



Findings from the Early Tests of 30 Hours Free Childcare

Presentation to the NAFIS Annual Conference

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What were the early tests of 30 hours free childcare?

Early Innovators:

- **Who?** 32 Local Authorities from April 2016 (including the 8 early implementers)
- **Doing what?** Exploring innovative approaches to support the national rollout (no delivery of places)
- **Testing?** How the national rollout can be supported locally in different contexts

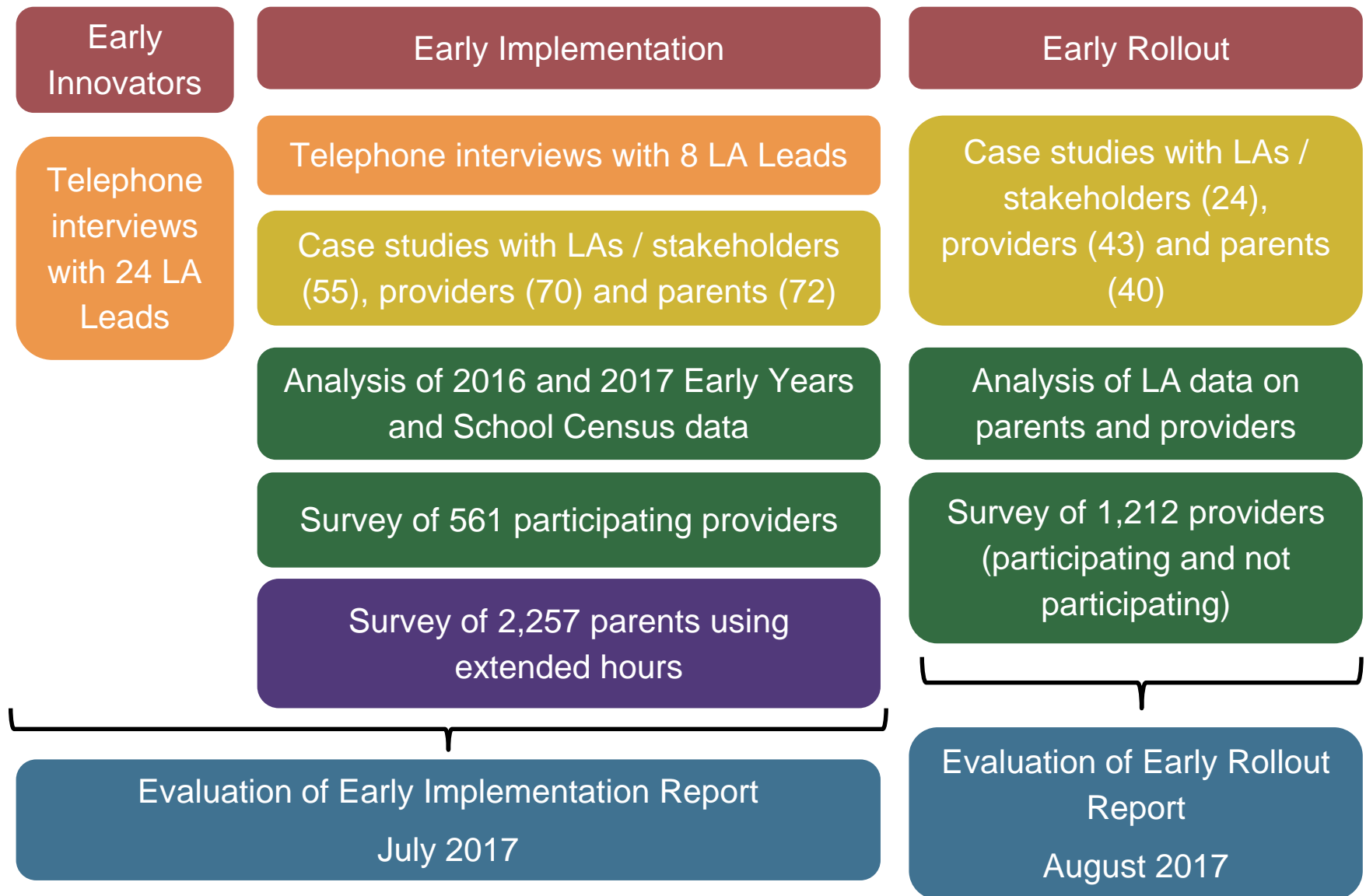
Early Implementation:

