



# The Lambeth and Southwark Childcare Commission

IPPR

Southwark

  
Lambeth

## Foreword

Every family worries about childcare. We all want to know that our children are well looked after when we can't be there, and we don't want it to cost the earth. It's simple, but it isn't easy.



And the stakes are incredibly high – the first 1,000 days of a child's life are absolutely foundational. We now know that a child's early experiences have more influence on future achievement than innate ability, material circumstances or the quality of pre-school and school provision.

So childcare really matters. It's not just about cost and convenience – though both can be incredibly important. At its heart, childcare is about making sure every child gets a fair start in life.

Making sure that every child has a chance – that's how we as a society unleash the possibility of equality.

Parents have to be free to work whilst raising their families; children have to be given the nurturing environment they need to grow.

This report presents a serious plan to make childcare in Southwark and Lambeth better. Better for families, better for children, better for our communities – and I am proud to support it.

I would like to thank our commissioners, the IPPR, and the Lambeth and Southwark members and officers for the hard work, dedication and determination that made this report possible.

**Rt Hon. Dame Tessa Jowell MP**

Chaired by Rt Hon Dame Tessa Jowell MP.

### Commissioners:

- Naomi Eisenstadt – Senior Research Fellow at the University of Oxford.
- Tony Travers – Academic and Journalist, specialising in issues affecting local government.
- Vidhya Alakeson – Former Deputy Chief Executive of Resolution Foundation during the commission, now Chief Executive of the Power to Change.
- Kathy Sylva – Professor of Educational Psychology at Oxford University.
- Anand Shukla – Former Chief Executive of Family & Childcare Trust during the commission, now Chief Executive of the education charity Brightside.

Research and analysis provided by the Institute for Public Policy Research (IPPR Trading Limited).  
Commissioned by the London Boroughs of Lambeth and Southwark.



## Executive summary

**The Southwark and Lambeth Childcare Commission was set up to look at how childcare and early years services can better fit around the childcare needs of parents working in London's dynamic, 24-hour economy, whilst at the same time supporting parents to give their children the best possible start in life.**

We want to see a childcare system that supports parents to move into and remain in employment. It is still too difficult for parents in Lambeth and Southwark to find good-quality, affordable and flexible childcare and this is a significant barrier to getting and holding down a job.

Too many parents – and in particular mothers – find the cost of childcare prohibitive in seeking employment. Less than 60% of mothers in London are in employment, compared to nearly 70% in the UK as a whole, and upwards of 80% in countries like Sweden and Iceland\*. For parents of pre-school children, the figure is even lower: only 1 in 2 London mothers with a child below school age is in a job. A large part of this gap can be explained by differences in the cost and availability of childcare and nursery places.

We also want to see childcare and early years services that reduce the inequality of life chances of children living in both boroughs. This is a big challenge given that so much of where a child ends up in life is still determined by where they are born and who their parents are. By the time children start school, there are already significant gaps in the school-readiness of children from different family backgrounds.

All children living in Southwark and Lambeth should grow up able to develop their talents and abilities to their full potential, without the

constraints of poverty and disadvantage holding them back. To achieve this, we need childcare and early years services that – as well as supporting parents back to work – are also relentlessly focused on narrowing the gap in life chances.

As high-performing councils who have already enjoyed significant success in other related areas – for example in overseeing an increase in the quality of schools in both boroughs – Southwark and Lambeth are committed to providing national leadership on how councils in England should be responding to this challenge. We believe if Lambeth and Southwark councils, central government, local employers, the Mayor's office and parents themselves come together to implement some of the suggestions in this report we will see a real step change: both in terms of the ease with which parents can find the flexible, affordable and high-quality childcare solutions that they need; and of better life outcomes for the children of Lambeth and Southwark, many of whom start life in conditions of high poverty and disadvantage.

## Key themes

Firstly, councils up and down the country are facing a tougher **fiscal context** than ever, with areas with significant levels of deprivation such as Southwark and Lambeth experiencing some of the deepest cuts. Lambeth estimates that between 2010 and 2016, it will have experienced an overall 50% cut in core funding, and that between 2010 and 2018 the council will have had to make budget cuts of up to £200m, in order to balance its books\*\*. In Southwark, the council estimates that it has faced a £90m reduction in funding since 2010\*\*\*. One analysis indicates that, per-person,

\* OECD Family Database <http://www.oecd.org/els/family/database.htm>

\*\* <http://www.lambeth.gov.uk/elections-and-council/about-lambeth/lambeths-%C2%A390-million-savings-challenge>

\*\*\* [http://www.southwark.gov.uk/news/article/1787/shared\\_legal\\_services\\_go\\_from\\_strength\\_to\\_strength](http://www.southwark.gov.uk/news/article/1787/shared_legal_services_go_from_strength_to_strength)

the borough has experienced a cut of £249 between 2010/11 and 2014/15. In Lambeth this figure was roughly similar at £239\*.

The challenging **fiscal context** facing councils and central government means that any extra investment in childcare and early years services will need to be reallocated from other sources. But it is clear that extra investment in early years services can reap much bigger returns for central government, local government, and most importantly, children themselves, later on. A pound spent supporting families early on, when their children are young, is much more efficient and effective than trying to deal later with the consequences of issues that have gone untackled.

We therefore make a strong case here that the children's services and education budget should be looked at as a whole, and that some spending should be reallocated from services for school-age children to the early years, with the government taking a **0-18 approach to funding**.

We will also need to see much more **integrated partnership working** than we have done in the past between different commissioners and services, building on existing joint commissioning initiatives such as the Lambeth Early Years Action Partnership (LEAP).

