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Transforming early childhood: narrowing the gap between children from lower- and higher-income families





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## **Foreword**

Imagine a country where a child's chances of being ready to learn in school were equal, irrespective of their parent's earnings. What services would families receive, and what would early years policy look like? That is the question this paper begins to answer.

Since 2010, it is a question that has rarely been posed by politicians in Westminster. The anchor for policy has moved even further away from helping children to become 'school ready' – the original objective of Sure Start – towards enabling parents to participate in the labour market. Childcare entitlements have expanded, while Children's Centres have closed.

The broad contours of this vision – to ensure every child is ready for school by age five – are clear. Every family would have the resources they need to support themselves and their children, with the benefits system better recognising the costs of providing for children. Early years education would prioritise quality alongside quantity, with a much stronger focus on developing and rewarding childcare professionals, and entitlements extended to non-working parents. Parents themselves would be better supported, being able to take time off work in a child's first year of life and able to access home visiting and other local services for themselves and their children.

Yet there remain many unanswered questions. We know that financial resources matter significantly, but we do not know the amount required to shift child outcomes. We know that parenting support can make a difference, but we do not have an intervention that is cost-effective and simple enough to be scalable, or attractive enough to enjoy high take-up.

Turning this vision into reality is, in part, a challenge of innovation and evidence. Continued experimentation can help us identify precise models and dosages of parenting support, so those experiencing multiple forms of disadvantage receive the greatest level of support, tailored to their needs. Artificial intelligence (AI) has the potential to radically improve continuous professional development programmes for childcare providers, making it simultaneously more engaging and more cost-effective.



In part, it is also a challenge of collective imagination and commitment. We need a national mission for children that corrals all the services and resources within a community behind a single vision: that every child, regardless of their circumstances, has both support and opportunity to reach their potential. The moral case for this mission is easy to make. But we also need to strengthen the economic case for early intervention and support.

In this piece, Professor Kathy Sylva and Naomi Eisenstadt paint a picture of the current state of support for children under five in England, unravelling the complexities of parental leave, benefits policies, early childhood education and family services. Then, leaning on decades of experience, research and policy, they explore specific and pragmatic changes we could make to start turning this national mission into a reality.

Ravi Gurumurthy
Group Chief Executive Officer



## Executive summary

This paper sets out the changes in policy and delivery that we believe would create an ideal system for early childhood in England, with the aim of narrowing the gap in outcomes at school entry between children in low-income families and their better off peers. Although we have focused on provisions in the English system, the issues and mitigations discussed will be relevant to policymakers in other UK nations.

Weighing up all the evidence, the most important single action for narrowing the gap is the provision of high-quality, teacher-led early education, ideally starting from two years of age for children from low-income families. Our recommendations include changes to the qualification requirements for those working with young children and improvements in pay and conditions to attract talented candidates into the workforce. We also recommend changes aimed at levelling the playing field between providers of early education and care in the maintained and private, voluntary and independent (PVI) sectors.

#### What children need

All children need supportive adults who have the capacity to provide the activities that promote healthy development and adequate financial resources to meet essential needs. Certain characteristics within families make it more or less likely that children will do well on school entry. Mother's education at birth and mother's mental health are both critical factors that influence child outcomes for good or ill. Financial security is also important. Money itself makes a difference, not only in terms of the ability to provide the basics, but also because living in poverty can increase tensions between adults in the family, which itself is linked with poorer outcomes. However, no single factor ensures good or poor outcomes. Some poor children do well against the odds. Some children from better off families do less well than expected.

## Early childhood education and care (ECEC), focus on learning

The last century saw a transformation in ECEC. The early years are no longer seen as a time only for play and socialising, but as a unique phase of learning, which



demands skilled educators who understand child development. Research has shown that quality is essential to achieve the language and cognitive gains so crucial to narrowing the gap between children from low- and higher-income families. Indeed, high-quality nursery education has resulted in children achieving against the odds of their social class and family income. But quality comes at a cost. 'Intentional pedagogy' is the deliberate support of children's learning. Staff delivering intentional pedagogy need high-level training and a deep understanding of child development. The core of such pedagogy is reflective practice; educators apply pedagogical theory in everyday practice, observing children's activities, intervening to make the most of everyday interactions in the nursery, stretching their skills in language, maths and science. Supporting emergent academic skills in the preschool years is more important for children from low-income families, who are less likely to receive as much intellectual enrichment at home as their better off peers. The importance of quality has led us to make several recommendations about improving staff training and qualifications as well as pay and conditions. Current pay and conditions will not attract the calibre of staff needed to deliver the quality of experience so important for children from low-income families.

Children experience ECEC in a variety of ways: in domestic settings with a childminder or nanny, and in group settings in nursery schools, nursery classes, and private, voluntary and independent settings. Some attend a few days per week, some attend a few hours each day of the week. Some start under one year old, others start at two or three. Many children experience a variety of care across the week: time with a grandparent or a close relative, time in a nursery, and time at home, depending on parents' work patterns. By age four almost all children are in some form of early education away from their parents. Evidence indicates that for low-income children starting between two and three is most beneficial to later outcomes.

## Early childhood education and care (ECEC), focus on the system

Since 1997 successive governments have offered entitlements to free hours of ECEC for all children. The number of hours and eligibility have largely been based on the needs of working parents. Children living in households with no working adults receive the least amount of free childcare. A key feature of the system in England is a mixed economy with providers from the state maintained sector and from the PVI



sectors. The key difference between the two is that the PVI sector is more likely to deliver the flexibility of hours so crucial for working parents, while the maintained sector has higher-qualified staff with better pay and conditions. These differences clearly illustrate the tension in the multiple aims of early years provision: female labour market participation to reduce poverty and improve gender equality, or high quality and regular attendance to improve child outcomes.

The Government pays providers of ECEC a fixed hourly rate. The maintained sector has significant resource advantages making it difficult for the PVI sector to pay comparable salaries. Hence, we are also recommending improvements to the hourly rate paid to providers and some regulatory changes that could reduce the differences in costs between the PVI and maintained sectors.

#### Entitlements to education and care

Current government commitments to expand 'free' childcare emphasise low cost for working parents, providing significantly fewer free hours of care for children in workless households. If these commitments are fully implemented they could result in widening the gap between children from different social classes. Our intention is a simpler system offering all children from the age of two, 20 hours of state-funded ECEC, 48 weeks per year, either in the maintained or PVI sector. For parents in employment, education or training, we recommend 20 hours per week, 48 weeks of the year, state-funded ECEC from 12 months. Families on very low pay and needing extra hours over the 20 would get top-up funding through Universal Credit.

#### Community-based support

Some local areas have integrated neighbourhood centres that bring together a range of services: advice on parenting, health, employment and benefits. Many offer formal and informal interventions with parents aimed at improving the home learning environment. Some also provide early education and childcare on the same site. Probably the most ambitious of such models of integrated neighbourhood services was Sure Start, set up by the Government in 1999. More recently the surviving centres have been repurposed to provide support for families with children up to 19 years of age. We recommend an invigorated model of neighbourhood support for families, 'children's campuses'. These centres would cater for families with young children and provide both family support services and high-quality early education. Ideally children's campuses would be based in primary schools.



### Money for low-income families

The differences between outcomes for children from low-income families and their better off peers is well established. Most governments respond to these findings with a mix of cash transfers and support services, some aimed at parents and others specifically for children. While it is difficult to establish a direct link from cash transfers to improved school readiness at age five, it is clear that poverty in the early years can have lifelong consequences in terms of poorer health, poorer success in education, and poorer employment in adulthood. Hence we argue for two income-related changes to current policy: increasing family leave around the birth of a baby from nine months to 12 months, and removing the two child limit on Universal Credit support. The first ensures that the lowest paid mothers and fathers can have, if they choose, more time with their young baby, and the second provides better support for larger families, who tend to be at much higher risk of poverty.

#### An ideal system to narrow the gap

Our recommendations aim to balance the needs of parents for support and for flexible childcare with the needs of children for high-quality early education. They reflect a mix of financial measures, service measures and system redesign. In short, we recommend:

- improving pay, working conditions and career structure for the early years workforce
- improving workforce training, building collaboration between universities, further education colleges and providers to ensure a ladder of qualifications
- increasing the pupil premium to the primary school level, and allowing providers to apply for it instead of parents
- increasing the hourly rate for childcare entitlements funded by the state
- giving PVI providers the same business rate status as providers in the maintained sector
- offering an entitlement to state-funded ECEC for all children from two years of age, 20 hours per week, 48 weeks per year. For children between 12 and 24 months whose parents are in employment, education or training, we recommend 20 hours per week, 48 weeks per year state-funded ECEC
- building on, or establishing new children's campuses providing a range of family support services for parents and early education and care for children



- one year paid parental leave from the birth of the baby, shared between both parents
- removing the two child limit on Universal Credit and other benefits.

The most important first step in the creation of such a system is focused attention on improving the quality of early education and care, especially for the children who need it most. Parallel efforts to reduce child poverty itself should be part of the longer-term road map. Children in poverty are not only disadvantaged in education; they are less physically healthy, and experience poorer mental health as they get older. The disadvantages on school entry follow them into adulthood. The specific recommendations above would ameliorate disadvantage, but a long-term approach is needed encompassing taxes, benefits and provision of integrated services.



## 1. Introduction

Gaps across socio-economic classes are evident before three years of age. Poverty in the early years can be scarring, but can also be mitigated by strong public services for families.

The aims of this paper are twofold: first, to describe the current state and key issues in the provision of services for young children; second, to describe policy goals that could narrow the gap in school readiness between children in low-income families and their better off peers. By 'school readiness' we include skills of concentration and self-regulation along with the social and emotional skills that underpin positive relationships with peers and educators. Our main focus is on early education and care, with secondary discussions on integrated neighbourhood family services, and the possible impact of poverty reduction itself on better outcomes for children. Although this paper is focused on provisions in the English system, the issues and mitigations discussed will be relevant to policymakers in other UK nations.

