

Written evidence submitted by Oldham Council

Early Years Funding

The response is based on LA experience in administering the free early education entitlements as well as anecdotal evidence from childcare providers, parents, and partners.

How affordable and easy to understand is the current provision of childcare in England and what steps, if any, could be taken to improve it, especially in relation to families living within the most deprived areas in England?

The universal entitlement for three and four-year olds is well understood by parents. The fact that it's universal means there is no confusion/ambiguity about eligibility, no complex eligibility checking process to be negotiated, and no fear by parents about loss of benefits when taking up a place. The fact that the three and four-year-old entitlements work well is reflected in high take-up rates.

The extended entitlement for three and four-year-olds is less easy to understand. The problem lies in the complexity of eligibility checking for both as targeted offers. In addition, the 30 hours processes are extremely cumbersome in terms of the application process, deadline dates, the need to reconfirm eligibility and eligibility dates. This is problematic for parents and local authorities alike.

General understanding / awareness about 30 hours amongst parents is good. It is the process of securing and retaining it that's fraught with difficulties.

The economic eligibility criteria for the **2-year-old entitlement** has not changed since it was introduced in 2014. However, given increases to the minimum wage, many families who would previously have been eligible are now above the income threshold. In Oldham this means 550 fewer children are eligible now than in 2016. At 1391, the November 2022 list of eligible parents was the lowest ever. It is a real concern that at a time when development delay on entry to school is recognised as a growing problem due to the impact of lost learning during the pandemic, particularly with children's speech, language and communication development and personal and social skills that these children are being denied access to the entitlement at age two. This will have a significant impact in Oldham where inequalities in outcomes for children at age five have widened in 2022.

Providers report that the hourly rate paid for targeted two-year-olds does not take account of the additional time and resources needed to meet the challenging needs of vulnerable young children. For example, writing plans and attending meetings with other professionals to put plans in place.

What could be improved?

- Make the two-year-old entitlement universal, or if it is to remain targeted, raise the economic threshold in line with wage rises so needy children don't miss out.
- Give LA's more scope to use discretion in assessing eligibility for 30 hours.
- Improve guidance around 2-year-olds eligible under the no recourse to public funds (NRPF) criteria. Information required from applicants is often hard to access.
- Increased long-term investment to secure the sustainability of the early education and childcare sector to ensure all children have access to their early education entitlements

Are the current entitlements providing parents/carers with sufficient childcare, and to what extent are childcare costs affecting parents/carers from returning to work full-time?

- Providers tell us there is a widening gulf between the funding rate they receive through the early years funding formula and what it costs them to provide a place. Parents say that costs imposed by providers for additional hours are often prohibitive because they are using paid places to subsidise funded places. Therefore, it becomes questionable whether it is financially viable for parents to work. Anecdotally parents tell us they can't afford to return to work. Consequently, supporting parents with childcare costs is one of the priorities for Oldham's Cost of Living Fund.
- An impact of current sustainability issues and staff shortages is settings reducing opening hours and in turn making times when FEEE can be accessed less flexible for parents.
- There is strong evidence that it is mothers that are disproportionately leaving the workforce or not being able to take join the labour market, particularly after maternity leave, because of the unaffordability of childcare. Women's participation in the workforce in the UK is the lowest it has been for 30 years and women of small children lost their jobs at three times the rate of men during the pandemic

Whether the current Tax-Free Childcare scheme, and support for childcare from the benefits and tax credit system, is working effectively or whether these subsidies could be better used within other childcare subsidies

- Tax-free childcare is beneficial. Since money is paid into a designated childcare account, the 20% top-up cannot be used to pay for anything else.
- HMRC has identified Oldham as an area with low uptake of Tax-free childcare and invited us to be part of a targeted support programme that aims to increase take-up.
- Issues around the effectiveness of support for childcare from the benefits and tax credit system are more the remit of the Benefits Team. Data on this isn't held by Early Years.

Early Years Provision

The response is based on LA experience in working with practitioners in early years settings and schools.

What challenges do early years providers face in terms of workforce, including recruiting, and retaining qualified staff, and the barriers faced by individuals joining the profession? To what extent has the Covid-19 pandemic exacerbated workforce challenges?

