

DfE Update

NAFIS Conference 1st November 2022



Department
for Education

Background: 2 year old entitlement

What is the entitlement?

- 15 hours free early education for disadvantaged two year olds:
 - a) Children of low income families (i.e. households on Universal Credit earning up to £15,400 p.a. or those on Tax Credits earning up to £16,190 p.a.);
 - b) Children in households entitled to certain benefits (Income Support, Income Based Jobseekers allowance);
 - c) Children who are looked after by a local authority and those who have left care under an adoption or special guardianship order;
 - d) Disadvantaged children from families with No Recourse to Public Funds, subject to the income thresholds that are broadly equivalent to those for families who are able to access benefits;
 - e) Children who have Special Educational Needs or have an education and health care (EHC) plan'
 - f) Children who receive Disability Living Allowance; and;

Why do we have the entitlement?

We know that high-quality early education can support children's development and improve outcomes.

The purpose of the entitlement is to ensure that disadvantaged children have access to early education thereby narrowing the achievement gap between disadvantaged children and their peers.



Background: 3 & 4 year old entitlement

What is the entitlement?

- 15 hours universal free early education for all 3 and 4 year olds:
 - a) All 3 and 4 year olds are eligible for the 15 hour free entitlement regardless of their parents' circumstances.
- An additional 15 hours for eligible working parents of 3 and 4 year-olds:
 - a) Parents must be earning at least the equivalent of 16 hours per week at National Minimum/Living Wage (currently just over £7,900 per year) and under £100,000 per year.
 - b) In a two-parent family both parents must be working, unless one partner is in receipt of certain benefits (Incapacity Benefit, Severe Disablement Allowance, Carer's Allowance or contribution-based Employment and Support Allowance).

Why do we have the entitlement?

The 30 hours free childcare is intended to be a work incentive, for those parents/guardians to whom childcare is a barrier to entering work or seeking more hours at work.



DWP lists – addition of email addresses and phone numbers

We recognise that local authorities have been asking for additional contact information as part of the 2YO lists. We're pleased that we've been able to introduce email addresses and phone numbers in September this year.

We'll be monitoring the impact the additional data has and would appreciate feedback from local authorities who use this information.

Q&A/Feedback session



Extending eligibility to children in NRPF households

We permanently extended eligibility for the two-year-old entitlement to disadvantaged children, in households with no recourse to public funds (NRPF). This means that the most disadvantaged two-year-olds will be able to access early education regardless of their circumstances, subject to maximum income thresholds.

The rationale for extending eligibility is that the most disadvantaged 2-year-olds should be able to access early education regardless of their circumstances.

Annual income thresholds:

- £26,500 for families outside of London with 1 child
- £30,600 for families outside of London with 2 or more children
- £34,500 for families within London with 1 child
- £38,600 for families within London with 2 or more children

In addition to the income thresholds outlined, we have incorporated a capital savings threshold of £16,000. This means that families cannot have more than £16,000 in savings or investments.

Q&A/Feedback session



Early education entitlements take up

- **You may be aware that take up of the 2 year old entitlement has increased from 62% to 72% (January 2022).**
- This is positive but we are aware that take up is fragile – ministers are keen to maximise take up of all government childcare offers, including the 2 year old entitlement.
- **Take up of the 15 hours universal entitlement is 92%. This has increased from 90% in 2021 but down from 93% in 2020.**
- We are concerned that take up of the universal entitlement hasn't increased where the other offers have.

Q&A/Feedback session

