



# Building the Case For Universal Childcare

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The Fabian Women's Network Childcare Group believe affordable and universal childcare should be a key policy for the country as not only will it help the economy in allowing women back in to work, but also be beneficial to a mother's well-being and beneficial to the social and educational development of children

In addition, better provision in childcare will allow the Labour Party promote its key values of equality and social mobility in making sure that gaps in educational development due to the socio-economic background of the child are minimised.

Following a successful seminar, with Sharon Hodgson MP, The Fabian Women's Network Childcare Group, working with Unison have compiled this publication '*Building the Case for Universal Childcare*'.

This, '*Building the Case for Universal Childcare*' publication has brought together expertise in the fields of economics, education, research and childcare providers as well as parents to help build the holistic case for universal childcare.

We hope that you find this publication engaging, and ultimately raise the profile of childcare to ensure that it is a key element of the Labour vision.

Our thanks go to Sharon Hodgson MP, Unison and all the contributors to this publication.

**Shama Tatler - Editor**

**The Fabian Women's Network Childcare Group**

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## Labour's approach is different

Childcare has very much been near the top of the political agenda recently. The FWN seminar was therefore extremely well-timed, and I was delighted to act as host. I was even more pleased that Ed Balls made it clear in his contribution that a One Nation childcare system would be at the heart of Labour's manifesto for 2015.

Finding and being able to afford good quality childcare has been difficult for longer than I have been in politics, but it is telling that it wasn't really a political issue until the last Labour government decided to try and tackle it.

Then, as now, the natural Tory instinct is to leave it to the market to determine the quality, price and supply. It was Labour's instincts to both improve the life chances of all children – but particularly those from disadvantaged backgrounds – and to create a more equal society, in which the contribution of women in the workplace was championed, which saw considerable effort and resources put into opening up and improving childcare for everyone.

We made great strides towards achieving that goal: childcare tax credits and the free entitlement for 3 and 4 year olds widened access and reduced costs for parents, particularly those on low and middle incomes, while the Early Years Foundation Stage and significant supply-side investment to improve the qualifications of the early years workforce and subsidise the salaries of graduate leaders have improved the quality of provision and outcomes for children across all types of early years setting.

We also gave dedicated funding to schools to offer wrap-around childcare like breakfast and homework clubs, and to local authorities to provide activities during the school holidays for older children.

Much of that has been lost over the last couple of years thanks to this Tory-led government, leaving parents to face a triple whammy of less support from government, higher costs, and cutbacks in provision.

Any of those parents expecting an announcement from Liz Truss that would relieve that rising pressure will have been sorely disappointed. Instead of a comprehensive plan to reform the childcare system, what they got was a plan to cut the safeguards that parents I have spoken to value.

Liz Truss's big idea - to increase the number of children that childcare staff can look after – flies in the face of the expert advice commissioned by the Department for Education (which they are still refusing to publish), as well as the collective view of the childcare sector and parents. There were real and reasonable concerns that relaxing ratios would not reduce costs, but would undermine quality and safety, so I was pleased that the campaign led by Labour and the vast majority of the childcare sector eventually paid off in Nick Clegg forcing the Minister to ditch her plans.

## Sharon Hodgson MP *Shadow Minister for Children and Families*

The Minister also plans to import the childminder agency model from the Netherlands, despite the fact that those reforms are currently being reversed due to a huge increase in costs to government, as well as a huge increase in the number of settings found to be providing poor quality care.

The Minister also says she wants to improve the qualifications of the early years workforce; Labour were already doing this, but since this government came to power the budget for supporting training, and subsidising the salaries of highly qualified leaders, has been slashed by 40 per cent.

Even the £1,200 per child 'tax-free childcare' ruse announced around the time of the budget is much less generous than it sounds: for a start, there'll be nothing for two years, but when it does come in it will benefit the wealthiest (a couple earning up to £300,000 a year will receive it) the most, while the small amount of extra support through Universal Credit is limited to those families where both parents work enough hours to pay tax.

Eligibility will also be restricted to families with both parents working, and initially where children are 5 or younger, whereas the current system can be used for out of school childcare, the cost of which is rising the fastest of all forms of provision according to the recent Daycare Trust survey.

These announcements are the starkest example yet of how dogmatic and out of touch our Education Ministers are. They don't listen to parents, they don't listen to front-line staff, and they don't listen to experts – even when they've commissioned those experts themselves!

Labour's approach is different. Labour's Childcare Commission want to look at the evidence of what works well in other countries, but also what works well here – like co-operative nurseries, as described so well at the FWN seminar, and local authority childminder networks which provide support, training and facilities to childminders.

If we want to make the case for universal childcare, we need to get some comprehensive research on the cost and benefits. According to Liz Truss, the government spend £5bn a year on supporting access to childcare – although she had previously stated a figure of £7bn. The starting point has to be unravelling this figure, and finding out how it could be used better – again, this will mean looking at the best childcare systems internationally, and the balance between supply and demand side funding that they strike.

Full time universal free childcare may not be achievable in the current economic climate, but I am determined to ensure that the final raft of policies reflects the fact that money spent on supporting child development in the early years, as well as helping women avoid the pay penalty of withdrawing from the workplace for a number of years, will bring economic and social returns for years to come.

The points made during the FWN discussion are a welcome contribution to that debate, and I would encourage all the members across the country who weren't able to attend to ensure that they feed in their ideas and priorities to Labour's Childcare Commission; you can do so by heading to [labour.org.uk/childcarecommission](http://labour.org.uk/childcarecommission).

# Seema Malhotra MP

*Feltham and Heston*

&

*Director of the  
Fabian Women's Network*

## Change needs to happen

We are at a turning point in our attitude to a universal childcare system in Britain. Labour made real progress in childcare and pre-school learning since 1997, with the urgent need today with a growing young population to push forward with reform of childcare and achieve a national future-proof framework. We do this at a time of increasing challenge; in childcare, this Tory-led Government has created a worsening affordability crisis by cutting support and pushing up costs for parents.

At Labour Party Conference last year I chaired a debate organised by the FWN, The Family Room and The Family and Parenting Institute about how Labour can solve the crisis. Stephen Twigg MP laid out Labour's Childcare Commission goals. The range of attendees and level of interest was a strong reminder about how childcare is an issue that is high on the agenda for families regardless of age, income level, gender or ethnicity. Too often we have seen the stressed mother dash out of the office as a meeting over runs to get back to pick up the children, or relieve grandparents who may themselves be working less to allow their sons and daughters to be at work. Later in the evening the mother picks up the emails to catch up. Many women end up leaving work because the impact of such juggling takes its toll for them and their children – at great cost to our economy.



Change needs to happen at a range of levels – with employers, with the public and with politics. Through Labour's Childcare Policy Commission, a whole range of families are engaging in the process of re-design. Recently I attended the summer meeting of the National Policy Forum, where all submissions to the Commission were considered. From submissions and discussion it is clear that there is a debate to be had – and Labour is having it - regarding how best to drive up the quality in childcare and whether it is better through training or regulation; and also a debate regarding how best to balance additional support for childcare – for example through increasing the number of free childcare places, or targeting extra funding directly to parents. All parties recognise the challenge and are putting the issue high on their agenda. However the answers we need are unlikely to come from the Conservative Party, who are contributing to a childcare crisis with over 400 Sure Start centre closures, spiralling costs for working parents, and less support through tax credits.

It is evident that the Government cannot be trusted on this issue, following recent attempts at reform which would have jeopardised the quality of childcare without reducing cost. In January the Children's Minister Elizabeth Truss announced that the Government would be relaxing laws around childminding. Current UK regulations mean that one childminder can look after three or four children; but Government proposals would have increased this ratio to 1:6 for two year olds. Professor Eva Lloyd of the University of East London, who has advised Children's Minister Elizabeth Truss on childcare, said: "The ratio relaxation is unlikely to reduce childcare costs, but may well drive down childcare quality." This is supported by a survey from the National Childminding Association - 81% of childminders said that in the future, if the maximum ratio were increased, they would not charge parents less per hour. It is no wonder that in a NetMums poll of 700 parents an overwhelming 94% said they wanted to keep current safeguards in place, and National Day Nurseries Association was greatly concerned about the proposed changes.

After months of campaigning against these proposals by childcare professionals, parents and the Labour Party, the Tory-led Government has finally decided to U-turn on their plans. These plans would have compromised safety, undermined quality and done nothing to address the spiralling costs of the childcare crisis created by this Government. We know however that the Tories remain committed to these plans, and so if another opportunity arises to weaken childcare laws and jeopardise quality of care, they will take it.

Getting it so wrong with mothers and families should not come as a surprise however, as for the last three years the Government's policies have disproportionately impact women. The House of Commons library has found that measures such as removing the baby and toddler element of the child tax credit, freezing and then capping child benefit, the 'mummy tax' and reducing child support for childcare through working tax credits will see £6.9bn a year cut from child-related benefits and tax credits by 2015. The Government's blind spot with women has gone from bad from worse, and because of these measures new mums are losing £1,300 during pregnancy and the baby's first year.

Because of pressure from Labour, the Government did make a childcare announcement in the recent Budget – that some parents in the UK will be able to claim back up to £1,200 a year for childcare for each child from 2015.

Whilst this will help some parents, families will be disappointed that three years into this Government they will not get any help with childcare costs for another two years, and the measure will not make up for the cuts this Government has already made to support for children. There are also concerns the Government is giving with one hand, and taking with the other.

There are important criteria for a successful national childcare framework that must be considered in the design of the model for the future. Our future childcare system needs to be affordable, accessible, high quality, flexible and responsive to local needs and the diversity of local communities.

Nurseries are not just a place where children simply go when their parents are at work; but instead form a vital part of a child's first steps in education. It is at this important stage of life for example that a child's speech and vocabulary develops which will set them up for better schooling and life chances. The Royal College of Speech and Language Therapists estimate that there is a 30 million word gap between a child from a deprived household and one from an affluent household at just 4 years old. That's just one area where an increase in child-to-staff ratio could mean less attention, less language interaction, and less language development.

This is a policy area which affects all parents, but affects women the most. A CEO of a national charity recently said to me "I had my baby in November. I love my son, but motherhood is really hitting me hard. We have such a raw deal in this country. And if I wasn't the prime earner, there would be no financial incentive for me to return to work." Aviva found that more than 30,000 women have chosen not to go back to work because of the high costs of childcare, and Polly Toynbee wrote in the Guardian that British mothers have one of the lowest employment rates in the OECD because we have the third most expensive childcare.

The guiding principles of affordability, accessibility, quality, flexibility and responsiveness to local needs are a real challenge. The ability to respond to diverse community needs will also be vital for buy in and inclusion as cultural values also matter for parents making choices about childcare for their children. A One Nation solution has these principles at the heart – to ensure everyone feels they have a stake and are recognised.

As Labour continue to take this debate forward, we need a visionary solution that captures hearts and minds of parents across Britain; keeps the quality we know we need for pre-school and school age childcare, and deliver this in a new universal framework that the next generation of parents can have confidence in to meet their needs as they plan ahead for their work and family life.