The value and contribution of the early years sector during the pandemic was crucial to supporting children and families. However, changes to birth rates, employment rates, changing needs/working patterns of families and increases in children with developmental delay and potential SEND is putting the sector under extreme pressure and exposing the fragility of the sector.

Managers tell us that staff do not feel valued and that the long-standing issues around poor pay, negative stereotypes of the sector, lack of career progression opportunities and increasing workload, particularly in light of the pandemic, and this has done little to attract high quality qualified practitioners to the sector.

Whilst the training and professional development programmes currently being funded through the Early Years Education Recovery Programme are welcomed and valued by providers, managers are telling us that releasing capacity to access/attend the offer is adding pressure on an already over stretched workforce. The current workforce support model does little to address the issues highlighted above and there is a lack of a longer-term national workforce strategy, which includes initially training.

Whether the Early Childhood Education and Care (ECEC) system is meeting the needs of pupils with Special Educational Needs (SEN), and the improvements that could be made to better support young children with SEN within early years provisions

Early Years settings report an increase in the number of children with development delay, potential SEND and formally identified SEND at a younger age and are struggling to meet need with the limited funding available, particularly to cover the cost of extra staffing and specialist resources.

In addition, providers regularly report their frustration at accessing relevant services to support children in their setting due to ongoing workforce gaps and waiting times e.g. speech and language therapists. This leaves them feeling like they are taking on the full responsibility of supporting the child, and their family, without support and funding in place.

Recognising the huge difficulties early years settings are facing in supporting children with SEND this needs to have the same focus, priority and funding as in schools at a national level.

Whilst additional funding for SENCOs and the SEND inclusion fund is available and welcomed, this isn't enough for settings to provide the quality of care for these children.

To what extent does the early years system adequately prepare young children for their transition into primary education, particularly children from disadvantaged backgrounds

Research tells us that children who attend high quality early years provision are more likely to succeed at school. Early years provision is more important now than ever as we know more children are struggling with language acquisition and with their personal, social and emotional development, particularly those children from disadvantaged backgrounds.

However, different policies currently have different focusses which can be confusing in terms value, funding and prioritisation i.e. supporting children's development and learning in readiness for more formal learning in school - *early education* or supporting families back into employment by providing greater flexibility around access – *childcare*

Current policies and potential direction of travel i.e. increasing ratios for 2 year olds and increasing the number of children childminders can care for creates tension between **quality** or **affordability**

If children are accessing their early years provision in settings that have higher ratios with a demoralised, fragile workforce and insufficient funds to meet the needs of children with SEND then it will no doubt have less of an impact on children's development and preparation for school.

The Regulatory Framework is not fit for purpose. The period from registration to first inspection is too long with providers operating without a quality judgement for up to 30 months and will only normally be inspected at least once within a 6-year window. Too many childminders are being inspected without children present at the time of the inspection to fit into Ofsted inspection cycle. With a reduction in the duties of LAs this means that poor quality practice is not always addressed in a timely manner.

The extent to which the reduction of Sure Start Children's Centres has affected children and families, particularly children from disadvantaged backgrounds, and the role of Family Hubs

Reduction of Children's Centre services has inevitably had a significant impact on children and families access to a range of universal services, social networks and peer support. A reduction in non-stigmatised support, at the earliest opportunity through universal services has resulted in more families being in crisis and an increase in demand for more targeted & specialist services.

Whilst significantly less funding, Family Hubs provide a real opportunity to provide a single point of contact and utilise other funding e.g. Supporting Families to integrate and coordinate child and family centred services at a local level.

Hubs will increase families access to a range of universal services and targeted advice, guidance and support. However, without longer-term, ring-fenced funding maintaining some delivery beyond 31 March 2025 will be difficult and evidencing longer term impact a significant challenge.

What could be improved?

- Commitment to work in collaboration with the sector and national organisations to develop a national long term workforce strategy that addresses the issues raised so there is a fully resources, trained and valued workforce.
- Urgent consideration needs to be given to the SEND inclusion fund and the early years funding system as a whole e.g. Early Years Pupil premium to support wider recovery programmes/activities
- Longer term investment through Family Hubs and a full range of early years services to deliver the recovery programme to address the education and health inequalities exacerbated by the pandemic
- Review the current Regulatory Framework or role of local authorities to increase capacity for greater oversight, monitoring of quality and ability to intervene to address underperformance.

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