- **Who?** 8 Local Authorities from September 2016
- **Doing what?** Delivering extended free places to around 5,000 children: one LA delivering to all eligible children and 7 each delivering circa. 400-600 places
- **Testing?** Sufficiency, take-up and initial indications of impacts plus additional aims around improving efficiency, meeting work needs and supporting parents to work

Early Rollout:

- **Who?** 4 Local Authorities from April 2017 (including 1 early innovator)
- **Doing what?** Delivering extended places to all eligible children
- **Testing?** Focus on testing sufficiency and take-up and (very early) initial indications of impacts

How were the early tests evaluated?



Today: talk about three areas of learning for the national rollout



- The good news



- Some concerns

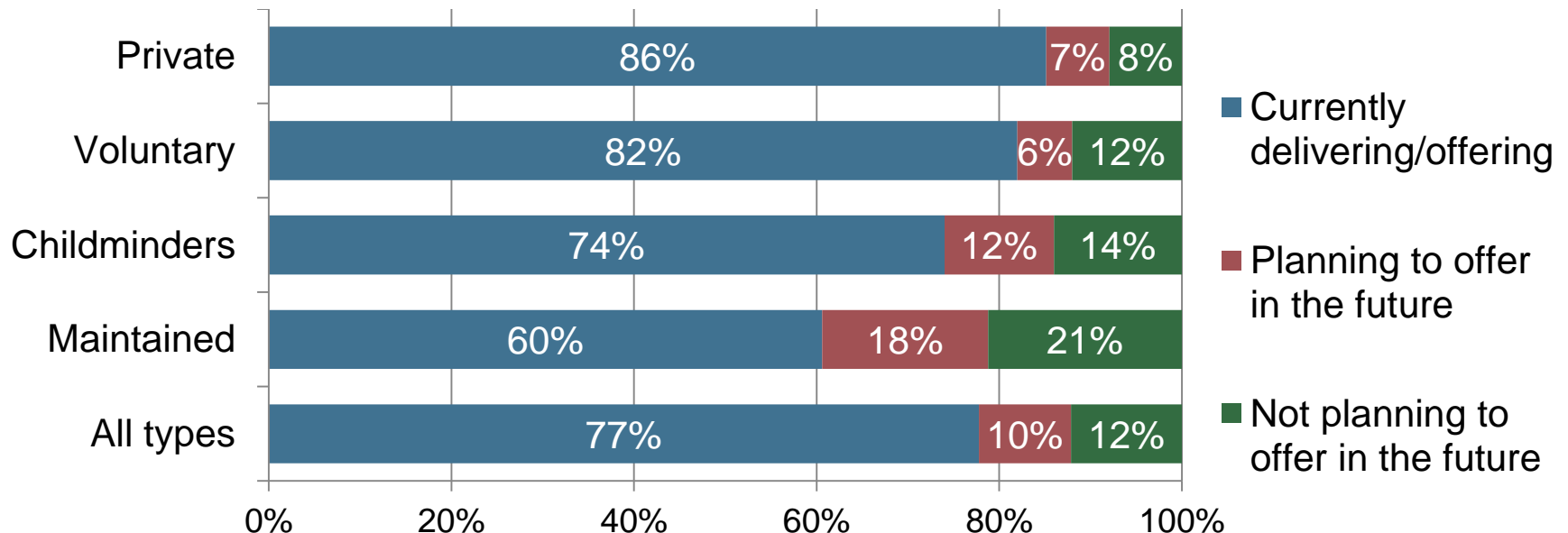


- The role that local authorities can play



The good news: a high proportion of providers were willing to deliver the extended hours

- No evidence of lack of places to meet demand: the number of places delivered was close to the planned or estimated numbers of eligible children in 10 of the 12 LAs.
- Most providers of all types were currently offering or planning to offer the extended hours:



Providers were usually involved for positive reasons

- Most providers cited positive reasons for offering the extended hours:
 - 61% wanted to support the extended free hours offer and 34% saw it as a good business opportunity
 - 51% were responding to an invitation or encouragement from their LA and 63% were responding to parental requests
 - But 44% offered because they were concerned that parents would choose an alternative provider to take up the extended hours

Reasons some providers were planning to offer in the future:

- Primarily waiting due to a lack of immediate demand.
- But some waiting for spaces to become available in September or needed time to prepare their processes or adjust their provision.