## Sharon Greene UNISON

### The childcare challenge

UNISON is the UK's largest public sector trade union, with 1.3M million members, 1 million of whom are women. We represent childcare workers in local authorities, the private and voluntary sector, members working in early years establishments as nursery nurses, support workers within nurseries and crèches and non-teaching staff in schools.

As such our interest is twofold – UNISON members are service providers and service users. Around 70% of our members live in households with pre-school or school age children, and for them the provision of quality child care is crucial to their ability to work and to fulfil their full potential in the workplace and in society. Others, particularly older women, will be supporting their extended family by sharing the care for children.

The great childcare debate rumbles on – whether nursery is harmful or beneficial to children; at what (if any) age there is a shift in that effect; whether nursery, childminder or other care is best. But the simple truth for most working parents is that childcare is not an optional extra - one salary does not pay enough to meet household bills.

In recent years workers in the public sector have been subjected to pay freezes, whilst the cost of childcare rose (by between 3 and 6% in 2012 according to recent research). Benefit cuts, as a result of the government's austerity measures, have also cut the household income for many families. It is estimated that UK families now spend 1/3 of their income on childcare compared to only 13% in other major economies.

But the answer cannot and must not be to force down the wages of childcare workers, many of whom receive only the minimum wage, and others who may themselves have already been subjected to pay freezes. It is important for both children and parents that there is continuity of care, particularly with very young children. But when working in a local shop may pay more than vital childcare work, and there is little or no potential for advancement, it is unlikely that young women entering the childcare workforce will stay, and the skills and expertise they do develop will be lost, rather than nurtured and rewarded.

For many years childcare has been regarded as "women's work", an extension of a woman's "natural" skills and therefore not worthy of proper recognition or recompense. This in turn has led to the undervaluing of this work and to low pay.

UNISON has challenged this in the courts, winning equal pay claims for thousands of workers including nursery nurses – most recently in Edinburgh in late 2012. However, UNISON believes that it is also necessary to make a cultural shift to improve the status of childcare work, rather than for it to be portrayed as an extension of parenting skills, or work for “pin-money”.

The importance of training and the development of good childcare standards cannot be stressed highly enough. Childcare is about developing children's social skills and confidence as well as preparing them for and supporting them in school and providing physical care. As a job it involves developing a complex range of skills. These skills have been recognised in the equal pay cases we have taken, but there is still much to be done if we are to change the childcare work environment.

It is entirely possible to develop a childcare career structure with recognised training and qualification pathways to ensure that there is proper recognition of the important role that childcare workers play, and that they are paid accordingly. But many local authorities already refuse to fund childcare courses, begging the question of how the government's latest proposal to provide more highly qualified early years educators will be funded?

The answer lies in proper investment in childcare. Not, as the government is now proposing, in increasing the ratio of children to carers. That is unlikely to drive down the costs of childcare – rather it will increase the profits for private nurseries and total earnings for child-minders, but at the cost of high quality care. And it will almost certainly not be reflected in the wages of the underpaid childcare workers.

And whilst reviewing how we invest in our future, we must consider childcare beyond the early years, and how we meet the needs of a society which no longer works 9 to 5. Shift working, school holiday cover, provision for children with special needs, how we protect children and identify those who are vulnerable or abused – it's all part of the childcare challenge.

In fact, it is all part of the caring challenge in our changed world. It is not only childcare which is undervalued, it is all care. For children and adult dependants; in hospitals, schools, care homes and nurseries; women are the carers. And until we get this right, we will not see true equality in the workplace or in society.



*'There can be no keener revelation of a society's soul than the way in which it treats its children.'*

**- Nelson Mandela**



# Zita Gurmai

## President PES Women

### The case for universal childcare: a European approach

As President of PES Women, I would like to welcome the initiative of the Fabian Women's Network to build a case for universal childcare in the United Kingdom.

Access to universal childcare is the next challenge for achieving gender equality not only in the UK but throughout Europe. Universal childcare will allow women and men to reconcile professional and private life and support women to better access the labour market.

Considering that the employment rate of women between 25 and 49 with children under the age of 12 drops by 11.4 percentage points whereas it increases by 8.5 percentage points for men in the same situation, it seems clear that women are still the main carer within the family in Europe. Despite an undisputable change of mentalities, gender equality in the private sphere is still far from being achieved.

Moreover, figures show that women count for two-thirds of the 'inactive' population in Europe (63 million persons between 25-64 years) due mainly to unpaid care responsibilities. Beyond this unequal and unfair case, there is an economic argument. The lack of reconciliation policies prevents women from entering the labour market and weakens Europe's employment rates. Let us not forget that the 2020 Strategy established by the European Commission, which set targets to be reached in the socio-economic field by 2020, puts forward a target of 75% employment in the European Union for both women and men. But this target needs to be reconsidered with a gender angle, given that today, women's employment is around 62% while men's employment rate is already at 75%.

For all these reasons, it is high time to improve the access to childcare facilities and services all across Europe, in order to ensure the same rights for all European women and men. In 2002, at the Barcelona Summit, the European Council set the targets of providing childcare by 2010 to at least 90% of children between 3 years old and the mandatory school age and at least 33% of children under 3 years of age.

In 2007, to mark the 5th anniversary of these targets on childcare, PES Women launched the "Put Children First" Campaign calling for pre-school childcare for all. Thanks to this successful campaign, many Member States, led by Socialist and Social-Democratic governments at this time, showed their support and prioritize the development of accessible, affordable and good quality childcare facilities.

In addition, at this time in 2008, Vladimir Spidla, European Commissioner for Employment and Social Affairs, in charge of gender equality, presented a Communication on childcare in which he made concrete proposals to increase the availability, quality and affordability of childcare, as he believed that would be an important stimulus to Member States to meet the Barcelona targets.

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Despite these achievements, gaps remain in some Member States, which still do not comply with the Barcelona targets. Besides, we should not only maintain these targets but also reinforce them by going "beyond Barcelona" and taking into account the care needs for the ageing population and other dependent adults, based on the new demographic challenges of our century.





Childcare - but also elderly care - services enable parent to enter paid employment, create jobs, including in disadvantaged communities, allow parents or carers to reconcile family and professional life, thus ensuring equal opportunities on the labour market. Finally, in this time of economic crisis it is a cost-effective investment that benefits families, employers, communities and the economy as a whole, both in the short and long term. Therefore the current economic crisis should not be used as a pretext to put aside our reconciliation's objectives. A more gender equal society will benefit the whole society and not only women.

It is hence necessary that our Progressive family at both national and European level takes up this challenge and puts the need for universal childcare at the top of the political agenda. PES Women will continue advocating for this at European level and demonstrating that universal childcare is a step towards true gender equality, women's economic independence and a positive educational and social development of the children. Last but not least, developing accessible, affordable and high quality childcare services everywhere in Europe is a way to boost growth by strengthening and revaluating the booming care sector.



## Time for a revolution

Ask any working parent what the toughest part of the job is, and we'll tell you the same thing: sorting out childcare. It's a constant logistical and financial challenge. I should know: I'm a working Mum with 3 children including one under 5.

The Government is alive to the fact that this is an issue but has made a dog's breakfast of its "solutions" on childcare and support for parents.

We've had the "pile them high, teach them cheap" approach to increasing ratios of toddlers to carers; cuts in tax credits for lower income families, the shambolic cuts to child benefit for higher earners and now the criticism that nurseries are chaotic.

And the cash support the Government has promised comes with so many qualifications it takes a flow chart to work out who's eligible - a quarter of childcare costs paid for a child up to five, if both parents work, and only from autumn of 2015.



These ministerial pronouncements and half baked policies do nothing to address the needs of real life parents. The work landscape has changed immeasurably in the last couple of decades but childcare has not made the same shift.

Seventy per cent of working parents do not work 9-5, Monday to Friday. In London, and other big cities, with journey-to-work times of over 30 minutes, doing a full day's work is made more difficult by nursery hours. A recent OECD report also found that the UK has some of the most expensive childcare in the world. I want anyone looking after my children to be paid properly, but costs to parents are too high.

In my constituency in Hackney South and Shoreditch, and across Britain, the cost and quality of childcare is becoming the biggest worry for squeezed middle- and lower-income earners. It must become a top priority for politicians and policy-makers if we are to fix the problem.

Liz Truss, the Coalition children's minister has failed to address the issues of cost, hours, quality and availability, despite much noise about chaos and ratios. She is failing working parents and their children.

I am happy to defend the record of the last Labour Government, in introducing nursery places for four and five year olds and the voucher system. But the lesson for the next Labour government is that piece-meal reform is not enough. Britain needs a childcare revolution.

In Denmark the Day-care Act means that local councils provide 8am-5pm childcare for all, with parents making a contribution to the cost alongside government subsidy. Childcare is free to the lowest income families. The subsidy is then tapered upwards depending on family income. Seventy-six per cent of Danish women are working. Across the Scandinavian countries, childcare is a priority, and their economies are weathering the storm as a result.

The austere public spending that Labour will inherit should cause a keen sense of prioritisation. What can be more important than childcare?

To secure a recovery, we need everyone working as hard as they can. Limited, inflexible nursery hours mean that most parents cannot do a full-time job properly. Britain needs the talents and energy of parents as much as anyone. Second, we need women to be economically active (in my constituency woman's average earnings are higher than men's), and fully equal in the workplace and jobs market.

The evidence shows that children benefit from nursery, equipping them with the skills to prosper at school and beyond - just look at the amazing work being done by Graham Allen in Nottingham and with his Early Intervention Foundation to see the proof of this.

And on cost the IPPR has shown that a decent, universal system of childcare pays for itself in the long-run. More parents working, paying taxes, and not claiming tax credits and benefits more than pays for the state's investment in caring for children.

Let's stop seeing it as a cost – it's an investment in Britain's future.

Labour must listen to the voices of working parents, who want to do the right thing but feel they are being punished and the evidence that childcare makes economic sense in tough times.

We need a vision of what childcare should look like over the next decade. And then we need a Government that is committed to working towards a system of universal childcare to support parents back into work. That vision is not coming from this Government – Labour must build on its previous record but be more radical. The childcare revolution is long overdue.

**Dalia Ben-Galim**  
*Associate Director*  
*at IPPR*

## Early years provision is an essential public service.

There is no debate over whether childcare costs are high in the UK: the cost of a nursery place has [increased by six per cent](#) in the last year and a dual-earner couple on average wage with two children will spend [27 per cent of their net family income on childcare](#) (higher than any other OECD country except for Switzerland). The high cost of childcare exacerbates the pay penalty for mothers. [Becoming a mother](#) is still the most important factor that explains the gender pay gap. The [Resolution Foundation](#) estimates that there are one million women currently not working in part because of the lack of affordable childcare.



There is cross-party consensus that early years provision is an essential public service that needs to be more affordable as well as high quality. So the debate can now shift to how best to deliver it and how should we pay for it. The Government has presented its case in [More Great Childcare](#) that includes proposals to relax the children to adult ratios for childcare workers; encourage a better qualified workforce and setting up child-minder agencies. And whilst the focus on quality is certainly welcomed, it is a stretch to suggest that this can be achieved by loosening ratios. It is a further stretch to suggest that looser ratios will lead to lower prices and higher salaries.