The recommendations we have made here in relation to childcare and early years services also therefore need to be seen in the context of a bigger agenda for more **place-based budgeting**, with local councils at the helm. And there will need to be some difficult decisions made, for example around decommissioning some services, or strategically prioritising services within some Children's Centres over others to create a 'hub and spoke' model.

However, improving the affordability and availability of childcare cannot be a job for central government or Lambeth and Southwark councils alone. Both central government and local councils have an important role to play. But so do **local employers and businesses**, who can help expand access to childcare through adopting parent-friendly policies.

The **Mayor of London** can also play a key role. We believe serious consideration should be given to expanding access to affordable loans, creating a coalition of London employers committed to improving childcare for their employees and making things easier for parents by keeping transport costs – such a big part of the costs of flexible working in London – manageable.

And of course we can also facilitate parents themselves playing a much bigger role through helping them set up **childcare cooperatives**, in which they contribute time in exchange for lower-cost childcare; facilitating parent-led after-school and holiday provision; and creating the networks that allow parents to pool time to support each other, for example with school drop-offs and pick-ups.

The third theme is about the importance of community institutions like **Children's Centres** which act as one-stop-shops for busy parents for all their support needs, with co-located services spanning child health, childcare, parenting support and employment services, delivered in partnership with families. Southwark and Lambeth both have great examples of Children's Centres that act as real community hubs: we need to ensure parents right across both boroughs have access to the best examples of these, and that best practice is harnessed and shared.

## Recommendations for central government

- Government should consolidate existing funding for Education, Early Years and Childcare, taking a 0–18 approach.
- Government should give local authorities more control over how this budget is spent.
- In the short term, Government should commit to scrapping the planned changes to funding of the two-year-old entitlement due to come in in 2015.

## Recommendations for the Mayor of London

- The Mayor's Office should look into the feasibility of a London-wide affordable loan scheme to enable parents across London to access no-interest loans to help them with the upfront costs of childcare and moving into work.
- The Mayor's Office should continue to review Transport for London fares for parents working flexibly and part-time.
- The Mayor's Office should bring together a London-wide coalition of businesses that commit to support their staff with their childcare needs.

## Recommendations for local employers

- Business Improvement Districts across both boroughs should commit to making joint investments in childcare, such as through loan schemes or flexible working policies.

- Local employers should commit to setting up workplace nurseries, in conjunction with social enterprises and charities where appropriate.

The efforts of local employers should be supported by both councils:

- Both councils should investigate the feasibility of providing business rates discounts for employers that invest in high quality, affordable childcare support for employees.
- Both councils should run a brokering service putting in touch employers and charities and social enterprises interested in running workplace nurseries.
- Both councils should expand their requirement for businesses winning council contracts to pay the living wage, to other forms of family friendly working, for example, by asking employers to sign up to Timewise or demonstrate good practices with respect to promoting the right to request flexible working and granting requests.

## Recommendations for Lambeth and Southwark Councils

### Childcare

- Lambeth and Southwark should improve access to information about local childcare by facilitating the creation of an online childcare portal.
- Increasing the awareness of existing provision as well as the supply and quality of childminders, by:
  - ▶ Establishing and extending childminder networks, run out of Children's Centres,

\* <http://www.theguardian.com/society/patrick-butler-cuts-blog/2013/jan/11/council-cuts-north-loses-out-to-the-south-newcastle>

focused on improving the quality of childminding.

- ▶ Expanding and strengthening flexible childminder networks to broker parental access to childminders.
- ▶ Working with local further education providers to increase the supply of childminders.
- ▶ Providing more business support for childminders.

- Lambeth and Southwark should support more before-and after-school provision and holiday provision for school-age children through by supporting parents to set up cooperative childcare schemes.

- Both boroughs should set up childcare clubs for parents, which could operate on a 'timebank' principle. These could, for example, help parents coordinate drop-offs and pick-ups from school with other local parents, and facilitate the set up of 'babysitter circles' whereby parents look after each other's children in a reciprocal scheme.

### Children's centres

- Both boroughs should work together to share and develop best practice on Children's Centres.
- More Children's Centres to allow parents to register their child's birth.
- Both boroughs should explore how to expand the availability of Children's Centres at weekends, such as through parent-led provision.
- Both boroughs should look at how to increase the role that Children's Centres play in the provision of childcare.
- Expand and share best practice on the linking up of family services and employment support.

### Integrated commissioning

- Lambeth and Southwark should continue to develop partnership working and integrated commissioning with a strong ethos of early intervention and robust methods for sharing data and best practice.

- Lambeth and Southwark should liaise with schools to pool and invest a proportion of schools' pupil premium funding from the Dedicated Schools Grant in pre-school interventions to support school readiness and transitions to school as part of an 'invest to save' approach within this strategy.

### Supporting parents to do the best for their children

- Both boroughs should continue to review the use of evidence-based parenting support programmes such as Family Nurse Partnership, Incredible Years and Triple P, and ensuring that the Children's Centre network is used to increase access to these programmes, moving funding away from programmes that are not evidence-based. This is already happening as part of Lambeth's LEAP programme.

- Both boroughs should also commit to supporting the provision of evidence-based family learning programmes through Children's Centres, targeted at parents with low levels of prior educational qualification.

- Both boroughs should commit to expanding support for parent-led programmes such as Parent Champions and Community Mothers.



**Why do childcare and early years services matter**

### Childcare and early years services provide crucial support to families in two ways.

Being able to access flexible and affordable childcare is critical to parents holding down a job. Affordability and flexibility are particularly important in the diverse, inner London boroughs of Lambeth and Southwark. Both boroughs have higher-than-average levels of income inequality, and many of the parents we spoke to as part of our research told us they have to work atypical and long hours in order to support their families. They often do not have the support of an extended family living nearby, and face longer-than-average and expensive commutes into central London. This is particularly a problem for part-time workers, for whom commuting costs are higher as they are unable to make use of Transport for London's discounted season tickets.