We have reflected on a number of complex questions in writing this piece: should we be providing services designed to mitigate the impact of poverty on school readiness or should we aim to reduce poverty itself through more generous income transfers? Should our services be aimed primarily at the child through high-quality early education, or at parents through evidence-based parenting programmes, or more informal family and parenting support within communities? How do we ensure that quality education and care involves and engages with parents, and that community services don't leave out the child?

There are a multitude of factors that influence a child's development. It is therefore important to be clear on what is, and what is not, in scope in this report. Our brief was to discuss policies that would narrow the school readiness gap between children from high- and low-income families. Our primary lens is poverty, but we recognise that other factors also matter in outcomes: race, ethnicity, gender, disability.

This paper does not cover other public service issues related to child welfare including housing, environmental policies and transport, though we recognise they are crucial in providing children with a stable environment in which to grow up.



Similarly we do not go into great detail on health services, although they clearly have an important role to play for all children. Similarly, we also do not discuss the nature and extent of the differences between and within groups. We do try, where appropriate, to identify some areas where attention to equality beyond income is needed. We do not deal with issues related to children with SEND in the detail they deserve. To do so would double the length of this paper. We have not costed out our recommendations. However, we do believe that if the goal is to narrow the gap in school readiness, investment in the quality of early education is the most important first step, not least because we have a strong evidence base on key factors in the delivery of ECEC that benefit children from low-income families. While the most important contribution to early school success is the home learning environment, we have much less evidence on interventions that materially improve it.

We acknowledge that there has been considerable interest and policy activity in the early years field over the last 30 years, but it has lacked clarity on core purpose. The Government has expanded free childcare which contributes to female workforce participation and is intended to reduce child poverty by improving family income. We argue, however, that the requisite improvements in training and development for staff, pay and conditions have not been adequate to ensure provision of the quality of care needed to genuinely narrow the gap for poorer children. Our main conclusions describe what an ideal system for young children would be, from birth to the end of the foundation stage, and what would be the most important first steps to take, to work towards that ideal system.

Finally, we must be sure that what is currently provided by the state in 2024 is still needed and available in 2040. We will still need significant health services through pregnancy and childbirth. Midwifery will be needed, but the structure of health visiting may well have changed beyond recognition of today's offer, let alone what was standard practice thirty years ago. And the structure and offer of early education and childcare may also be different. The impact of digital applications and artificial intelligence is likely to revolutionise how data on citizens is used, how services are offered, and how users interact and control the services they access. What an ideal system should look like is the subject of the rest of this paper.

This report first describes what children need to thrive. In section three we provide a detailed picture of key elements of quality in early years provision and in section four, why our current early education and care system is struggling to achieve high



quality. Section five describes the importance of integrated family support services for families, particularly for low-income families, and in section six we address the issue of poverty itself and how changes in the social security system have pushed more families with children into poverty. Finally, our last section makes a series of recommendations to address the issues raised in the paper; what steps we need to take to narrow the gap between children from low-income families and their better off peers.

## 2. What children need

All children need supportive adults who have the capacity to provide the activities that support healthy development, and adequate financial resources to meet essential needs.

In designing an ideal system that would significantly narrow the gap in school readiness between children in poverty and their better off peers, we first should examine what children need to thrive and what factors make it more difficult for families in poverty to provide those needs. All children need two things: supportive, loving adults who have the capacity to provide the activities that support healthy development, and adequate financial resources to provide essential needs. While our aim in this task is to look at children from the bottom two quintiles, it is important to remember that there is a gradient across quintiles in child outcomes. Children in families from the bottom quintile do the least well, children from the second quintile do better than the bottom, but not as well as those from the third quintile. Not all children from the wealthiest families do well; not all children from the poorest families do poorly. There is need and success across all groups. Other factors, including race and gender, have impact within all socio-economic groups. The task in this section is to identify the factors that make a difference, and how amenable they are to policy interventions to reduce the differences between children from lower-income families and the whole child population.

## Supportive adults

Human infants are born highly dependent on their caregivers and remain dependent for some years. All children from birth need physical warmth, adequate nutrition, hygienic surroundings, and safe and secure housing. They need at least one but preferably a number of responsible adults who will ensure that they get their needs met. In addition to basic physical needs, babies need adults who care for



them and are 'attuned to' the signals they use to express their needs. From very early on babies respond to warmth from carers, and carers express joy at even small signs of day-to-day progression and recognition from their babies (Moullin et al., 2014). The reciprocity of affection between main caregivers and babies from birth is often referred to as attachment and attunement. Very young babies shape the behaviour of the adults around them, while adults are shaping the baby (Gopnik et al., 2001).

While genetics play a role in child outcomes, they are not the sole determinant in explaining the gap between poor children and their better off peers. Co-related with good outcomes for a child are mother's educational level at birth, and mother's mental health. Good education and good mental health in the mother are both protective factors for children. All these factors have an important impact on child development but do not determine good or poor outcomes. Some children do well against the odds.

The actions of primary carers have direct and indirect impact on child outcomes. Breastfeeding is important for physical health and is also co-related with better health and cognition into adulthood. As babies develop into toddlers and young children, the home learning environment begins to have an impact on healthy development. The extent to which mothers and fathers talk and sing to their babies, provide predictable routines, offer stable and emotionally safe affection and nurturing care, all impact on children's social and cognitive development. Caring adults provide a healthy diet, appropriate books and toys, and ongoing attention to a child's needs. Parenting, what parents do, has become a key feature in the discourse on child development, and particularly on the social class gradient in outcomes.

Children's learning begins before birth and expands rapidly the day they are born. Very young babies use their senses and nascent manual skills to explore the social, emotional and physical world they inhabit. They make mental representations of the world they encounter, and these enable them to recognise familiar persons, sounds and smells. These representations are stored in their minds for future use and are the beginnings of each child's 'mental map' of the physical and social world. These earliest representations underpin all later learning, including memory, retrieval, and noticing differences and similarities. For this reason, it is important that very early 'emergent skills' are nurtured by sensitive adults at home and in early childhood settings.



#### Adequate financial resources

Family resources have an enormous impact on the ability of adults to provide quality care for very young children. Money itself makes a difference, not only in terms of the ability to provide the basics described above, but also because lack of money increases tensions between adults in the family, which in itself is co-related with poorer outcomes. Relationships matter; between child and adult and also between co-habiting adults, married or unmarried. Indeed, even in separated parents, ongoing positive relationships with access to both parents is good for young children.

Lack of money has a significant impact on parents' psychological bandwidth and planning for the future. A parent who is struggling to pay rent and food bills will have less energy and commitment to prepare healthy meals that may be rejected by children. They may be too tired to read the bedtime story every night and they can't afford the special treats that may go along with incentives for good behaviour. The 'digital divide' is emerging as a major issue for low-income families. Much advice and support for parents on early education, health and opportunities for socialising is delivered online. Some parents can't afford the electronic devices, as well as the toys and books that are educational and keep young children happy.

Poverty does not make adults bad parents, but it makes it much harder to be a 'good' parent. Language development, a critical factor in school success, is particularly affected by social class. Children from less well-off backgrounds hear fewer words, are less likely to be exposed to complex grammar, and are less likely to live in households with a range of books and reading material (Bradley et al., 2001; Hart and Risley, 2003; Romeo et al., 2018). Many low-income parents buck the trend, managing to provide a stimulating and loving environment for their children. The emphasis on 'parenting' in the last decade has increased the pressure on parents to provide learning and development activities for children that often come at a cost. More advantaged children are more likely to have parents who engage in the kind of parenting that leads to better outcomes. These factors may be contributing to widening the gap in school readiness between children in low-income families and their better off peers.

In the next section, we focus on what children need to thrive as learners and the specific elements of our ECEC system that are most important for learning and development.



# 3. Early childhood education and care (ECEC), focus on learning

Children always need warm and responsive caregiving but their need for 'early education' intensifies as they move through the preschool years. When they begin some form of non-parental care most children enter a new kind of relationship with persons who are not kin and who are paid to look after them. Good early years practitioners are fond of their children, but they are more detached and objective than parents. Ideally early educators are unbiased and professional in their relationships with children and these relationships support the child to navigate a path between informal family life and institutional structures. Early years educators support academic learning but also the development of attitudes and skills that enable participation in social groups outside the family. Readiness for school includes cognitive and linguistic skills but also, and importantly, social and emotional skills that underpin positive relationships.

The last century witnessed a transformation in ECEC in high- and low-income countries alike. Research studies across the globe demonstrated that children who attended ECEC went on to higher attainment later in school and they also had better health and social outcomes (Balladares and Kankaraš, 2020; Duncan and Magnuson, 2013; Hahn and Barnett, 2023; Melhuish et al., 2015). The early years are no longer viewed as a time only for play and socialising but as a unique phase of learning which demands skilled educators who understand child development as well as developmentally appropriate practice. It is this increasing emphasis on what practitioners 'do' (pedagogy) and not only 'what they have' (resources and the environment) that should be the driving force in future provision. There is a pedagogy for babies and toddlers as well as for older children. Pedagogy for babies focuses more on relationships and socio-emotional and physical development than on learning concepts and skills which are the focus for children over the age of two.

## 21<sup>st</sup>-century focus on quality

At the turn of the century, new research findings emerged showing that it was not only attendance in ECEC that mattered, quality mattered even more (Balladares and Kankaraš, 2020; Sylva et al., 2011). Structural quality (ratios, staff qualifications) and process quality (pedagogy, interactions) both influence children's development, although research has shown that process quality exerts a stronger



influence on children's development than structural quality. The influential Effective Preschool, Primary and Secondary Education (EPPSE) study (Sammons et al., 2004; Sylva et al., 2010) followed more than 3,000 English children from preschool entry to A levels or vocational qualifications. The pedagogical quality of the nursery each child attended exerted a lasting effect on their learning trajectories, with some poor children who attended the highest-quality settings achieving 'against the odds' and going on to high academic achievement (Siraj-Blatchford, 2010). The EPPSE study found that children who experienced low-quality early care did no better at school entry than children who had remained at home whereas children who attended high or medium quality provision did better on academic and social outcomes (Sylva et al., 2011). EPPSE also demonstrated that the beneficial effects of quality made a bigger difference to disadvantaged children than to their more advantaged peers, a finding echoed in many other studies around the world (Ulferts et al., 2019).

