

Equal Access to Quality Care?

Providing High Quality Early Childhood Education
and Care to Disadvantaged Families

CASE Social Exclusion Seminar, 6 March 2013

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In collaboration with Daycare Trust
Research funded by The Nuffield Foundation.

Background: research

- ▶ Growing evidence that early childhood education and care (ECEC) can have lasting effects.
 - ▶ Perry Preschool in Michigan in the 1960s (e.g. Heckman et al, 2010)
 - ▶ Expansion of universal pre-school in the 1960s and 1970s in France, Norway, Denmark (e.g. Bingley and Westergaard-Nielsen, 2012; Dumas and Lefranc, 2012; Havnes and Mogstad, 2011)
 - ▶ The Effective Provision of Preschool Education (EPPE) study in England (Sylva et al, 2004; 2008; 2012)
- ▶ And research also consistently finds that:
 - ▶ Gains are largest for children from disadvantaged households low-income, immigrant background, low educated parents
 - ▶ Quality matters: high *process* quality – in turn linked to structural indicators.
 - ▶ [Gains for children under three are less clear – but it is clear that quality matters.]



Background: policy

- ▶ **Huge investment in ECEC since 1997**
 - ▶ Fourfold increase in spending per child under 5 in real terms 1997-2010
 - ▶ Free entitlement to nursery places for 3 and 4 year olds
 - ▶ Childcare subsidies
 - ▶ Investments in quality (new curriculum, Ofsted inspection, new qualifications)
 - ▶ Sure Start
 - ▶ Longer and better paid maternity leave

- ▶ **Coalition Government: Early years policy important to social mobility strategy**
 - ▶ Roll-out of part-time places to most disadvantaged 40% of 2 year olds
 - ▶ “More Great Childcare”...?



Research Questions (and presentation overview)

- ▶ How far are children from disadvantaged backgrounds in England able to access the highest quality ECEC?

[Gambaro, Stewart and Waldfogel (2013) “A question of quality: Do children from disadvantaged backgrounds receive lower quality early years education and care in England” forthcoming CASEpaper]

- ▶ How well are other countries doing at ensuring equal access to high quality provision – and are there potential lessons for us from approaches elsewhere?

[Gambaro, Stewart and Waldfogel (eds) (2014) *Equal Access to Quality Care? Providing High Quality Early Childhood Education and Care to Disadvantaged Families*. Bristol: The Policy Press]



Research Questions (and presentation overview)

- ▶ How far are children from disadvantaged backgrounds in England able to access the highest quality **ECEC**?

...how does ECEC look like in England?



ECEC provision is made up of very different services

Type of service	Age group	Hours	Costs
Schools	4 year olds	School day	Free!
	3 year olds	Half day	Free!



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Private nurseries	0-5	Full-time	Fees (age-related)
Voluntary sector nurseries	~2-5	Full-time/part-time	Fees (age-related)
Independent sector nurseries	~2-5	Full-time/part-time	Fees



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Childminders	0-5		Fees



Different services, same curriculum and inspectorate

Type of service	Age group	Curriculum	Inspections
Schools	4 year olds	Early Years Foundation Stage	Ofsted (School inspections)
	3 year olds		
LA Children's centres	0-5		Ofsted (Early Years inspections)
Private nurseries	0-5		
Voluntary sector nurseries	~2-5		
Independent sector nurseries	~2-5		
Childminders	0-5		



Different services, very different staff

Type of service	Qualifications requirements
Schools	Teachers
LA Children's centres	Vocational qualification at level 3
Private nurseries	
Voluntary sector nurseries	
Independent sector nurseries	
Childminders	Introductory training



Costs of ECEC:

Free or only (very) partly subsidised

Free

All **3** and **4** year olds entitled to:

- ▶ **Free** early education
- ▶ 15 hours a week
- ▶ 38 weeks a year
- ▶ Available in schools & PVI settings

= **the free entitlement**

Subsidised

1. Vouchers
2. Childcare tax credit
 - ▶ Parents on low earnings working \geq 16 hrs a week
 - ▶ Amount varies with income and up to **70%** fees covered, cap at £122.50 a week

Outside the entitlement, ECEC is expensive for families



Research question

- ▶ How far are children from disadvantaged backgrounds in England able to access the highest quality ECEC?
 1. Within the entitlement
 2. Outside the entitlement



Data & measures

Dataset	Coverage	Child	Setting
Early Years Census (Jan 2011)	All three and four year olds receiving the entitlement NOT in a maintained school	<ul style="list-style-type: none">• Date of birth• Hours attended• LSOA	<ul style="list-style-type: none">• Identifier• Postcode• Type of setting• Staff with QTS or EYP
School Census 2011 (Jan 2011)	All children in all maintained schools in England		

Children's background:

- IDACI: child poverty indicator at the LSOA level

Quality indicators

- Presence of graduates
- Ratios
- Ofsted inspection results, Sept 2010 – Aug 2011




Who receives the entitlement?

AGE	2011 Early Years Census and School Census
Three	595,423
Four	617,121

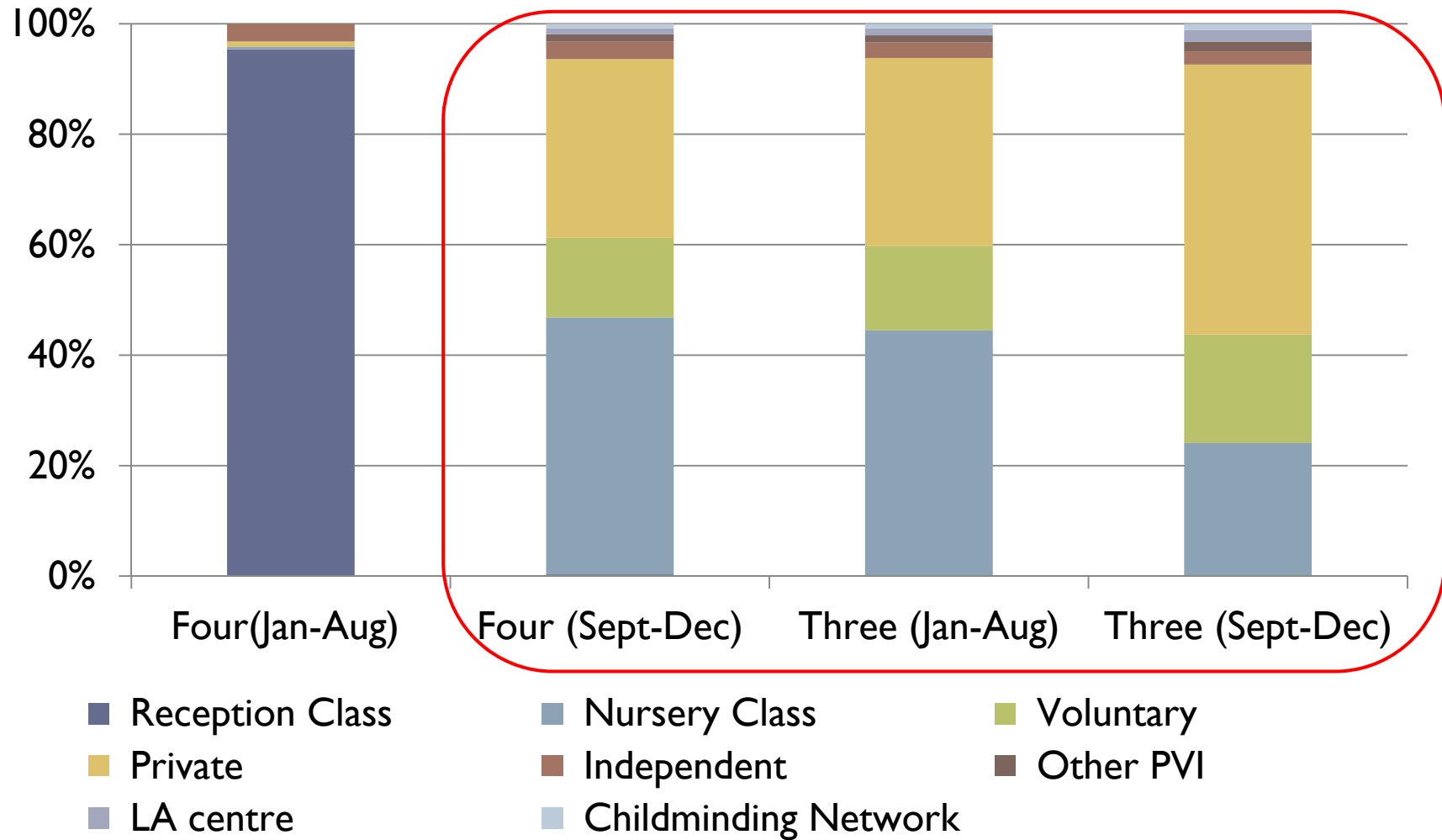


Who receives the entitlement?