And the costs of childcare are rising even as family incomes are currently being squeezed by slow wage growth and the rising costs of other essentials, such as housing and energy. Childcare is now estimated to account for up to 30% of family incomes in London\*. According to the Family and Childcare Trust, a part-time place (25 hours) for a child under 2 costs on average £140.12 a week in London\*\*. This is 28% more than the average price across the country, and it stands in stark contrast to childcare costs in other countries; for example, childcare fees for Swedish parents are capped at just over £100 / month (1260 SEK / month\*\*\*). Parents in London pay more per week than parents in Stockholm pay in a month.

A lack of affordable and flexible childcare is a significant barrier to parents moving into work. This can keep families trapped in a cycle of poverty, with all its terrible consequences for both parents and children\*\*\*\*.

Second, decades of evidence from the social sciences and more recently, neuroscientific research, have shown that children's experiences and environment in their earliest years are critical in shaping outcomes for the rest of their lives. Most parents share a strong human instinct to do what's best for their children, but it can be frustrated by their own limits in skills or knowledge, or by difficult circumstances such as poor parental mental health or struggling with the daily reality of living in poverty. This means children from different social backgrounds start school with very different levels of school readiness, in terms of their physical, social and emotional, and cognitive development. Some children are not starting school with basic physical skills like being able to use a knife and fork; basic social skills like being able to regulate their behaviour in a class of young children; or the language skills that allow them to communicate with their teacher and the rest of their class at even the most basic of levels.

Nationally, only 42% of children eligible for free school meals (a reliable indicator of deprivation) achieve the expected standard on the Early Years Learning goals (which comprise measures of school readiness) compared to 61% of their more advantaged peers. In Southwark and Lambeth, the gap is slightly smaller, but still significant: 13 percentage points in Lambeth and 15 in Southwark compared to the national gap of 19 percentage points\*\*\*\*.

Even faced with difficult material circumstances, with the right support from childcare and early years services, parents can do a great deal to overcome the forces of disadvantage. Parenting and the home environment have by far the biggest impact on child development\*\*\*\*\*. However, high-quality early years services can

support parents to provide the warm, loving, structured, enriching and secure home environments that will help promote their child's development through secure attachment, conversation and story-telling. And high-quality childcare can complement children's home learning environments, with positive impacts for their cognitive, physical and behavioural development\*.

Research has found high-quality childcare environments have more qualified staff and management in childcare settings, but also that the type of interaction that is encouraged between adults and children in the setting matters, with the best outcomes associated with a mix of adult- and child-initiated interaction, characterised by warm relationships. The positive impact of high-quality childcare is particularly pronounced for children from disadvantaged backgrounds. The effects are not seen where the setting is not high quality, which underlines the importance of ensuring children from disadvantaged backgrounds are accessing high quality settings\*\*.

Furthermore, being able to access affordable, flexible childcare also enables parents to improve their material circumstances by looking for suitable employment opportunities, particularly important in improving outcomes for children living in low-income households.

In the last twenty years, state funding for childcare has steadily increased via support with childcare costs via the tax and benefits system and the creation of a free entitlement to part-time provision for all children aged 3 and 4, and to children aged 2 from disadvantaged backgrounds. A whole new early years infrastructure has been created in the establishment of over 3,000 Children's Centres across the

country, intended to function as community hubs for family services, including parenting support, childcare, back-to-work support, and community midwifery and health visiting. And there is much more targeted support available for vulnerable parents through evidence-based programmes, such as Family Nurse Partnership and the Incredible Years.

While this investment has had some successes, the big gaps in school readiness for children from different backgrounds still remain and too many parents still find it difficult to access affordable and flexible childcare. There needs to be a step change in the quality and availability of childcare and early years services.

Of course, investing in quality early years and childcare services does not come cheap. But the costs later on down the life of failing to provide good support to families early on in a child's life can be several times the upfront costs of early intervention. A failure to invest in flexible and affordable childcare prevents parents from moving into work, which carries significant costs for the state in terms of means-tested benefits and foregone tax receipts. And a failure to invest in quality childcare and early years services can lead to the greater costs associated with much more expensive catch-up interventions at secondary school, more intensive support services to deal with dysfunctional family environments when children are older, and at the extreme end, the youth justice and prison systems for the children who have been most failed by the system.

Several local authorities have now undertaken detailed cost-benefit analysis to understand how the upfront costs of investing in early years services might lead to savings later down the line. For example, Greater Manchester has

\* Alakeson V and Hurrell A (2012) The costs of childcare after housing costs [http://www.resolutionfoundation.org/wp-content/uploads/2014/08/The\\_costs\\_of\\_childcare\\_after\\_housing\\_costs\\_1.pdf](http://www.resolutionfoundation.org/wp-content/uploads/2014/08/The_costs_of_childcare_after_housing_costs_1.pdf)

\*\* Rutter J and Lugton D (2014) 2014 London Childcare Report <http://www.familyandchildcaretrust.org/News/london>

\*\*\* Sweden: Successful reconciliation of work and family life [http://europa.eu/epic/countries/sweden/index\\_en.htm](http://europa.eu/epic/countries/sweden/index_en.htm)

\*\*\*\* See Ben-Galim D and Thompson S (2014) Childmind the gap: Reforming childcare to support mothers into work, IPPR. <http://www.ippr.org/publications/childmind-the-gap-reforming-childcare-to-support-mothers-into-work>

\*\*\*\*\* DfE (2014) Early years foundation stage profile attainment by pupil characteristics, England 2014 Department for Education.