Reasons some providers not planning to offer:

- Funding too low (reported by around half).
- Other specific issues with the policy; resource constraints (staffing or venue); or lack of demand.

Delivery of the extended hours often involved some expansion

36% of providers had **increased occupancy** due to delivery of the extended hours (i.e. had used spare capacity).

40% of providers **increased staff** hours or number of staff to deliver extended hours.

31% of providers could definitely **offer more places** and 27% could possibly offer more places.

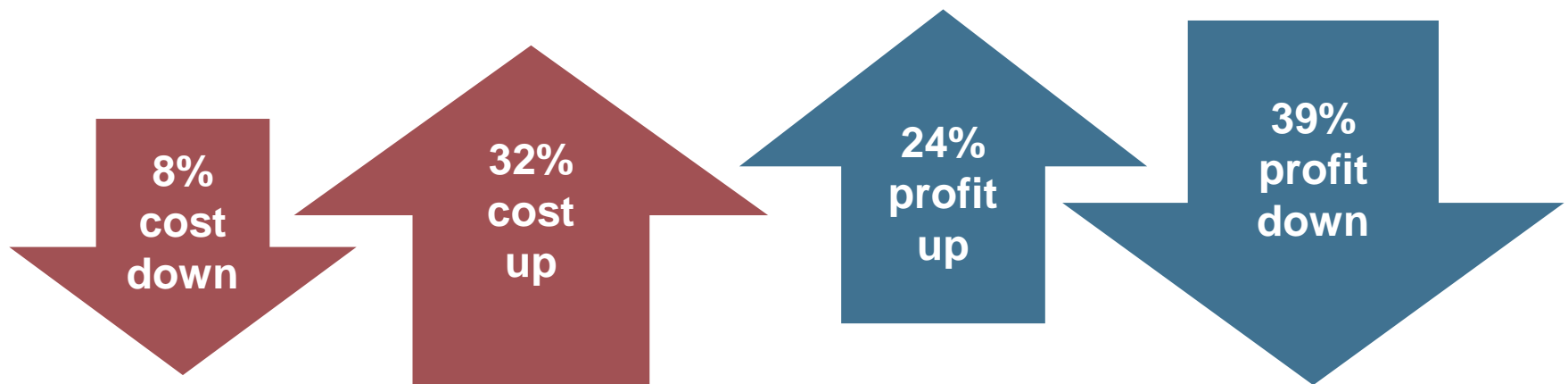
Childminders less likely than other types of providers to have increased occupancy or use of staff and less likely to be able to offer more places.

Most providers did not report any adverse financial impacts.

In contrast to some expectations, many providers did not report any financial impact:

- 60% of providers reported that there had been no impact on delivery costs
- 37% of providers reported that there had been no impact on profit (or surplus for maintained providers)

Providers reporting a financial impact were more likely to report an increase in costs and fall in profit, but many benefited financially:





More good news: parents were keen to take up places.

- Heard about the extended hours through their current childcare provider (58%); LA letter or leaflet (30%); internet or social media (22%) and word of mouth (10%).
- Eligible parents generally sufficiently self-serving to apply and approach providers for a place.

Most families using the extended hours had a full time working father, were more educated and had higher income.

Family work patterns	
Father full-time, mother part-time	46%
Father full-time, mother full-time	31%
Single parent working part-time	10%
Single parent working full-time	5%
Other patterns	8%

52% of parents had a degree

Families had quite high (gross) incomes:

- 1/3 less than £32k
- 1/3 £32k to £52k
- 1/3 more than £52k

Parents reported many positive impacts.

Greater use of childcare:

- 5% reported they were using formal childcare because of the extended hours
- 45% reported they used more hours because of the extended hours

More mothers working:

- 11% thought they would not be working if no extended hours.
- 24% thought they would work fewer hours if no extended hours.

Better outcomes for children:

- 87% thought that the extended hours improved school readiness.