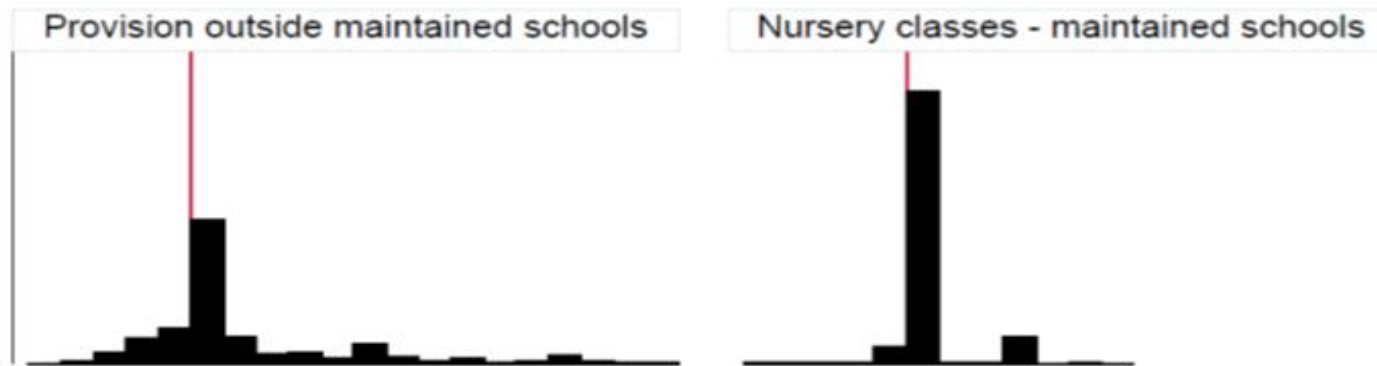
AGE	2011 Early Years Census and School Census	2011 Population Census	% receiving the entitlement
Three	595,423	663,574	89.73
Four	617,121	648,029	95.23

- Access **almost** universal for four year olds
 - But not so much for three year olds
 - Children from more disadvantaged families more likely to be the ones not accessing the entitlement
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Where do 3 & 4 year olds receive the entitlement? It depends on age & month of birth



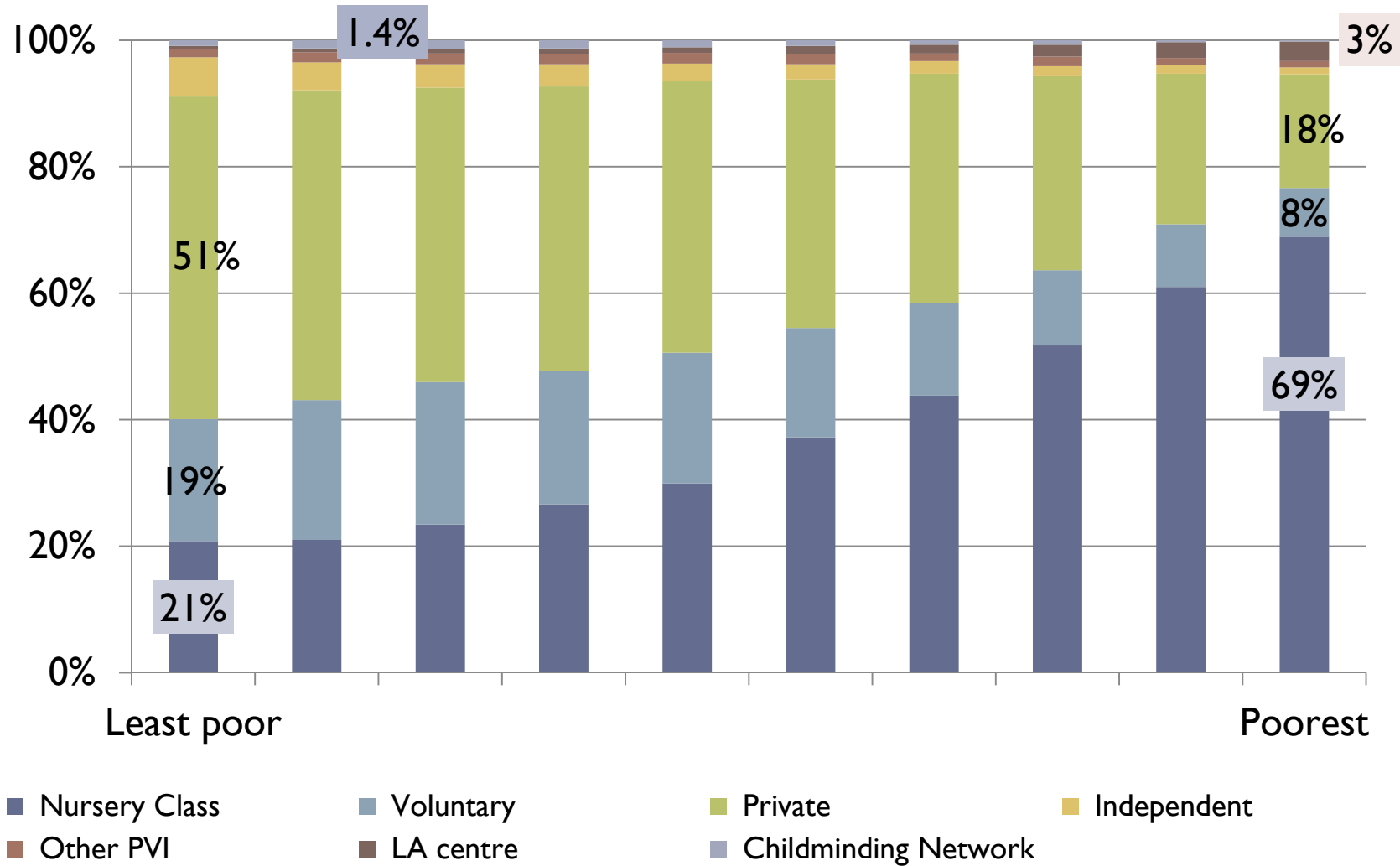
Hours are more varied in PVI settings but longer hours for children in reception



