

Closing gaps early: How is policy doing?

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CLOSING GAPS EARLY

The role of early years policy in promoting
social mobility in England

Kitty Stewart and Jane Waldfogel
– September 2017



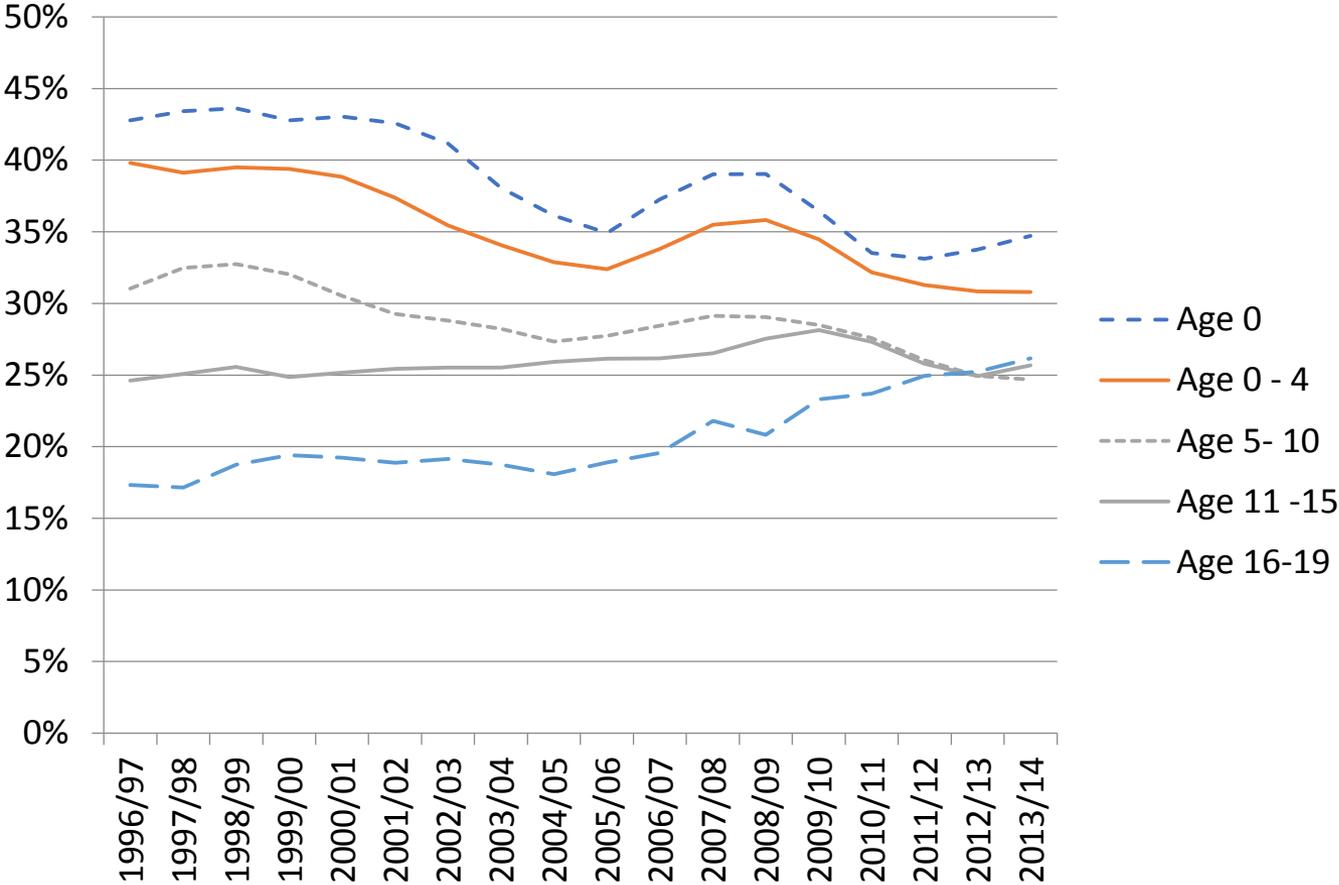
In the report we cover...