\*\*\*\*\* The Social Research Unit at Dartington The 'science within': what matters for child outcomes in the early years <http://betterstart.dartington.org.uk/wp-content/uploads/2013/08/The-Science-Within1.pdf>

\* EPPE study

\*\* See Parker I (2013) Early developments: Bridging the gap between evidence and policy in early-years education, IPPR. <http://www.ippr.org/publications/early-developments-bridging-the-gap-between-evidence-and-policy>

estimated that an upfront investment of £38 million per year in early years services could result in annual savings of £145 million a year over a 25-year period as a result of improving children's lives\*.

At the same time, population shifts within both boroughs mean that the number of babies and young children is projected to grow. The bottom line is that both boroughs are going to need to find ways of doing more with less in early years and childcare over the next decade: a huge challenge that will require working together in new ways across different services and across the two boroughs. The need for integration will be greater than ever at a time when resources are at their tightest for decades. And there will be difficult questions about how to prioritise falling levels of funding, with potential implications for the balance between universal and targeted services. Investing to save has never been more important, but has also never been more difficult in terms of finding the resource needed to invest in our children's long-term future.

Our report looks at each of the following aspects of childcare and early years provision in Lambeth and Southwark:

- How early years services can empower parents to give their children the best possible start.
- How to improve access to flexible, affordable and quality provision in Lambeth and Southwark, through working with schools, businesses, the private and voluntary sectors, local Children's Centres and parents themselves.
- The role of Children's Centres as community hubs of early intervention.
- Integrated commissioning of early years services in Lambeth and Southwark.



**Improving access to flexible, affordable and quality childcare**

\* Greater Manchester Early Years Business Case [http://www.agma.gov.uk/cms\\_media/files/121031\\_ey2\\_business\\_case.pdf?static=1](http://www.agma.gov.uk/cms_media/files/121031_ey2_business_case.pdf?static=1)

**Being able to access flexible, affordable and quality childcare in the early years is critical for families.** Too often, it is a lack of affordable and flexible childcare that gets in the way of parents working, or working the hours they need to. We know this is a particular problem for parents living in Lambeth and Southwark, where the demands of shift working and long hours in London's dynamic economy make it particularly important that parents can access flexible provision.

Additionally, attending high-quality childcare settings, with well-qualified management and staff and which promote a mix of both adult-initiated and child-initiated interaction, has been shown to have positive impacts on child development, particularly for children from disadvantaged backgrounds. It is an effective way of closing the school readiness gap for five-year-olds from different family backgrounds.

There are tensions between the employment and child development benefits of childcare, however. The best-quality childcare is usually found in centre-based settings, particularly in maintained schools where nursery settings are much more likely to be staffed by sufficient numbers of graduates who work directly with children as well as leading practice and are trained in creating richly educational settings appropriate for young children.

But these settings often offer little flexibility to parents working long or atypical hours. This is particularly an issue in inner London, where parents, particularly those in low-paid work, are more likely to have to work long hours and irregular shifts than elsewhere in the country. Commuting times are also longer and families are less likely to have extended family to rely on for childcare.

A lack of flexibility and affordability has contributed to maternal employment in London being 15 per cent lower than elsewhere in the country\*. Boroughs such as Lambeth and Southwark therefore face a particular challenge: they need to find ways of ensuring that young children are in high-quality settings, whilst also ensuring parents are able to access the flexible and affordable provision that allows them to work in London's 24-hour economy.

## The national childcare market

The childcare market in England is very much a mixed market, with provision provided by a mix of maintained schools, by private and voluntary providers, and by childminders.

Government support to help families with the costs of childcare is provided in two key ways:

- First, all three- and four-year-olds are entitled to fifteen hours' free care a week for 38 weeks of the year. Two-year-olds from disadvantaged backgrounds (around two-fifths of all two-year-olds) are also entitled to this.

The government sets funding levels for the free entitlement nationally, paid in a grant to local authorities (currently government pays a grant equivalent to £6.07 for two-year olds an hour for 570 hours per year, according to the number of two-year old children estimated to be eligible for it). This is then paid directly to providers by local authorities.

- Second, parents can claim support to help them with childcare costs through the tax system, such as through tax credits and tax relief\*\*.

The vast majority of two-year olds in receipt of the free entitlement take up their provision with private and voluntary providers (96%). For three-year olds, 60% take up provision in private and voluntary providers, with 36% taking it up in maintained school settings, either at maintained nursery schools or at nursery classes within primary schools. The majority of four-year olds (79%) are in maintained settings, with only 18% at private and voluntary providers. Children's centres are not required to offer childcare and nationally play a very small role in provision of the free offer.

Data on take-up of childcare outside of the free entitlement funded by government is poor: providers only have to fill in the Early Years census for children in receipt of the free entitlement. However, the number of childminders, which play an important role in providing flexible and wraparound provision, has fallen slightly in numbers over the last fifteen years\*.

There are a number of issues with the way the childcare market operates in England\*\*. First of all, there is a great deal of variance in quality, which reflects the very different qualifications needed to work in the different sectors. Maintained settings – such as nursery schools and primary schools – offer provision led by early years practitioners that include qualified teachers and nursery nurses, whereas in the private and voluntary sectors, qualification levels tend to be much lower, with low minimum requirements (half of staff working with children must have a GCSE equivalent qualification; supervisory and management staff must have an A-level equivalent qualification).

This may in some cases reflect the fact that primary schools are able to spend more on their under-5s provision: as they receive higher hourly

rates of funding from local authorities; they often cross-subsidise their provision with whole-school budgets; and they do not have to pay rent or business rates. They therefore have more to invest in qualified staff.

Second, there are issues with availability. For younger children, only 20% of local authorities report that there are sufficient places for children under the age of 2\*\*\*. In addition, many areas also have issues with the availability of provision to enable parents to take up the government's free two-year old offer. Private and voluntary settings find this more expensive to provide than the free offer for three- and four-year olds, but find it difficult to cross-subsidise between older and younger groups, given that as children get older they are more likely to move into school-based provision.

