



Funded by the Nuffield Foundation

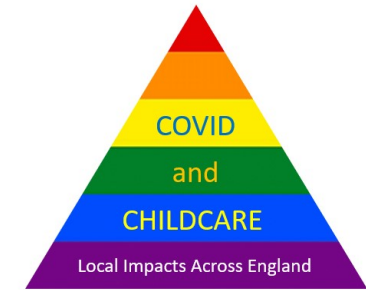
Carried out by a research team from the Centre for Evidence and Implementation, the Universities of East London and Birmingham, Frontier Economics, Coram Family and Childcare, and the Institute for Fiscal Studies

Study addresses five questions



- How is the pandemic affecting children's and parents' needs for and access to early education and care services in different local contexts?
- How is Covid changing the nature and viability of provision in different local contexts, and how are services responding?
- Has local support for services mitigated the effects of the pandemic, and how is this mediated by local labour market conditions?
- What opportunities and weaknesses in the early education and care system are highlighted by Covid, and what can we learn about building resilience in the system?
- What should the role of local authorities be, and what tools do they need to support the early education and care system in future?

Key features of the study



- A **map** of the different component parts of the early education and care system and the relationships between them will provide a theoretical framework for the study
- **Diversity of perspectives** will be captured through consultations with stakeholder organisations and direct involvement of parents, providers, LA early years staff and employers
- A **‘local’ focus**: how changes in provision, take-up and parental employment over the past year are related to local circumstances and local policy reactions
- **Big and small data**: analysis of large data sets on childcare and employment and in-depth local case studies of the challenges faced by the early education and care system
- **Co-production**: stakeholders will be a key data source and involved in validating the emerging findings and developing options for building resilience in the early education and care system

Overview of the research design



A map of the of the different component parts of the early education and care system and relationships between them

Review of literature from UK, Germany, Ireland, Netherlands and Norway on impacts of Covid on early education and care systems, and national and local responses (Jan-June 2021)

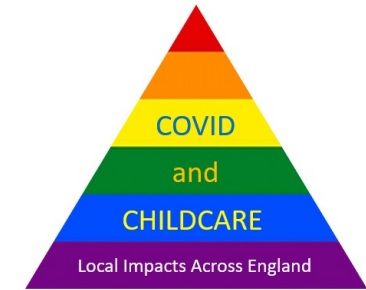
Survey of all LAs in England to investigate how they have supported early education and care services during the pandemic, and views on the impacts of Covid (Feb-April 2021)

Qualitative case studies in 12 LAs to explore the views and experiences of parents, providers, LA early years staff and local employers (March-June 2021)

Analysis of national data on provision and parental employment to investigate impacts of Covid in different local conditions and if LAs' actions have mitigated the effects of Covid (July 2021-January 2022)

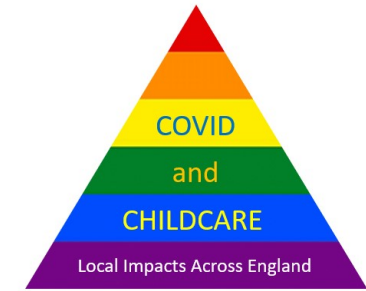
Stakeholders will shape the research through strategic interviews with stakeholder organisations, representation on the advisory group and events to discuss emerging findings and conclusions

System mapping



- The childcare system is a **complex adaptive system**:
 - Multiple elements, multiple connections, leading to knock-on and ripple effects
 - Multiple stakeholders, visions, values, perspectives
 - No single point of ‘control’
- Past and future impacts of Covid will be both **direct and indirect**. We need to understand the system to make sense of impacts
- We will carry out an initial mapping of the system drawing on literature and a workshop
- Use this to **develop hypotheses** about the impacts of Covid and to shape data collection and analysis
- Revise the map

Strategic interviews



- A key starting point for the research
- 15 strategic interviews with policy makers and stakeholders in diverse positions to explore perspectives on:
 - How the pandemic is **affecting children's and parents' experiences** of early education and care services
 - How Covid is changing the **nature and viability** of early education and care provision and how services are **responding**
 - How the pandemic is affecting **employment and working practices**, how parents with young children and early education and care services have responded to these changes
 - What the sector and parents' experiences of services will look like **beyond the pandemic**
 - **Central and local government's response** to the disruption caused by the pandemic, and longer term plans for supporting the early education and care sector and families with young children.
- Fieldwork February to March 2021
- These will inform further data collection and analysis, and build dissemination channels

Survey of EY Leads in LAs



We are collecting evidence on:

- The impacts of Covid on childcare provision and how local context has affected the impacts.
- How LAs responded to support local provision and what was most effective.
- Views on longer-lasting impacts and LA plans for future support.

Want to capture a picture of the full range of local experiences across England.

How are we collecting this evidence?

- Interviews with LA “Early Years Leads” – can provide an LA overview and understanding of local policy.
- Semi-structured interviews (lasting 45-50 minutes) – allows flexibility in responses but within a framework that will allow meaningful comparisons
- Aiming to undertake an interview with almost every LA in England – allow experiences from every area to be represented.
- Interviews will start tomorrow (!) and continue until end April (early May) – condensed timing to help comparability.