Hours per week spent at setting

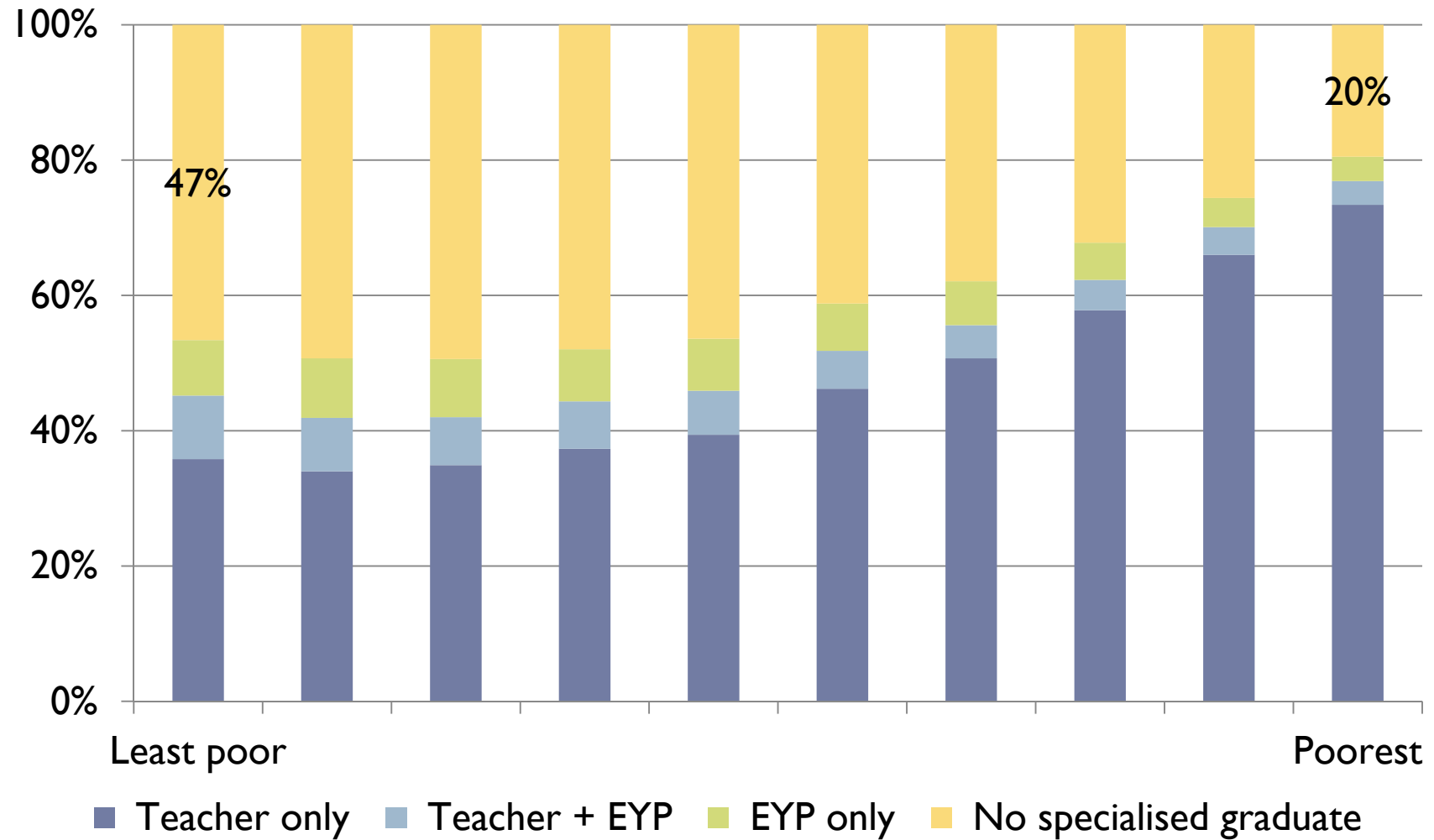


Where do 3 year olds receive the entitlement? By level of poverty



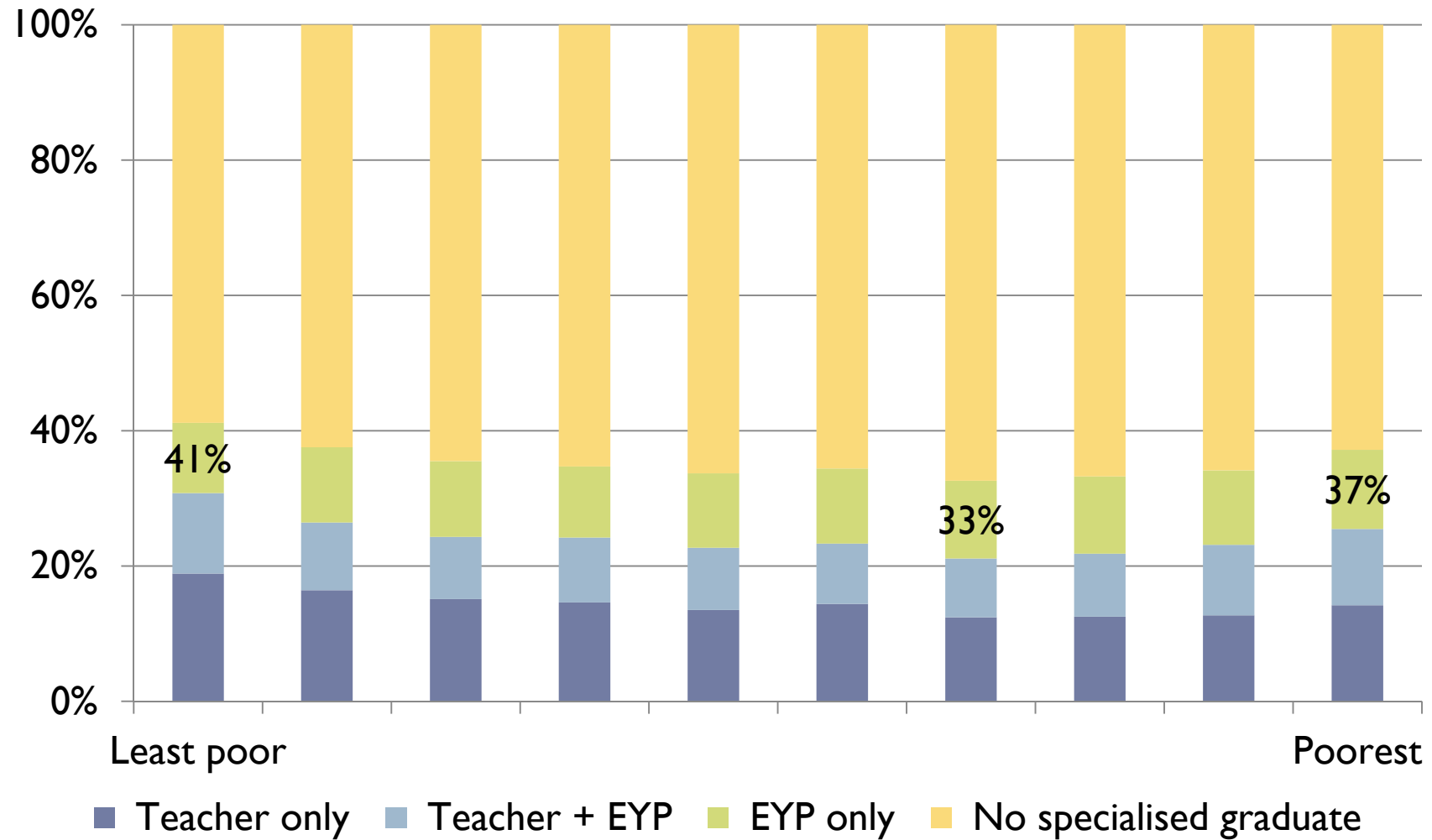
Access to a teacher or an EYP

By level of poverty

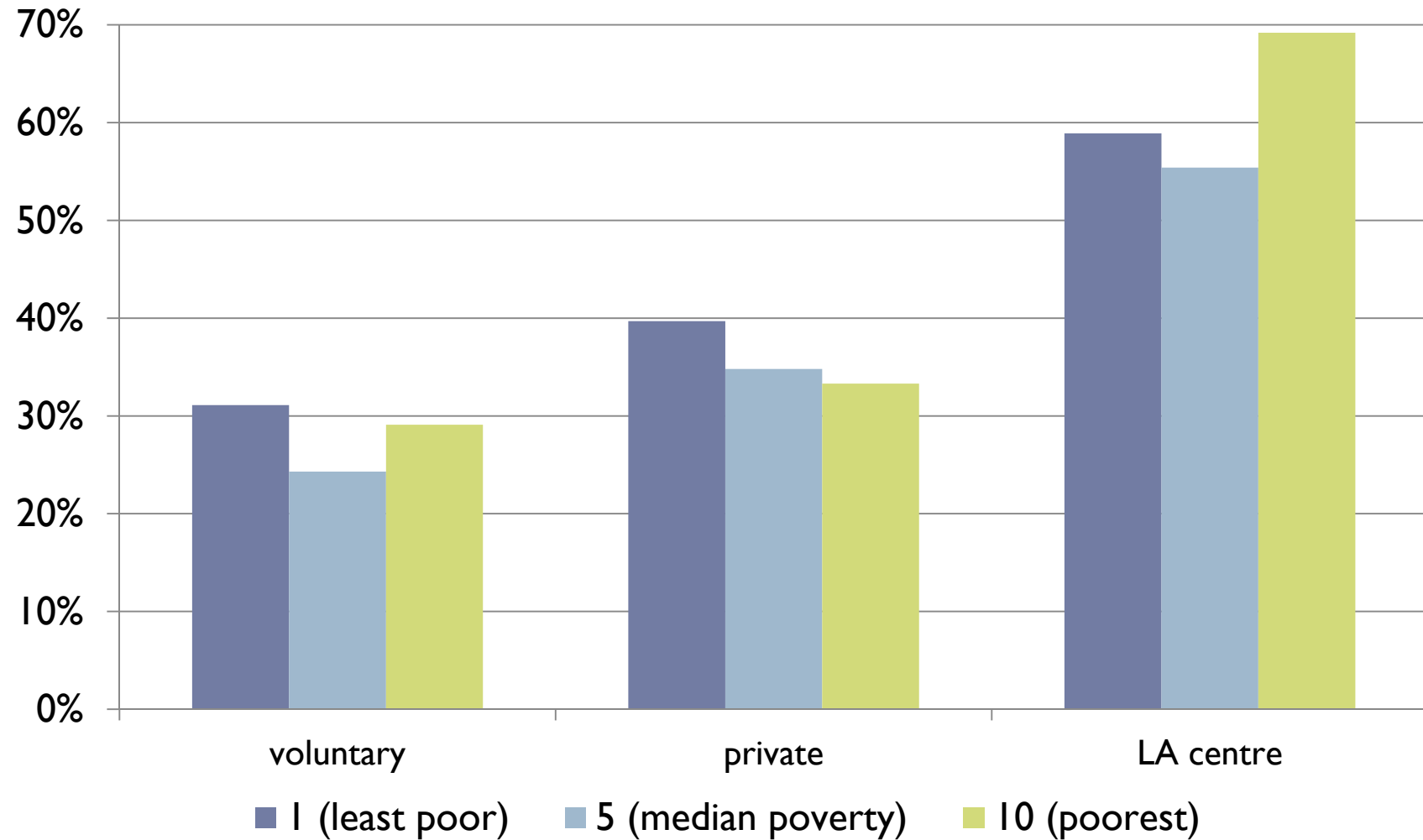


Access to a teacher or an EYP – without schools

By level of poverty



Access to a graduate by type of setting and level of poverty



Children to staff ratios are higher in schools

	All Staff	
	PVI	Schools
Least poor	6.1	11.7
2	6.4	11.7
3	6.1	11.7
4	5.9	11.7
5	5.9	11.7
6	6.2	11.8
7	6.2	11.8
8	6.6	11.9
9	6.8	11.9
Poorest	6.8	11.8