As set out above, the availability of the free offer can also be very inflexible for parents. The part-time nature of the free entitlement and the fact it is predominantly provided by centre-based providers means it can be difficult to take up if parent's childcare needs fall outside available hours. This reflects difficulties in accessing flexible provision overall, with schools and centre-based provision rarely offering childcare outside the hours of 8am–6pm. While this works for parents working regular, typical hours, parents who work shifts have to rely on other forms of childcare. And, some parents who only want to take up the free offer report that it is difficult to access, with providers insisting they buy 'top up' hours in order to access the free entitlement.

Third, there are problems with the affordability of childcare. The rising cost of childcare in England is well documented, with childcare now estimated to take up to 30% of family budgets

\* Rutter J and Lugton D (2014) 2014 London Childcare Report <http://www.familyandchildcaretrust.org/News/London>

\*\* Ben-Galim D, with Pearce N and Thompson S (2014) No more baby steps: A strategy for revolutionising childcare, IPPR. <http://www.ippr.org/publications/no-more-baby-steps-a-strategy-for-revolutionising-childcare>

\* Stewart, K (2013) "Labour's Record on the Under-Fives: Policy Spending and Outcomes 1997-2010". Social Policy in a Cold Climate Working Paper No 4. London: Centre for Analysis of Social Exclusion

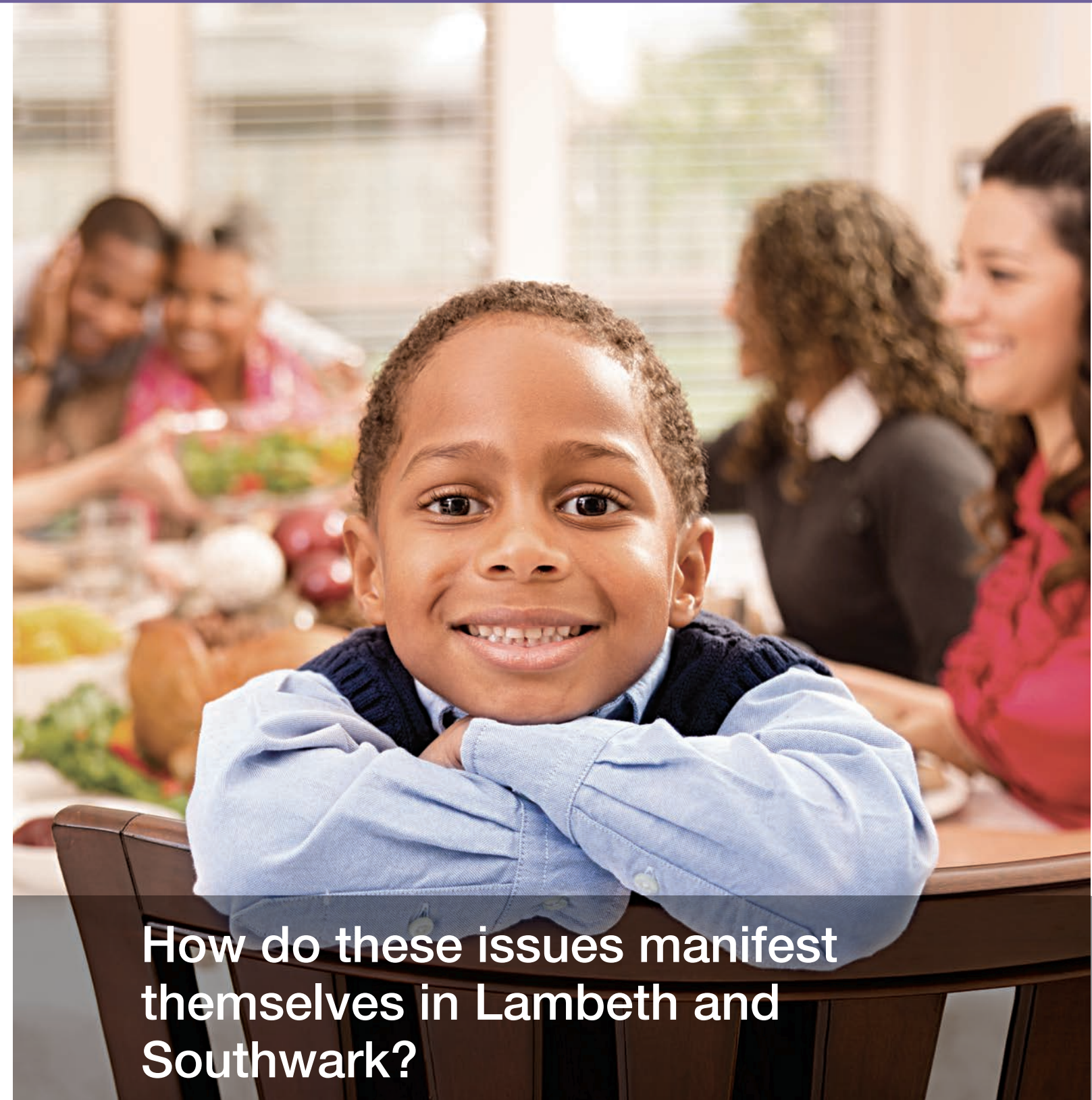
\*\* Stewart K and Gambaro L (2014) World Class: What does international evidence tell us about improving the English childcare market. <http://www.resolutionfoundation.org/wp-content/uploads/2014/08/World-Class-What-does-international-evidence-tell-us-about-improving-quality-access-and-affordability-in-the-English-childcare-market.pdf>

\*\*\* FCT (2013) Childcare Costs Survey 2013. London: Family and Childcare Trust <http://www.resolutionfoundation.org/media/press-releases/two-in-three-mothers-say-high-cost-of-childcare-is-a-barrier-to-working-more/>



in London for families with children under 5. Two in three mothers say the high costs of childcare are a barrier to working more\*. And although some support with the cost of childcare is available through the tax and benefit system, accessing it is complicated.