How will the evidence be used?



Part (1): Report of Local Experiences (early summer)

- Description of Covid impacts, LA responses and perceptions of what worked best.
- Analysis of patterns in impacts and responses and local context.
- Summary of views on longer-lasting / permanent changes to childcare provision and local policy.
- Development of groupings (“typologies”) of LAs with similar experiences.

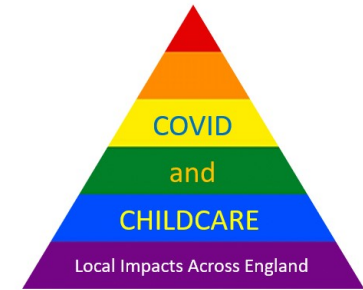
Note: Individual LAs will not be identified in this report – reporting will be based on broad groups.

Part (2): Analysis using national datasets

- Combine the LA survey data with national datasets on childcare provision (Ofsted, SCEYP fees, Early Years Census, Coram Survey) and labour market outcomes (LFS, local labour market statistics).
- Analyse patterns in changes in childcare provision and parental employment using the national data.
- Consider how these patterns relate to the groupings of LA experiences derived from the survey.

Note: Again, individual LAs will not be identified – national data sample sizes mean we must combine LAs into groups with similar experience.

Next steps...



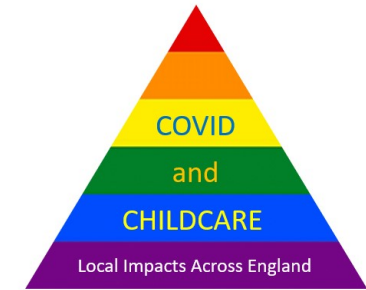
An interview is coming your way...

- You may have booked a time already – maybe take the opportunity to reflect on the past year?
- You may be asked to book a time soon – you will be telephoned by ALLISTER LANGLOIS or KATE RICHARDS.
- You may have to wait a while for a call – don't forget this is the NUFFIELD FOUNDATION study with the rainbow logo.

Please mention the study to other Early Years Leads – we want every area to have the chance to share their experience.

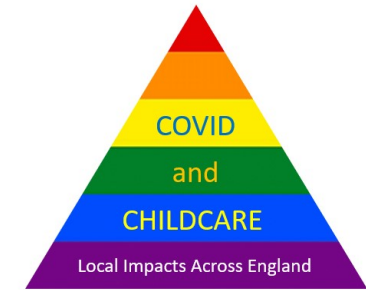
Share the email: covidandchildcare@frontier-economics.com

LA case studies



- 12 LAs selected to provide diversity of geography, childcare market, take-up, deprivation, labour market, impact of Covid and local responses
- In-depth exploration of different Covid experiences, responses, impacts, views on support required locally and nationally and predictions for the future
- Early years staff who participate in the survey will be asked if willing to do a follow-up interview and also involve a colleague from their team
- 40 mothers/fathers of 0–4-year-old children selected to reflect different economic and family circumstances, BAME groups, SEND children, families differently affected by Covid
- 41 providers selected from different parts of the sector and effects of Covid, including providers that have closed or are at risk of closure
- 35 employers, mix of size and sector and differently affected by Covid
- Recruitment will start in March, interviews will be carried out in April-June

The research findings



Stakeholder events

- In the autumn 2021 emerging findings will be discussed and validated at 5 stakeholder webinars, including 50+ participants
- At the webinars we will discuss future scenarios and policy options for developing resilience in the early education and care system, with a focus on the role of local government

Dissemination of the findings

- Interim findings will be available from summer 2021 with final report in spring 2022
- As we are developing a dissemination plan we want to hear from you when findings would be most useful to inform local and national decision-making

- Thank you for listening
- It's time for your questions and comments



For more information about the study see:
<https://www.nuffieldfoundation.org/project/covid-19-childcare-local-impacts-across-england>

If you have any questions or comments after the webinar do get in touch with the co-principal investigators:

Ivana La Valle ivanalavalle@outlook.com

Jane Lewis jane.lewis@ceiglobal.org

Previous research and background

Covid and Childcare Presentation – Dr. Gillian Paull

1st February 2021



Evidence on childcare during the pandemic

- Challenges for childcare and Government support
- Childcare provision in July
- Childcare provision in September / October
- Patterns over the year in the opening of settings across Local Authorities

Sources: Report on Challenges Facing Childcare, Survey of Childcare and Early Years Provides (SCEYP) COVID surveys and DfE Statistics on the opening of settings (fully listed in final slide).

Challenges for childcare

Challenges facing providers

Demand challenges:

- Recovery of losses from first national lockdown and lower demand during pandemic.
- Longer term income loss if demand does not recover.
- Demand for different setting types.

Managing delivery during pandemic:

- Costs of new guidance.
- Staff absences
- Limited access to specialist staff

Impacts on investment:

- Risks of future lockdowns and reduced demand.

How providers might respond

Fee increases for parents to make up income shortfall

Adjustments to business models to revive sustainability:

- Switch to more profitable children (change in parent-paid versus entitlement hours).
- Reduce costs through lower cost staffing or reduced flexibility in hours.