- Parental leave
- Parenting support, including Sure Start
- Early education and childcare
- Financial support for families with young children

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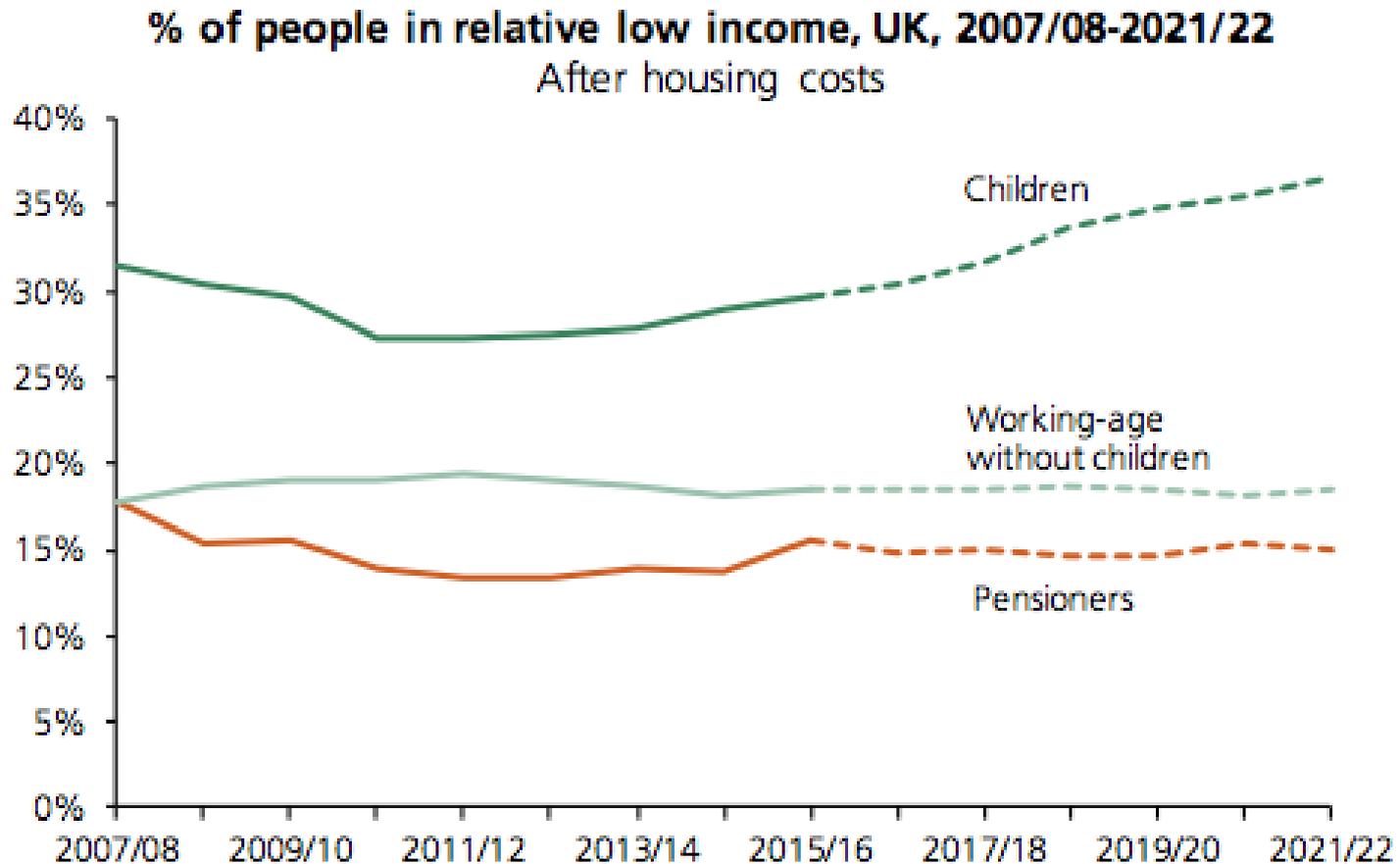
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Trends in child poverty in the UK by age of youngest child in the household



Source: Stewart and Obolenskaya (2016) in Lupton et al (eds) *Social Policy in a Cold Climate*