IPPR's starting point is straightforward: universal childcare can enable families to better balance work and caring responsibilities and, in so doing, help to promote higher employment rates and reduce gender inequalities. Universal early years provision is also a key foundation of policy frameworks for achieving social justice more widely.

But in getting from this starting point to a system that delivers, we need a strong account of the strengths and weaknesses in current provision. Availability can be patchy and quality variable. There are indeed different choices for families depending on their income, work patterns and [parental preferences](#). These should not be ignored. At the same time, there is strong evidence showing that high quality early years services can have beneficial outcomes for children in their development and learning. And quality – including the qualifications of the workforce – matter.

So the question is then how to pay for it. There are three strands to IPPR's approach: generate income through boosting maternal employment rates; better use of current provision; and make political choices that prioritise universal childcare. [IPPR analysis](#) shows that universal childcare can pay a return to the exchequer in terms of tax revenue. For mothers returning full-time, the return could be £20,050 (over four years); and for those returning part-time, the additional income to the exchequer could be £4,860. Better use of current provision could also be more efficient in delivering on the affordability objective. And instead of proposing tax reliefs and additional voucher schemes, which is what the Government is rumoured to be considering for the Budget, the Government should continue to invest in free or heavily subsidised early years provision, building on its extension of free nursery places for low income two-year-olds. IPPR's research shows that public funded systems – such as the ones in Nordic countries – are better at delivering sustainable early years education of high quality. A Nordic style system would help to deliver a universal under-5s childcare system which was sustainable and affordable for parents. This could generate higher rates of employment among mothers and better outcomes for children. Finally, when it comes to questions of money, there are difficult [political choices about spending priorities](#) to be made. There are ways to raise income to spend on childcare. For example, if winter fuel allowance and free TV licences were means-tested and only available to those in receipt of pension credits, an additional £1.7bn a year would be available.

The debate on early years provision has ensured that it will remain a hot political issue in the lead-up to the next general election. The benefits of universal early years provision could extend far beyond that.

Dalia Ben-Galim is associate director at [IPPR](#). She tweets [@IPPR\\_Dalia](#)

**Helen Kersley**

*Programme Head: Valuing What Matters,*

*New Economics Foundation*

## A Values Perspective on Universal Childcare

Our work at **nef** looks at the systemic challenges that we face as a society, and encompasses research into a range of issues that affect outcomes for individuals, families and communities, including childcare. Reflecting on how present arrangements for the provision of childcare have arisen and are sustained provides helpful insights to the case for a universal approach. What I aim to describe here is particularly informed by a broad 'value' perspective, asking for example: What do we mean by value? How do we create value and for whom? How does our system reward different activities?

### ***The Childcare Conundrum: Roots in the Core Economy***

There is a very familiar conundrum with childcare in Britain and elsewhere. All at once we have a combination of: growing and widely accepted evidence that the early years are critical to outcomes in later life; low pay and often poor employment conditions for those who provide childcare; and prohibitive costs for many families.

It seems that our approach to the importance and provision of childcare as part of the formal economy goes right back to the way in which we value or do not value the activities of the 'core' economy – all of the teaching, care, learning, friendships and support that take place in families and communities. These activities are unpaid, unvalued and low status, but are essential to supporting the market economy. They provide the social reproduction of society, essential prerequisites to a well-functioning society and economy, yet by their uncommodified nature, are entirely excluded from government statistics and national



Within our society the work to provide all forms of care only gains value in its conventional economic sense when a transaction takes place and we pay someone to look after our children or elderly relatives. And it can be argued that the historic, cultural and gender-biased background of low status associated with this work has transferred to those employees who perform these tasks in the workplace. Typically a childminder caring for the current maximum quota would earn £11,400 and a nursery worker would earn £13,300 (1). Median and average wages by comparison are £21,326 and £26,871(2)

There is a further implication of the traditionally low-status approach to caring. That is that within society and the economy parenting and playing an economic role are typically cast in opposition to each other. This tension certainly creates stress for individuals, and more indirectly for society as a whole, but how much are they really mutually exclusive? Instead there are strong arguments that the one reinforces the other.. Children and families thrive through parental employment as material conditions are met, and their consequences contribute to flourishing and well-being. At the same time, society thrives as families provide well-supported people going out into the world and contributing to their communities and the workforce.

If families cannot afford good childcare and therefore cannot optimise how much work they would like to do then the mutual activities of working and caring cannot happen in the best way for them. Many are effectively excluded from having the choice of both. If outcomes for families are compromised because of this loss of choice, there is a public loss of value over and above the personal loss of material and psycho-social value.

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(1) Department for Education (2013) *More Great Childcare: Raising Quality and Giving Parents More Choice*. <https://www.education.gov.uk/>

(2) Office for National Statistics (2011) *Annual Survey of Hours and Earnings*. <http://www.ons.gov.uk/ons/publications/re-reference-tables.html?edition=tcmm%3A77-235202>

## **Childcare as a Public Good: Achieving Prevention and Tackling Inequality**

Getting round the conundrum in childcare requires us to face up to the public good element in childcare, which comes about because society as a whole benefits from flourishing families and well supported parents and infants. This recognition should surely be growing in light of ever-expanding evidence for the benefits of early years' investment including accessible childcare provision (3). The evidence points to the fact that this type of investment is essential to a wise preventative agenda which helps avoid the generation of harms, such as mental ill-health, substance misuse and criminal activity which are so costly to address later on (4)

There is a further critical systemic issue to consider here around the need to tackle economic inequality and the role that childcare can potentially play in achieving greater equality. nef's research has highlighted a vicious cycle of economic inequality in which factors throughout the life course ramp up current and inter-generational inequality (5). A key factor is: "channels of influence in early life". These channels have been found to be a key determinant of life outcomes as inequality experienced in early years has been found to be a strong predictor of child well-being which feeds through to adult outcomes.

On this matter childcare is a major consideration. The ability of parents to have choices over their working lives and to engage good childcare is determined by their financial resources. This then forms part of the explanation for why children of middle-class parents pull away so fast in school performance from their bright peers from more deprived backgrounds.

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In an earlier report that nef conducted with Action for Children we found that levels of Government spending on children and families in the UK were not that much different from other countries with much better outcomes and lower social problems(6). The difference seemed to be in the way the money was spent, with less cash transfers to individual families and more universal provision for childcare and parental leave. From an economic inequality point of view, this suggested that collectivist approaches like universal childcare deliver better outcomes because they collectivise risks, and spread costs to ensure that more people can share in the returns offered by working and high-quality childcare.



We modelled this type of universal provision for families for the UK, and found that with upfront investment breakeven could be achieved within 9 years. Over a 20 year horizon, net benefits of over £0.5 trillion could be realised as better outcomes could lock in savings from costly downstream services. These findings suggest that by not investing sufficiently in universally accessible, good quality childcare and support for parents early on, we may be creating a very substantial false economy with consequences for individual lives and society's scarce resources (7).

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(3) UNICEF Innocenti Research Centre (2008) *The Childcare Transition*. Report Card 8. [http://www.unicef.or.jp/library/pdf/labo\\_rc8.pdf](http://www.unicef.or.jp/library/pdf/labo_rc8.pdf)

(4) Coote, A. (2011) *The Wisdom of Prevention*. London: nef. <http://www.neweconomics.org/publications/the-wisdom-of-prevention>

(5) Lawlor, E., Spratt, S., Shaheen, F. and Beitler, D. (2011) *Why the Rich are Getting Richer: The determinants of economic inequality*. London: New Economics Foundation. <http://www.neweconomics.org/sites/neweconomics.org/files/>

(6) Aked J., Steuer, N., Lawlor, E., and Spratt, S (2009) *Backing the Future: Why investing in children is good for all of us* (London: nef) <http://www.neweconomics.org/publications/backing-future>

(7) For a fuller description of the value of upstream investment see: Kersley, H., and Coote, A. (2012) *Valuing Prevention: Returns on Long-term Investment and Early Intervention*. London: nef. [http://www.neweconomics.org/sites/neweconomics.org/files/Valuing\\_prevention\\_web.pdf](http://www.neweconomics.org/sites/neweconomics.org/files/Valuing_prevention_web.pdf)

## Concluding Comment

A broad value-led perspective helps bring to light not just financial and economic outcomes, but wider social and environmental outcomes which form so much of the solid ground in people's lives. The deeper issues about the way in which we think of and count value need to be aired in the debate around childcare because there is more at stake than just "how much" and "who pays". It is also about recognising the fundamentals of a healthy society and the value that all its people bring to it. The debate on childcare needs to take full account of the public good in high-quality childcare that is so important for the case for universal provision.

*"Children need people in order to become human.... It is primarily through observing, playing, and working with others older and younger than himself that a child discovers both what he can do and who he can become--that he develops both his ability and his identity.... Hence to relegate children to a world of their own is to deprive them of their humanity, and ourselves as well."*

**Urie Bronfenbrenner**

**Sue Robb**  
**4Children**  
**Head of Early Years**

## No political party will be able to go into the next election without putting their childcare offer at the centre of their manifesto.

In the last few months it has become clear that childcare is going up the political and policy agenda. Both the Coalition Government and the Labour Party have launched Commissions to gather evidence and consider the options for their future offer. Childcare is also at the top of many parent's agenda as it has become a cost that is constantly rising. Many families are struggling to afford childcare, additionally it is still not in plentiful enough supply in some areas and is unable to meet the needs of a changing labour market. With the cost of childcare continuing to increase new mothers are deciding to stay at home rather than go back to work once their maternity leave has finished.

Research from Mintel found that 1.2 million mothers stay at home rather than going out to work due to high childcare costs, with six in ten saying there is little if any financial benefit in getting a job. The proportion of mothers remaining at home has surged from 18% to 24% in just one year as they found any money they receive from low-paid jobs will be more than swallowed up by childcare fees.

Another study- *Counting the Cost of Childcare* reveals that childcare costs are a particular burden for middle income families. A middle income couple with a gross income that is 87% higher than a minimum wage earning couple ends up only 17% better off than the minimum wage couple after taxes, benefits and childcare costs.

On average with parents spending 27% of their salaries on childcare and the rising cost of living, women are under enormous pressure to return to work. In the current climate job security is very important with the majority of mothers surveyed returning to work within the 12 months that their job has to be legally held open for them. More than 61% of mothers said they returned to work because they could not afford to stay at home despite the costs of commuting and childcare. The Office of National Statistics found that since 1993, the number of stay at home mothers had fallen by 850,000 to 2.06 million. Between December 2011 and February 2013 this number fell by 45,000, this is equivalent to 500 women a day.

The Purple Papers produced by Progress, an organisation of Labour party members provides a useful contribution. It makes the case powerfully for an extension of the free childcare entitlement currently enjoyed by three and four year olds and some two year olds, to 25 hours a week for all children aged one to five. The paper estimates that this would require an additional £7bn per year of investment, however this is an ambitious proposal.

As one of the leading advocates for more investment in childcare over the last 30 years, 4Children strongly supports the scale and ambition of this vision. The evidence is clear that high quality childcare is good for children's outcomes – particularly for the most disadvantaged children. We increasingly recognise that a child's early years are a vital period for their development, and are especially important in closing the gap between children from disadvantaged backgrounds and their better off peers.