Reduced capacity to align with lower demand:

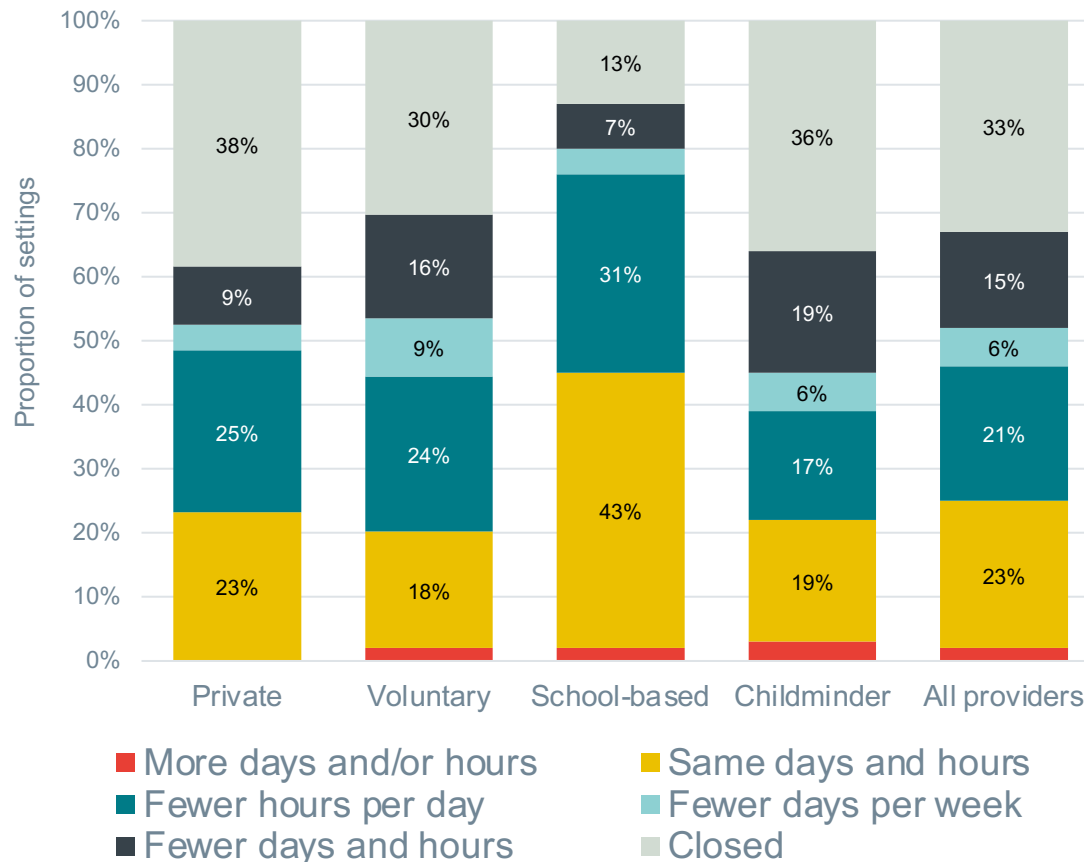
- Fewer places or fewer hours.
- Fewer new settings.

Government financial support during the pandemic varied across provider type

1. Funding for free hours continued on the basis of expected numbers:
 - Most helpful for **school-based and voluntary** providers because most income (63% and 74%) comes from free places.
2. Furlough scheme paying 80% of staff costs related to lost parent-paid fees:
 - Most helpful for **private for-profit** group providers (45% of income from fees)
 - But only partial compensation – staff costs are only 70% of all costs and parent-paid fees are typically more than delivery costs.
3. Self-employed income support scheme (SEISS) paying initially 80%/70% of gross profits if lost any parent-paid fees:
 - Support for **childminders** (along with business grants and Universal Credit).
 - But highly variable level of support – 76% of income is parent-paid fees, but past gross profits have very tenuous link with lost current income.

July SCEYP Covid survey: How many settings had closed or reduced hours?