Other benefits:

- 78% reported greater flexibility in their work choices
- 58% had slightly more money to spend and 26% had much more money to spend

Perceived impacts **greater** among **lower income** families

Financial benefits **greater** among **higher income** families



And now the concerns...

...two LAs in the early tests had specific issues.

- In one LA, the number of places delivered was considerably lower than expected - potentially related to problems that parents experienced in applying for eligibility using the national childcare service.



Importance of having a reliable and efficient process for parent and provider eligibility-checking.

- In another LA, adverse local authority conditions (small and recently diminished early years team and weak co-ordination with schools) led to a slow and ineffective implementation of the policy.



Need for an efficient and sufficiently resourced local early years infrastructure to ensure effective deliver.

More fundamentally, different types of provider face specific challenges to continued or expanded delivery

Day nurseries:

- Still developing a sustainable funding model.
- May limit places to a financially viable number.
- Expansion limited by staff retention and recruitment difficulties.

Play groups:

- Low demand, particularly in areas with higher disadvantage.
- Located in venues which constrain opening times and expansion (such as shared community centres).
- Expansion limited by staff retention and recruitment difficulties.

Childminders:

- Low demand for extended (free entitlement) places.
- Still developing a sustainable funding model.

Schools:

- For some, declining pupil numbers strong motivator to deliver extended hours.
- But less motivation for those that are “full” (particularly if “childcare” programme not seen as part of core early education purpose).

And there were concerns around how flexible and free the extended hours were

The extended hours were offered quite flexibly by providers:

- Most had long opening hours (82% opened for an extended day), although 39% were open only during term time.
- 12% had extended their opening hours because of the extended hours.
- Most offered parents a free choice (61%) or flexible choice with some restrictions (32%) on when they used the hours.

But there were limitations and additional payments:

- Parents reported a range of limitations on how they could use the extended hours.
- Some meant that parents were unable to use all of their entitlement and had to pay for additional hours.
- 17% of providers introduced or increased additional charges because of the extended hours.
- Parents reported that fees for paid hours had increased.

This led to mixed parental reactions

... it's their business and their livelihood.. if they're getting ..£2 an hour less from the government than what they're charging, they're going to lose out and it's a decent nursery. You don't want it to close..

...it's not going to save me as much money as I thought it would.

I think the nursery must be making more money out of this, and not passing on the benefit to us.

..they are losing out so I understand why a lot of childminders and nurseries ..are saying 'we don't know how we're going to sustain it', so I completely understand .. if they want to hike the prices up a little bit..

...for me there is a bit of transparency issue because we don't know what the nursery's getting paid by the Department of Education.



LA support was good but some providers needed more

Two thirds of providers delivering extended hours felt they had sufficient support from the LA

But one quarter would have liked more support

Further support that providers would have liked:

- More provider events / information sessions (46%)
- Better information for parents (45%)
- More support for business sustainability (29%)
- More support with checking parents' eligibility (28%)
- Better information about policy implementation (14%)
- More support in creating partnerships (9%)
- More / better training (6%)
- More funding (3%)