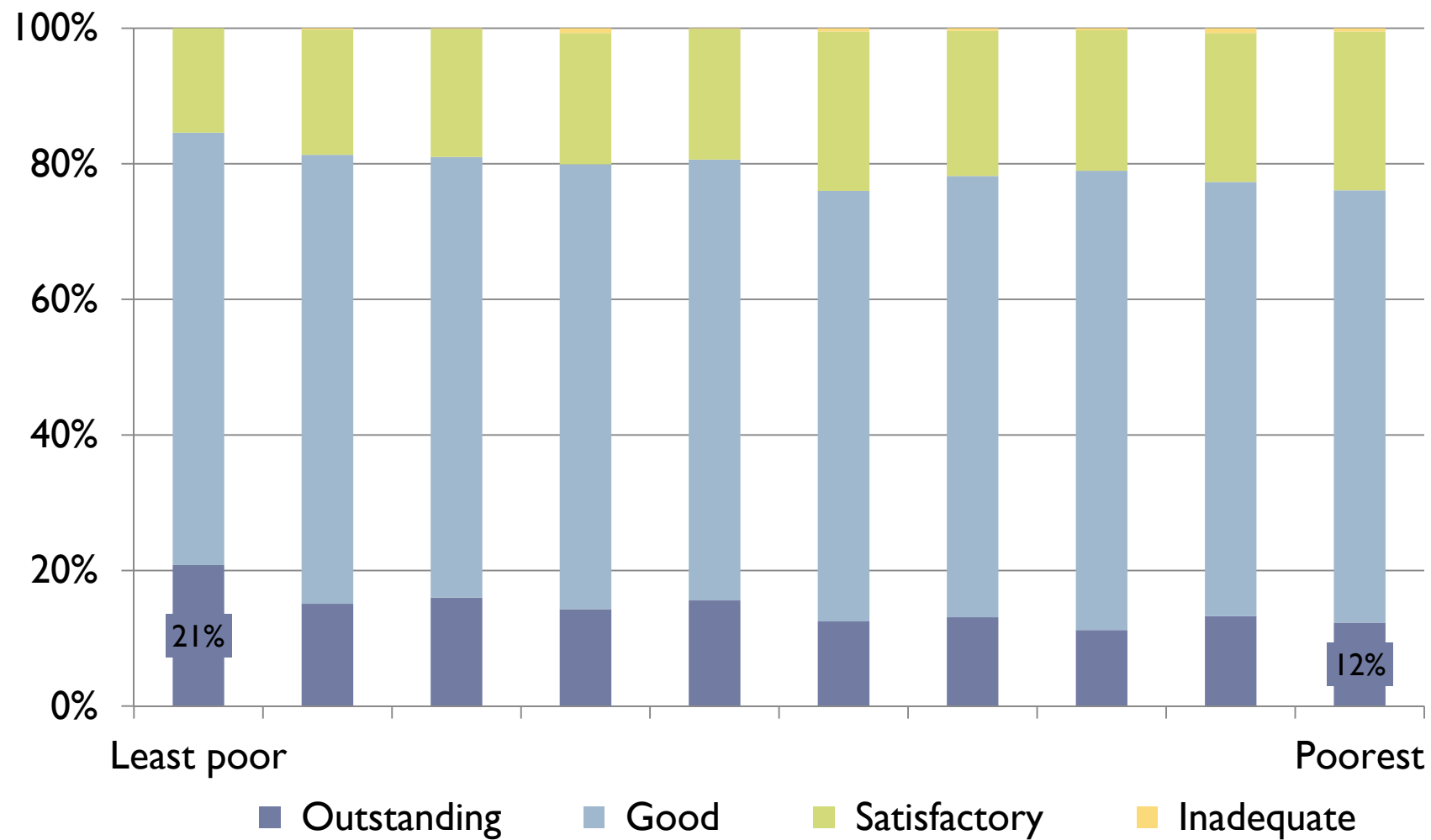


Children to staff ratios are higher in schools but children to graduate are lower

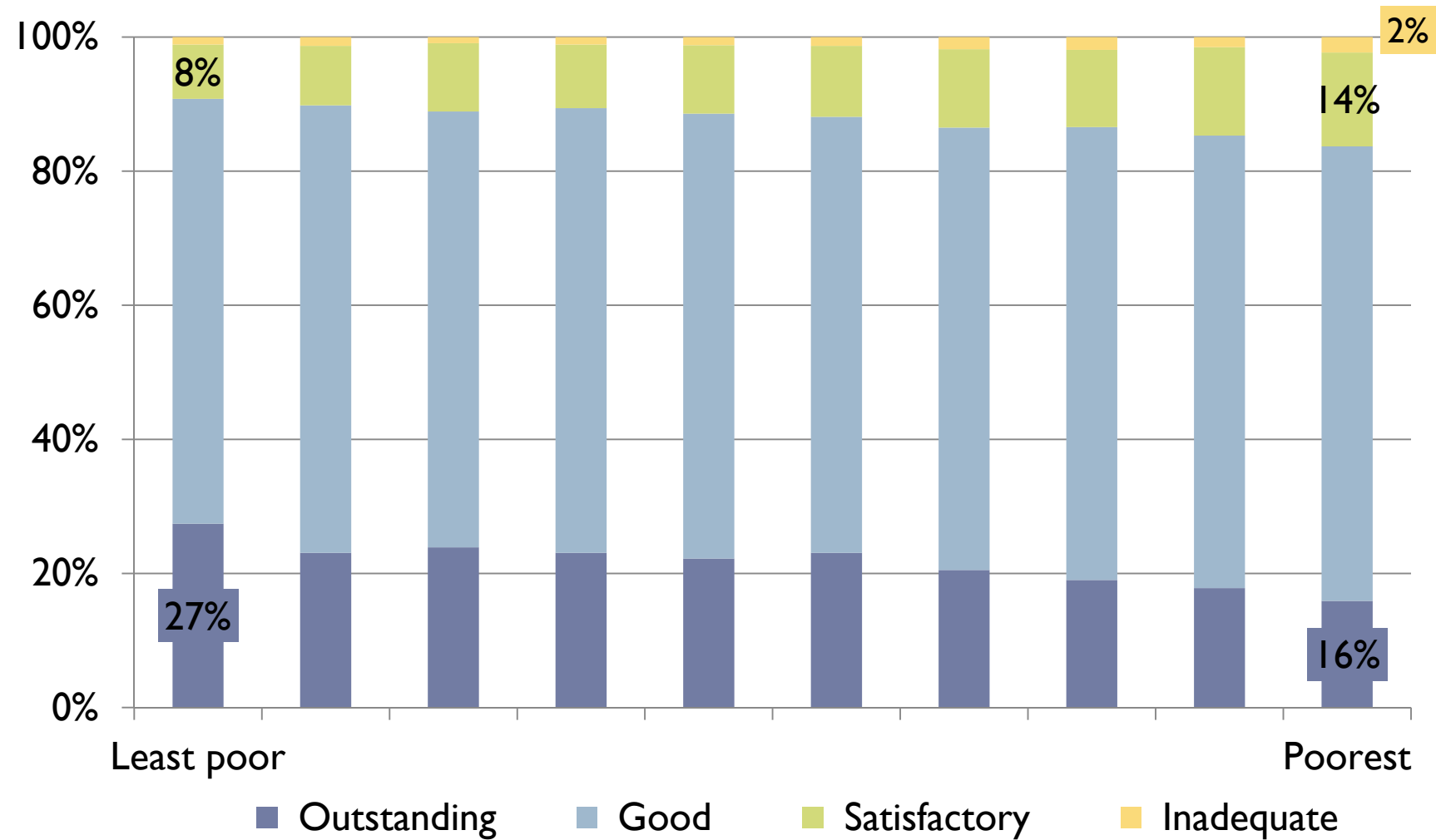
	All Staff		Graduates	
	PVI	Schools	PVI	Schools
Least poor	6.1	11.7	26	21.8
2	6.4	11.7	26.7	21.6
3	6.1	11.7	26.4	21.6
4	5.9	11.7	26.2	21.6
5	5.9	11.7	26.9	21.8
6	6.2	11.8	28.4	21.9
7	6.2	11.8	28.4	22
8	6.6	11.9	28.7	22
9	6.8	11.9	28.6	22.1
Poorest	6.8	11.8	27	21.8