Many parents lose out because they find the system too complex, because they are simply unaware of this support, or because they can't afford the upfront costs they need to meet in order to be able to claim back this support after they have already paid out. British parents pay a higher price for childcare compared to parents in most other European countries\*\*.



**How do these issues manifest themselves in Lambeth and Southwark?**

\* <http://www.resolutionfoundation.org/media/press-releases/two-in-three-mothers-say-high-cost-of-childcare-is-a-barrier-to-working-more/>

\*\* Ben-Galim D, with Pearce N and Thompson S (2014) No more baby steps: A strategy for revolutionising childcare, IPPR. <http://www.ippr.org/publications/no-more-baby-steps-a-strategy-for-revolutionising-childcare>

**Many of these issues are particularly felt in the diverse, central-London boroughs of Lambeth and Southwark, which are characterised by lower-than-average income and a higher-than-average proportion of parents needing to work atypical hours and who therefore need to access more flexible provision than is offered by schools or childcare centres. We examine these in more detail below.**

### Availability

The nature of childcare provision in inner city boroughs like Lambeth and Southwark – with a high proportion historically provided in maintained settings – has led to a number of issues with availability. While the available data suggests that there is sufficient provision for children eligible for the three- and four-year old entitlement, and for parents wishing to buy extra hours on top of that, there is a lack of availability of childcare for younger children, and a lack of more flexible provision for parents working atypical hours.

First, there is a lack of provision to meet demand for the free two-year old entitlement. This is a national issue, with private and voluntary providers finding themselves unable or unwilling to provide the spaces on the basis of the government funding they receive. For many providers it simply not financially attractive or in many cases viable.

However, this problem is particularly pronounced in inner-London boroughs, though Lambeth and Southwark have performed comparatively well at finding provision within this group. Information from the Department of Education shows that Southwark is within the top ten performing London boroughs for the take up of the two

year old entitlement, despite having one of the highest numbers of potentially eligible children. This level of performance from both boroughs is because a key way private and voluntary providers have been able to provide places for two-year olds is to cross subsidise their places from funding for three- and four-year old places. However in these boroughs a much higher proportion than average of three- and four-year olds take up their free offer in maintained schools, with fewer in private and voluntary settings and so this is less of an option.

Both boroughs have done comparatively well in terms of getting parents to register for their entitlement. As of October 2014, 75% of eligible two-year olds in Lambeth and 77% of eligible two year-olds in Southwark had registered for the two-year old offer\*. However, registering does not necessarily guarantee a place, and due to a lack of available provision, approximately 38% of registered two year-olds in Lambeth and 25% of registered two-year olds in Southwark are still waiting to access a place. There is a gap in provision between both those eligible and those registered and what is actually on offer.

Many parents that we spoke to had experienced their child being put on a waiting list. Some of the parents that we spoke to were only able to get a place for their child through the persistence of an outreach worker, who had liaised and negotiated with providers on their behalf. Parents understandably found this a frustrating experience.

*“It was very awful to find a place for my child. If not for [my outreach worker] I would not have found anything. My son was 2 and a half when I got a place... I spoke to one*

*nursery, they told me that they would ring me. They still haven’t called.”*  
(Focus group participant, Lambeth)

The national funding context means that provision for the free two-year-old offer is likely to get worse. Currently, the Department for Education allocates funding based on the number of children eligible for the entitlement (totalling £4.2m in Lambeth and £5.7m in Southwark during 2014/15). They also provide trajectory funding to support local authorities in increasing capacity in the market to meet demand for the free offer: this amounted to £652,816 in Lambeth and £687,929 in Southwark during 2014/15. This is particularly important for both boroughs, because historically they have had a higher than average proportion of two-year olds eligible for the free offer due to high levels of deprivation in both boroughs.

From 2015/16, however, all trajectory funding for capacity-building will be cut, and funds will be allocated on a participation basis rather than an eligibility basis. This means local authorities will be allocated funding according to the number of funded places they provided in the last Early Years Census, taken each January\*; that is, the number of children currently enrolled. This will make it exceptionally difficult for both boroughs to increase take-up. The funding formula will take no account of children on waiting lists, meaning it will be very difficult to increase capacity in areas like Lambeth and Southwark where waiting lists are already high. The increasing population of children aged under 5 in these boroughs will place further pressure on capacity.

Second, there is a lack of flexible and wrap-around provision to help parents take advantage of the free offer in schools. Some schools offer little flexibility in the hours offered for the free

entitlement, with provision only sometimes being half-day.

*“A lot of our parents work part-time so they want fixed hours, they might have morning cleaning shifts, or they have training so they need very specific hours... what generally happens is when they get a [free entitlement] place the nursery is like ‘you can have this that and that: Monday, Tuesday, Thursday’. There’s no flexibility.”*  
(Outreach worker, Lambeth)

For example, one working parent reported that due to the lack of flexibility she had to give up on the free entitlement and pay for a full-time childminder to allow her to go back to work.

*“The free childcare hours for pre-school children are useless if you have a full time job. Even if I top up the free hours to the nursery school’s full day they finish just after 3, and aren’t open in the holidays, so it means I have to pay for a childminder full time instead.”*  
(Response to our parent survey)

Several working parents we spoke to said that the cost of topping up was too expensive to allow them to return to work.