Indeed, since Labour introduced free childcare for three and four year olds the attainment gap between disadvantaged 5 year olds and their more affluent counterparts has narrowed from 37% in 2007 to 31% in 2011. Affordable and available childcare also allows more parents, particularly women, to continue to work and in turn increase family incomes.

Winning the argument for such a significant increase in resources for childcare will clearly be a challenge – particularly in these constrained financial times – but these are arguments 4Children believes can win over in the long term. However in order to do so we will need to be clear about how extra resources would be used to achieve the best outcomes for children and families.

This would mean a childcare offer that does four key things.

Firstly, an expanded free entitlement would need to be delivered in such a way that it more effectively supports parental employment. This means, flexibility for parents about how and when they use the hours and a real choice of local providers.

Secondly, such considerable public investment must be used effectively to drive innovation, quality improvement and diversity particularly in poorer areas. For example setting up new provision in deprived communities and providing childcare outside the traditional 8am to 6pm hours.

Thirdly, taxpayers, parents and providers would rightly demand clarity about how such significant resources were being used. Currently there is real variation between local authorities on the amount of their education funding they spend on pre-school learning. Therefore new levels of transparency and accountability need to be put in place about how the money allocated is spent on the ground.

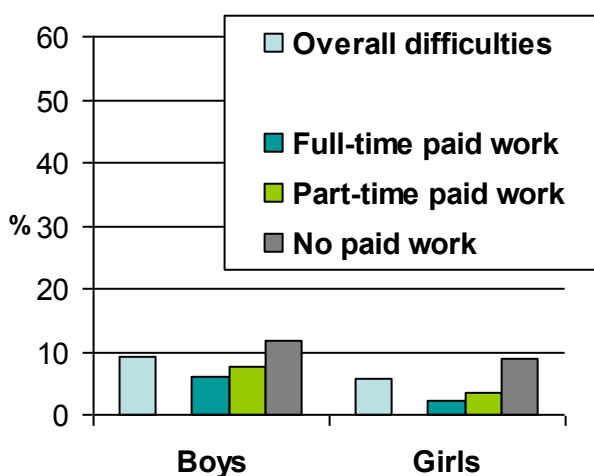
Finally, we need to ensure that those who benefit most would be able to access an expanded offer, as currently take up of free childcare is significantly lower for disadvantaged families. A new outcomes framework would need to be in place by which success would be judged, one that would move away from counting childcare places and instead measure the outcomes that were being achieved for children and families.

It is increasingly clear that no political party will be able to go into the next election without putting their childcare offer at the centre of their manifesto. Furthermore it is also vital for parents especially mothers wishing to return to work to be able to do so without the pressure of soaring childcare costs or finding that employment does not have any financial benefits. If the Government is truly committed to giving children the support they need, they must rise to the challenge of helping more mothers into employment in order to maintain family living standards.

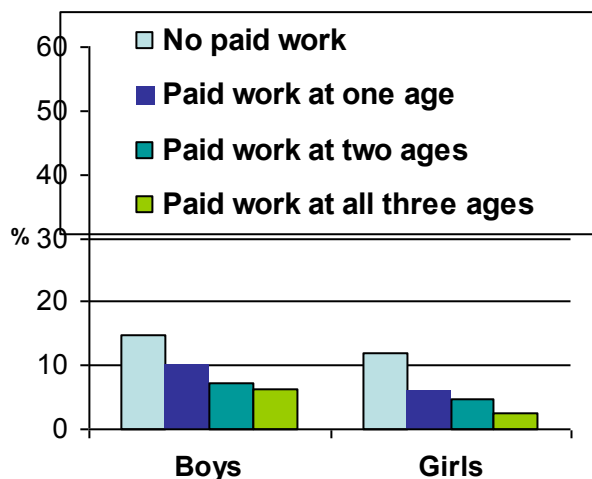


## Working Parents and Child Wellbeing

Family life has undergone dramatic changes over recent decades with ever increasing diversity in what it means to be a family. A key change to family life in the UK over the past thirty years or more has been the dramatic increases in dual-earner families. Employed parents contend with concerns, often reflected in the media, about the impact that time spent in paid work may have on their children. To examine the impact of parental employment patterns on children, we looked at the impact of parental employment patterns over children's first five years in relation to their socio-emotional wellbeing at age five in the most recent British birth cohort study, the Millennium Cohort Study, of nearly 10,000 children born in 2000-2001. Results showed no significant detrimental effects on a child's socio-emotional development if their mothers worked during their early years (up to age five). Some previous work has suggested that whether or not a mother is in paid work during a child's first year of life can be particularly important for later outcomes. However, in our study, we did not see any evidence for a negative effect on behavioural wellbeing at age five among children whose mothers were in paid work when children were nine months old. To the contrary, children's likelihood of having behavioural difficulties at age five increased with their mothers *decreasing* attachment to paid work rather than the other way around (figures 1 & 2).



**Figure 1. The proportion of behavioural difficulties at age five by maternal employment at nine months and gender.**



**Figure 2. The proportion of behavioural difficulties at age five by maternal employment over the first five years\* and gender.**

*\*Information about mother's paid work was collected at three different ages: 9 months, 3 years, and 5 years. This indicates the number of these years (0, 1, 2, or 3) that mothers were in paid work.*

Mothers who are in paid work are more likely to have higher educational qualifications, live in a higher income household, and have a lower likelihood of depressive symptoms than mothers who are not in paid work. These factors explained the higher levels of behavioural difficulties for boys of mothers who are not in paid work, but the same was not true for girls.

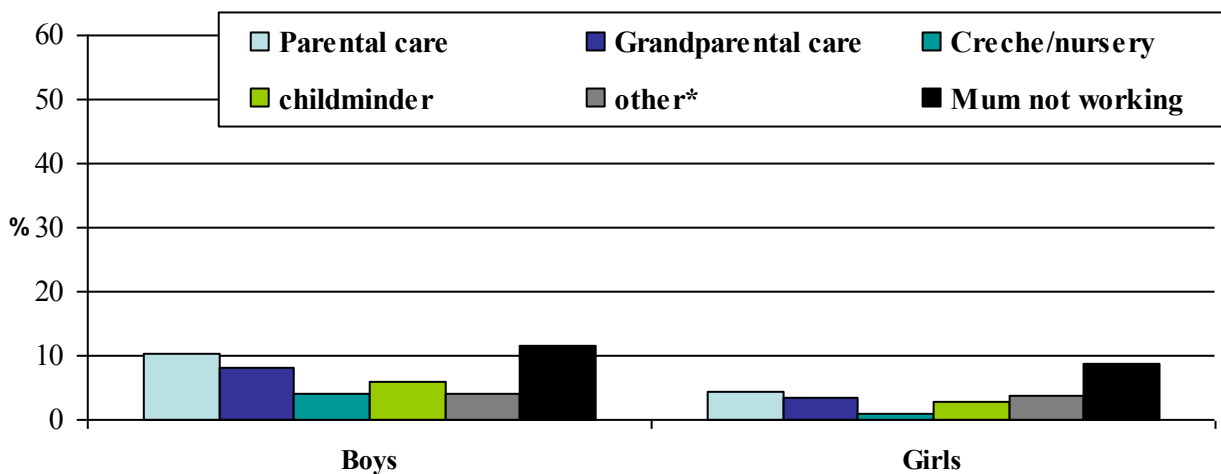
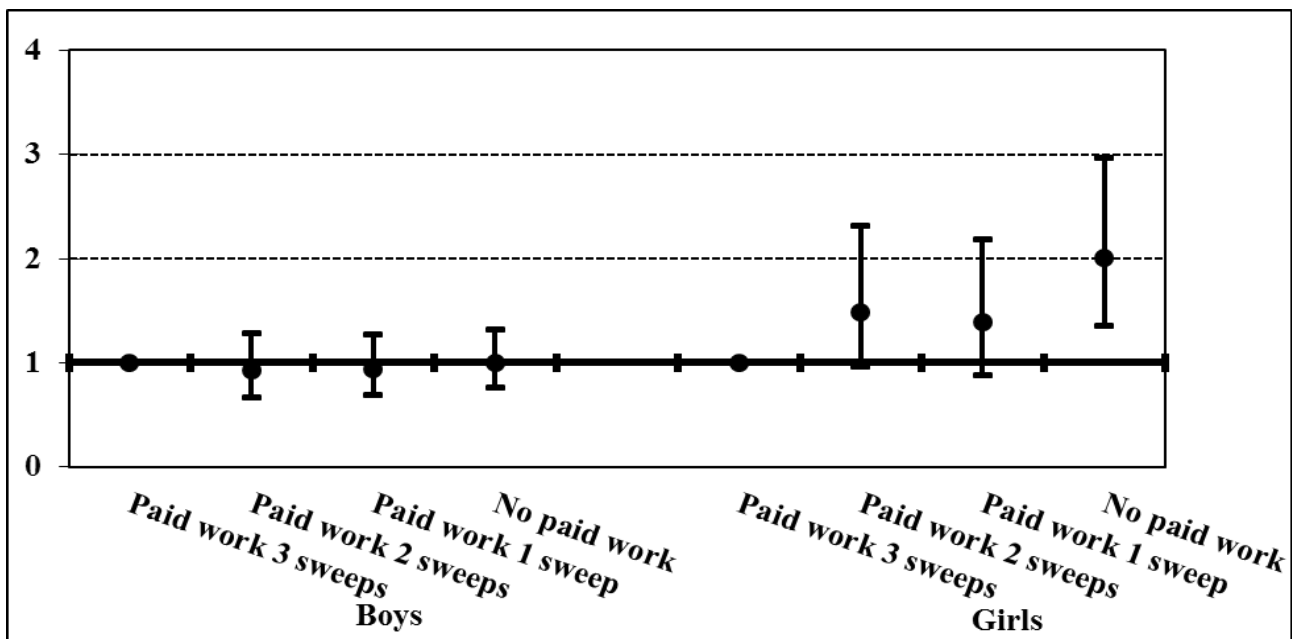
While boys had higher levels of behavioural difficulties than girls overall at age five (figure 1, a well-known finding), the relationship between maternal employment and child behaviour was stronger for girls than for boys. So, even after accounting for the better education, income and mental health of working mothers, girls whose mothers were not in paid work at all during their early years were still twice as likely to have behavioural difficulties at age five compared with girls whose mothers were in paid work throughout their early years. This can be seen in figure 3 shows the likelihood of children having behavioural difficulty at age five for different maternal employment groups (where mothers employed throughout are the reference group set to one) taking account of household income, mother's educational qualifications, mother's depressive symptoms and partner's employment status.



In addition, we examined whether the type of childcare used was important for child behaviour. Results suggested that formal day care settings in particular may be associated with lower levels of behavioural difficulties amongst children. Parents whose main form of childcare in infancy (nine months) was a nursery or crèche, were the least likely to report behavioural difficulties when their children were (figure 4).

Because parents are increasingly working together to arrange the care of their children, we also looked beyond maternal employment itself to examine the impact on child wellbeing of parental employment patterns (figure 5). Here we also found differences between sons and daughters. Whereas boys in households where the mother was the breadwinner displayed more difficulties at age five than boys living with two working parents, the same was not true for girls. Conversely, girls in traditional households where the father was the breadwinner were more likely to have difficulties at age five than girls living in dual-earner households.