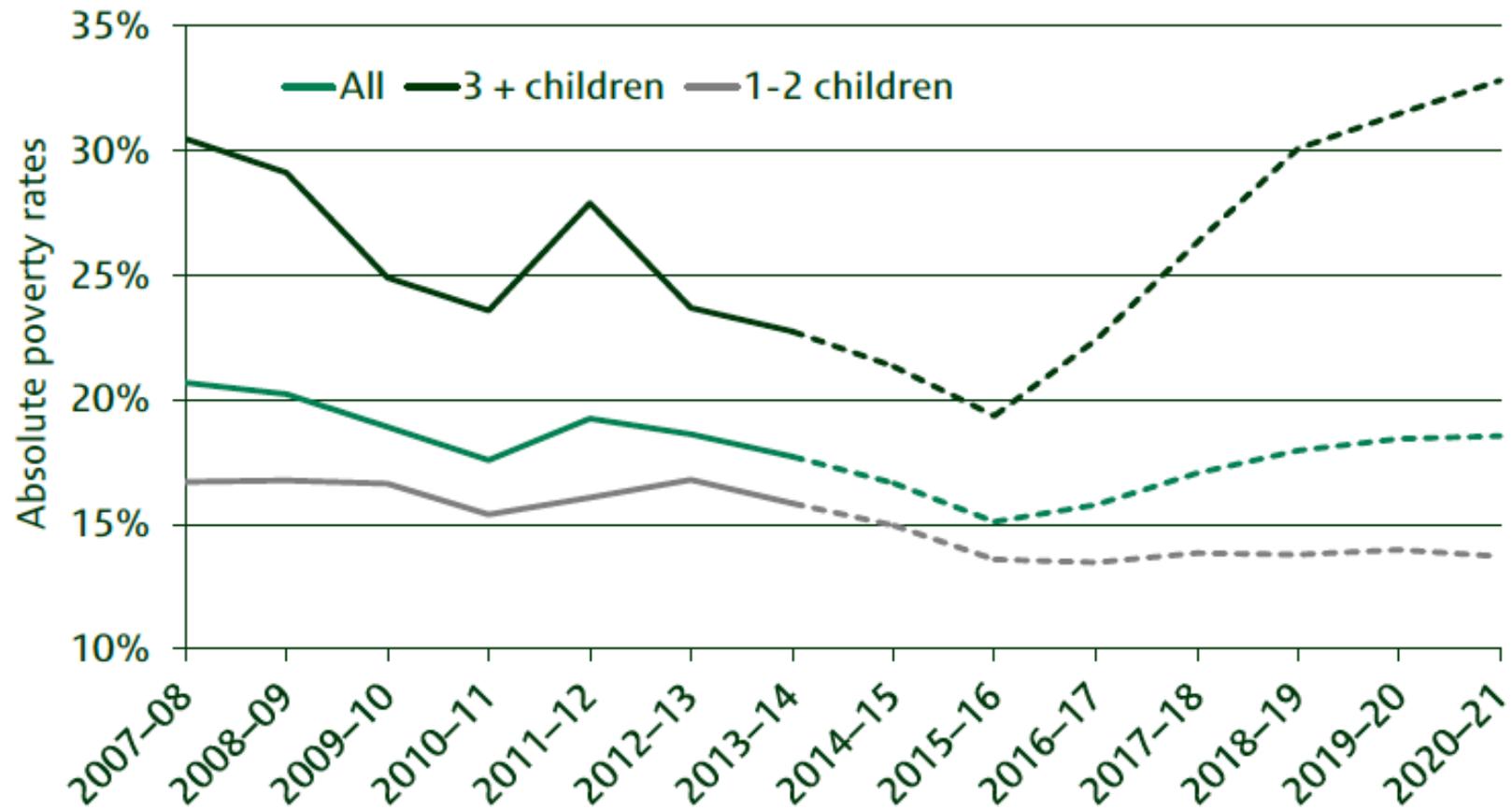
Projections for poverty to 2021/22



Solid lines are actual percentages of people in poverty, dashed lines are projections

Source: Hood and Waters (2017), *Living Standards, Poverty and Inequality in the UK*, Institute for Fiscal Studies.