#### The key to quality is 'intentional pedagogy'

'Intentional pedagogy' (see Siraj et al., 2023a) is the deliberate support of children's learning in a way that begins with each child's current level of development and then moves on through specific interactions or resources to extend the child to a higher level of functioning. Intentional pedagogy does not happen by chance. An intentional educator plans for all aspects of learning, such as: resources and organisation of the environment; small/whole group sessions where educators decide what they intend the children to learn (eg, new vocabulary); and inside-outside learning experiences through play. All the above are planned purposefully and are responsive to the needs of children with diverse talents and interests.

Intentional educators use their knowledge of child development and pedagogy to organise learning experiences that are engaging for diverse groups of children (Siraj et al., 2023a). For example, when planning small group time, they plan learning opportunities that reflect children's interests and make links to the children's families, local communities and recent events, always aligned with the curriculum and ensuring progression. They design activities that offer the appropriate levels of challenge for individuals, ensuring they are neither too difficult (which could lead to frustration and giving up) nor too easy (which could lead to boredom). They observe the children, assessing their progress minute by minute and respond accordingly. For example, if a child is finding a puzzle too hard and leaves it uncompleted, the adult



may intervene to support the child to complete it or replace the puzzle with an easier one, thereby supporting perseverance and engagement. Finally, although they do plan, they also respond intentionally when an unexpected situation arises to take advantage of learning opportunities 'in the moment'.

An important skill of the intentional educator is to assess each child's level of development in order to extend it. Accurate assessment is even more important for children with Special Educational Needs and Disabilities (SEND) or English as an Additional Language (EAL) because it allows educators to plan specific activities to move the child forward, often with timely follow-up to see if the child has made the expected progress. This type of assessment for learning will be more efficient with advances in digital technology. A current example is the LanguageScreen (LanguageScreen, 2024) which is a tablet-based assessment of a range of language skills that can provide more accurate assessment compared to informal methods.

#### The early years curriculum and the reflective teacher

The Early Years Foundation Stage describes a curriculum of physical, cognitive and socio-emotional domains in which children's development is supported by a range of pedagogies, beginning with free play and extending to deliberate instruction. Over the last decade we have learned much about 'emergent' academic skills during the preschool period; the precursors to reading and mathematics are best acquired well before school entry. For example, sound play and word rhyming are appropriate and fun for children as young as three and they support later learning of phonics. Three decades of research have shown that the 'emergent' skills of pre-literacy and pre-maths strongly influence future reading, writing, numeracy, and understanding of science. We used to believe that it was best to delay teaching academic skills until school entry but longitudinal (Sylva et al., 2010) and intervention studies (West et al., 2021) show that beginning pre-literacy and pre-numeracy during early childhood gives children a better foundation for school learning. Moreover, supporting emergent academic skills in the preschool period is more important for poorer children than for their more affluent peers who are more likely to receive intellectual enrichment at home. Quite simply many children need support to navigate the leap from hands-on learning in the early years to symbolic learning in the primary curriculum.

At the core of intentional pedagogy is 'reflective practice' in which educators move beyond knowing what they should teach (based on 'content' knowledge of the



curriculum) to the creative application of pedagogical theory in everyday practice (called 'procedural' knowledge or 'knowing in action') (Mathers, 2021). While knowledge of the curriculum is essential for effective practice, so too is knowing how to transform that knowledge into pedagogical interactions suited to the talents and interests of individual children. Reflecting on their own practice in a critical way is key to continuous improvement.

## The role of the teacher or educator in supporting parents as 'first educators'

Research has shown that the home learning environment is a powerful force in shaping learning and development. Teachers and educators have a unique role in supporting it through informal conversation with parents about the child's learning at home, as well as parental involvement programmes at the school/centre. Working with parents requires skills that go beyond working with children, and the reflective practitioner engages with families in a way that respects and celebrates diversity and cultural traditions. Effective parental support requires time and training; it's not an optional extra.

#### Different types of ECEC

Children experience non-parental care in a variety of forms and through a variety of funding regimes. They may receive care in their own homes from nannies or in other people's homes from childminders or unpaid relatives or friends. Children receive centre-based education and care in PVI settings or in maintained nursery classes and schools. There is growing evidence about the effects on children of different types of education and care, a literature that deals with type of care and age of child.

## Attendance varies with age

Children attend different types of care at different ages. Some children begin home-based care from around nine months (the end of paid maternity leave) provided by a grandparent, family friend or childminder. The majority of non-parental care for the child approaching the age of two takes place in centres and this percentage is increasing (Melhuish et al., 2017). By the age of three the majority of children attend group care, in PVI settings or the maintained sector (Department for Education, 2023). By the time they are four and above, almost all



children attend reception class in primary school where they experience the final year of the Early Years Foundation Stage. Thus, children's attendance can be summarised as beginning mostly in the PVI sector but gradually moving to the maintained sector as they reach the age of statutory schooling.

#### Starting age and dosage

There is no ideal time for a baby or child to start in early education and care; children differ and so do the needs of families. Age of entry and weekly dosage influence children's development, for example Drange and Havnes (2019) found beneficial effects on school learning from ECEC as early as the second year of life. There is mixed evidence and highly politicised debates about group care for under ones with some influential research finding adverse effects (Melhuish et al., 2015). Balancing the benefits of additional income with the need for one-to-one care for babies remains a hotly debated issue. A recent study about care under one year expresses some concerns (Garon-Carrier et al., 2023), a common finding in the childcare literature (Belsky, 2001). They also found development risks associated with financial insecurity. They conclude: "providing families with the opportunity to care for the baby while having financial security during the first year of a child's life could benefit children's long-term mental health and promote healthy development" (Garon-Carrier et al., 2023).

Both the Effective Preschool, Primary and Secondary Education (EPPSE) study (Sammons et al., 2003) and the Study of Early Education and Development (SEED) research (Melhuish and Gardiner, 2020) found that starting before two was associated with some poorer socio-emotional outcomes at school entry (anti-social behaviour). The amount of ECEC between two and five was also associated with increased anti-social behaviour in SEED but this was more evident in children whose parents were in the top 60% income range. The adverse effects were seen more in boys and for children attending centres, especially those attending for a high number of hours each week. For both higher- and lower-income groups, however, the adverse effect of attending centre-based care was ameliorated if the setting was of high quality. The authors of SEED suggest that high quality may act as a buffer against the adverse effects of high levels of group care seen in the more advantaged children.

In contrast, both EPPSE and SEED found clear cognitive benefits from starting before three for all children. EPPSE (Sylva et al., 2010) shows that starting after the age of



two but before three benefited all children, but was especially beneficial for cognitive outcomes in children from families on low incomes. The more recent SEED study (Melhuish and Gardiner, 2021) confirmed this finding, suggesting that disadvantaged children benefited most for cognitive outcomes when they started before two. There was less of an advantage of the early start in more advantaged children, with the authors suggesting that children in more advantaged families had a richer learning environment at home and so ECEC was less important for them. Moreover a key finding from EPPSE and SEED for all children is that higher-quality care leads to better cognitive and socio-emotional development with EPPSE finding that quality was more important for disadvantaged children.

#### Patterns of weekly attendance

Weekly attendance patterns may matter too. In the EPPSE study, almost all children attended centre-based provision more than four days a week, often for half a day. This pattern changed by the time of the SEED study which found substantial numbers of parents using the flexibility offered to them to enrol their children for two long days. This new pattern of attendance has not been researched and there is no evidence on its effects compared to four or five short days each week. However, many professionals provide anecdotal evidence that attending for two long days does not have the benefits of daily attendance, citing children's failure to integrate fully into the peer group and lack of curricular continuity. For example, many centres plan curricular content around a five-day week with planned progression of content or skills across the week. A child who attends for only two days will miss out on parts of the curriculum or on key events that are shared by the full-time children. Friendships suffer too with practitioners reporting their full-time children make friends more easily and enjoy higher social status within the peer group.

#### Blended care

Some children experience 'blended care' which means they attend two or more types of care in a single week. We know little about the effects of blended care because research studies tend to classify each child as attending just one type, which may be the type they attend for the most hours. A common pattern is for children to spend two or three long days in a centre, then receive care from a combination of grandparents or parents in the remaining days. In another pattern, children attend for five half days, either morning or afternoon, and the required wraparound care is provided by a childminder. This form of blended care combines



the benefits of regular attendance at part-time education proven by research to improve cognitive and social outcomes, with the greater flexibility for parents working long hours. It is an attractive option in that it ensures a consistent weekly routine for the child and flexibility for parents, but it is likely to be expensive. There is no research evidence comparing either model of blended care to other forms of provision and both require complex organisation on the part of the parents or childminding agencies. We simply do not know the effects of a child being cared for in different types of care on different days, or in two types of care during a single day.

In the next section, we shift our attention to the wider ECEC system in England – the provision of high quality ECEC requires a system that rewards and sustains quality.

# 4. Early education and care, focus on the system

#### The early childhood system in England

Responsibility for policy on early years education and care is devolved to the four nations of the UK. In England policy is managed from the Department for Education (DfE). However, the Department for Work and Pensions (DWP) also has a keen interest in relation to workforce participation. The Department of Health and Social Care (DHSC) also plays a crucial role in services that affect school readiness including: speech therapy, dentistry, and complex support services for children with special educational needs. As in all domestic policy, the Treasury has a keen interest, again largely to do with workforce and expected savings on out of work benefits.