**Figure 3. Likelihood\* of having behavioural difficulties at age 5 by maternal employment over the first five years taking account of household income, mother’s education and depressive symptoms and partner’s employment.**



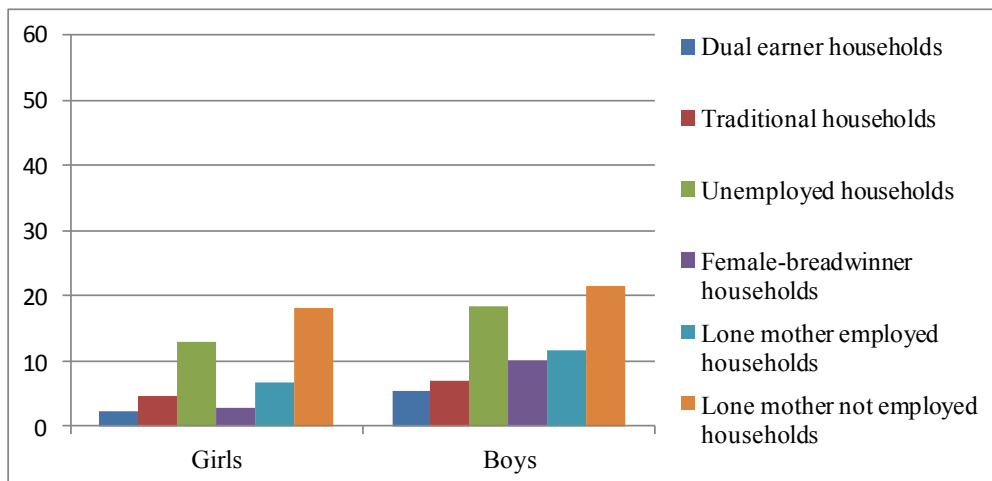
**Figure 4. The proportion of behavioural difficulties at age five by type of childcare used at nine months and gender.**



The most beneficial arrangement for both boys and girls, in terms of child behavioural difficulties, appeared to be that in which both parents lived in the home and both parents were in paid employment (figure 5). As previous research has indicated, children in lone mother households and in two-parent households in which neither parent was in paid work were much more likely to have challenging behaviour at age five than children where both parents were in paid employment. It is important to remember the over-riding importance of household socioeconomic circumstances for children's development.

A limitation of our study is that behavioural well-being was reported by parents, usually mothers, so there may be some bias if working mothers are more likely than stay-at-home mothers to under-report behaviour problems. A next step for our work will be to use an identical measure of behavioural at age seven which has been asked of both the parent and the child's teacher.

Our work suggests the importance of supporting parents in combining paid work with family responsibilities with formalised, high-quality child-care.



**Figure 5. The proportion of children with behavioural difficulties at age 5 by household type and gender**

**Dr Anne McMunn**

**Senior Lecturer in Quantitative Social Science & Population Health**

**International Centre for Life Course Studies in Society & Health, Department of Epidemiology & Public Health, UCL**



**Jill Rutter**  
*Family and  
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## Towards Universal Childcare?

As recently as twenty years ago, childcare was seen as a private family matter in the UK. In 1990 there were just 59,000 nursery places in England and Wales, compared with over 1.6 million places today. Access to affordable childcare was extremely patchy, and as a consequence many women left the labour market when they had children. In 1998 the Labour Government published 'Meeting the Childcare Challenge', a green paper that set out the future direction of childcare policy.

Since then, governments have put in place policies to make childcare more affordable for parents. The childcare element of Working Tax Credit now covers up to 70 per cent of the childcare costs of low income families. By 2016, this support may be expanded to cover up to 85 per cent of childcare costs – although not for those who do not pay income tax. Parents who do not receive tax credits can also receive help with childcare costs through childcare vouchers add by 2015 they may qualify for a £1,200 per annual 'voucher'

All three and four year olds across England, Scotland and Wales receive universal free part-time early education, with this offer now being extended to the poorest two year olds in England. The numbers of places in nurseries, and out-of-school childcare has also increased dramatically in the last 15 years.

While much has been achieved since 1997, childcare provision remains far from perfect. While local authorities in England and Wales have a duty – outlined in the Childcare Act 2006 – to ensure sufficient childcare for working parents and those undertaking employment related training, there are still gaps in provision in many areas, particularly for older children, those living in rural areas and parents who have atypical work patterns. (1) Research shows that it is only the highest quality early education that will achieve the best outcomes for children, but a significant amount of early education is of poor or indifferent quality. And for many parents, childcare remains unaffordable and presents a major barrier to labour market participation. The average cost of a nursery place in Britain is now £4.26 per hour and a parent buying 50 hours of childcare per week for a child under two now faces an annual bill of nearly £11,000 per year.

There is an urgent need for root and branch reform to create a childcare system that provides children the best start in life and that supports parents to work. Universal free childcare should remain a long-term goal, but in the meantime securing access to childcare that is affordable, flexible and of high quality should be a goal.

The Family and Childcare Trust believes that the Government needs to learn from best practice overseas and introduce a simpler and more efficient state subsidy targeting at providers, rather than today's the expensive, complicated and inefficient financial support system. In the UK, public funding for childcare is channelled through tax credits, childcare vouchers, free part-time nursery provision as well as schemes targeted at specific groups and operated by Job Centre Plus, local authorities and others. In contrast in Norway public subsidies for childcare go straight to the nursery or club, which in turn has to deliver high quality care or face funding cuts. A simple provider subsidy could be combined with income-contingent fees for higher income groups, as happens in France.

We also need to look at the childcare needs of parents who work outside normal office hours and cannot turn to partners or relatives to provide childcare. The Family and Childcare Trust has long argued for local authorities to run brokerage schemes to put parents in contact with registered carers who can provide home-based care.

Much of the debate about the quality of nursery care has focussed on the Government's



proposed changes to staffing ratios for nurseries and child minders. But quality is a much broader issue than staffing ratios. Staff qualifications have a major impact on quality. The early years' sector is an under-qualified sector in the UK with only nine per cent of early years' workers with degree level qualifications in 2011. Despite the commitment to recruit more graduates, it is poor pay that prevents the recruitment and retention of best qualified and most skilled early years' workers. The Department for Education's own childcare provider survey showed that average pay for non-supervisory staff in a nursery was £6.60 in 2011, just above minimum wage.

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(1) Daycare Trust (2013) Annual Childcare Costs Survey 2013, London: Daycare Trust

The childcare needs of families with school-age children must not be forgotten. Better use could be made of school premises, where an extended school model could be used to deliver high quality childcare, alongside services for children, their families and the wider community. In England the Department for Education committed all schools to deliver extended provision by 2010, but this initiative has not become a reality. It is now time to revisit the extended school model.

In the next few years, childcare affordability, quality and flexibility, rather than universal free provision should remain policy goals.

**Jonathan Douglas**  
*National Literacy Trust*  
*Director*

## Lost for words: Childcare and literacy.

The foundations of literacy are laid in the earliest moments of a child's consciousness. The frameworks for sociability created through attachment are the frameworks for communication, language and ultimately reading and writing. The delay of speech and language skills as a child develops creates deep issues for the emerging literacy skills of the child.

As a result, the work to increase literacy levels in the United Kingdom – where still one in six adults have literacy issues – is increasingly being focused on early childhood. It is not surprising that one of the National Literacy Trust's most important campaigns of the past decade was Talk To Your Baby. Supporting the early communication skills of children is at the heart of the challenge to raise literacy levels which has been the focus of schools policy for the last decade and a half.

At the same time there is a growing awareness of the relationship between low literacy and wider social and economic challenges: 22% of men and 30% of women with literacy below entry level 2 live in nonworking households. Whilst a modest rise in literacy level sees the likelihood of a man owning their own house rise from 40% to 78%. Increasing literacy is linked to improved financial outcomes, also increased trust and happiness and increased engagement in the community. So early communication skills are ever more being seen as sitting at



“School readiness” can sound like a bleakly utilitarian concept, undervaluing the precious and relative developmental experiences of every child. However at its heart is a challenging truth: The earlier that gaps emerge in education the harder they are to close. Children eligible for free school meals are twice as likely to fail to achieve a “good level of development” in their Early Years Profile, just as they are twice as likely to fail to reach the “expected level” in reading when they leave primary school.

Early childcare is therefore increasingly appreciated as a vital building block in literacy. “Early years” and “foundation stage” rightly belong together.

However the childcare that builds early literacy needs to be rich in language and communication. And whilst the policy consensus of the value of early childcare to literacy and other developmental outcomes grows, two massive challenges lie at the heart of this consensus. Unless these are grasped they threaten to undermine the positive impact that enhanced childcare provision offers.

The first challenge is how you create a childcare system that works in partnership with parenting. The Effective Provision of Pre-school Education research programme has given us a much clearer perspective on how and what forms the language skills in the first years that help to determine literacy levels throughout life. The picture that emerges from the research is that childcare and the home learning environment form two interlinking cogs. Working together they create a developmental momentum supporting a child's developing literacy.

Dame Claire Tickell's report which stimulated the review of the Early Years and Foundation Stage curriculum described a radical concept of the curriculum seeing it as a partnership between the home and the setting. Both partners need a shared understanding of their roles in supporting the development of the child. We need to be clear about the processes around childcare, the early years pedagogy and the communication opportunities which will create this partnership. The very foundation of childcare policy needs to be the partnership between the setting and the home. Parental partnership is not simply a matter of parental choice.

The second challenge is to identify what levers can be used to drive up the quality of childcare provision. We know that the quality will secure the outcomes. But how do you secure the quality? The education strategies of the last Government, which enforced top down improvements to the English education system were scrapped by Labour in the run up to the last election.

The Coalition's approach to professionalising teacher judgement by investing in research to promote evidence-based practice has not extended to the Foundation years. And the policy conversation has focused on the qualification system as a proxy for improving the quality of the childcare. Without doubt improving the training for everyone working in the sector is essential. But it not sufficient. How can the childcare sector be transformed into a sector not just with a clearer qualification framework, but one that practices the learning amongst practitioners that it promotes for children? How can a professional dynamic of service improvement and learning through evidence and research be introduced into the childcare sector?

Canterbury Christ Church University's baby room project provides an answer. Working with baby room practitioners, the University's researchers found a huge appetite for more contact with other practitioners, informal practice-sharing and participation in critical reflection. These professional networks of practice are blossoming amongst teachers in the post-strategy environment. They need to be supported and promoted for foundation years practitioners.

As the title of Cathy Nutbrown's report reminds us, professional qualifications are the foundation of quality provision. We need to build on these foundations, networks of learning informed by significant investment in research into effective practice. An early years childcare sector working in partnership with parents and with a strong dynamic of quality improvement, offers our best hope for stopping children born into the UK today growing up to be another generation of adults with 1 in 6 having a problem with basic literacy.

***Jonathan Douglas is Director of the National Literacy Trust. To find out more or make a donation visit***

***[www.literacytrust.org.uk](http://www.literacytrust.org.uk)***



## **Purnima Tanuku OBE National Day Nurseries Association Chief Executive**

### **Sustainable early education vital to support children and families**

Childcare providers are facing significant challenges, which must be addressed to ensure children and families can access high quality childcare and early education. The NDNA January 2013 Business Performance Survey found that nurseries are continuing to face challenges with sustainability caused by falling occupancy and chronic underfunding of the nursery education free entitlement.

