the support most.

#### **Recommendation 36**

Family Hubs should have a duty to support all parents and children.

#### **Recommendation 37**

Family Hubs should be the starting point for integrating early years, childcare, children's services and family services at local level.

## Universal childcare for all children under 5

We appreciate that neither of the main political parties appear to support universal childcare of 15 hours per week for all children under 5.

Because of the benefits of formal childcare to child development, personal development of parents, stronger families, family learning and encouraging a commitment to lifelong learning by parents and young children, Campaign for Learning believes there should be a **universal entitlement** to 15 hours of free childcare for children aged 9 months to the start of full-time schooling, as soon as resources allow.

# **Past Publications**

## **Campaign for Learning Policy Pamphlets**

- No.1 Earn or Learn for 18-21 year olds: New Age Group, New Policies, November 2015, Mark Corney
- No.2 University or Apprenticeships at 18: Context, Challenges and Concerns, April 2016, Mark Corney
- No.3 Reforming Technical and Professional Education: Why should it work this time? February 2017, Mick Fletcher
- No.4 Mending the Gap: Are the needs of 16-18 year olds being met? January 2018, John Widdowson
- No.5 Shaping the new National Retraining Scheme, March 2018, Susan Pember
- No.6 T levels for 19-23 Year Olds The value of maintenance loans, August 2018, Mark Corney
- No.7 The Post-18 Review of Education and Funding A Review of a Lifetime, December 2018, Editors Michael Lemin, Julia Wright and Mark Corney
- No.8 Post-16 Education and Apprenticeship Levy Funding Next Steps for English Devolution, April 2019, Editors Michael Lemin, Julia Wright and Mark Corney
- No.9 Future Proofing Apprenticeship Funding in England for the 2020s, October 2019, Editors MichaelLemin and Julia Wright
- No.10 No 16-18 Left Behind as the cohort grows, February 2020, Editor, Michael Lemin and Julia Wright
- No.11 Making a Success of the National Skills Fund Adult Training and Retraining for All in the 2020s, March 2020, Editor Julia Wright
- No.12 Revolutionary Forces Shaping the Post-16 White Paper, July 2020, Editor Julia Wright
- No.13 Revolutionary Forces Reforms for a 'Revolutionary' Post-16 White Paper, September 2020, Editors Julia Wright and Mark Corney
- No.14 Understanding and Overcoming a Mental Health Crisis in 2021: Issues for post-16 education, employment, the world of work & retirement, February 2021, Editors Julia Wright and Mark Corney
- No.15 Racing to Net Zero: The Role of Post-16 Education and Skills, June 2021, Editors Julia Wright and Mark Corney
- No.16 Reforming Adult Social Care: Integrating Funding, Pay, Employment and Skills Policies in England, November 2021, Editors Julia Wright and Mark Corney
- No.17 Post-16 Education and Skills: Levelling Up Everyone, Everywhere, March 2022 Editors Julia Wright and Mark Corney
- No.18 Parents, Children and Adult Learning: Family Learning Policy in the 2020s, July 2022 Editors Julia Wright and Mark Corney
- No.19 Learning in the Cold: The Cost-of-Living Crisis and Post-16 Education and Skills, October 2022 Editors Julia Wright and Mark Corney
- No.20 Driving-Up Employer Investment in Training: Pressing the Right Buttons Editors Julia Wright and Mark Corney

### **Campaign for Learning Discussion Papers**

- No.1 COVID-19 and Post-16 Education: Planning for a Different September, April 2020, Contributors Susan Pember and Mark Corney
- No.2 Growing Level 4 and 5 Technical Education A Segmented Policy Approach, November 2020, Contributor Mark Corney
- No.3 Bringing it All Back Home: Reviving and Unifying and the Family Learning and Parental Engagement Agendas, September 2020, Author Sam Freedman

## **Campaign for Learning Working Papers**

No.1 The Lifetime Skills Guarantee – Exploring the Lifelong Loan Entitlement and Incorporating Lifelong Grant Entitlements, April 2021, Mark Corney

Campaign for Learning
Campaign for Learning works for social and economic inclusion through learning. In 2020, it became an independently managed organisation in the NCFE charity.
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Campaign for Learning works for social and economic inclusion through learning. The Campaign is a specialist in engaging people in learning. We work with partners to research, design and deliver innovative programmes and approaches that support people wherever they are to access life-changing learning opportunities.