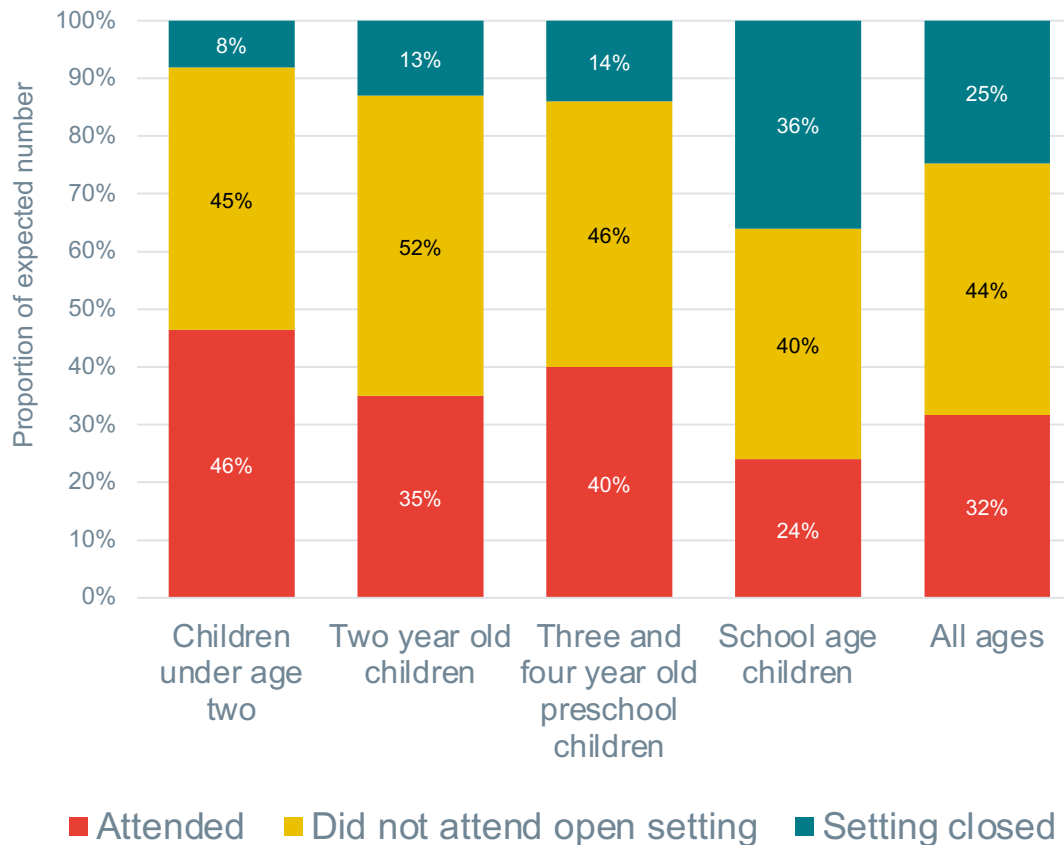
Figure 1: Changes in opening in July since before COVID-19



- One third closed (adjusted proportion to align with official statistics).
- More than half which remained open reduced their daily hours or number of days open.
- Patterns similar across provider types except school-based more likely to be open.

What happened to child attendance?

Figure 2: Attendance in July by age of child



- Around a third of children who were expected to attend spent any time in the setting.
- 44% did not attend even though the setting was open.
- Attendance was highest among children under age two and lowest for school age.

What happened to staffing for group-providers?

Use of the furlough scheme among settings open in July:

- 47% were using the scheme.
- Another 9% had used it previously.

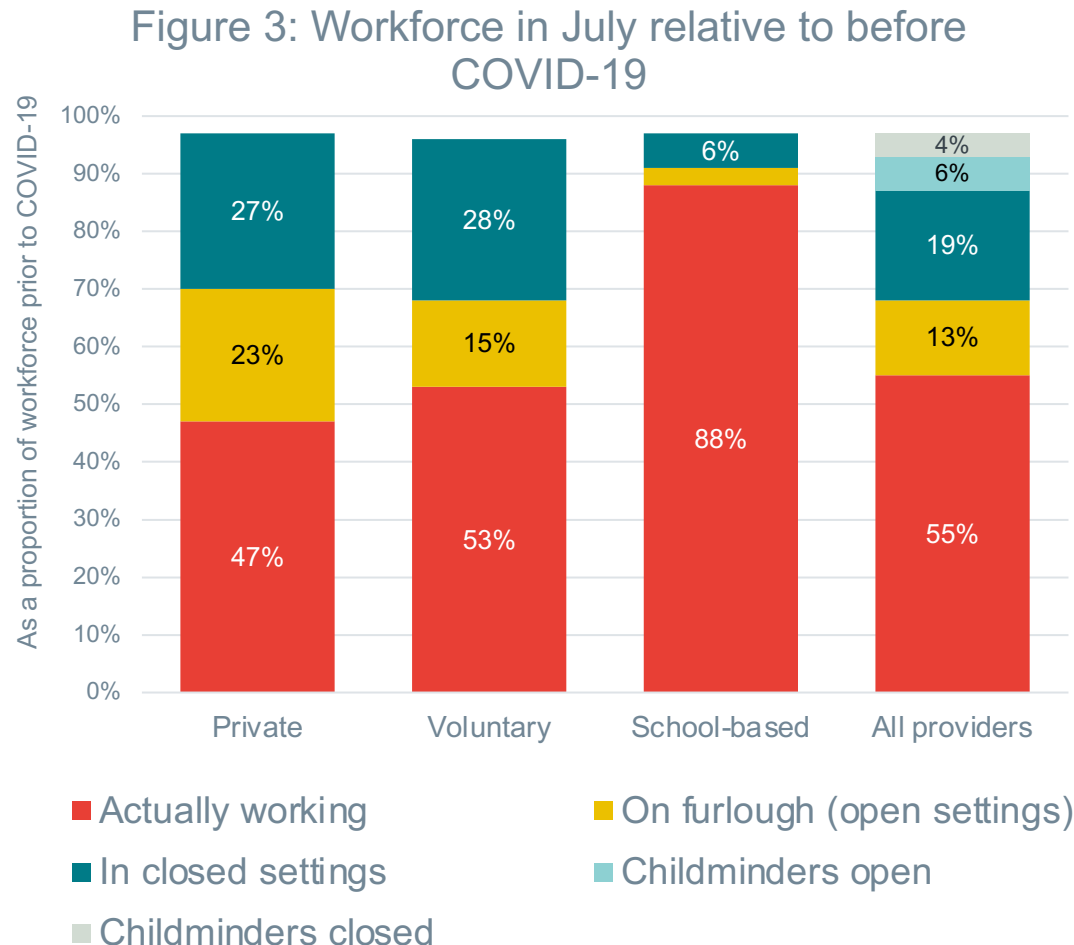
Proportion ever used the furlough scheme varied in line with patterns in parent-paid fees:

- Higher for private providers (87%)
- Lower for voluntary providers (61%)
- Lowest for school-based settings (14%)

Changes in number of staff (including those on furlough) among settings open in July:

- Most (71%) had not changed the total number of staff they employed.
- But 22% had a lower number and only 7% a higher number.

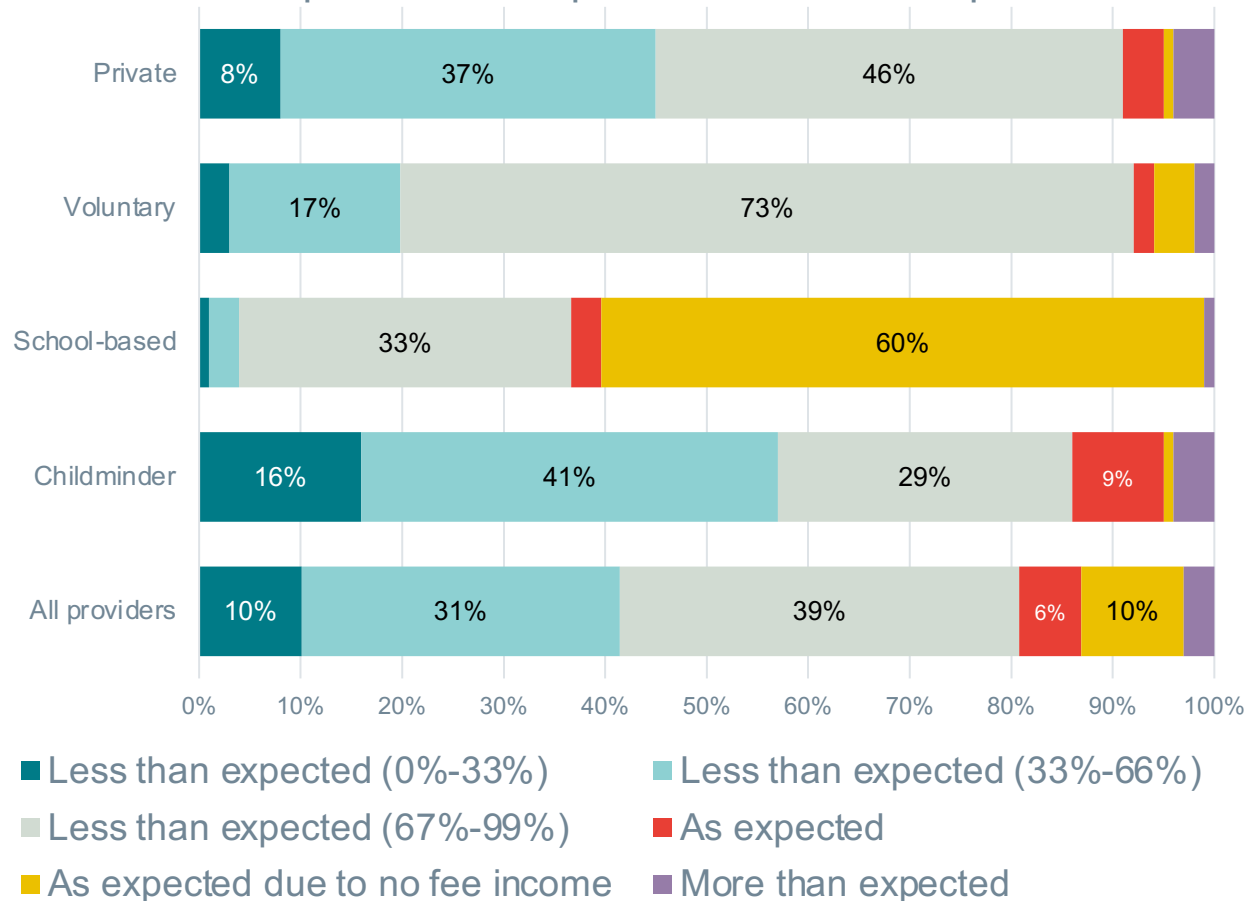
Overall impact on the workforce



- 61% of the pre-COVID workforce was actually working in July (55% in group settings and 6% childminders).
- Estimated proportion on furlough between 13% and 32% (do not know about staff in closed settings).
- Estimated reduction in number employed or working as childminders between 3% and 26%.

What happened to providers' income?

Figure 4: Estimated total income in July relative to expectations for providers that were open



- Most providers received between 33% and 99% of expected total income.
- But almost all school-based settings received at least 67%.
- Patterns reflect the extent to which rely on parent-paid fees.