Absolute child poverty by family size: 2007–08 to 2020–21

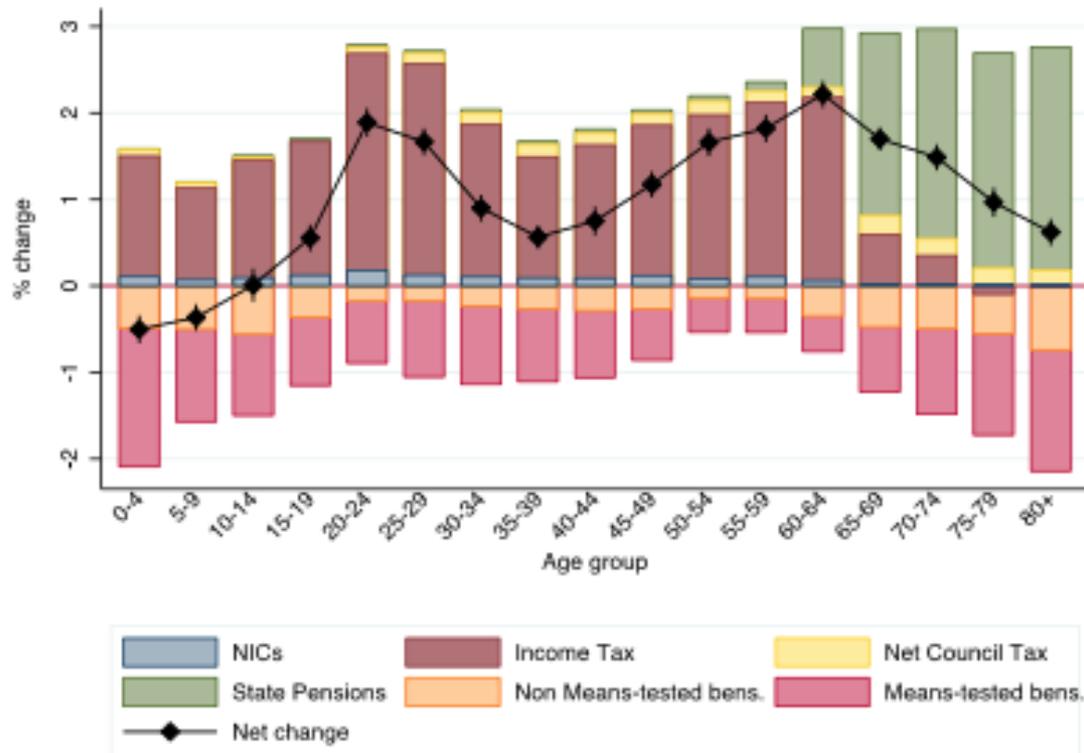


Benefit cuts have hit families with children hardest

- From 2011, cuts to a range of benefits for households with a baby:
 - Health in Pregnancy Grant and Baby Tax Credit abolished; restrictions on Sure Start Maternity Grant
- From 2013 much tougher benefit regime:
 - 1% annual uprating rather than inflation
 - Housing benefit reforms, including the bedroom tax
 - Annual cap on total benefits to a household ('welfare cap')
- From 2015
 - **4 year freeze on working age benefits** (compared to 'triple lock' for pensioners)
 - Cuts to support for some families (esp single parents) as part of Universal Credit
 - Delays and risks inherent in Universal Credit
 - Reduction in welfare cap
 - **Two-child limit**

Effect of tax-benefit reforms 2010-2015/16 by age

Figure A4.4: Percentage change in household disposable income by age group due to policy changes 2010 to 2015/16; 2010 policies updated to 2015/16 using CPI