*“When I found out about the 2 year free early learning, I wanted to see if I could put him in for 3 hours a day, and then top up, but it was so expensive... the rest can come to 600 [pounds] a month... its was too expensive to*

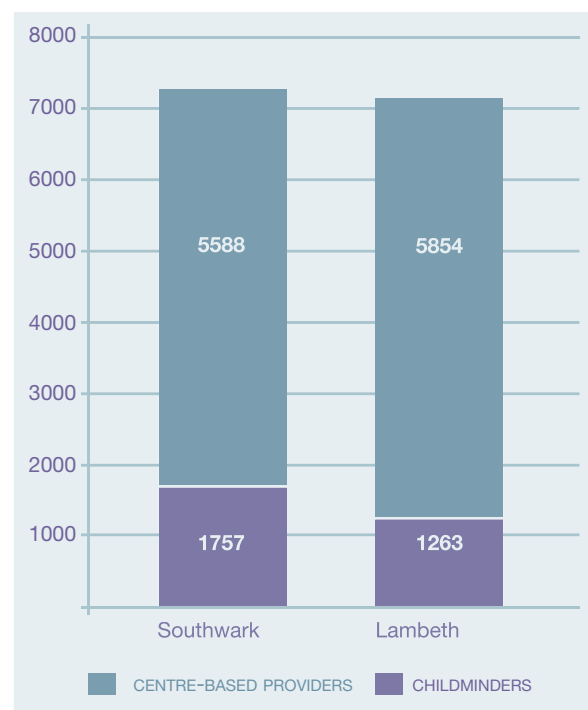
\* Both the DfE and local authorities calculate the number of free entitlement places according to a part-time equivalent (PTE): this is the number of funded blocks of 15 hours paid for by the council. So for example, if one child took up the offer for only 7 hours per week and another child for only 8 hours per week, those two children would count as a single place.

\* The schools census will be used for early years places provided in schools and the early years census for those located in the PVI sector.

*take 600 off my salary and so I stayed at home... You can't work, you know, you want [to] work but you can't.*"  
(Focus group participant)

*"15 hours is awkward, it looks like it works but it doesn't [...] 25 or 30 would be good because I had to look for work... I was getting home at 7.30, so I had to look for childcare outside... I had to give up my job."*  
(Focus group participant)

Part of the reason for this lack of flexibility is that most provision in both boroughs is in centre-based provision, which tends to be less flexible, rather than with childminders (see figure 1 below).



**Figure 1: number of Ofsted-registered places in March 2014 in both boroughs\***

Childminder numbers have been falling across the whole of London: the Family and Childcare Trust have reported that there has been a 13% drop in childminder numbers since 2012 across London\*\*. And childminder numbers have always historically been lowest in inner London local authorities, where it can be more difficult to fulfil play space requirements in inner-city, high-density housing and where demand tends to be lower due to the high proportion of provision in maintained schools.

The divide between settings that provide part-time and full-time, wraparound provision has implications both in terms of the extent to which parents are able to move into work and in terms of the levels of social mixing in different types of provision.

There is also an issue with the availability of wraparound care and holiday provision for parents of school-age children. In order to take up full-time employment parents of school-age children often need to make use of breakfast and after-school clubs, as well as holiday clubs. Without these services parents are often forced to rely upon informal childcare and use their annual leave in order to look after their children during school holidays – such gaps in provision can therefore limit employment opportunities.

Historically, schools have received a dedicated funding stream for providing extended provision. However, in 2011, this grant was un-ringfenced and absorbed into the Dedicated Schools Grant. While this offers school leaders and their partners greater autonomy in deciding what services and activities should be offered, schools now have no obligation to protect spending on wraparound care.

Over a quarter of parents in our survey told us

that their current childcare arrangements were inadequate during the school holidays.

*"School holidays can cost £100 per day for 2 kids. It's a real struggle when our income barely covers bills as it is."*  
(Response to our parent survey).

In Southwark, the 2011 childcare sufficiency assessment pointed to high demand for after-school provision in term-time and holiday provision during the school holidays, particularly for the 5–10 year old age group and for children with disabilities. Similarly, Lambeth has significant gaps in holiday care and out-of-school care for children in the secondary school age group. This also emerged as a theme in our parental survey.

*"I made the choice to opt out of work and be my son's carer because finding somebody to [look after] my son was very difficult... finding someone who I trusted, who I felt confident with, was impossible."*  
(Contact a Family focus group)

*"In Lambeth, up until five years old, things aren't too bad. But after that a lot of the parents just can't afford the options out there... you either have to find the funding, or pay for [childcare] yourself."*  
(Marie, Contact a Family)

*"Capacity at the afterschool club is low, it depends on staff ratios, if your kid's the 17th child, they're going to wait for another 7 children."*

Just one in four parents in our survey agree that it is easy to find childcare to fit their work schedule. This appears to be a particular problem for those with those with school-age children, with many parents mentioning a lack of available wraparound care in the form of breakfast and after-school clubs that offer hours suitable for full-time work.

*"My childcare would work much better for me if my After-school Club for my child finished at 6.30pm or 6.45pm (rather than 6pm), and if the school day started at 8.30am or 8.45am (rather than 9am)."*  
(Survey response)

It might be expected that providers would eventually respond to this high demand for out-of-school childcare from parents. However providers face significant practical difficulties to developing models that meet parents' needs (Citizen's Advice 2014). Most providers have tight margins, and profitability across the sector is low. Meeting demand for holiday childcare was found to be a particular issue in areas of deprivation (including rural or where there is a high density of children)\*. There are also difficulties obtaining capital funding and credit which may put off new entrants to the market and ensure that existing providers act in a risk-averse way, in order to secure their fragile profitability. To increase, or even to maintain, supply in unprofitable areas, providers may need robust ongoing strategic support including financial and professional advice.