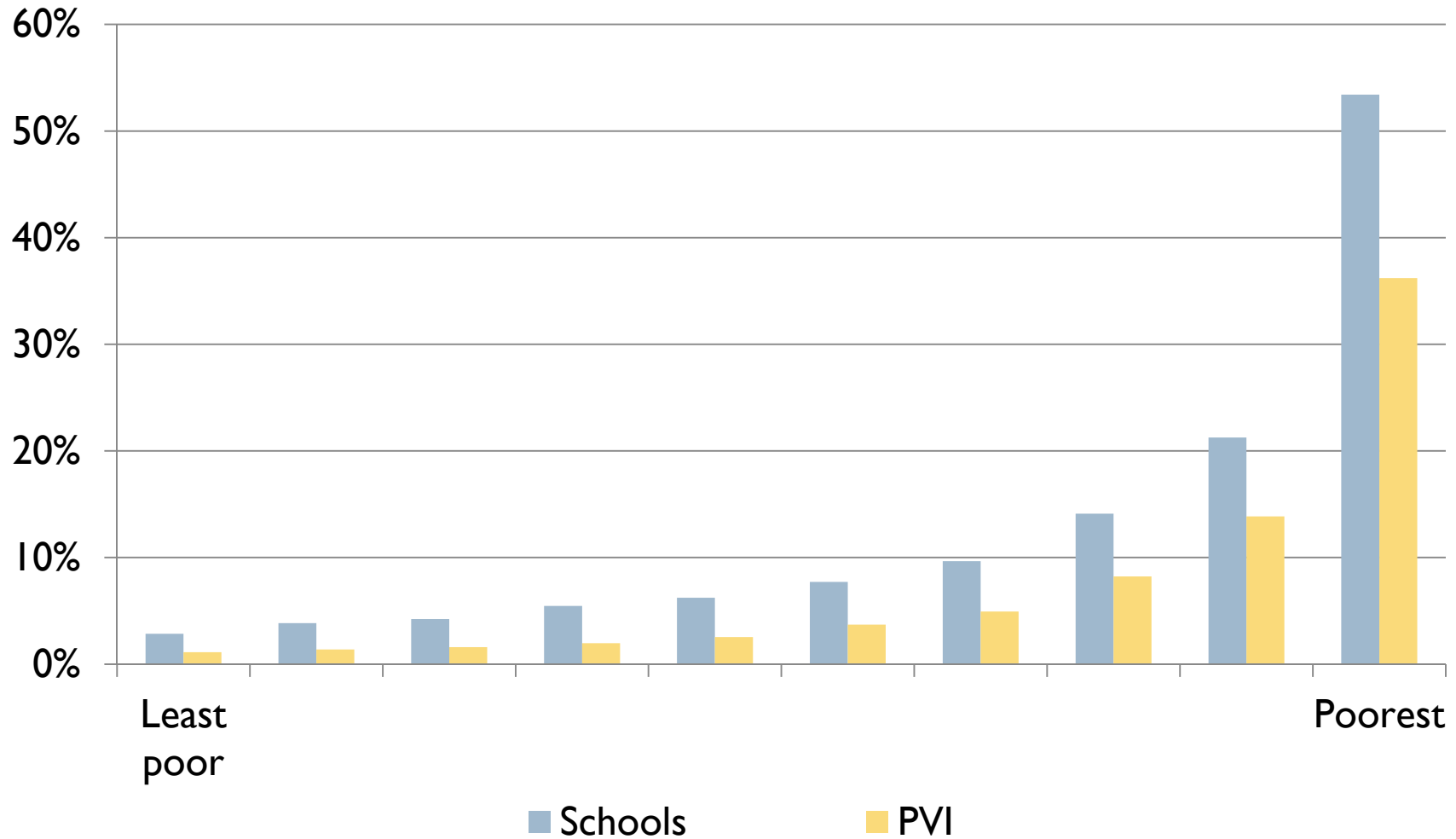
Ofsted rating of quality in schools, by level of poverty



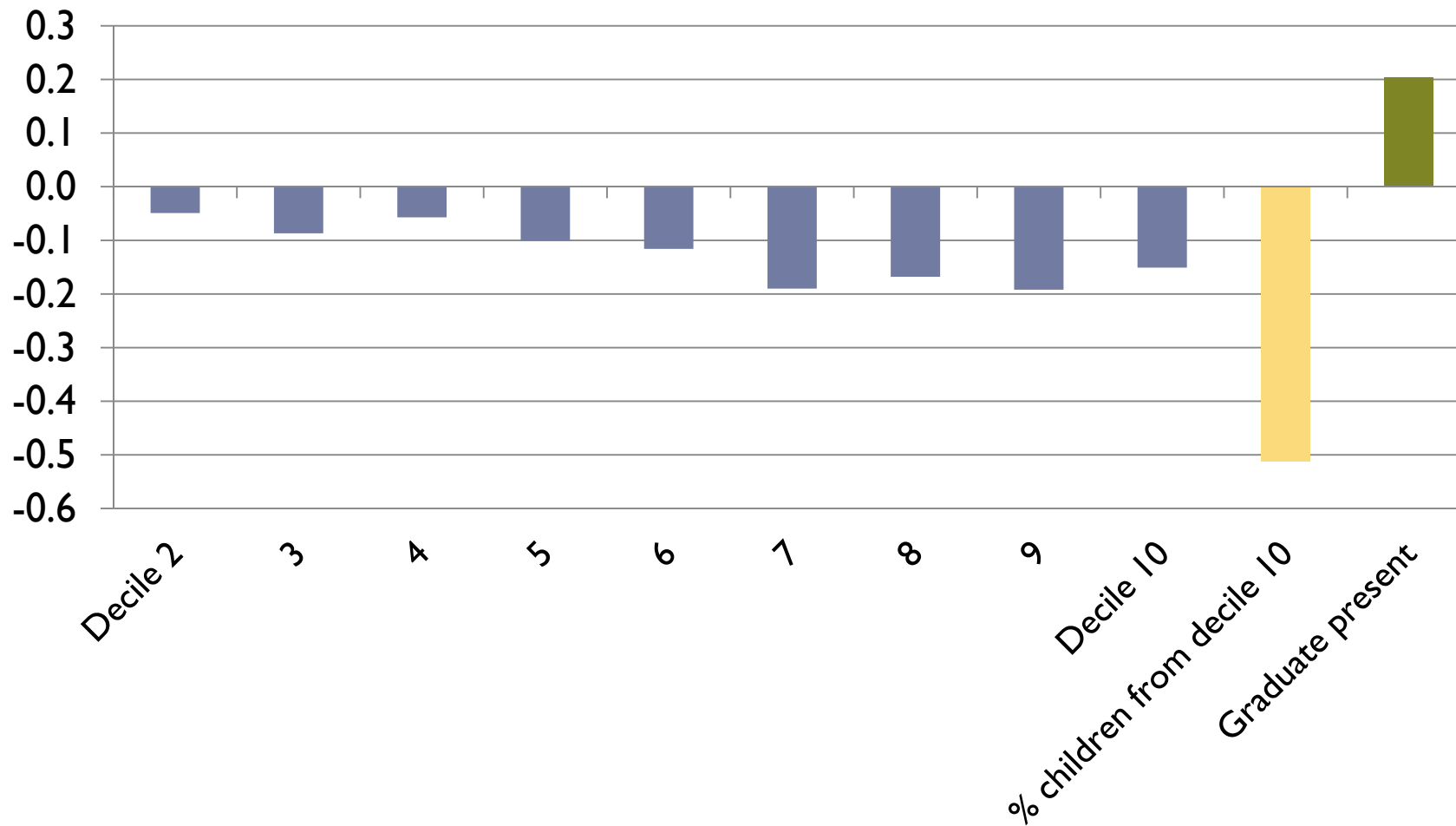
Ofsted rating of quality in PVI settings, by level of poverty



Different intakes: proportion of children from the poorest areas



Ofsted judgements are associated with settings intake and staff qualifications



Answers to our research question

- ▶ How far are children from disadvantaged backgrounds in England able to access the highest quality ECEC?
 1. **Within the entitlement** children from poorest areas are:
 - more likely than their peers to receive free early education in a setting employing a graduate, because they are in schools with teachers
 - less likely than their peers to be in a setting/school judged as good or outstanding