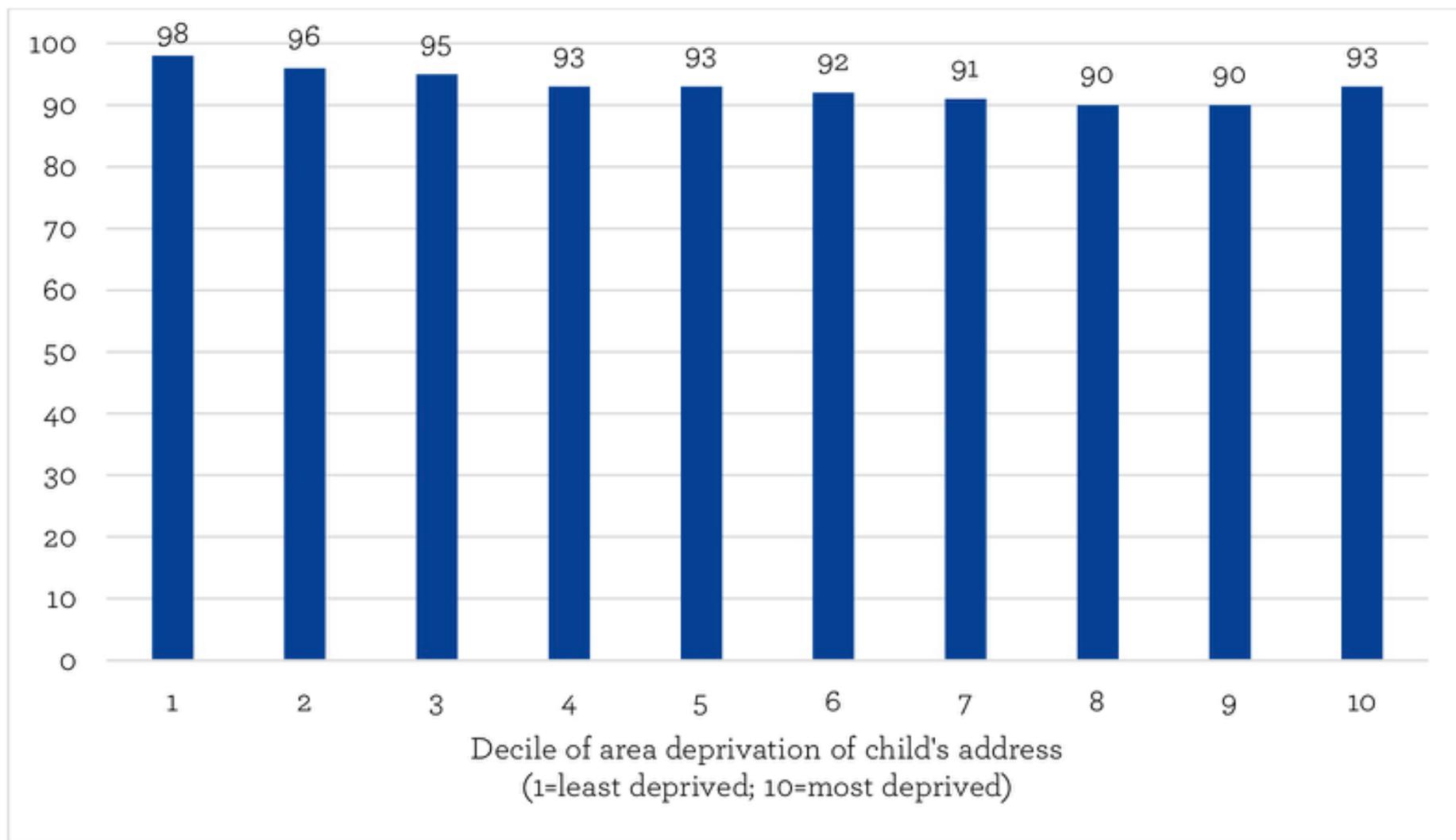
Source: De Agostini et al (2015)

Notes: The net change is shown with a 95% confidence interval, calculated using bootstrap. Source: Authors' calculations using EUROMOD G2.35.

Early education

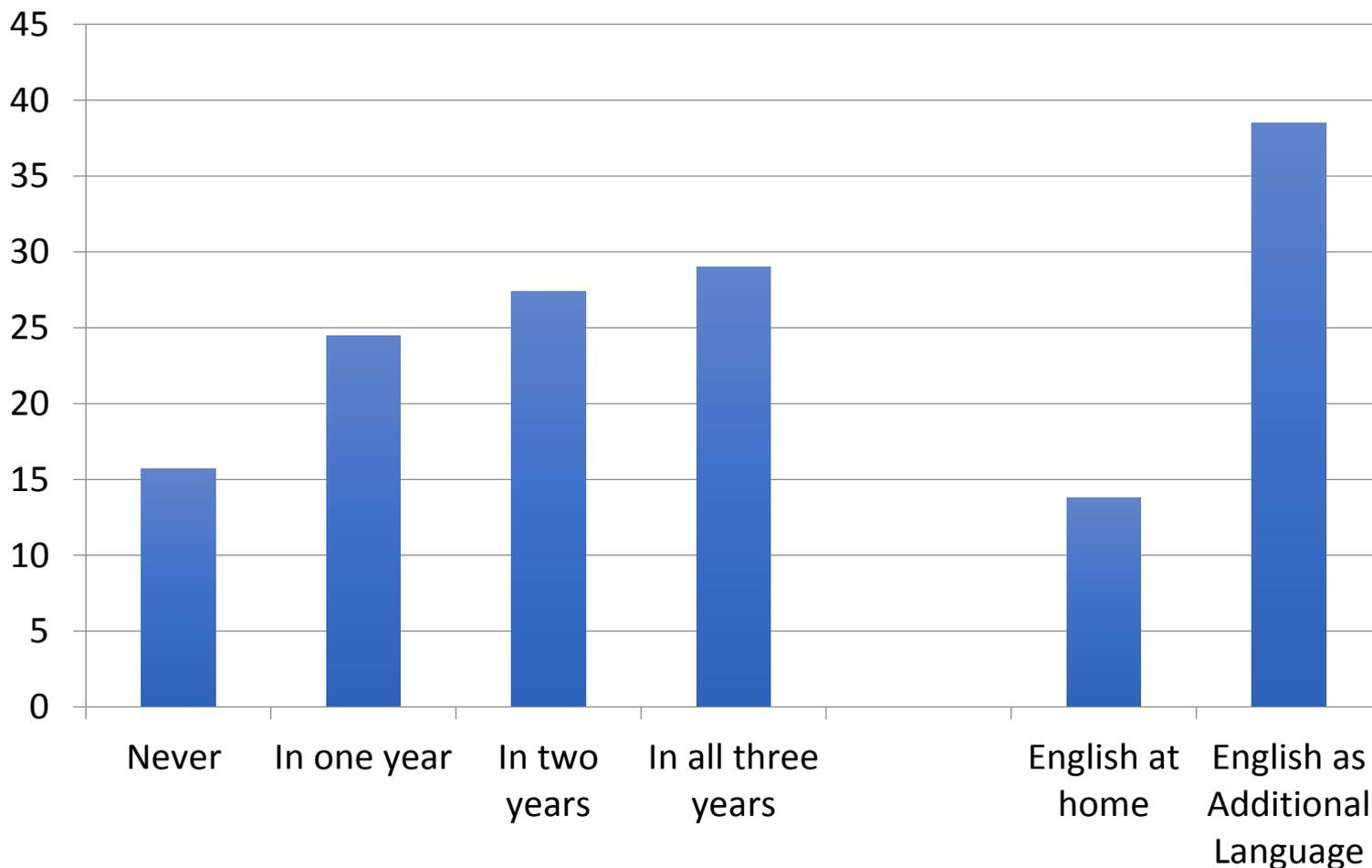
- Good progress on access, though still not universal for 3 and 4 year olds
- Quality continues to be variable (and is at risk)
- Funding situation and 30 hours policy may damage provision for the children with most to gain from early education
 - Fewer hours for children in 'non-working' families
 - Squeeze on quality resulting from cuts and inadequate funding of the 30 hours