The system providing ECEC is complex and consists of funding, regulation, workforce, professional training, curriculum content, and mandated pedagogical and care practices that include ratios and qualifications (Kagan, 2019). The system is based on values, some shared and others varying across regions and communities. A large body of research (for example by the DfE and the Education Endowment Foundation) has been undertaken and many policymakers and practitioners are keen to implement evidence-informed services. Successive governments have implemented policies aimed at supporting both gender equality and parental choice. These two aims can be in tension; parental choice is limited by family income. Better off parents can choose more expensive care and can choose care



further away from home. Better paid employment tends to have more family friendly HR policies, and opportunities for more flexible home/office working patterns. Families are keen to choose the providers and attendance patterns they think will best suit the needs of both children and parents, but those choices are not open to all.

Since 1997, free early years group provision has been a part of government policy. An original commitment to the delivery of free 12.5 hours per week for all three- and four-year-olds in term time only was achieved in 2004. In 2013 two-year-olds from low-income families were offered 15 hours per week free, largely based on the evidence cited above about the benefits of starting before three. The current arrangements are for free 30 hours per week for working parents of three- and four-year-olds, and free 15 hours per week for two-year-olds in families in the bottom 40% of income distribution. In 2023 the Government announced a commitment to free 30 hours per week for working families with a two-year-old child, starting in 2024. They also committed to free 30 hours per week for babies from nine months of age starting in 2025. While this news was broadly welcomed, there remains concerns that the subsidies available to providers for the free hours will not be adequate to ensure the quality of care that is essential for good outcomes for children.

In September 2023, the Government increased the hourly rate paid to providers of childcare; providers receive an average of £5.62 per hour for three- and four-year-olds and £7.95 per hour for two year olds, recognising the extra costs for younger children. There is a commitment to increasing the rates again in 2024. Childcare providers argue that the new rates will still not be sufficient to cover adequate staff salaries and training costs. In addition, providers also receive additional payments for children whose parents are on some income related benefits. This 'pupil premium' is paid at £353 for three- and four-year-olds, while the rate for primary school children is £1,455 per annum. Moreover, for school aged children the application process for additional funding for low-income children is handled by the school administration. For younger children, parents themselves have to apply, distinctly disadvantaging providers in the voluntary and private sectors.

## A mixed economy of provision

A key feature of the ECEC system in England is its 'mixed economy' structure - it includes private, voluntary and independent (PVI) providers along with maintained



provision. Childcare and education is funded through supply side (money transferred to providers) and demand side (money transferred to families) mechanisms. If families need more hours than the free entitlements described above, they either pay themselves, or access a variety of childcare cash subsidies from the state, based on their reliance on benefits. With a few exceptions, most OECD countries provide ECEC services via a mixed economy, although the relative proportion of each varies considerably. Scandinavian countries tend towards a preponderance of state provision, while the US tends toward private provision, except for the very poor. Some key features of both sectors will be described before proposing a new early education and care system by the year 2040.

#### 'Preschool' in the maintained sector

Alongside PVI provision, some families can access ECEC in maintained settings, which are either nursery classes in primary schools or standalone maintained nursery schools. Nursery classes and schools are led by teachers with degrees, usually they hold Qualified Teacher Status (QTS) but occasionally Early Years Teachers (EYT) status. In each room the teacher leads a team that includes professionals with other qualifications, usually a teaching assistant with a Level 3 qualification. In general, staff in the maintained sector have higher qualifications compared to the PVI sector and this is linked to higher salaries. Although the maintained sector was formerly under the direct control of local authorities, the role of local government in running early years provision has greatly diminished as more schools join academy trusts. Most of the maintained sector is fully funded and run by the state, although increasingly under the governance of academy trusts rather than the local authority.

Although there are fewer than 400 nursery schools in England, they punch above their weight in leading innovative practice and training across both sectors. Many nursery schools became children's centres and with additional funding were able to take on a wider role in family support. Many nursery schools have 'teaching school' status with government funding to support practice in nearby settings, or to provide initial teacher training and professional development for others in the sector. Most nursery schools are in large buildings with spacious gardens and play-space surrounding them. They have been the 'jewel in the crown' of ECEC, and, not surprisingly, they are the most costly form of provision to operate. However, this high cost is offset by their wider responsibilities. DfE statutory guidance requires that maintained nursery schools play a leadership role across the local system, including PVI and maintained provision.



#### Reception classes

Every primary school has one or more reception class, led by a qualified teacher and often with a classroom assistant who typically has a level 3 qualification. Although the mandatory age for starting school remains the term after the fifth birthday, in reality the vast majority of families choose to send their child to reception sometime after the child's fourth birthday. The reception curriculum is slightly more formal than the 'preschool' one, with deliberate instruction in academic skills of literacy, numeracy and science. New and deliberate strategies for supporting pre-literacy and pre-numeracy in reception have emerged in this century; they are less formal than those in Year 1 and aim at giving young children a strong foundation for formal learning of the National Curriculum (West et al., 2021). Ideally the reception class provides a bridge between a more play-based pedagogy in nurseries and more formal, academic teaching in Year 1.

We strongly believe that the reception year should remain in the Early Years Foundation Stage, with its emphasis on learning through play and strong family involvement. Importantly the reception class gives every child access to the final year of the Foundation Stage curriculum under the leadership of a QTS teacher trained in a higher education institution.

#### The PVI sector

The PVI sector includes home-based care by individuals such as childminders and centre-based care in playgroups or nurseries (ranging from standalone to large chains). Although care in this sector is not governed by the state, it is highly regulated in terms of required ratios, physical environments and inspection. Most of it is funded by government through early education grants to local authorities, who in turn pass on payments described above for 'individual hours' of attendance by eligible children. The sector is well known for its flexibility, especially for children under three, with some childminders providing care outside normal working hours and private nurseries remaining open for long days and through school holidays. For this reason, the PVI sector provides the longer hours and flexibility that most working parents require. Many parents choose a PVI place because it meets their employment requirements better than a place at nursery class or school. Because PVI provision operates outside the days of the school year, it eliminates the need to find alternative care during school holidays. The differences between the PVI sector and the maintained sector clearly illustrate the tension in the multiple aims of early



years provision: female participation in the labour force to reduce poverty and improve gender equality, and high-quality regular attendance to improve child outcomes.

Some have expressed concern about the increasing involvement of private equity in childcare. A recent report from UCL (Simon et al., 2022) studied administrative data from a sample of 80 nurseries. It warned that nurseries were increasingly being bought by private equity companies that were "heavily indebted" with "risky financial operating models [that] could threaten the provision of nursery places". The lead author, Antonia Simon, said that providers who are "heavily reliant on private equity funding were more likely to have high debt, low cash reserves and be at significantly greater risk of collapse" (García et al., 2023). These are worrying words for parents or policymakers when considering the private sector.

Another form of provision in the PVI sector is care in someone's home, usually a childminder. The 'domestic' curriculum particularly suits the needs of children under two, many of whom find a long day in the presence of many other children and several adults tiring and distracting. Relationships between child and individual carer are more intimate; the carer knows the individual child better than a practitioner in a centre and parents have only one carer with whom to form a partnership centering on the child as well as the flexibility of hours needed for working parents. We believe that childminders should not be expected to offer the same curriculum as group providers; the kinds of learning that take place while sorting the socks, or washing the vegetables is more spontaneous, less planned, but particularly suited to very young children. Childminders can more easily take children outside, often to the shops, local library or to the park and children learn much from interacting with people in the community. Ideally, the childminder provides the benefits of a 'good home learning environment' which EPPSE and SEED have shown to exert strong influence on children's academic and social outcomes. Some children's centres and family hubs offer drop-in sessions that childminders use.

Over the last 10 years a lack of investment has led to a lowering of qualification levels in the early years, but especially in the PVI sector (NDNA, 2019) along with lower access to continuing professional development (CPD). One feature of the lowering of qualification levels is a rise in unqualified staff and an increase in Level 2 staff, with a worrying decline in the number of staff at Levels 3 (A Level equivalent) and 6 (degree). Any legislation that would Increase the level of qualifications



required in the workforce will not be effective if salaries and conditions are not sufficiently attractive to draw talented candidates into PVI settings.

#### The relationship between quality, qualifications and sector

Quality is not equally dispersed across the early years and several large-scale studies have found that quality is higher in the maintained sector than in the PVI sector (Bonetti and Blanden, 2020; Mathers et al., 2007). This is not surprising because the workforce in the maintained sector enjoys higher salaries and better working conditions, along with higher status. The 'intentional educator' engaging in 'reflective practice' is more likely to be a teacher than a professional with lower qualifications. For this reason, many local authorities place children with SEND in maintained settings because their more skilled workforce is better able to support the developmental needs of children who struggle to learn. In general, the SENCO programme in nursery classes and schools is more expert than in the PVI sector and the school's governing body has stringent requirements with regard to special needs, including formal monitoring.

The last decade has seen a gradual increase in quality in the PVI sector (Melhuish & Gardner, 2021) with the vast majority of settings now rated as Good or Outstanding by Ofsted. Although quality is improving slowly in this sector, lower staff qualifications and higher staff turnover mean that quality remains lower than in maintained settings. Talented and experienced Level 3 staff in PVI settings jump at the chance of a post in a primary school because the pay, working conditions and job security are usually better.

Many research studies now show that slightly higher quality is associated with a higher percentage of qualified teachers with degrees in education (Mathers et al., 2007; Melhuish and Gardiner, 2017). Other studies have found that quality is slightly higher in settings led by a QTS teacher, next higher in settings led by an Early Years Professional Status (EYPS) practitioner, followed by a staff member with Level 3 or 4 qualifications. This is in line with salaries, which are highest for QTS teachers and much lower for Levels 2 and 3. A spate of recent reports on the future of early years education and care all came to the sad conclusion that the system is under-funded and that high-quality provision will not be achieved with a low-paid, low-qualified workforce (Jarvie et al., 2023; Kindred² et al., 2022; Statham et al., 2022). New CPD programmes can lead to some improvements in quality (Dockrell, 2023; Siraj, 2019;



Siraj et al., 2023b) but will not solve the problem of low qualifications, low entry requirements, and above all – low salary.