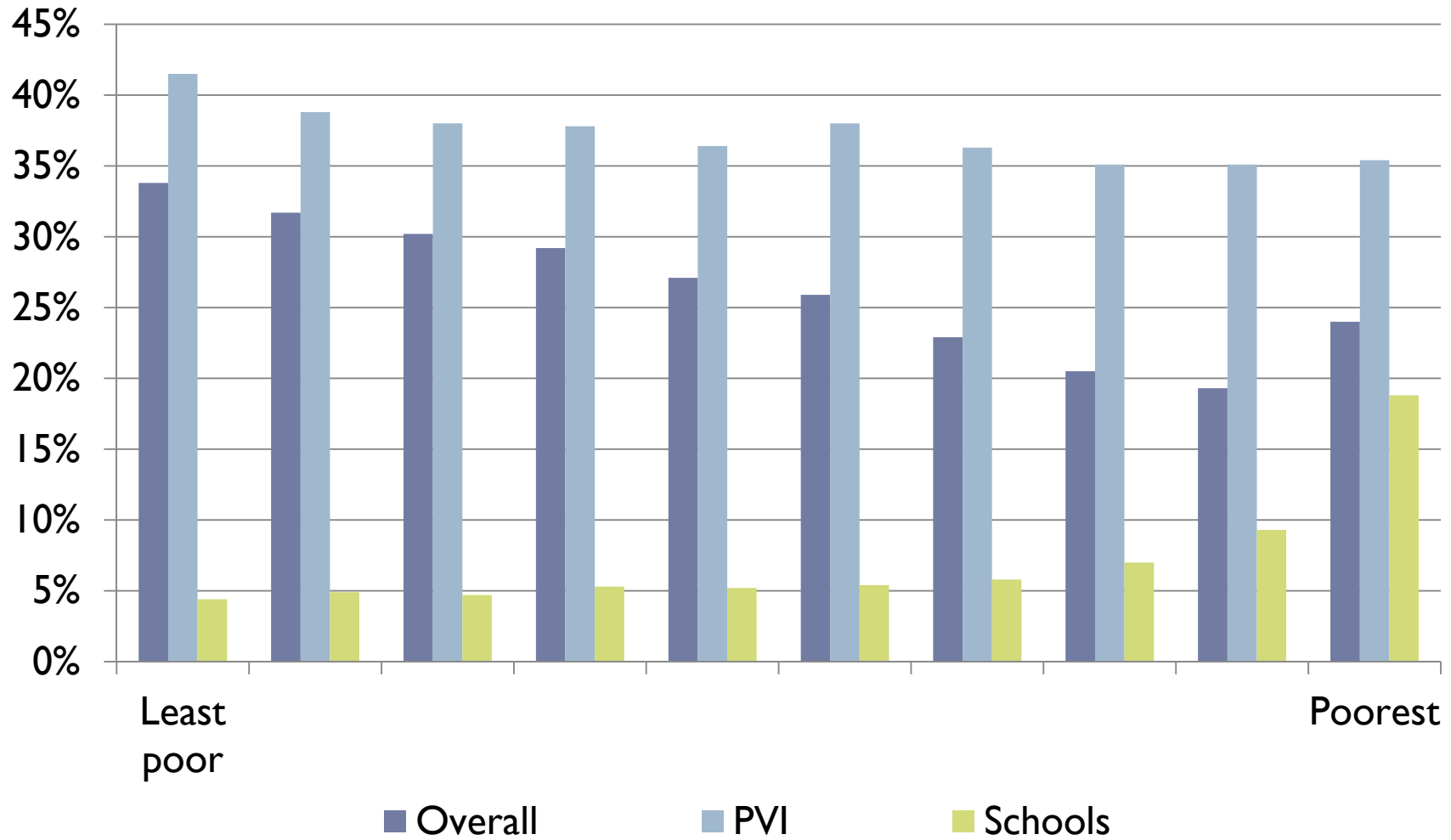


Research question

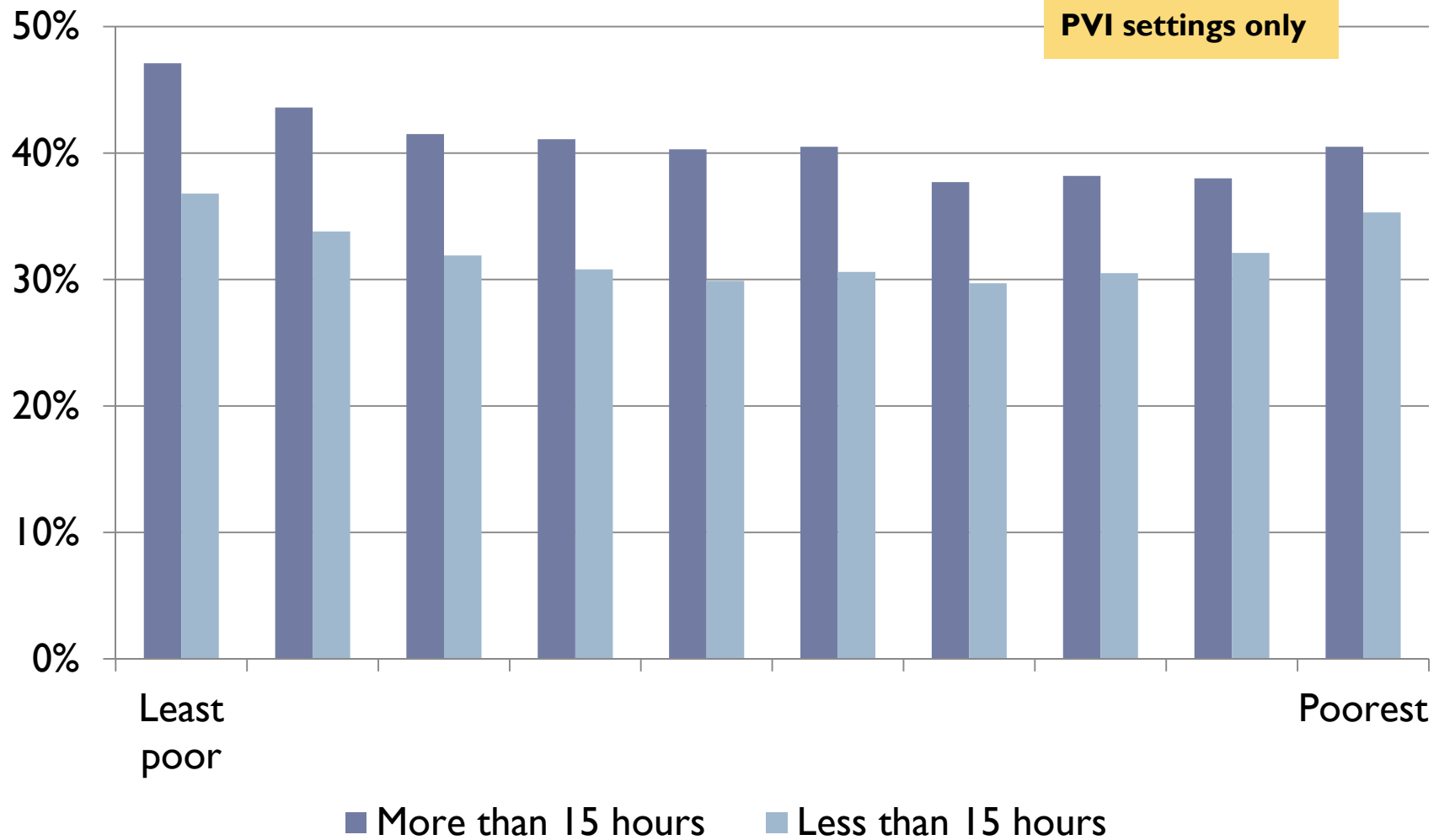
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 2. **Outside the entitlement**



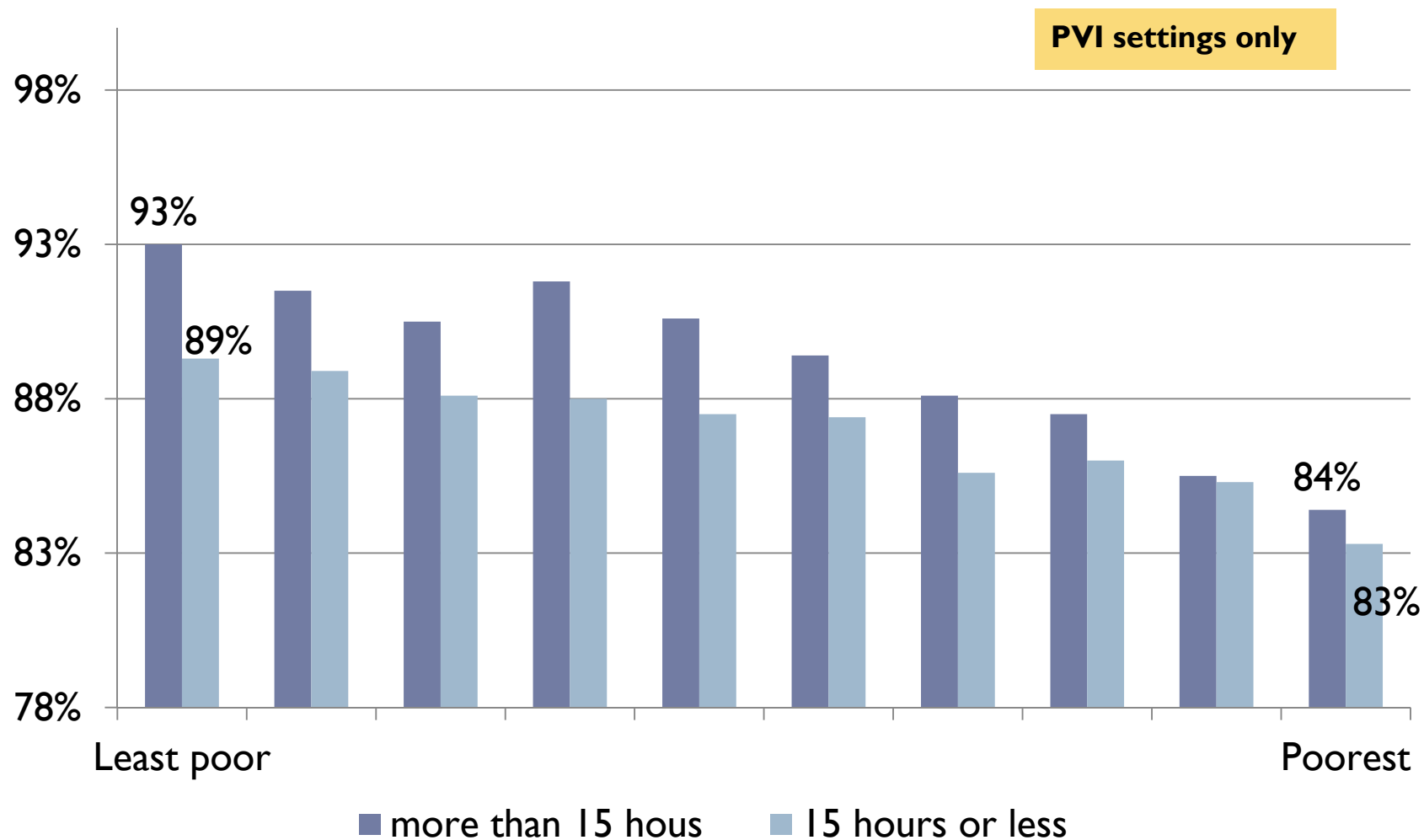
3 year olds: who attends for more than 15 hours?