Two key areas to support provider engagement

Communication

Existing well-functioning early years infrastructure

30 hours briefings to start a dialogue about the challenges and opportunities

Business support to help providers develop a robust financial model for delivery

Tailored advice and guidance to explore delivery options

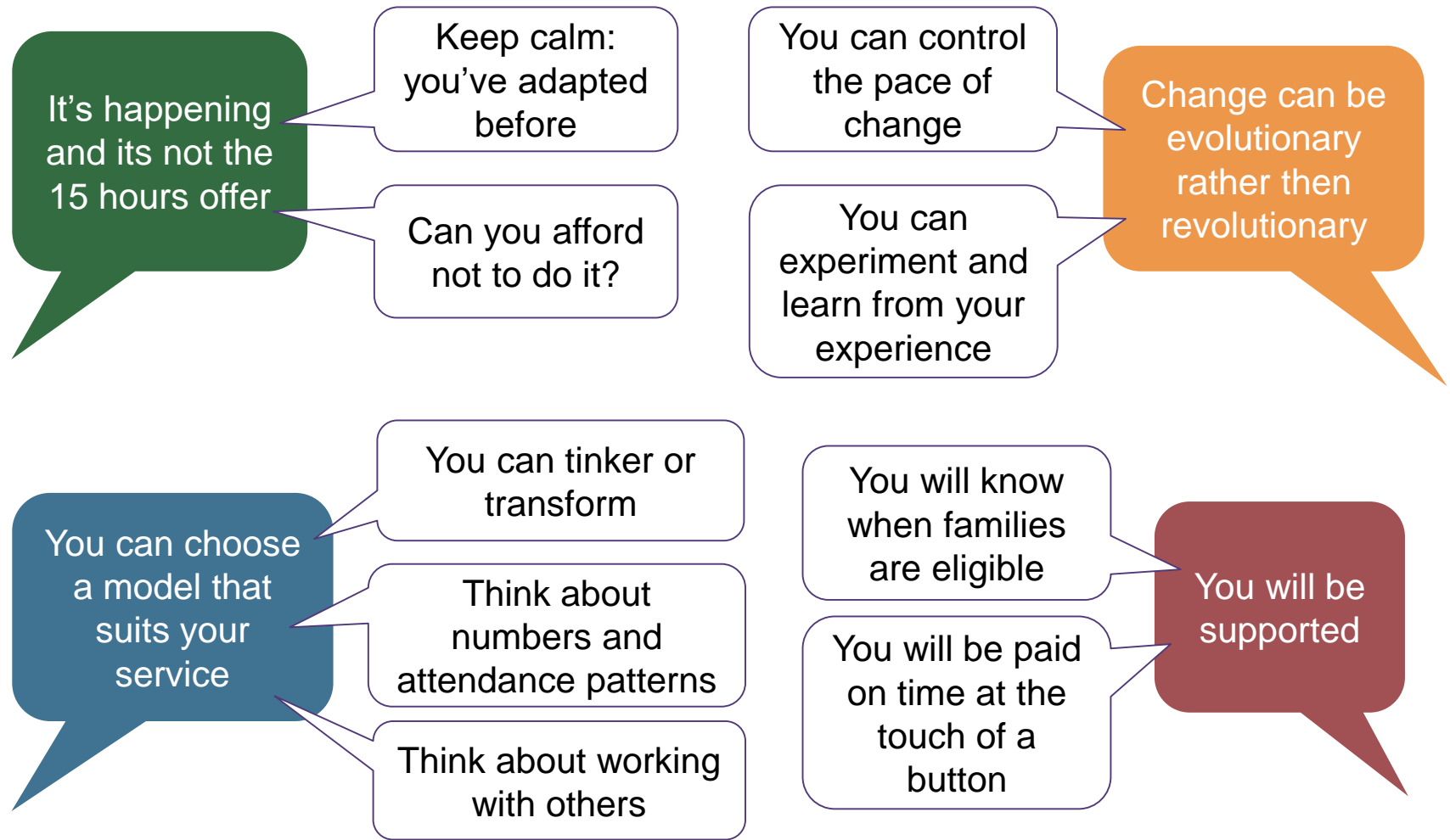
Effective systems for a smooth provider journey

Checking and confirming parents' eligibility with providers

Submission of funding claims (prevention of over-claims)

Timely payment to providers

Some key messages to help recruit providers.



What the findings suggest for the national rollout



The **indications** are that the national rollout will be a **success**:

- Providers were willing and able to offer places.
- Parents were keen to take-up.
- Increased use of formal childcare and rise in parental work.
- Perceptions of positive additional impacts on children and families.



But there were **some concerns** which need to be addressed:

- Financial viability for some providers.
- Payments associated with the extended hours and the flexibility of the hours to meet parents' needs.



LA support may be **critical**:

- Communication on delivery options and business support.
- Reliable and efficient eligibility checking and payment process.

Evaluation of Early Implementation of the 30 Hours Free Childcare

The evaluation team (key staff) consists of:

- Frontier Economics (Gillian Paull, Brian Higgins)
- Qualitative research team (Ivana La Valle and Eva Lloyd, University of East London, and Clarissa White, Independent Researcher)
- NatCen Social Research (Svetlana Speight, Hannah Jones, Lydia Marshall)

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[https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/641422/Frontier - Evaluation of early rollout of 30 hours free childcare.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/641422/Frontier_-_Evaluation_of_early_rollout_of_30_hours_free_childcare.pdf)



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