Using the 2016-2018 Labour Force Survey, Bonetti (2019) concluded that the childcare workforce is less qualified than both the teaching workforce and the general female workforce. Pay is low, both in relative and absolute terms, and a high proportion of workers are claiming state benefits like Universal Credit. While pay in real terms is decreasing for childcare workers, it is increasing for groups with similar qualifications such as hairdressers and beauticians. Perhaps the most worrying of all, Bonetti points out that 'qualification levels are likely to be even lower in the future because the workforce is ageing, and fewer employees are upskilling'. The Sutton Trust report (2020) on the early years workforce concluded "the early years sector has the potential to attract passionate, competent and committed workers" but it went on to argue that low pay and poor working conditions have led to declining qualification levels. A poorly paid job that you love is no longer affordable and the system is at breaking point with many nurseries closing because of staff shortages and very high turnover (NDNA, 2023).

## Training and supporting the workforce

The training of teachers takes place in higher education although more recently in 'school based' courses such as Teach First or School-Centred Initial Teacher Training (SCITT) where graduate trainees are employed as teachers while undergoing training. In both routes the trainee teacher is over the age of 18.

There are two types of early years teacher: those with Qualified Teacher Status (QTS) and those who are Early Years Teachers (EYTs). EYTs are not qualified to teach throughout the primary age range, whereas those with QTS are, supporting their claim to pay parity with other primary school teachers. Staff who hold EYT status are not viewed as equal to those with QTS, and EYT training courses report a sharp decline in applicants. However there is an insufficient pipeline for both types of degree level teachers, with fewer teachers entering the workforce compared to five years ago.

Levels 2 and 3 childcare staff are trained in further education (FE), with qualifications that are equivalent to A level. Level 3 staff receive their practical training in FE whereas all QTS teachers are supervised on teaching practice by a higher education (HE) tutor. Many believe that teachers who are educated in an HE



institution and whose practice is supervised by an HE tutor are trained to become 'reflective' practitioners (Furlong, 2013). In contrast, Level 3 training takes place in FE and focuses on skills, much less on reflection on practice or on critical thinking. The intentional educator operates as a reflective practitioner and most of them have been trained at university in critical thinking. Also important is the fact that Level 3 training at FE is usually undertaken by 16 to 19 year olds, while QTS teachers receive their practical training when they are more mature (18 to 23 year olds).

## Continuing professional development

Continuing professional development (CPD) is vital as it can refresh skills or impart new methods as they become available. It can also energise educators and make their jobs more rewarding. The development of generative AI will change practice in ways we cannot foresee today. CPD could become tailored to each educator, following the interests and needs of the children for whom they are the key person. Al can generate exciting activities and programmes to support specific pedagogical goals for individual children or groups, such as those with SEND or EAL. Each educator can have specialist expertise on call and computerised assessment will aid them in identifying the needs of those whom they teach. Ongoing professional development might be built into each educator's day-to-day planning and administrative burdens will be lightened with record-keeping and planning software. What AI cannot do, however, is establish a warm, supportive relationship that is attuned to each child and shaped by the personality and expertise of the educator. The Education Endowment Foundation has published useful guidance for effective CPD (Sims et al., 2021) and there are many promising new approaches for the early years including interventions that combine teaching explicit skills with support to develop procedural knowledge to use flexibly across different curricular activities (Dockrell, 2023).

## CPD for improving weak settings

4.22 CPD can make all the difference after an adverse Ofsted inspection or in the case of weak practice detected by a nursery chain or local authority advisor. We cannot deal with inspection in the depth it deserves but advocate here for a new regulation system that will support workforce improvement. We believe that the next few years should see major changes in Ofsted, moving it or its successor from a 'punitive' inspectorial agency to one that supports improvement in weaker settings through constructive inspection. Other OECD countries, such as Singapore, have



regulatory systems in place that wield the carrot to incentivise improvement while using the stick to reprimand poor performance. If inspectors find a setting to be inadequate, government officials offer CPD to support improvement (Bull and Bautista, 2018).

# 5. Integrated community-based family support services

Successive governments have directly provided or encouraged others to provide advice and support for young families. Such support is hugely variable: from offers for all families like midwifery and health visiting, geographically targeted support based in local communities through children's centres and family hubs, statutory social services support for children at risk of harm and/or neglect, and increasingly, support delivered digitally via apps aimed at parents. Some support services are mandated, some provided by the voluntary sector and often commissioned by local authorities, and some are provided by private companies. Family support is a policy area that cuts across several Whitehall departments. Benefits and family leave are mandated by the DWP; early education and childcare policy and children's social care sits within the DfE, and the DHSC regulates health visiting, midwifery and maternity services. The Department for Levelling Up, Housing and Communities also plays a role, particularly with its responsibility for evening out differences in outcomes for children between regions of England.

## Children's centres, family hubs

For decades local authorities and charities have run integrated community-based services for young families. These centres aim to improve outcomes for children by providing support for parents. They are usually located in low-income neighbourhoods and bring together a range of formal and informal services: stay and play sessions, and advice on parenting, health, employment and benefits. Many also offer education and childcare on the same site or are linked to a primary school offering early years education and care. A small number have midwifery suites for ante- and post-natal checks. Depending on the managing organisation, some centres have a primary aim of improving the home learning environment, some concentrate on social integration, building community cohesion, while others have a strong health focus. All have some combination of these aims, making them very difficult to evaluate.



The most ambitious funding programme for these centres was Sure Start. Set up by the Government in 1999, in its first phase, 250 Sure Start local programmes were set up, geographically targeted. The locations were based on population poverty levels, but once established they were open access for all families with young children living in the catchment. In the Spending Review of 2002, the target was doubled to 500 local programmes. An initial budget in 1999 of £450 million over three years was raised to £500 million per year in 2002. By 2004 the Government decided to make access to integrated neighbourhood-based services, now relabelled as Sure Start children's centres, available to all local areas in England. At its height, there were over 3,500 such centres in England. Internationally, there are many similar models of integrated neighbourhood support. A recent Sutton Trust report identified these joined-up approaches as particularly effective in engaging disadvantaged families (Brown et al., 2023).

Post financial crisis, the Coalition Government imposed major cutbacks to local authorities, which resulted in huge reductions to services for young children. While offers of free childcare continued to expand from 2012 to 2023, these policies were designed to enable labour market participation. The availability of neighbourhood-based centres offering a range of support services for families with young children declined substantially (Smith et al., 2018). By 2019 spending on Sure Start fell by 62% from its height in 2011 (Britton et al., 2019). Responding to reductions in funding, children's centres became more focused on children at risk, many becoming referrals only for families with complex problems. These changes inevitably meant centres began to focus more on social services for vulnerable families. Centres then became rebadged as 'family hubs' and expanded the age of children served, from predominantly under five year olds, to birth to 19 year olds. This widening of the age range reinforced the changed focus on families at risk with complex problems, regardless of the age of the children. It inevitably meant a severe reduction of the activities designed to promote mutual support and community cohesion. Some centres continued to offer a wider range of services, but offered them only on certain days. Moreover, as centres closed, the distance to travel to a family hub increased. The principle of open access integrated support within pram-pushing distance for young families was lost.

Two main studies looked at the impact of Sure Start local programmes and children's centres on children and families. The National Evaluation of Sure Start (NESS) was commissioned at the beginning of the programme and published several



reports. NESS found no evidence of direct improvement in children's cognitive skills as a result of local programmes and children's centres, but they did find improvements in parenting: less home chaos, improved home learning environments, and some health effects (National Evaluation of Sure Start (NESS) Team, 2010). The Evaluation of Children's Centres in England (ECCE) was commissioned in 2010 by the outgoing Labour Government. It started work sometime after the 2010 election, albeit with a reduced budget. What was innovative in this evaluation was its measurement of parental engagement with local centres, enabling researchers to assess the effects of different patterns of use, including intensity. ECCE also found positive results for parents. Unlike NESS, the ECCE design enabled the researchers to investigate the relationship between patterns of use and children's outcomes:

"Taken together, the impact study results reveal that both family engagement in service use and certain children's centre characteristics and processes showed positive effects, particularly for family and mother outcomes. However, some positive effects on child outcomes were also found which suggests the potential for children's centres to influence child outcomes even though most centres in our sample were not providing childcare, and most children used childcare offered by other providers. It should be recognised that children's centres were typically emphasising parenting and family services. Therefore, it is perhaps unsurprising that the more notable effects were found for improvements in family functioning and parenting, and to a lesser extent, mother outcomes" (Sammons et al., 2015).

The most recent, and perhaps the most surprising evaluation of Sure Start was published in 2019 by the Institute of Fiscal Studies (IFS) (Cattan et al., 2019). This research looked at children up to the age of 12, whose mothers and some fathers had access to Sure Start local programmes or children's centres. They found that Sure Start reduced the likelihood of hospitalisation among children of primary school age. These benefits got bigger as children got older. At younger ages, a reduction in infection-related hospitalisations played a big role in driving these effects.

At older ages, the biggest impacts were felt in admissions for injuries. Sure Start drove a significant fall in injuries at every age, with the probability of an injury-related hospitalisation falling by around 17% at the younger ages and by 30% at ages 10 and 11. Sure Start was benefitting children living in disadvantaged areas most. While the poorest 30% of areas saw the probability of any hospitalisation fall by 11% at age



10 and 19% at age 11, those in more affluent neighbourhoods saw smaller benefits, and those in the richest 30% of neighbourhoods saw practically no impact at all. These findings indicate that the benefits of early years services go well beyond school readiness in terms of lifelong outcomes.