Children who attend for more than 15hrs: more likely to be in contact with a graduate

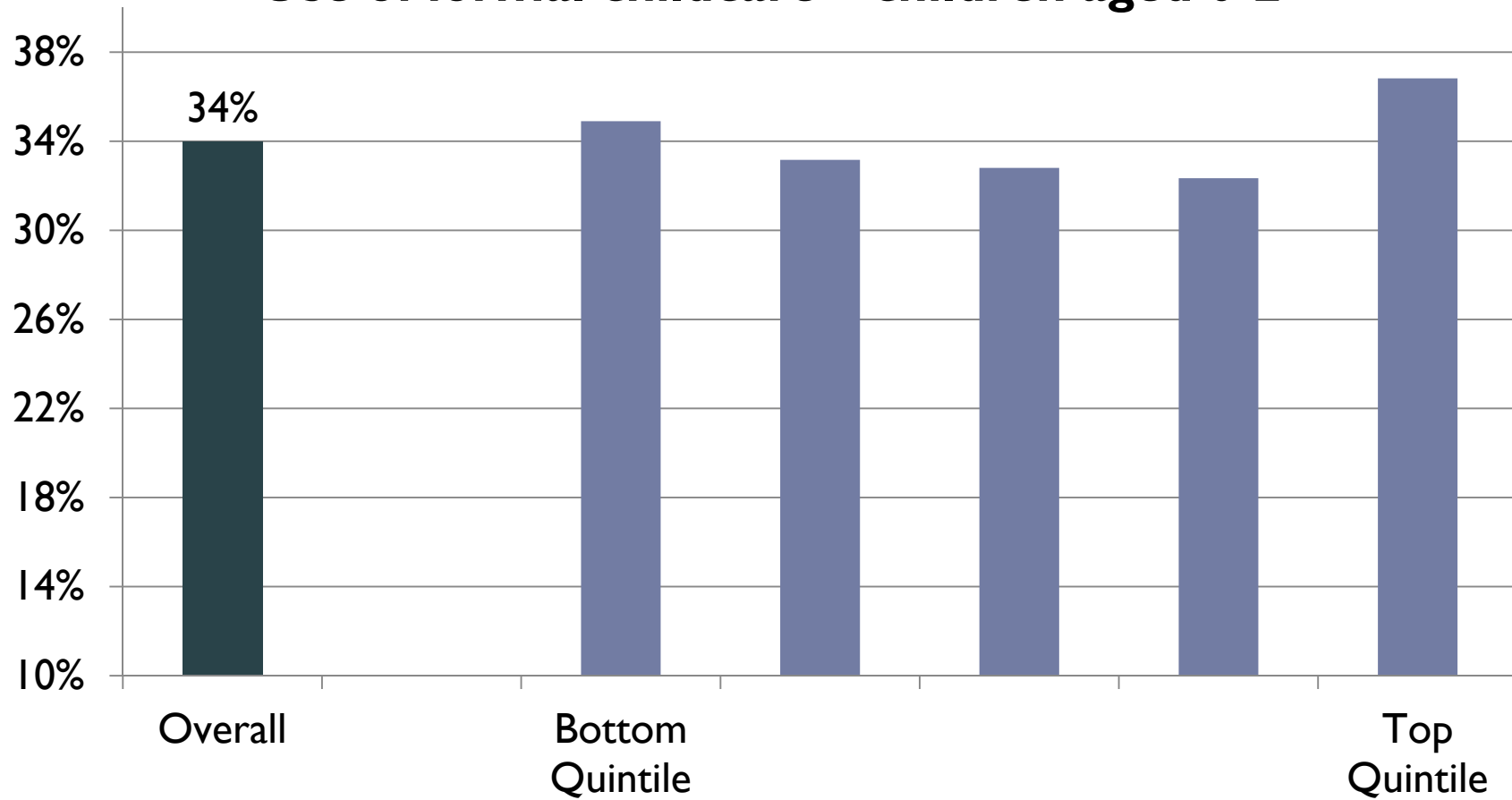


Children who attend for more than 15hrs: more likely in good or outstanding setting



Children under three & access: Family Resource Survey 2010/11

Use of formal childcare – children aged 0-2



Children under three & quality: Ofsted ratings of childminders

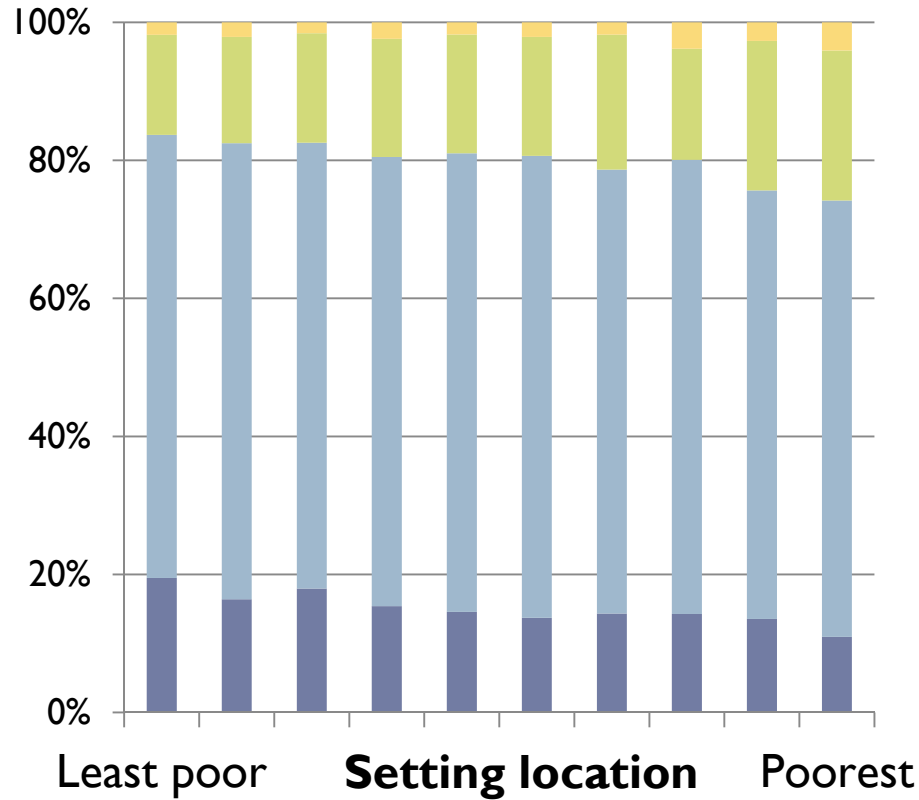


Children under three & quality: Ofsted ratings of PVI settings

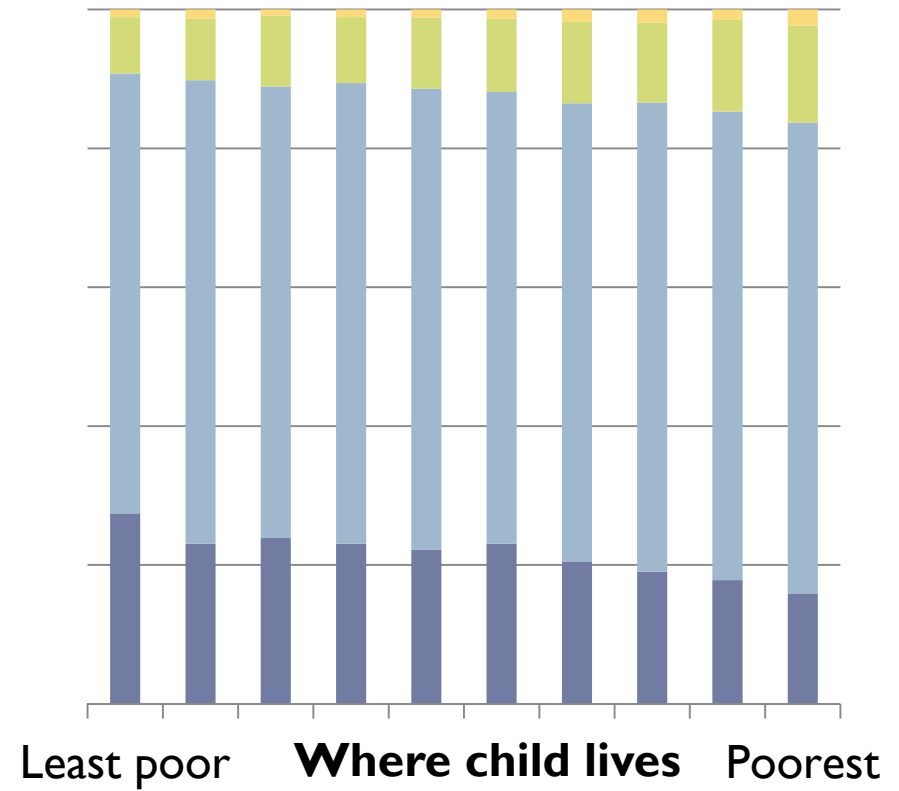


Ofsted judgements of settings give a more worrying picture than child-level data

Setting-level data



Child-level data



-
1. Settings offering the entitlement get better Ofsted ratings than settings which do not
 2. Settings with better Ofsted ratings tend to be larger

...we don't know where children under 3 are!