Wave 2 SCEYP Covid Survey: Childcare provision in September / October

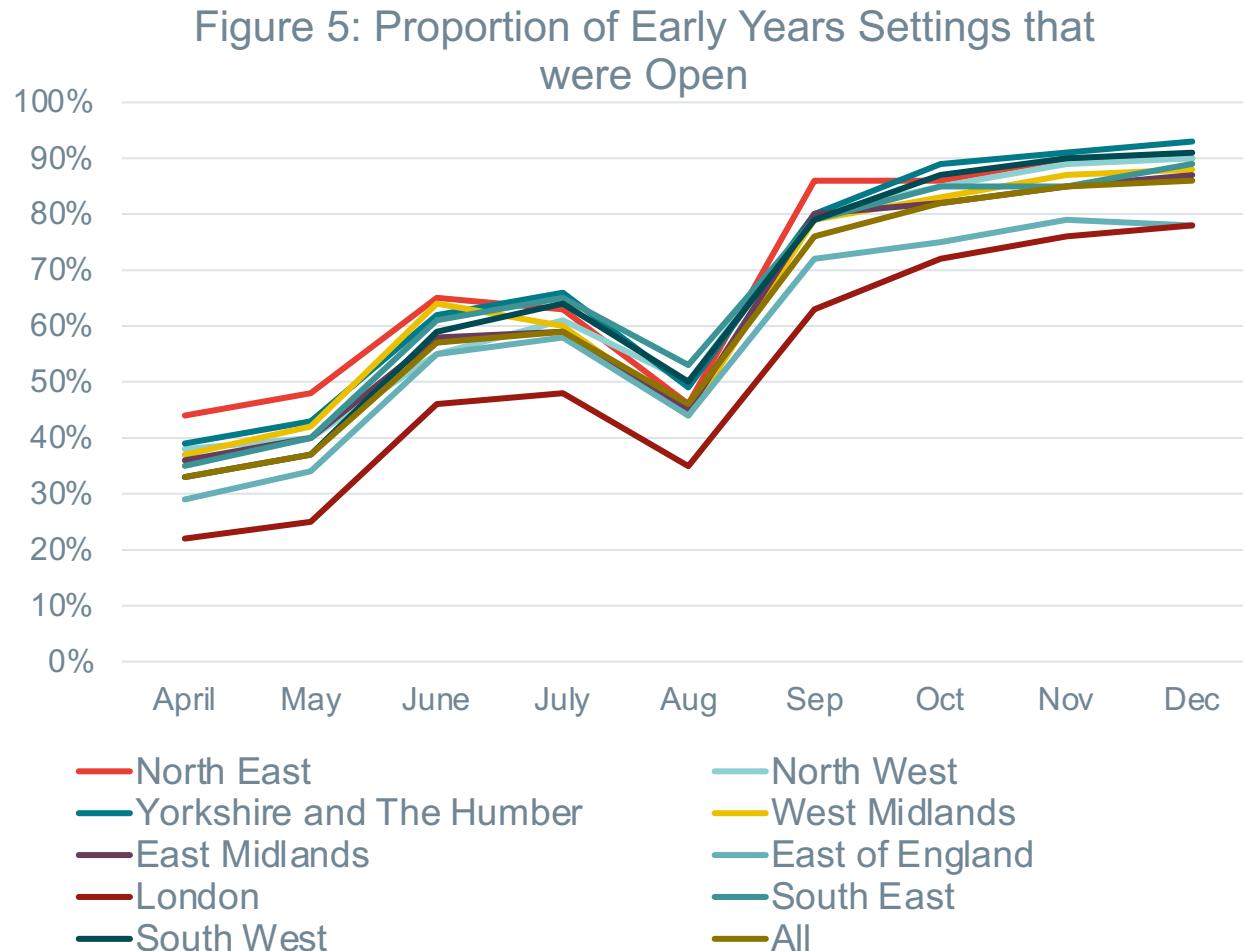
Increased opening in September / October:

- Much smaller proportions of settings temporarily closed than in July.
- More settings open for 5+ days per week than in July: increase from 66% to 77% across all providers.
- More settings open for more than 8 hours each day than in July: increase from 44% to 56% across all providers.

But slightly less positive financial outlook for private (non-school) providers:

- Fewer providers are reasonably confident that it will be financially sustainable for them to run their provision in a year's time than in July.
- Decreased from 51% were confident in July to 47% in September / October.