Figure 1 Take-up of the free entitlement among three year-olds by level of area disadvantage 2015



Notes: NAO (2016) Figure 4, using DfE data on enrolments and ONS population estimates. Figure shows the percentage of eligible three-year olds accessing a funded place in the January after they turn three.

Autumn born-children in England 2011: Who was NOT in early education in January after turning three? (i.e. not benefiting from their full 5 terms)



Eligibility for Free School Meals in first three years of primary school

Source: Campbell, Gambaro and Stewart (2018) in *BERJ*

Increasing take-up: the make-up of local provision matters

- We find **lower take-up** (of the full five terms) **but less inequality** between lower- and higher-income children in local authorities that have more provision in the **maintained sector** compared to the private sector
- We find **higher take-up and less inequality** in take-up in local authorities that have more provision in **Sure Start Children's Centres**, compared to private sector provision.

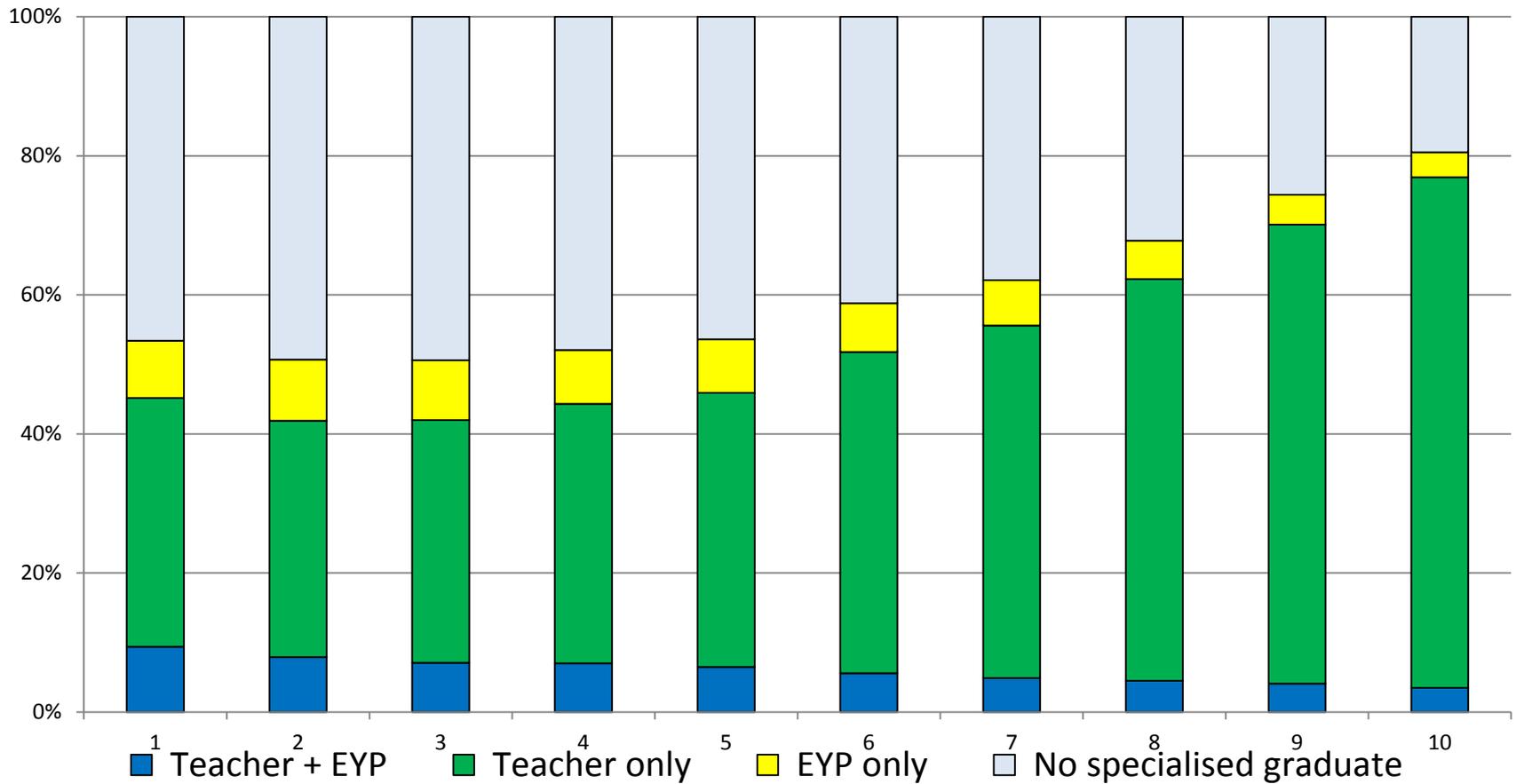
Campbell, Gambaro and Stewart (2018)

Minimum staffing requirements remain extremely low outside state settings

- Childcare managers must have a vocational qualification at ISCED level 3
- At least half of childcare workers in a setting must have a level 2 qualification
- For staff in the room:
 - For under-2s: member of staff in charge of the room must – in the judgement of the provider – have suitable experience of working with under-2s
 - No requirements regarding qualifications for staff working with children aged 2+

“The current early years qualifications system is not systematically equipping practitioners with the knowledge, skills and understanding they need to give babies and young children high quality experiences” Nutbrown Review 2012

The right kind of social gradient! Presence of a graduate by child's area deprivation level (3s and 4s 2011)