The next stage of government policy for neighbourhood support for families with young children was secured by Andrea Leadsom MP. Leadsom had been a champion of perinatal and parent infant mental health for years. In March 2021 the Government published her review, The best start for life: a vision of the 1,001 critical days (DHSC, 2021). She argues that the first two years of life are a critical period. Good experiences in these first years are the key to success in adult life, and poor experiences can scar life chances. Following the review, the Government announced a new Family Hubs and Start for Life programme funded with £300 million. Resources are going to half of local authorities in England to fund new or transformed family hubs. The family hubs continue to provide services for nought to nineteens, but the Start for Life programme concentrates on pregnant women and new mothers and fathers (Department for Education, 2023). The range of services for young families is not dissimilar to the Sure Start model with two essentially new features. A lot more attention is paid to staff training, and the use of digital models of providing advice and support. Unlike Sure Start, Start for Life is not particularly targeted at poor neighbourhoods. While the half of local authorities getting the funding are relatively poor, the decisions on where to put the family hubs is up to the authorities themselves. Furthermore, the overall funding is significantly less generous than Sure Start. Evaluation is under way on Start for Life, but the evaluation is not as detailed nor as far reaching as the evaluations of Sure Start children's centres. There are no published results as yet.

## Parenting programmes

Embedded within the Sure Start centres and family hubs described above, are a range of parenting programmes offered in settings. Parenting programmes are usually manualised with a prescribed curriculum aiming to 'teach' mainly mothers (and some particularly aimed at fathers) how to promote positive social, emotional and cognitive development in their children. Some are explicitly about behaviour, others aim to improve the home learning environment. There have been a range of reviews looking at the evidence of effectiveness in improving outcomes for children and building parenting skills and confidence. The Early Intervention Foundation conducted an evidence review of the most commonly used programmes in the UK.



Of the 75 programmes that they studied, 17 had a strong evidence base and 18 were deemed as promising. So fewer than half of those studied were well rated. Their main findings are:

- "There are a range of effective programmes, differing by approach and rationale. This report has identified 17 programmes with good evidence that, if carefully commissioned, are likely to be effective.
- Although the case for early intervention is very well made, the overall evidence base for the programmes available now in the UK needs further development.
- Overall, the evidence is strongest for targeted programmes based on early signals of risk in child development.
- Programmes which focus on children's behavioural development tend to have better evidence of effectiveness than those focused on attachment or cognitive development." (Asmussen et al., 2016)

The effective programmes are dependent on well-trained staff and considerable support to ensure participants turn up: transport, childcare, provision of refreshments all help to reduce dropouts from programmes. This means the unit cost of delivery of parenting programmes can be very high. Moreover, the ECCE study found that the more effective children's centres included well-evidenced parenting programmes in the services on offer. However, the cost of running programmes meant that on average, only two or three groups were run each year, reaching a very small number of parents for a large investment. As indicated by the Early Intervention Foundation review, targeted programmes based on early risk indicators and delivered with fidelity are likely to be effective. Widespread open access programmes are less likely to deliver value for money but staff in children's centres told the ECCE researchers that they attracted families to the centre where they could be introduced to more intensive and effective programmes.

## Digital support now and in the future

The use of technology in parenting support has become widespread. Mumsnet, established in 2000, was an early pioneer, set up to enable the sharing of advice and information parent to parent. It now gets in the region of eight million visits per month. Parents also regularly use search engines and social media to get professional advice. Parenting programmes are often delivered online, but as in face-to-face programmes, there is a high level of attrition. Some government



funded support programmes, like Family Nurse Partnerships, use a combination of face-to-face and digital communication.

With the advent of generative AI, we are on the cusp of a technological revolution that may well change provision and practice in ways we cannot foresee today. Many things could improve – early assessment, diagnosis and treatment could become truly tailored to the needs of each child, reducing the need for remediation programmes later in childhood. Rather than parents using search engines for advice, support could take the form of a personalised AI that learns children's interests and provides parents with helpful tips to scaffold learning. On the ECEC front, advancements in computer vision and automatic speech recognition technologies could mean that ongoing professional development is built into a professional's day-to-day routine, improving the quality of one-to-one interactions with children. Such possibilities seem ambitious at present, but given the potential developments anticipated over the next decade, they may not be that far away.

But there are also risks. The 'digital divide' means that the benefits of such technologies are not shared equitably across different populations. A major review of digital applications for families with young children concluded that while there was clear promise in the approaches, there were ongoing questions about acceptability for low-income groups, and individuals with limited literacy skills (Hall and Bierman, 2015). As those who are richer and more educated reap the benefits of advancements in AI, the gap between low-income citizens and the rest continues to grow across many metrics of health and education. Challenges around accessibility for users with low literacy or digital skills as well as technical issues, including limited connectivity and access to devices, mean that the bar for reaping the benefits of such technologies is high.

# 6. Money for low-income families: reducing financial pressures

As mentioned above, decades of research have shown that children from poorer backgrounds do less well in school than their better off peers, and that those differences in outcomes can be measured at school entry and widen as children progress through their school lives (Goldstein and French, 2015). The gap in educational outcomes for less advantaged children is widening (Hutchinson et al., 2019) and Covid has intensified the gap (Education Endowment Foundation, 2020).



These differences in school success have an impact on life chances in adulthood. What is less well established through research is how to address disadvantage based on family circumstances at birth. Most governments respond with a mix of strategies that aim to 'reduce' poverty by progressive social security measures or 'mitigate' the impact of poverty by compensatory services.

# Increasing family income

The premise of cash transfers is that if children in poor families do less well, targeted cash payments for these families would alleviate poverty and in turn, improve child outcomes. Cooper and Stewart (2017, 2013) found a causal relationship between income and child outcomes through two mechanisms: lack of cash means parents cannot provide books, toys, adequate clothing or an adequate diet for their children. Secondly, financial hardship in families increases stress and conflict between adults. Stress between caring adults has a negative impact on child outcomes. Would giving more money to families reduce stress?

Policy interventions to decrease child poverty, either through the benefit system or cash transfers have been tested over several years. There is great difficulty in establishing what level of transfer can deliver changes over what period of time. While in low- to medium-income countries cash transfers have been shown to be effective, the impact has mainly been about reducing poverty itself by providing families with sufficient funds to become self-reliant. This is possible because a relatively small amount can be life changing in some low- to medium-income countries (eg, \$1,000 USD). In high-income countries the amount would have to be much higher to achieve a similar impact.

In the UK, evidence is weaker on whether poverty reduction results in improved school readiness. The most common form of cash transfers currently tested in wealthy countries is the Universal Basic Income, a fixed amount of cash given to all to provide a floor of resources adequate to provide the basics (UBI). This is currently being trialled in Wales for all care leavers, and trialled in England on a very small scale with only thirty participants from Harrow and East Finchley, matched with a similar set of participants not receiving the basic payment (Frost, 2023). An important aspect of UBI is that it is not means tested. Alternately, all wealthy countries have a variety of established systems and policies, some universal and some targeted, that reduce the financial strain on young families. Below we describe two of the main



methods: parental leave arrangements and social security arrangements, including child benefit payments.

## Employment leave for new parents

Among high-income countries the most common form of cash to parents is paid maternity, paternity, parental and home care leave. Maternity leave is time off, usually with pay, just before and after the birth of a baby. Paternity leave is leave for fathers usually just after the birth. It is usually much shorter than maternity leave and, in the UK, paid at 90% of average pay or £172.48 per week, whichever is lower. Parental leave is often shared between parents, with some countries designating specific paternity leave. In some countries it is used sporadically for child emergencies and illness. Home care leave protects employment but is paid at a low rate as it can extend as long as two to three years. It is designed to compensate those mothers who prefer to look after their children in the early years.

Among OECD countries, only the US has no federally mandated paid leave around the birth of a baby. Other OECD countries vary enormously, both in terms of length of unpaid leave, paid leave and rate of pay (OECD, 2024). A fundamental tension for all countries has been cultural views about care for very young children and the impact on women's career prospects with long periods of time out of the workforce. The UK Government has moved on these issues over many years. Some social security benefits are conditional on work seeking behaviours. These conditions have steadily moved from work seeking requirements for a parent with a child as old as 14, to the current position where a parent with a youngest child of three years is required to seek a minimum of 16 hours work per week. In 2006, maternity leave was extended to one year and paid leave extended to nine months. The intention of the Government was to extend paid leave to one year by the end of the next Parliament (HM Treasury et al., 2004). The anomaly of nine months' paid leave and three months' unpaid has a particular impact on the lowest paid, as does the very low rate of pay for most of the nine months.

In almost all options, family income and wealth will affect choice. Families in work on very low wages will find it more difficult to take even the nine months at very low pay, let alone the three months with no pay at all. Some OECD countries, notably Sweden, Finland and Denmark, have longer paid leave than the UK, although not nearly as long as Lithuania, Latvia, Estonia and Hungary among others. Many of the OECD countries with the most generous paid leave arrangements wanted to



encourage women to have children because of very low birth rates, as well as strong cultural views about mothers and the care of infants. It is not possible to link better family leave arrangements with better rates of educational attainment or school readiness at five. These arrangements have largely been enacted based on parent demand, and research about early infant emotional development. We are not aware of any research testing the impact of leave arrangements on educational success. It is clear that generous leave arrangements provide some financial stability across all classes during a child's very early years.

# Social security arrangements

Social security arrangements are intended to provide a safety net for families whether in or out of paid employment. A firm belief of successive governments has been that the best way out of poverty is employment. The Labour Government from 1997 introduced a wave of policies designed to encourage female labour market participation: a huge expansion of childcare along with a complex set of tax and benefits arrangements to ensure families were better off in work than wholly reliant on taxpayer funded benefits. In the first ten years of the Labour Government, spending on cash benefits for families with children nearly doubled. Poverty fell steeply, especially for families with children under five (Stewart, 2009). The financial crisis in 2008 put a strain on such arrangements but they were maintained until the Coalition Government took power in 2010. This was followed by ten years of austerity measures which saw huge cuts in actual amounts of money paid in benefits, and reduced eligibility for some benefits. The changes to the benefits system have resulted in relative child poverty rising from 27% in 2013-2014 to 31% in 2019-2020, just before the pandemic. Families with three or more children have been hit the hardest. The absolute poverty rate for children in large families rose from 35% in 2013-2014 to 38% in 2019-2020. Families with more children have experienced greater reductions in the real value of working-age benefits since 2010 (Cribb et al., 2022). They are more reliant on benefits, and given the cost of childcare, need to earn significantly higher wages to make work pay.