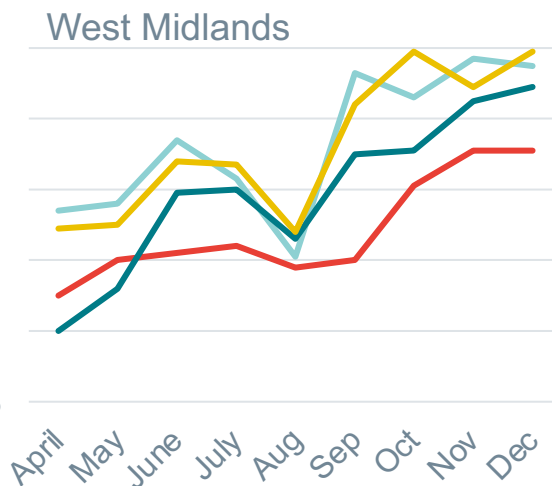
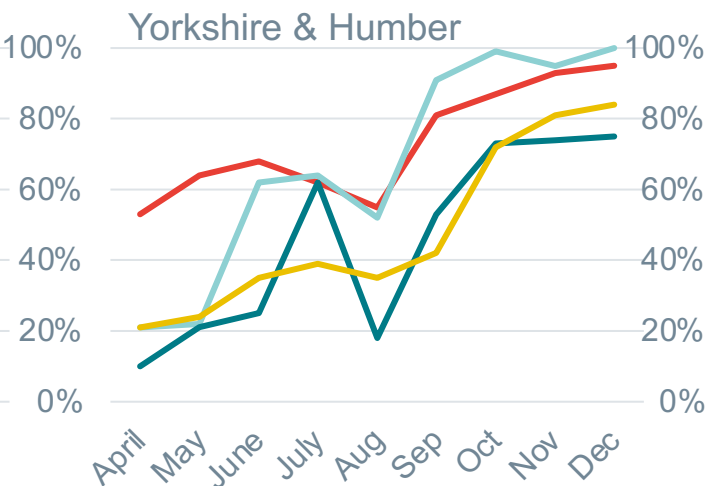
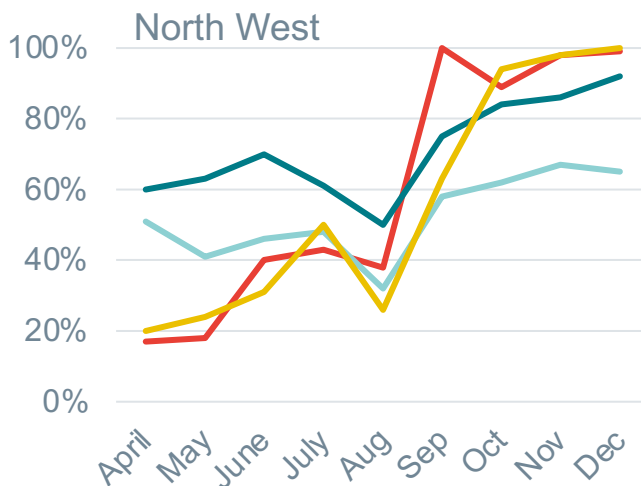
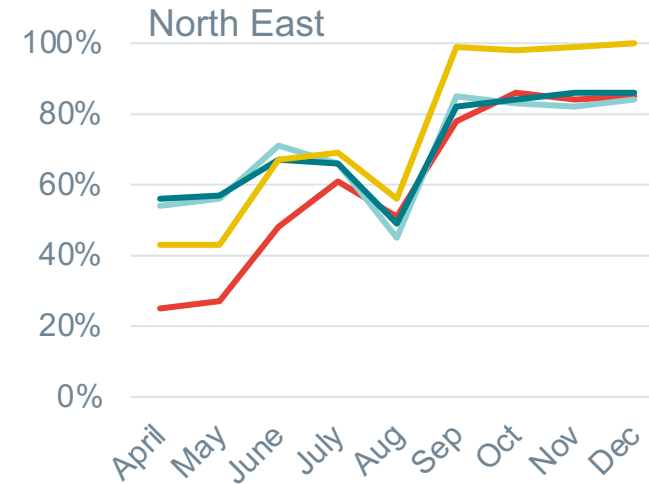
Patterns over the year: proportion of early years settings that were open