Research question

- ▶ How far are children from disadvantaged backgrounds in England able to access the highest quality ECEC?
 2. **Outside the entitlement:**
 - Three year olds from poorest areas are
 - less likely to attend for more than 15 hours
 - if they do, they are more likely to be in a setting with a graduate
 - but still less likely to be in a good or outstanding setting
 - Children under three:
 - Families from the bottom income quintile more likely to access formal provision than other quintiles except top one
 - Childminders and PVI settings available in poorest areas are rated more poorly



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The international part of the project

We asked academics from seven other countries to answer this question:

“How effectively, and through what mechanisms, does your country ensure access to high quality early childhood education and care for disadvantaged children?”



Which countries?

Criteria for selection:

- (1) Industrialised countries
- (2) Countries which involve a range of providers from different sectors in the provision of ECEC
 - ▶ Because that's the UK reality
 - ▶ Because that's when it gets complicated
- (3) A range of countries (Anglophone, European)
- (4) Interesting case studies – e.g. recent reforms.
Countries which promised to be both good and bad examples



Which countries?

- ▶ **Australia** (Deb Brennan and Marianne Fenech)
- ▶ **France** (Jeanne Fagnani)
- ▶ **Germany** (Pamela Oberhuemer)
- ▶ **The Netherlands** (Janneke Plantenga and Emre Akgündüz)
- ▶ **New Zealand** (Helen May)
- ▶ **Norway** (Anne-Lise Ellingsæter)
- ▶ **USA** (Jane Waldfogel and Katherine Magnuson)



Background statistics on the 8 countries

	Population 2011 (Million)	GDP per capita 2009 (\$PPP)	Gini coeff 2008	Child poverty 2008 (%)	Lone parenthood 2007 (%)
Australia	22.6	34,259	0.315	14.0	16.8
France	63.1	29,578	0.293	9.3	13.5
Germany	82.2	32,255	0.295	8.3	15.0
Netherlands	16.7	36,358	0.294	9.6	11.1
New Zealand	4.4	24,706	0.330	12.2	23.7
Norway	4.9	47,676	0.250	7.8	25.0
UK	62.4	32,147	0.342	13.2	21.5
US	313.1	41,761	0.378	21.6	25.8
OECD average			0.314	12.3	14.9

Lessons from a UK perspective: Generally how are we doing?

- ▶ ‘Childcare triangle’ of quality, cost and access – a challenge everywhere
- ▶ *Enrolment:*
 - ▶ Nearly universal 3+ (except US and Australia)
 - ▶ Under 3: Lower than Norway, Neths; similar to France, NZ; above Germany, Aus, US.
- ▶ *Quality:*
 - ▶ Qualifications: lower requirements than Norway, France, NZ
higher than Germany, Neths, Aus, US
 - ▶ Child:staff ratios: lowest
 - ▶ Curriculum: as in NZ and Norway
- ▶ *Inequality:*
 - ▶ Access for under 3: an issue everywhere
 - ▶ From 3 on UK doing well.
- ▶ *Cost:*
 - ▶ Most expensive for under 3
 - ▶ Free part-time from 3 and full-time from 4: better than in AU, US, GER, but fewer hours than in France and Norway



More specific lessons...



(1) Universal, free provision is an effective (if expensive) way to ensure high enrolment

- ▶ Britain, France and NZ: universal free pre-school → near universal take-up
- ▶ Sufficient?
 - ▶ Outreach and data collection – England
 - ▶ Compulsion? NZ
- ▶ Necessary? Can free targeted provision achieve the same at lower cost?
 - ▶ Headstart – US
 - ▶ Two year old places – UK
 - ▶ Move to targeting in NZ



(2) Where there are fees, they should be: income-related, fall to zero, and transparent

- ▶ **Subsidies should apply to all children, not just to children of working parents**
 - ▶ Norway, New Zealand, Australia, France (crèches), some parts of Germany, NOT UK (until 3).
 - ▶ **Generosity at the bottom is clearly important**
 - ▶ UK: All parents pay minimum 30% (beyond free hours)
 - ▶ Netherlands: 3.5% at bottom.
 - ▶ Australia: 'gap fee' paid by non-working parents
 - ▶ Norway: big expansion 2000-2011 as fees fell. 60% of 1-2 year olds with a single parent with no employment income are in kindergarten.
 - ▶ **Even a small fee can put parents off**
 - ▶ Oslo pilot of free places for 4 and 5 year olds: lost 1/3 children with an \$80 monthly fee
 - ▶ **Transparent and stable**
 - ▶ Income-related fees better than reimbursement through tax system?
-



(3) Quality: Highly qualified (graduate) staff are important to high quality provision

- ▶ Quality levers were the same across countries, but with different emphasis: curriculum; staff qualifications; child:staff ratios; inspection and monitoring
- ▶ Qualifications are most demanding in France, Norway and NZ
 - ▶ Evidence from NZ linking process quality to qualifications (as in UK)
 - ▶ Germany, US and Netherlands: Measures of process quality rank the bulk of provision poorly.
- ▶ UK: Detailed curriculum instead of graduate staff?
In NZ graduates are seen as essential to deliver the curriculum (and see Tickell Review)



(4) There is a danger that promoting quality will price out lower-income children...

- ▶ Less of a social gradient in quality than we might expect – a puzzle?
 - ▶ England: protective role of state provision
 - ▶ Netherlands: market reforms abolished state provision – now high social segregation but few differences in quality:
 - ▶ Parents don't value/observe quality so market operates on price?
- ▶ Increasing use of quality indicators (Ofsted, star ratings) may increase social gradient



(4)...requiring high minimum standards and subsidies linked to quality and disadvantage

- ▶ High minimum standards for all on crucial issues (staff) – so competition on less important things
 - ▶ But either state pays or low-income bid out (Australia)
 - ▶ How high is high? Depends on training system and how provision is organised.
- ▶ Use incentives to promote quality
 - ▶ Rather than a flat fee to providers, give centres more resources if they invest in quality
 - ▶ US: public funding (e.g. North Carolina) linked to structural features
 - ▶ New Zealand: quality funding bands
 - ▶ England: quality supplements for free entitlement; Graduate Leader Fund 2006-2011.
- ▶ Subsidies to all settings in disadvantaged areas (pupil-premium for early years provision?)



(5) Quality can be high in the private (for profit) sector, but because of regulation not pressure of competition

- ▶ Little evidence that competition itself bids up quality (e.g. Netherlands)
- ▶ Quality is often worse in the for-profit sector (US, NZ, UK)
- ▶ High quality provision *can* operate with a for-profit sector (Norway) but:
 - ▶ Very strong quality requirements (staff)
 - ▶ Plus limits on prices and profits (“reasonable” only!)
 - ▶ The for-profit sector is still small in Norway... a more substantial one may resist reforms (Australia)



(6) Quality costs more – no cheap solution

Table 4 Public spending per child on childcare, early education and other benefits in kind as a share of median working-age household income, 2007 (%)

Age of child	AU	FR	GER	NL	NZ	NOR	UK	US
0	4.1	19.3	2.8	11.8	0.7	7.0	2.6	1.7
1	6.0	19.3	3.0	12.0	1.0	10.5	2.6	1.2
2	6.5	25.0	7.5	12.1	1.4	14.1	4.8	1.3
3	11.1	36.5	21.1	12.3	34.4	31.2	41.2	8.2
4	23.5	37.0	23.3	36.7	38.2	32.7	45.3	12.4
5	31.7	37.0	23.5	37.0	24.6	33.0	30.8	15.6
Average per child 0-5	13.8	29.0	13.5	20.3	16.7	21.4	21.2	6.7
Total spending as a share of GDP (%)	0.65	1.66	0.75	1.39	0.79	1.45	1.13	0.55

Source: OECD (2011), Figure 1.11 and Figure 2.4.

Final policy conclusions

- ▶ Include *all* children in subsidy schemes, with zero contribution at the bottom, and make payment direct to providers
- ▶ Link state funding to quality and to area disadvantage
- ▶ Bridge divide in quality between sectors – more graduate staff
- ▶ And/or build on the maintained sector – more full-time provision?
- ▶ Consider limit on profits
- ▶ These are not suggestions that will save money!