A further strain on large families was the introduction of the two child limit. Some targeted benefits were paid with regard to the numbers of children in the family. In 2015 the Government announced a limit of child tax allowance and Universal Credit for the first two children. The intention was to reduce the costs of child-related benefits. The principle justification was that families should face the consequences of large families. Such personal decisions should not be borne by the state. Evidence so



far is that the limit coincides with a very small decrease in the birth rate of third or subsequent children, about one percent of all births (Hobson, 2022). The limit has contributed to increases in child poverty as it clearly affects large families who were more likely to be poor before the introduction. Ultra-Orthodox Jews and Muslim families tend to have larger families (Dubuc, 2009) so are likely to be particularly at risk of poverty.

### Child benefit

Child benefit was introduced in 1977 to replace a number of other benefits to families. It is a universal tax free payment to the mother for every child to compensate for the costs of bringing up children. Until 1998 there was an additional payment for one parent families. Labour abolished the single parent supplement. In 2013 the Coalition Government started taxing child benefit if either parent was earning more than £50,000. If either adult was earning £60,000 the full benefit was clawed back in tax, hence abolished for high earners.

A key question remains: did the reduction in child poverty along with the investment and expansion of childcare result in improvements in school readiness for young children? Has the increase in child poverty widened the gap in school readiness over the years of austerity? Are there other issues of child wellbeing linked to poverty that justify costly policies to reduce poverty?

# Supporting families: income and services

What conclusions can be drawn from both social support structures to increase confidence and capabilities for parents with young children and financial support to reduce pressures on families? As was found in the ECCE study, integrated family support can mitigate the negative impact of poverty but cannot close the gap between poor children and their better off peers. The mitigations can be seen in improvements in parenting, and some impacts on child social and emotional wellbeing. Given the growing demand on child mental health services, integrated family support may be a preventative measure to promote mental health, as well as physical health, demonstrated by the previously mentioned study by the IFS. There also is no direct evidence that links parental leave, improved benefits or advice and support for parenting to academic achievement, either at school entry or later in life. There is clear evidence that children from better off backgrounds tend to achieve more at school. However, the corollary of improving family incomes itself



improves school readiness is unproven. There is evidence that policies that reduce pressures on mothers and fathers do reduce conflict within families, and family conflict impacts adversely on children's social and emotional wellbeing. Decisions on whether public funding should be dedicated to ameliorating the impact of poverty, or reducing poverty itself is highly contested.

# 7. An ideal system to narrow the gap

Our vision for an ideal system is a mix of evidenced-based recommendations, strongly-held views of professionals based on decades of experience, and observations of how systems work in different countries. International comparators are always difficult in that there are such strong cultural views on gender equality in the workplace and traditional views about family life and gender roles. Attitudes towards public services, tax burdens and trust in the government to run services vary widely. European models tend to favour high taxes and quality services; Anglo-Saxon countries tend to prefer low taxes and personal choice on how family income is spent. Most high-income countries have a mixed model of private, voluntary and public provision. Quality is also highly variable within and between countries, as are training requirements for staff. An ideal system for the future is unlikely to be attainable for at least ten years, but there are steps we can take to incrementally improve the current English system.

The steps we recommend are intended to improve the system for all and reduce the gap in child outcomes for the families on low incomes. They combine a series of detailed recommendations about early childhood care and education in which the maintained and PVI sectors collaborate, along with a series of recommendations about integrated neighbourhood services and two recommendations for improving family incomes.



# Recommendation 1: Building quality through a quality workforce

Improve pay, working conditions and career structure for the early years workforce.

- Improve workforce training to ensure a ladder of qualifications and ongoing CPD, building collaboration between universities, further education colleges and providers
- Increase the hourly rate to underpin investment in wages
- Increase the pupil premium to the primary school level, and allow providers to apply for it instead of parents.

Consistent evidence indicates that particularly from the age of three, qualified teachers working alongside highly-skilled early educators trained to Level 3, have the biggest impact on the quality of learning in settings. Level 3 should be the standard qualification level for those working with under twos; QTS for those working with older children. Moreover, if the aim of early learning is to improve outcomes for all and narrow the gap in outcomes between children from low-income families and their better off peers, quality matters even more. The pipeline to deliver the quality needed in the early years workforce is running dry, and will only be filled by improvements in pay and conditions described above. In simple terms, the early years sector will not attract the workforce needed to provide high quality without significant investment in pay and conditions. With enhanced pay, conditions, and career structure, improvements in esteem for those working with young children, will in turn, improve collaboration of services at local level. Up to now, major investment in childcare has been in increasing free hours for working parents. We need now to invest in ensuring the poorest children receive the quality essential to narrow the gap. The key to this is improving the qualifications of the workforce, especially in the PVI sector, using mechanisms such as the Graduate Leader Fund (Mathers et al., 2011) to incentivise settings and practitioners to raise qualification levels.

#### Training the workforce

We need to improve workforce training to ensure a single ladder of qualifications and ongoing CPD, building collaboration between universities, further education colleges and providers. Moreover teacher education needs to be enhanced to include the needs of two year olds. The current distinction between QTS and EYTs should disappear and all teachers would have the same salary and working



conditions as today's QTS teachers. In this, we opt for levelling up rather than levelling down. All current EYTs should have the opportunity to work towards QTS.

We recommend that universities offer training of teachers with strong partnerships between local universities and individual early years settings. Funds for CPD would be ring-fenced and training would be coordinated by the local authority and delivered via a mix of in-person and online activities. Digital training has been shown to be effective (Zhou et al., 2023) and it is more easily accessible to staff from rural settings or people with caring responsibilities.

# Recommendation 2: System reform for the early years

Transforming ECEC: a mixed economy where sectors are not in competition with one another.

- Provide adequate funding for the PVI sector via the hourly rate for childcare and the pupil premium
- Give local authorities statutory responsibility for ensuring childcare sufficiency and for professional development of early years staff
- Link childminders to local ECEC settings and children's campuses.

Threaded through political discussions about ECEC has been the thorny relationship between the PVI and the state-run provision. The vast majority of countries in the EU and the OECD have hybrid systems, with varying percentages of state v. private funding. Australia has a very high percentage of PVI while Scandinavian countries have a high percentage of state funding. However, almost all countries operate hybrid systems, and each has strengths and weaknesses. We propose an ECEC system that improves the way the two systems relate to and complement one another. The PVI sector needs adequate funding to pay QTS salaries, as well as to pay equivalent salaries for their early years educators (usually Level 3) as paid to teaching assistants in maintained nursery classes and schools.

#### Funding for quality improvement

The main way to enhance quality is to increase funding for the PVI sector. We suggest two mechanisms: increase the hourly rate for childcare and increase the pupil premium to the primary school level, allowing providers to apply for it instead of parents. Regulatory and oversight systems will need to be in place to ensure that



additional funding is earmarked for improved staff salaries and improved staff qualifications.

To move further towards a level playing field between sectors in operational costs as well as income, we recommend abolishing business rates paid by PVI settings, as recommended by the House of Commons Education Select Committee (2023).

Both sectors would offer services at all ages, but the proportion of state v. private funding and delivery would increase as the child grows older. Twelve months' paid parental leave means many babies will be looked after at home for their first year. Most provision in the first 24 months will be in the PVI sector. For two and three year olds there is likely to be an even mix between the maintained and PVI sectors, which will require new places for two year olds in maintained and PVI sectors. New entitlements for under three year olds are likely to increase demand. From the age of three there is likely to be more maintained than PVI, again requiring expansion of maintained places. From the age of four virtually all children will be in maintained nursery or reception class provision, again requiring expansion in maintained provision. This expansion will mean that children with identified special educational needs will have access at an earlier age to specialised SEND provision in schools who already possess the necessary specialist skills.

#### An enhanced role for local authorities

Local authorities currently have statutory responsibility for ensuring childcare sufficiency and for professional development of early years staff. The local authority would also be responsible for ensuring complementarity between the maintained and PVI sectors. They would offer CPD and have a formal support role in improving settings within the authority judged inadequate at inspection. We believe local authorities should also have responsibility for the oversight of integrated early years centres offering family support and early education and care.

Children's campuses will be described in detail in Recommendation 4. Many children's campuses would be based in primary schools and all would provide support for families as well as early years education. The local authority oversight role should include campuses based in academy trusts, local authority run primary schools, as well as those built on pre-existing children's centres and family hubs. This model combines the best in neighbourhood-based family support with the best in early education and care.



Linking childminders to local ECEC settings and children's campuses

Local authorities would recruit and train childminders, making sure they are supported by local ECEC settings and campuses, who would welcome drop-ins by children with their childminders. Settings would also provide access to toy/book libraries for local childminders. Childminders would offer blended care (part centre, part home-based) to families who choose five part days in free group provision and wraparound care provided in childminders' homes.

Each local authority would have a strong technology base to support children's campus services and ensure that low-income families have access to digital resources promoting an exciting home learning environment.

#### Recommendation 3: Entitlements to education and care

Creating a seamless offer for parents

 All children would receive state-funded education and care from the age of 24 months, 20 hours per week, 48 weeks each year. Support would be available from 12 months for children of parents in employment, education or training.