The Business Performance Survey found that there are increasing vacancies in nurseries, with providers reporting an average occupancy level of 71%, the level identified in the Department for Education (DfE) Childcare Provider Finances Survey 2012 as being needed to achieve a surplus.

The survey shows many parents are using the support of family and friends to reduce their childcare costs and restricting their childcare hours to free nursery education hours. Sixty-seven percent of nurseries reported parents are using more friends and family childcare, 80% of nurseries said they have more part-time children on their books and 52% said more parents are using funded hours only.

The chronic underfunding of the free entitlement is a serious threat to the sustainability of nurseries. Eighty-four percent of nurseries in England said that the funding they receive does not cover their costs, with an average loss of £547 per year, per child.

Falling occupancy and underfunding of the free entitlement have led to increases in redundancies and reductions in staff hours within the sector, which has had a major impact on the sector's 200,000 strong workforce. The percentage of nurseries that reported making redundancies in the last six months was 10%, up from 7% in May 2012. The percentage of nurseries reducing staff hours over the last six months rose to 43%, compared to 32% in May 2012. In the next year 13% of nurseries expect to make a loss, with 43% expecting only to break even.

**Neil Leitch**  
**Pre-School Learning**  
**Alliance**  
**Chief Executive**

Childcare affordability continues to dominate policy and media debates on early years provision. We recognise that childcare fees are a significant monthly outgoing for many parents, exacerbated by a difficult economic situation. However the debate on childcare affordability cannot ignore the supply-side factors which determine the fees parents pay. To do otherwise risks undermining the quality of provision which secures better outcomes for young children in the early stages of their development. NDNA would like to see funding for the free entitlement paid directly to providers at viable levels. At the moment, as a result of the current loss-making free entitlement, many providers have no choice but to increase fees for non-publicly funded hours, pushing up fees for parents.

In addition to addressing shortfalls in the free entitlement, feasibility work on simplifying the different funding streams, for both parents and providers is needed. At the moment the combination of the free entitlement, childcare tax vouchers and childcare tax credits is confusing for parents and the full government investment does not reach providers on the frontline. Inter-departmental co-operation across government is required to devise a closed loop funding system which benefits parents and reaches providers on the frontline to ensure maximum benefit from government investment.

There have been significant improvements in quality of early years provision since the Early Years Foundation Stage was introduced – the UK is now ranked third in the world for quality of early years provision by the Economist Intelligence Unit. This increase in quality has largely been delivered by a mixture of private, voluntary and independent provision, 80% of UK nurseries are in the PVI sector. In the light of this nurseries in the private and voluntary sector should receive the same tax and business rate relief as maintained settings in order to lower parental fees and create a level playing field between providers, enabling parents to choose childcare on the basis of quality, not cost

There should be no compromise on the quality of early education. Any reform, including to current staff:child ratios, must not undermine quality. Any reduction in the quality of early years education will have disproportionate ramifications in later childhood, potentially adolescence, and will create costs for schools and local authorities in later years. Proposals to change ratios must be based on evidence that quality would not suffer and that the business model will have a tangible impact on fees.

High quality nurseries give children the best possible start in life and are critical in early intervention. Government policy should reflect the benefits that early education offers children from all sections of society and should be seen as a means to address disadvantage, both through helping children achieve their full potential and helping parents into work or training.



## **The importance of childcare and how it can improve the lives of children**

The Pre-school Learning Alliance has a long and distinguished history of working with disadvantaged children and families, and has always strongly advocated early intervention as a means of giving children in deprived areas the best start in life.

Over the years we have seen the lives of thousands of children and their parents transformed by having access to high-quality pre-school provision. The children have thrived and benefitted from playing and interacting with their peers, as have their parents, particularly mothers. One of the key strengths of the Alliance has been our ability to give mothers who may have left school with no or few qualifications the confidence they needed to develop careers as childcarers and beyond. Many started through working as volunteers.

High-quality childcare gives all children, regardless of their background or circumstances, the best possible start in life. A child's formative experiences help determine their future emotional, intellectual and physical development. Children who grow up in households where poverty, ill health, addiction and violence are everyday facts of life are at greater risk of later social and emotional difficulties, which may result in criminal behaviour, domestic violence, alcohol and substance misuse, teenage pregnancy, and multiple fractured and unstable relationships.

After many years of political neglect of this important area, there is now cross-party consensus about the social and economic benefits of childcare and early intervention. It is now recognised that these give all children, regardless of background or circumstances, the best possible start in life. We believe that now is the time to invest in the sustained continuation of funding needed to enable those many families across the United Kingdom to break the inter-generational cycles of poverty, deprivation and hopelessness they have been locked into.

Such early investment in families will offer significant long-term savings in public funding – a key benefit in these austere times. The social benefits include significantly improving mental and physical health, higher educational attainment and more employment opportunities.

We believe that investing in childcare and early years will have a transformative effect on our nation as the developmental and social benefits are enjoyed by the children, their parents and by wider society.

A report in 2011 by the Institute for Public Policy Research (IPPR) think-tank suggested that its then-estimated £6.7bn cost of providing universal childcare could be far-outstripped by the increased tax revenues that would result from having more women in employment. However, introducing universal childcare would need to be combined with improved economic growth and rising levels of employment to ensure jobs for those women returning to the workforce.

Not only should early years be properly funded, it must also be developmentally appropriate for all children, particularly boys.

The introduction of the Early Years Foundation Stage in England in 2008 was a milestone in the development of English early years provision, with its emphasis on the three prime areas of development and the characteristics of effective learning – playing and exploring; creating and critical thinking; and active learning. We believe these principles should run from birth to the end of Key Stage 1 at age seven or eight as this will provide continuity of care. Many children who thrive in a nursery environment struggle when they start their formal education and such a move would make the transition more seamless.

We are also concerned that the prevailing political orthodoxy believes that too many children are not properly prepared for school by the time they begin their compulsory education. By this they appear to mean that children are unable to sit still in a chair and hold a pencil. We believe that effective early years provision makes children life ready without undue pressure placed on young children to read and write at a time when most will not be developmentally ready, particularly boys.

The challenge to the sector is to educate parents and politicians about what is good and developmentally-appropriate early years care, and why we do what we do.

Sir Michael Marmot, professor of epidemiology and public health at University College London, has produced a landmark Government review of how wealth affects health, arguing that the key determinants of health relate to a host of issues including child development, employment and the welfare state.

His 2011 report found that 44 per cent of all five-year-old children in England are considered by their teachers to be falling behind in their development. State schools in affluent areas such as neighbouring Kingston and Richmond upon Thames, reported this figure to be around 31 per cent, while in the poorer north London borough of Haringey, for example, it's just over 58 per cent.

While our emphasis is on children becoming life ready, we would urge schools to become child-ready. Investing in childcare will ensure that young children can enjoy being in a safe and secure environment when they can learn through play at their own individual pace.



Many children from disadvantaged backgrounds grow up without a male role model in their home. We would like to see more men encouraged to become childcare professionals as their presence not only challenges stereotypes in the early years sector but also acts as a catalyst that encourages more fathers to get involved in settings.

Early years settings need to develop a more rounded and inclusive approach to working with men and fathers, as we have found that those settings that focus on engaging fathers help to encourage more men to choose childcare as a career, which in turn helps to engage more fathers. At present, men make up around 2 per cent of the childcare workforce and the presence of more men will complement the overwhelming female workforce as they will challenge such unhelpful notions as being asked to lead on outdoor play activities or sports or to change light bulbs.

It is important for young children to grow up seeing men active in caring roles, both as fathers and as childcare workers, as this is key to correcting the misperception that caring is women's work rather than human work.

We have to acknowledge that early years is still an immature sector and that it is still developing. That said, huge strides have been made in recent years and the sector is unrecognisable from even 15 years ago.

There is still much to do in terms of financial sustainability and quality improvement to ensure that all children and families benefit from the positive impact that early years provision can have. Should we do so, a decade or two down the road, we as a society will reap the benefit from the foresight of long-term investment in children's early years.

**Liz Bayram**  
**PACEY**  
**Joint Chief Executive**

## Government must do more

Debate has raged around how to improve quality, access and cost of childcare for parents across the UK. The Professional Association for Childcare and Early Years (PACEY) knows from our research that parents care as much about the quality of childcare their children receive, as the cost. With lots of conflicting ideas on the table, it has been confusing time for professionals and parents.

Yet prolonged discussion around costs and affordability risks detracting from the key point in this whole debate – what’s best for children and families? We know that the main priority for parents is the happiness and wellbeing of their kids, and crucial to this is ensuring that childcare is of a professional and high quality standard.

We’re currently receiving some worrying signs from Government that will threaten this quality of care, in particular the shift towards formal learning in nursery settings proposed for September 2014. PACEY strongly believes that these measures will abandon what we know works best for children, and that is learning through free-flow and child-led play. As part of our ongoing research into the ‘school ready’ debate, it’s clear that childcare professionals up and down the country echo these concerns. We need to focus on giving children the best start in life, and providing the outstanding quality of care that families deserve.

One of the first steps to achieving this is securing progressive growth and sustainability within the profession. Our research has shown that frontline childcare staff - nannies, childminders and nursery workers - are struggling with low pay and status. Whilst they join the childcare profession because they love working with children and gain professional satisfaction from supporting children’s early development, low pay and status means that ultimately many of the most talented will also leave the sector. It also concerns us that childcare professionals are telling us that they want to develop their skills and qualifications but feel there are limited opportunities to do this.

It’s frustrating for experienced and qualified staff to be faced with the stereotypes that portray childcare as a menial job, only suitable for those who can’t do other things. This is simply not the case. Research shows that the first few years of a child’s life are crucial to ensuring their future success at school and in life, so it is essential that highly qualified and skilled individuals

know it will help them do the best for the children in their care. Likewise evidence from the New Economics Foundation suggests that for every £1 a childcare professional is paid they contribute between £7.00-£9.50 worth of benefits to society.

In recent months, the debate around reducing childcare costs and improving quality has been confusing. For the Coalition government, cost, not quality, seems to be the biggest driver for change. Childcare professionals and families across the UK breathed a collective sigh of relief this month following the decision to drop plans to increase childcare ratios. This would have seen many childcare professionals looking after more children per adult. PACEY, along with many other parents and practitioners, remain unconvinced that these reforms would actually improve quality or drive down costs for parents. With the support of our members, PACEY lobbied the Government to ensure it fully understood the quality and safety concerns of both childcare professionals and parents around ratio proposals.

But this is by no means the only concern. There are other proposals in the Government’s *More Great Childcare* report which threaten the sustainability of the sector. For example, on one hand Ofsted has said it wants to improve the quality of childcare and is going to focus its inspection on providers requiring improvement, but on the other Government is proposing to remove the Local Authority statutory duty that ensures these providers get the training and support they need to improve.