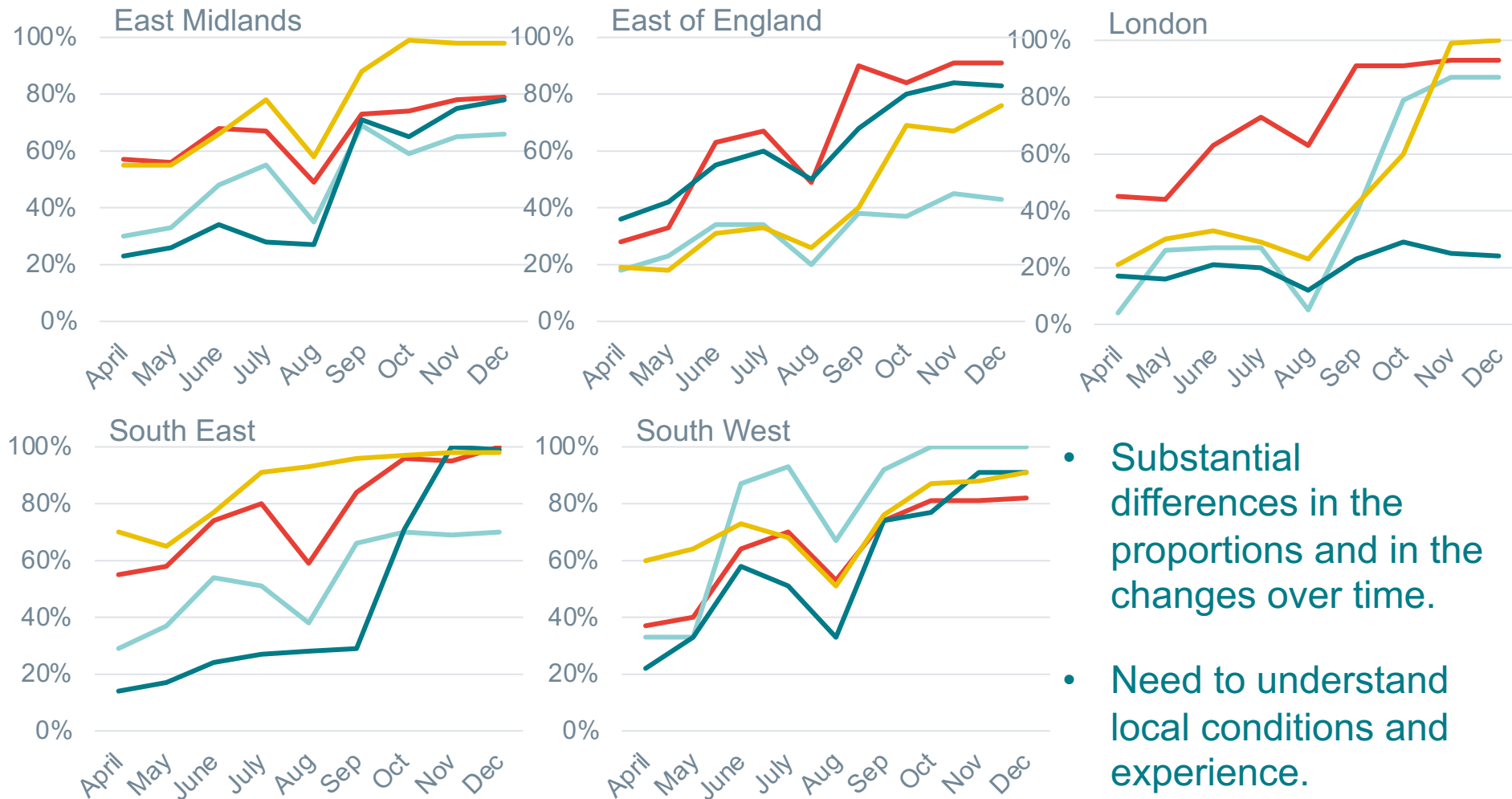
- Data from LAs on number of settings open and closed collected by DfE.
- Rising numbers through the spring with dip in August to higher level in the Autumn.
- Similar pattern for all regions with London markedly lower.

Proportions for individual LAs within regions

- Select 4 LAs with minimum and maximum proportions in April and December in each region to highlight range of differences.
- Should keep in mind that some of the differences and patterns could be due to how the data was collected.



Proportion for individual LAs within regions



- Substantial differences in the proportions and in the changes over time.
- Need to understand local conditions and experience.

Summary

There have been substantial adjustments to childcare during the pandemic:

- Many settings closed or reduced their opening hours and staffing.
- A high proportion of children did not attend and missed out on early education.
- Substantial losses in income, but furlough scheme and continued free entitlement funding helped to support the sector.

But key areas not yet fully understood:

- Variations in impacts across local areas.
- Impacts on parental employment and child development.

Looking forward:

- Biggest question is what will happen to parent demand for childcare? → Can provision adjust if needed? → Could there be impacts on child development?
- Good time for Government to re-assess its objectives and the means to achieve them?

Sources

Slides 3-4:

Blanden, J., Crawford, C., Drayton, E., Farquharson, C., Jarvie, M. and Paull, G., (2020), *Challenges for the childcare market: the implications of COVID-19 for childcare providers in England*, Institute for Fiscal Studies, September <https://ifs.org.uk/uploads/R175-Challenges-for-the-childcare-market-the-implications-of-COVID-19-for-childcare-providers-in-England-1.pdf>

Slides 5-8:

Frontier Economics and NatCen Social Research (2020), *Childcare and COVID-19: Impacts on opening, child attendance, staffing and income*, October <https://www.frontier-economics.com/media/4320/childcare-and-covid-19-impacts-on-opening-child-attendance-staffing-and-income-nov-2020.pdf>

Slide 6:

Hunnikin, L., (2020), *Survey of Childcare and Early Years Providers and COVID-19 – Wave 2*, Department for Education Research Report RR1089, December https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/945249/SCEYP_COVID-19_Wave2_Main_Report_171220.pdf

Slides 7-9:

Analysis of “Tables 5: Weekly Attendance in early years settings during the COVID-19 outbreak at local authority level”, Department for Education <https://explore-education-statistics.service.gov.uk/find-statistics/attendance-in-education-and-early-years-settings-during-the-coronavirus-covid-19-outbreak> (Download associated files), accessed 27th January 2021



Frontier Economics Ltd is a member of the Frontier Economics network, which consists of two separate companies based in Europe (Frontier Economics Ltd) and Australia (Frontier Economics Pty Ltd). Both companies are independently owned, and legal commitments entered into by one company do not impose any obligations on the other company in the network. All views expressed in this document are the views of Frontier Economics Ltd.