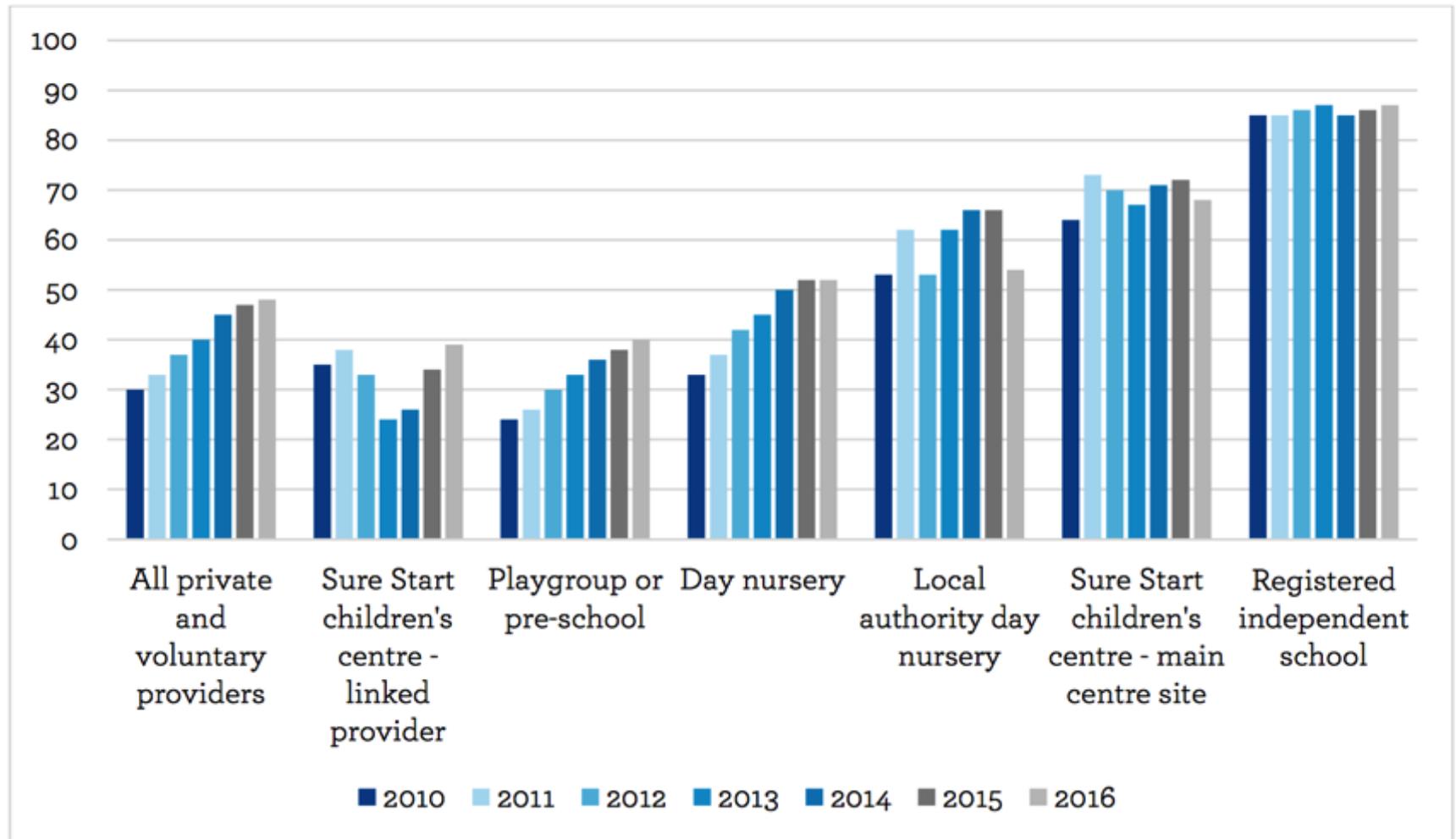
Least deprived

Most deprived

Source: Gambaro and Waldfogel (2014) in *BERJ*

Higher numbers of graduates (though recent research has questioned their impact)

Figure 3 Percentage of funded three and four year olds attending settings where a qualified graduate (QTS/EYTS/EYPS) works directly with the children, by category of provider



Moving backwards on quality?

- Lack of movement to improve non-graduate qualifications in response to the Nutbrown Review.
- Axing of the Graduate Leader Fund
- Removal of the local authority role in continuing professional development (Ofsted becomes 'sole arbiter of quality')

Wider reforms: the risks to access and quality

- Single funding formula
 - makes it harder for state maintained nurseries to continue to keep a QTS (especially in context of wider education cuts)
 - presents an existential threat to nursery schools
- Cuts to Sure Start
 - implications for family and parenting support and early play opportunities
 - reducing incidence of inclusive and high quality early education provision with a strong record on outreach
- 30 hours for working parents
 - squeezes out access for more disadvantaged children to longer hours
 - inadequately funded - further squeeze on quality?

“Selective austerity” in relation to services

Spending on early years services, schools and further and adult education (2009/10 prices, £billion)

	2009/10	2012/13	2013/14	Change 2009/10 to most recent	Per Cent Change
Childcare tax credit	1.34	0.88		-0.58	-34%
Early education	4.40	3.91		-0.48	-11%
Sure Start	1.52	1.04		-0.48	-32%
Schools	46.1	45.7		-0.5	-1%
Total 16-19	7.89		7.70	0.20	-2%
Total Adult	4.05		3.00	-1.05	-26%

Conclusions

- Much investment in early years provision – cash and services – from late 1990s. But **present environment is challenging**: families with children hit harder than any other group by austerity
- **High and rising levels of child poverty** – particular concerns for larger families looking forward
- Early education is near universal from three years old (and coverage of some two-year-olds) – but doesn't reach everyone, and **more disadvantaged still most likely to miss out**
- New policies (30 hour policy, tax-free childcare) represent a **shift towards a focus on childcare for working parents rather than high quality early education for all** – and are not well designed to support the most vulnerable working parents
- A renewed focus on **access** and on **quality** is essential.