There are proposals to help improve the qualifications of nursery workers but no clear plan to improve qualifications for childminders. The only option that has been put forward is for childminders to join an agency if they wish. However, this has been roundly rejected by those working in the sector as likely to reduce quality and increase costs, as it is likely that childminders will be charged a considerable fee for joining these agencies.

PACEY believes that Government must do more to improve how it funds childcare providers so that they can better deliver the universal free entitlement to early education that all three and four year olds currently receive and, from later this year, 40% of all two year olds will also be given. By ensuring funding reaches frontline providers as well as parents, the sustainability of the sector will be improved. At present the cost of delivering the free entitlement is not covered by the fee most local authorities pay direct to providers.



The current level of uncertainty within the sector needs to be resolved for childcare practice to be able to progress. It's vital to ensure that Government takes a far more joined up approach to its childcare plans and recognises the potential conflict in many of its proposals. We will continue to campaign for the Government to have a full and open discussion about childcare with the sector, so that the parents of young children know they can rely on quality, affordable childcare for their family.

Finally, we would like to see the Government finally publish its response to the evidence it gathered via the Childcare Commission last year. The Commission's goal was to consider how best to improve access to affordable quality childcare, including after-school care. PACEY hopes that Government will reconsider the whole strategy of childcare reforms, by returning to the wealth of evidence and ideas many organisations including PACEY offered the Commission last year.

**Liz Bayram, Joint Chief Executive at the Professional Association for Childcare and Early Years (PACEY)**



**Mike Abbott  
Co-operative Childcare  
Group Manager**

## The Co-operative Childcare Model

The Co-operative Childcare, part of The Midlands Co-operative, is the second largest Co-op in the UK and the only operator of a member-owned national childcare group.

We are now the 6<sup>th</sup> largest provider of Early Years' Childcare in the country stretching from Newcastle-upon-Tyne to Poole in Dorset. It is important to remember that the previous established Government policies increased nursery places by 67% between 2002 and 2012.

We began with 6 nurseries in Oxfordshire and Gloucestershire 9 years ago, and since December 2010 we have grown from the original 6 to 50 nurseries today..

In the year following acquisition the occupancy in our new nurseries grew by an average of 11%, today we care for over 3,000 children each week, employing with over 1,000 colleagues. We have achieved "Outstanding" awards from Ofsted in 27% of inspections since the new EYFS framework was introduced in September last year.(as of June 2013). We do not cap funded places in our nurseries, as the majority of competitors do- but this does mean cross-subsidising from private parents since government funding levels do not support the full hourly fee cost in most nursery settings .

We encourage parents to be actively involved in the running of the nursery through committees and forums, both formal and informal, and are looking to create a national parent advisory panel – we value democratic involvement. We have increased profits and doubled ROCE in the past two years – profits which we share with parents through our twice yearly dividend payments to members. As part of a well-financed successful business we have access to capital to develop and improve the learning environments, and have spent over £3million in the past 18 months refurbishing our nurseries

Finding new sites with outdoor space and facilities suitable for high quality care is a major challenge but is important to deliver the great quality experience we aim to deliver. We are committed to training and developing our colleagues and have set a target for all colleagues to have achieved NVQ Level 3 within 3 years, all managers a degree or EYTS qualification within 5 years, but within a culture where nurturing, care and love is celebrated. We operate a number of nurseries attached to Surestart Children's Centres – that offer good quality care and longer open hours to enable parents to work.

We believe in:

Quality settings – supported by more regular audits.

Democratic parental involvement.

Championing the improvement of the status of Early Years Carers.

Fair, all inclusive pricing supported by funded places, with an increasing focus on funding directly to settings.

Investments in training and facilities to benefit the child and increasing rewards for Early Years colleagues.



These, together with trust in the Co-operative brand and model, and a refusal to cut standards will enable us to deliver our Co-operative Society's vision of helping to "create a better, fairer world" - but we do need the Government's help to achieve this affordably.



We would support the case for Universal Childcare to be shared by privately and publicly owned nurseries, believing it to be good for our children, supporting the Early Intervention agenda and equality for all families.

This will also have a positive impact on women's long term career prospects, which as a large employer we would fully encourage, with the added community benefits of inclusivity.

Finally, we should never lose sight in our mission to educate our youngest citizens of what is also critically important – putting measurement, testing, and formal structure as the be all and end all of early years education. Judith Woods, feature writer for The Telegraph, quoted a parent on Mumsnet: There is....

*".....danger that childcare will go the way of nursing. Just as nursing graduates have been accused of balking at the messier, more hands-on aspects of patient care, so there is a fear that higher qualification requirements may attract candidates into childcare who do not necessarily have the emotional skills crucial to caring for babies and toddlers. I want a child carer with compassion, common sense, patience, kindness in abundance and a loving caring and warm personality. If they have an A in GCSE Maths, I really don't care. I want them to have enough time to give DS (my dear son) the love and security he needs. I want his nappy changed regularly and as required. I want him not to be battling with other babies for affection. I want him to be fed and cuddled. I want his tears wiped if he falls and his face wiped after he eats. I want him to be secure, happy and safe...."*

It is important that these aspects of care and nurturing personal, social and emotional development are not lost in the drive to formalise structured education before children are ready.

This the vision of The Co-operative Childcare's for early years' care and why we believe our democratic model fits so well within a quality based childcare system, which is equally available to all.

**Dr Sacha Powell &  
Dr Kathy Gooch**  
**Canterbury Christ Church  
University**  
**Research Centre for Children,  
Families and Communities**

Childcare provision for babies and toddlers is an emotive topic with a history of debate and controversy. What today's parents want for their babies and toddlers often ceases to be a choice between parental care or daycare. It becomes a decision influenced by different emphases on elements of an enduring, pan-national childcare trilemma: *what is affordable, what is accessible and personal views about quality* – ie what is good enough. Some parents find the equation more difficult than others, resorting to arrangements perceived to be the 'least worst' rather than their ideal childcare option.

In England, nearly 60% of babies and toddlers are cared for by someone other than their parent(s); approximately 40% (more than half a million children under two) experience formal childcare arrangements. Some spend up to 50 hours a week in daycare, attracting high costs to parents (£4.50 per hour on average). Attempted 'improvement' of any one element of the childcare trilemma typically diminishes the other two. This problem was clearly demonstrated when the Government's proposal to 'relax' adult-child ratios met widespread opposition, with concerns of the impact on quality of care. In baby rooms, where the adult to child ratio is 1:3, costs are high. Consequently, those who care for babies are often the youngest and least qualified staff members, with lower salaries than their more highly qualified colleagues.

The quality of care that babies and toddlers experience is dependent on several factors associated with positive outcomes in later childhood. These include staff qualities (ie reflective, attentive, knowledgeable practitioners, Dalli et al, 2011 (1)), qualifications and retention; the structure and content of activities; space and facilities (Schoon et al, 2007(2)); and small groups and low ratios.

1. Dalli, C., White, E.J., Rockel, J., Duhn, I., with Buchanan, E., Davidson, S., Ganly, S., Kus, L., & Wang, B. (2011) *Quality early childhood education for under-two-year-olds: What should it look like? A literature review*. New Zealand Ministry of Education.

2. Schoon, I., Hope, S. & Hansen, K. (2007) Family stress, child care, and early cognitive development in the Millennium Cohort. *Longview Conference on 'Cognitive Capital'*, The Nuffield Foundation: London, 23 February 2007

These have all been neglected in policy and provision when compared with the features of early education and care provision for older pre-school children. Although the adult-child ratios in England are among the best in the world, the ability to provide mindful care for three babies or toddlers simultaneously creates intellectual, emotional and physical challenges over long working days with few breaks. Despite the influence of neuroscientific studies on political decision-making and early intervention, there is little evidence that it has altered conceptions of childcare for babies and toddlers who may still experience little more than functional attention to their physical welfare within systems revolving around timetables and routines, dictated by pragmatism and convenience. This creates an atmosphere of repetitive, strenuous and often stressful activity with little reward or respite for the carers or the babies.

The UN Convention on the Rights of the Child affords the same rights for babies as older children in a childcare setting, specifically, that staff have suitable dispositions, are well-trained, highly qualified, sufficiently numerous and with access to specialist resources, support, supervision and professional development to update their theoretical knowledge (UNCRC 2006 (3), Objective 23). These rights are diminished through comparative neglect of the conditions of babies' and toddlers' daycare because of:

- outdated views about babies' abilities and needs, with care construed merely as 'minding'
- high costs of staffing
- neglect of implications concerning brain development from neuroscientific studies and recent evidence from other academic fields, including developmental psychology
- inattention to the growing trend for large numbers of babies to experience out-of-home care as more mothers go out to work
- an enduring belief that caring for babies is an innate characteristic possessed by all women, requiring no special knowledge, understanding or skill
- babies' inability to exercise their choices and rights and their parents' lack of childcare options, resulting in benign acceptance of the status quo
- baby care practitioners' perceptions of themselves as of lowly professional status, lacking a collective professional 'voice'

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3. UNCRC United Nations Committee on the Rights of the Child (2006) *General Comment 7 (2005): Implementing Child rights in early childhood*. Geneva: United Nations.

Consequently, practitioners who work with babies and the youngest children are (more) likely to:

- be isolated from colleagues, supervision and professional dialogue
- receive research and policy information second-hand, if at all, mediated and interpreted by others
- be low paid, work long hours with few breaks, often without access to a quiet place to relax or reflect
- be younger and less experienced than colleagues working with older children
- have lower qualifications, rarely a first or higher degree
- not have access to (relevant) professional development
- find that training they do access is not relevant to their work with babies and toddlers
- not receive the support, supervision or guidance of suitably qualified and knowledgeable practice leaders such as Early Years Professionals and Advisory Teachers
- feel the educational value of their work is not recognised.



This means that babies'

- experiences often revolve around routines of a setting rather than their own rhythms or routines
- needs are managed rather than met
- individual needs and abilities may be overlooked
- physical needs may be well catered for but cognitive, social and emotional explorations, cues and attempts to interact may be overlooked
- interactions in day nurseries are limited and rarely with children of different ages
- environments are likely to be restricted
- choices and demands may be unseen or neglected
- attempts at early talk can be unheard or unnoticed
- quietness can be interpreted as a sign of contentment

- progress records maintained by carers may lack sufficient underlying knowledge or understanding of child development and other theories
- play, explorations and other behaviours may be interpreted superficially or misinterpreted

Only when recognition is afforded to the intrinsically educative nature of babies' care will the status of this first phase of early childhood education and care be enhanced; relevant training and professional development provided for baby care professionals; and babies' childcare experiences improved.