Below is a table revising some of the commitments made by the Prime Minister in 2023, with a clear notion of what it could look like by 2040. Our intention is a simpler system with more equitable availability of early education and care. We are suggesting 20 hours of free childcare and education, 48 weeks per year, for all children from the age of 24 months, and for the children of parents in employment, education or training, 20 hours of free childcare from 12 months. We have evened out current arrangements on state-funded hours for two year olds, removing the distinction of families in work or out of work. Some parents could opt for group or childminder care when their baby is under one. There would be no free entitlement for under ones, but working parents on Universal Credit could claim back some of their childcare costs. We have included state-funded provision from 12-24 months for working parents even though there is limited evidence that starting at 12 months improves developmental outcomes. There is, however, clear evidence that long periods of time out of the workforce have lifetime consequences for women in terms of career progression and pensions (Andrew et al., 2021).



We try to concentrate funded provision where it is likely to have the strongest impact, but believe age of start in group care is a family choice. We have intentionally ducked the issue of numbers of hours of attendance per day. We strongly believe, particularly for the poorest children, regular attendance of four or five days per week is optimal. We have tried to create the conditions for this to be encouraged, but do not believe it would be right to make it a mandated requirement. Essentially this would lower the statutory age for education to three. We recognise that for working parents their free entitlement is reduced from current government commitments. Our consistent aim is to narrow the gap between children from low- and higher-income families. We believe that children from the poorest households, where no adult is working, should be entitled to the same number of hours of early education and care as their better off peers. Giving the poorest children fewer hours risks widening rather than narrowing the gap.

Age	Payer	Provider	Eligibility for state funding	Amount of state-funded care/education
0-12 months	State paid parental leave, or childcare element of Universal Credit, combined with parent contribution	Parent, childminder, PVI nursery	Those who stay at home, or those in work and receiving Universal Credit	No state funded hours for under ones
12-24 months	State paid 20 hours Additional hours: parents, and childcare element of Universal Credit	Mainly PVI, some maintained	All children of parents in work, education or training Those on Universal Credit get support if needed beyond 20 hours	20 hours for 48 weeks of the year
24-36 months	State paid 20 hours Additional hours: parents, and childcare element of Universal Credit	Equal balance between PVI or maintained	All children	20 hours for 48 weeks of the year



36-48 months	State paid 20 hours Additional hours:	More maintained but	All children	20 hours for 48 weeks of the
THOTHIS	parents, and	some PVI		year
	childcare element of Universal Credit			
48 months	State paid Wraparound school hours and holidays: parents, and childcare element of Universal Credit	Maintained in school nurseries or reception classes Some younger fours in PVI	All children	School day for 48 weeks of the year

We want to create a system that builds on the strengths of both the PVI and the maintained sectors, ensuring the needs of working parents and children are in balance, with responsive services that ensure the children who would benefit the most have access to the highest quality. We would also need to collect detailed information about children, families and services to explore which investments have the biggest impacts for poor children.

# Recommendation 4: Establishing children's campuses: increasing parent support and capabilities, enhancing children's learning

Integrated family support and early education: A campus model for neighbourhoods.

 Introduce a children's campus in every neighbourhood, linked to a primary school or existing family hub or children's centre, providing a range of family support and educational services for families with young children. Most would have childcare and early education on site or have strong links with local providers to ensure sufficiency and choice.

Centres offering a variety of services in one place for young families have been part of early years provision for decades. They have had a variety of names: family centres, children's centres, early excellence centres, family hubs. Their common feature has been a mix of child-focused and adult-focused services including health advice, employment and benefits advice, budgeting, drop-ins, stay-and-play



sessions and outreach work. Some have included full- or part-time childcare. Most of the research concerning these centres has established clear benefits, mainly for low-income families and more for family outcomes compared to outcomes for children. They have also provided places for social mixing and community capacity building. Historically the biggest investments in such centres have been in the poorest neighbourhoods, ensuring those who needed them most had easiest access. More recently the offer of integrated neighbourhood centres has widened from mainly services for families with preschool children to services for children up to 19 years. We think any new investment in integrated family support at local level should concentrate on young children (the under fives). We warmly welcome the Start for Life initiative, and believe the emphasis on the youngest children should be welcomed.

Research on Sure Start children's centres showed that their effects were stronger for family functioning than for children's learning (Sammons et al., 2015). As outlined above, there now exists a strong research base documenting the beneficial effects of early education on children's development, especially their learning. We propose establishing children's campuses, an invigorated model of family support and early education, building on learning from the past and addressing new needs for the future. This would bring together the best of the children/family centre model, supporting parents with high-quality early education for children currently found in nursery schools and classes.

While it makes sense for investment to be built on current centres or hubs, we believe new centres for family support should be incorporated into primary school provision; they are very local, and will, at some future date, be where children go anyway. They also help to ensure that low-income families who do not live in poor areas have access. In larger neighbourhoods the campus may be part of the primary school with another building for the family support and health services. We propose a mix of professional roles, including teachers, early years educators, family support/outreach workers, and health and welfare staff.

Children's campuses would be a mix of high-quality services for families and children. Early education and care would be offered alongside family support, in maintained and PVI settings, working together to meet the diverse needs of parents and their children. Key features linked to the success of the children's campus model would be a mix of open access and targeted services for mothers, fathers, other carers, and children from birth through to school age; and a collaborative



governance structure where local professionals and parents have a say in the services on offer. The best community-based centres also pay close attention to the diversity of the communities they serve. Inclusive services help to ensure that all feel welcome.

Good data collection would help to ensure some groups are not left out. Previous programmes like Sure Start and family hubs have been hampered by the difficulty of ensuring data about families was shared with the providers of services, safe in terms of data protection, and consistent in methods of recording across agencies. Movements towards a single care record across health and social care are already in place for adult services in many parts of England. Ensuring information about children is safely shared will help to ensure those who need services are reached, and population-based data can track the effectiveness of interventions and impact on inequalities between groups. We welcome the current discussions between the DfE and the DHSC about data integration with the Unique Pupil Identifier and the universal NHS number.

# Recommendation 5: increasing income: reducing pressure on families

- Increase the period of paid parental leave from nine months to one year,
   shared between both parents
- Remove the two child limit on Universal Credit and other benefits.

If implemented, the recommendations above will provide the services vital to ensuring a good start in life, but a crucial piece to the system also needs addressing. We think reducing the financial pressures on families and creating the conditions so that babies will be able to spend the first year of life at home with parents will make it more likely that all children will thrive by 2040.

## Improve parental leave

The evidence on the impact of early group care is mixed. Long hours in poor-quality group care is known to be risky for some children. Babies and toddlers in very high-quality care are fine, but high-quality care for babies is very expensive. The current government has recently promised free childcare from nine months of age for 30 hours per week for working families. The current infrastructure is not adequate to meet demand, and, as argued above, staff wages are low, and turnover and



vacancies are high. Most advanced economy countries offer at least one year paid leave. We believe the gap of three months between paid and unpaid leave would be better filled by making it possible for a mother or father to stay at home for a full year rather than the investment it would take to ensure safe high-quality care for babies. Offering a full year of paid leave would create the conditions so that those who want a full year with their new baby could have it. To make this a viable option for very low-income working families would require that the rate of parental leave in the first year be raised.

#### Abolish the two child limit

Current indications are that the social security system will become harsher rather than more generous in the next few years. While we believe a major review of the system is needed, a bureaucratically easy step could be taken on a policy that has largely failed in its main purpose, and resulted in significant increases in child poverty over the past few years. The two child limit has not been effective in reducing fertility in low-income families. However, it has been effective in pushing some families into deep poverty. According to the Child Poverty Action Group, abolishing the two child limit would lift 250,000 children out of poverty and a further 850,000 would be lifted higher above the poverty line (Child Poverty Action Group, 2023). While there are still arguments on whether cash payments have a direct influence on child outcomes, children living in very low-income families are directly affected in terms of poor diet, and access to goods and enriching experiences that enhance early education within the family. In addition, families in poverty are subject to higher stress levels, poor relationships between parents, and higher levels of depression. All these factors indirectly affect young children.

# An ideal system, birth to school entry

In summary, we propose the following:

- improve pay, working conditions and career structure for the early years workforce
- improve workforce training to ensure a ladder of qualifications and ongoing CPD, building collaboration between universities, further education colleges and providers
- increase the hourly rate for childcare entitlements funded by the state
- increase the pupil premium to the primary school level, and allow providers to apply for it instead of parents



- give PVI providers the same business rate status as providers in the maintained sector
- provide state-funded early education and care for all children from 24
  months of age, 20 hours per week, 48 weeks per year. For parents in
  employment, education or training, state-funded care of 20 hours per week,
  48 weeks per year, from 12 months of age
- Build on, or establish new children's campuses providing a range of family support and early education for families with young children. These campuses would have childcare and early education on site, or have strong links with local providers
- One year paid parental leave from the birth of the baby, shared between both parents
- Remove the two child limit on Universal Credit and other benefits.

#### Road map to the ideal system

Weighing up all the evidence, the most important single action for narrowing the gap across children in low-income families and their better off peers is the provision of high-quality, teacher-led early education, ideally starting from two years of age for children in low-income families, and at age three for those who are not. The policies needed to achieve this are complex and expensive. They include all the recommendations about the workforce identified above. Improving the rate of the early years pupil premium and ensuring providers, not parents themselves, are responsible for applying for it would immediately bring income into the early years sector targeted at the children who need it most. Ensuring the resources are used for the purpose of improving outcomes for poor children is more difficult, but not impossible. Local authorities, in their support role, and Ofsted, in its regulatory role, could build assurances into their processes.

Parallel efforts in improving the home learning environment through children's campuses and in reducing child poverty itself should be part of the longer term road map. Children in poverty are not only disadvantaged in education; they are less physically healthy, experience poorer mental health as they get older, and the disadvantages on school entry follow them into adulthood. The specific recommendations above would contribute, but a long-term strategic approach is needed encompassing taxes and benefits, along with provision of services.



The economic and social circumstances of 2024 are immensely challenging. An ageing population along with high level of illness in the working-age population leaves very little headroom for significant investment in young children. But we will fail future generations if we don't consider the needs of our youngest citizens, not the least, because research has shown that improving family circumstances and early education over the next ten or 15 years will yield benefits for the future.



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