**Improving Childcare for Babies and Toddlers – based on findings from the Baby Room Project 2009-2013 compiled for the Fabian Women's Network**



## Intervention at an early stage is critical

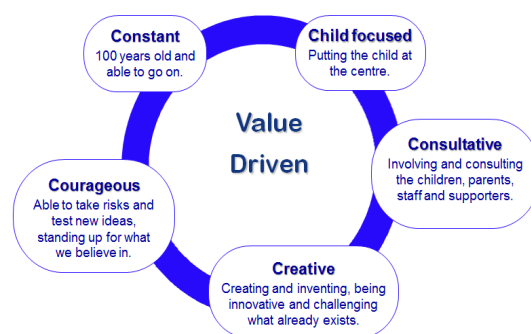
The London Early Years Foundation (LEYF) has a very interesting history. It was originally founded in 1903 by two doctors who, with the help of Margaret Horn - a pupil of Octavia Hill created a health visiting service to support mothers in Westminster keep their children healthy and safe. The organisation continue to meet the changing needs of families over the next 100 years and led the way in many areas including establishing a nursery nursing college in the 1923, building nurseries during the Second World War with gas mask fitting services, playgroups in the 1960s, community nurseries in the 1970s and workplace nurseries in the 1980s. The purpose has always been to support children and families become *“healthy, wealthy and wise”*

Currently, LEYF runs 24 community, workplace and Children's Centre nurseries across six London boroughs providing employment to 340 people. Our aim is to build a better future for London's children, families and local communities through our commitment to excellence in Early Years education, training and research.

The organisation had been financed through a mixed menu of grants, fundraising and charges to parents. This model was flexible according to the availability of Government support. However, in 2005 we began our journey to become a fully independent social enterprise, culminating in 2009 when we rebranded as the London Early Years Foundation.

The LEYF Social Enterprise (SE) model was developed to provide community childcare in the UK by weaving together a sustainable social business model with an effective curriculum framed within a strong multigenerational approach. It is an organisation built on 5 core values and applies and embeds these values to all aspects of the business. For example we maximise the economic wellbeing of the local neighbourhoods in which we are situated by creating employment and routes to employment which includes a successful apprentice programme, especially to those who have failed at school.

### LEYF 5 C's



“When you're value led you're trying to help the community. And when you're trying to help the community, people want to buy from you. They want to work for you. They want to be associated with you. They feel invested in you success”

Cohen & Greenfield (1997) p29

SE was also considered the best model to provide an answer to the difficult question of how to provide good quality childcare for children in London especially those living in poor neighbourhoods. It also needed to be scalable to ensure more of London's children would benefit from its services. 4 in 10 children live in poverty in London, the highest in the UK and the worse quality childcare is in the poorest neighbourhoods so we believed we could help solve this problem.

LEYF operates from the premise that intervention at an early stage is critical to giving children the education that results in higher success rates in school, narrowing the achievement gap and ultimately reducing life-long social and economic poverty which has such a high fiscal cost for society. Professor Melhuish in his report, 'A Literature Review of the Impact of Early Years Provision' notes that for the over three year olds, the evidence is consistent that preschool for this age range is beneficial to educational and social development of the whole population. The caveat is that the childcare has to be of the highest quality.

*"Getting the early years right benefits the whole of society. Through economic research, psychology, biology and neuroscience, the answers came out the same; treat what happens in the first years as gold..."...early engagement pays a very high rate of return. The dividend is 12 – 16% per year for every £1 of investment – a payback of four or five times the original investment by the time the young person reaches their early twenties and the gains continue to flow throughout their life."*

Sinclair (2006 pg 5)

Our model is based on ensuring a social mix (Schneider et al 2007) so that families from both professional backgrounds and poorer backgrounds, within the local community, come together to use high quality childcare that can reach both affluent and disadvantaged communities (Mutuo 2002) but pay different fees. In addition, LEYF provides block placements of free entitlement places for 3-4 year olds and vulnerable 2-year olds so to ensure that children of parents who are not in work have the opportunity of accessing high quality childcare. Research supports the view that high quality nurseries are good for all children but particularly good for poorer children and so we want to give all children a very good early years' experience.

The LEYF model has been developed within the concept of Bronfenbrenner social ecology model (1979) which contends that development reflects the influence of several environmental systems. Leyf is best summed up in the diagram where all the key elements of the model are connected and woven around the child.



The LEYF pedagogical approach is based on a number of principles including the spiral curriculum, empathetic relationships, mutual learning and cultural capital. Quality is driven through our action research which shapes a culture of looking, thinking, doing and reflecting. We also look at external research to improve our practice and implemented many changes in light of the neuro-scientific research. The LEYF pedagogy has a strong focus on home learning environment as a bridge between home and school embedded through pedagogical conversations.

The final element of the LEYF approach is the focus on community and the multi-generational activities designed to build social capital. Putnam (2000) says that social capital is second only to poverty in the breadth and depth of its effect on children's lives.

*"...Child development is powerfully shaped by social capital...trust, networks and norms of reciprocity within a child's family, school, peer groups and larger community have wide ranging effects on the child's opportunities and choices and , hence behaviour and development."* Putnam (2000) pg 296



**Caroline Davey**  
**Gingerbread**  
**Director of Policy, Advice and**  
**Communications**

## **Quality affordable childcare: the key to transforming single parent employment**

*"I've worked before and I knew I wanted to go back. It was childcare that kept me at home. It was just too expensive to make private arrangements for my two youngest before they started school, and dropping everyone off at different places every morning would have just been crazy."*

The cost and shortage of childcare is harming our economy and our society. Parents who were once an active part of the workforce are giving up their jobs, childcare costs are overtaking mortgage payments, and women are being held back from senior positions in all industries. In this context the evidence is clear: tackling the childcare problem is fundamental to addressing a whole host of issues, not least improving maternal employment rates and tackling child poverty, especially for single parent families.

Single parents are particularly dependent on childcare in order to be able to go out to work. With only one adult in the household they can't operate the 'shift parenting' that many couples do, for example alternating school or nursery drop-off and pick-ups between parents to reduce the need for childcare. There are almost 2 million single parents raising 3 million children across the UK, but the single parent employment rate – at 59 per cent – is still far below the level both of mothers in couples and that of single parents in other European countries.

As the sole carer, single parents need work that fits alongside their caring responsibilities; and as the sole earner, they need a job that pays enough to support their children. However, there has been little systematic progress towards delivering the necessary combination of flexible jobs, increased childcare and school hours across the board, which would genuinely make a difference to single parents' ability to work. Alongside growing evidence that the availability and affordability of childcare continues to undermine efforts to support single parents into work, the lack of suitable part-time employment options consistently hampers the ability of many single parents to get into – and stay in – work.

We have also seen a dramatic increase this year in the proportion of children living in poverty in single parent households where their parent works part-time – up from just under one in four (23 per cent) to almost one in three (31 per cent) in the space of a year. Analysis for Gingerbread has shown that in-work poverty will persist even under universal credit for some single parents, in particular those facing high childcare costs or those looking to increase their hours up to full-time.

Alongside often low-paid jobs, single parents – in common with all working parents – face high childcare costs, which in recent years have risen well above the rate of inflation. Latest figures show that costs for after-school clubs, nursery and childminder places for the over-tuos rose by more than 5 per cent in England over the last 12 months. The support for childcare costs that lower-income single parents currently receive through working tax credits is therefore absolutely vital; single parents make up 62 per cent of families in receipt of childcare tax credits. In this context, the reduction in childcare costs support since April 2011 – when the childcare tax credit element was reduced from a maximum of 80 per cent to 70 per cent of costs – has hit single parents hard.

In March 2013 the government announced that it plans to invest an additional £950 million into childcare support from 2015/16 onwards, of which the vast majority – £750 million – will be used to provide tax-free childcare vouchers to those families with high enough incomes to take them beyond universal credit eligibility. Analysis from the Resolution Foundation has shown that this skewing of the funding towards tax-free vouchers for higher earners will benefit higher income families far more than those on lower incomes.

The remaining £200 million will provide additional support for those on universal credit – but with the government currently proposing that this additional support is made contingent on all parents in the household earning enough to pay tax, Resolution Foundation analysis has shown that gains from this element of the new funding will also accrue mainly to those in the higher income quintiles. As a result, the vast majority of lower income families – those who need help with childcare costs the most – will not benefit from the additional childcare support that has recently been announced.

This all adds up to a situation which needs a comprehensive overhaul; and recognition of the real value of government investment in quality, affordable childcare for all, rather than seeing it as a parental perk. Instead of just tinkering around the edges with ratios and tax breaks for higher earners, we need fundamental system reform that would not only help to transform how we work and how we care for our children, but would also significantly strengthen the economy. What could be more important than that?



**Shama Tatler**  
**Brent North CLP Chair**  
**&**  
**Fabian Women's Network**

**'It takes a whole village to raise a child.'**

Despite the second highest spend on Childcare in OECD countries, families across the United Kingdom cannot afford good quality Childcare. One Nation Labour must address this. The case for universal childcare should not only be based on economic arguments, but also encompass arguments covering the whole spectrum of influences illustrating a more holistic approach.

In order for this policy to be seen as credible for all voters, One Nation Labour must illustrate how universal and affordable childcare can benefit all sectors of society, from single parent families to 2 income households. The IPPR has illustrated the economic benefits of a universal childcare system. Working families would have increased disposal income which in the current climate could help drive the economy forward. Furthermore, the current system of 15 hours free spread over a week simply does not make returning to work viable for mothers, unless there are members of extended families or friends available to lend a hand.

Whilst the economic argument is strong, there must be a broader argument to make this a viable and winning policy. Labour's traditional values of equality can be addressed through universal and affordable childcare. Educational attainment is key to social equality, mobility and quality of life. Various educational bodies such as the National Literacy Trust value early years education as a key to narrow gaps faced by children that are caused by their families socio-economic status. Whilst I do not advocate rigorous academic structure for toddlers; language skills, social skills, interest in reading and aspirations to be something when they grow up should be central to our policies in relation to children. These opportunities should not be the domain of the privileged few who can afford childcare.

In addition, families and in particular mothers who, in the vast majority of cases are the primary care givers, need support. Mothers need a break and often support in how to help their children. However, there is often guilt attached to the idea that mothers asking for help. There is almost a belief now that the best way to raise child is for the mother to stay at home. This is simply cannot be the only option. Families are different and pressures on parents are ever increasing. There are cases of educated, professional women who whilst enjoy being mothers often feel the need to go back to work for a sense of self-worth.

Surely, if we as a society are encouraging women to be educated and have careers, we should be supporting them if they want to go back to work. My daughter has certainly thrived in seeing her mummy work and often talks of being a teacher like mummy.

Incorporating universal and affordable childcare within the domain of government boundaries could also protect those valued individuals who provide the childcare. Childminders and staff at nurseries are often lowly paid and there is often a high turnover of staff at nurseries. Whilst I do not support the theory that staff at nurseries should have a high level qualification in order to look after children, childcare needs to be a viable and sustainable career option. I believe having a universal policy on childcare, can ensure this.

Whatever model of childcare we use, One Nation Labour needs to change the narrative of who is responsible for the raising children. 'It takes a whole village to raise a child', a simple notion, meaning we cannot simply place the entire responsibility on parents. Children are mirrors of the society they come from and we all have a vested interest in ensuring the nurturing of our most valuable assets is shared. If we want to instil values of responsibility and respect in our children then surely we all should be willing to support parents.

As the great Labour Government of 1945, One Nation Labour needs to be courageous and implement a policy of universal and affordable childcare. We are the party of social change and equality. If we do not pursue affordable child care, no-one else will. Whatever model is used, we must support parents in raising children and thus investing in society's future.







**The Fabian Women's Network are regularly organising events on key political issues. If you would like more information or would like to join, please visit our website below:**

**[www.fabianwomen.org.uk](http://www.fabianwomen.org.uk)  
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