At a national level, many schools provide some form of 'wraparound' care, and some also provide access to holiday clubs. But there are still many that do not offer a comprehensive

\* Not the number of places occupied or the number of children who may benefit from receiving places through providers offering sessions at different times of the day (see Ofsted, March 2014)

\*\* Rutter J and Lugton D (2014) 2014 London Childcare Report, <http://www.familyandchildcaretrust.org/News/london>

\* 4 Children, Holiday childcare and activities: key learning for sustainability [http://www.4children.org.uk/Files/aae527ce-a6b3-4f6e-b12c-9f9600a30782/HolidayPublication\\_final.pdf](http://www.4children.org.uk/Files/aae527ce-a6b3-4f6e-b12c-9f9600a30782/HolidayPublication_final.pdf)

package for children throughout the year. Overall, however a third of all schools do not offer a 'complete' package of both breakfast and after school provision\* making it difficult for parents to work. However, Lambeth's Labour-run council has pledged to extend the availability of breakfast clubs in the borough so that all primary school age children who want to can have access to them, which should go some way to addressing this.

### Quality

The quality of provision of the free entitlement in Lambeth and Southwark is better than average. The proportion of two-, three- and four-year olds using their free entitlement in settings rated as good or outstanding by Ofsted, and in settings where highly-qualified staff work directly with children, is higher than the national average.

This partly reflects the fact that inner city areas have historically had much greater levels of nursery provision within maintained primary schools than in other areas of the country. Both Lambeth and Southwark have maintained their nursery school provision, and have a strong role to play in overseeing quality in these settings.

But like in the rest of the country, there remain significant gaps between the quality of provision provided by maintained primary and nursery schools and the quality of provision by private and voluntary providers and childminders. For example, in both boroughs, more than 40% of private and voluntary providers do not have highly-qualified staff working directly with children.

This means that for parents, the highest quality provision is often the least flexible: in schools or centre-based settings, which rarely offer childcare outside 8am to 6pm, and which

sometimes offer little choice about when parents can take the free entitlement during the week. The fact that parents find it difficult to find flexible, wrap-around provision to fit around what is offered in schools and centre-based childcare means they may not be able to access the highest quality provision.

There must therefore be a concerted effort not just on continuing to drive up quality in the boroughs' already good maintained settings, but also in the private and voluntary sector and particularly with childminders, who are often under-utilised.

### Affordability

As noted above, London has the highest childcare costs in the country: the Family and Childcare Trust has estimated that childcare costs in the capital have increased by 27% in the last five years\*\*. Childminders providing 25 hours of childcare cost 36 per cent more in London than the national average, and part-time nursery places cost 28 per cent more.

Added to this, some parents – especially those in work – find it difficult to access the free entitlement: much of the free offer is accessed in maintained schools, which often offer little flexibility to parents and only half-day provision. Working parents therefore need to be able to supplement this with flexible, wraparound care in order to make use of the free entitlement. And some parents find it difficult to access the available support through the tax system, which is complicated and requires parents to pay for childcare themselves upfront to unlock government tax credits and reliefs. This is simply not possible for many parents.

Costs tend to be high in the private, voluntary

Table 1: the proportion of children using the free entitlement in high-quality settings

	Lambeth	Southwark	England average
Proportion of providers with staff with Qualified Teacher Status (QTA)/Early Years Professional Status who work directly with 2-year-olds	60%	67%	40%
Proportion of 2-year-old children using free entitlement at providers with staff with QTS/EYPS who work directly with 2-year-olds	62%	70%	45%
Proportion of private, voluntary and independent providers with staff with QTS/EYPS who work directly with 3- and 4-year-olds*	55%	59%	42%
Proportion of 3s and 4s using free entitlement in setting with QTS/EYPS working directly with them (Jan 2014)**	64%	64%	48%
Proportion of 3s and 4s in setting rated as good or outstanding (Jan 2014)***	82%	82%	76%

Table 2: Ofsted ratings of early years providers

Ofsted registered early years providers rated good/outstanding	68%	75%	79%
Ofsted registered early years providers rated satisfactory/inadequate	32%	25%	21%

\* TNS BMRB (2014) Primary schools providing access to out of schools care, DfE. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/315838/RR349\\_Out\\_of\\_School\\_Provision\\_in\\_England\\_final\\_ml.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/315838/RR349_Out_of_School_Provision_in_England_final_ml.pdf)

\*\* The Family and Childcare Trust, Annual costs survey, 2014. It is worth noting that the FCT rely on data submitted by local authorities to carry out calculations; as the data submitted usually includes gaps, these figures are likely to be closer to estimates. Research highlights that the main sources of information on costs (namely the FCT, the Childcare and Early Years survey from the DfE and data from Laing and Buisson) all use different methodologies to collect data, making it difficult to form a consensus on exact costs.

\* DfE SFR20 Table 12a

\*\* DfE SFR20 Table 14a

\*\*\* DfE SFR20 Table 15a

and independent sector as providers face higher costs: for example, rent and business rates, which maintained settings do not need to pay.

Parents in our online survey expressed significant concerns about the costs of childcare – below are a selection of responses:

*‘I am terrified of what will happen when my maternity leave is over. I have no idea how we will cope with £900+ for babycare when I return to work. If I don't return to work to ensure our family has enough income to pay our rising rent, my husband's business (based in Streatham) could collapse.’*

*“When my maternity leave ends, we will need to juggle work hours to make sure that we're not both working on the same days. We can't afford any other kind of childcare. Our employment and income situation took a significant nose-dive during the recession and hasn't recovered since then.”*

*“As a couple who work full time, we collectively earn £55,000 – most of it my income. In this area in London, that doesn't stretch far and childcare costs more than our housing, which also costs a fortune.”*



What needs to change?

### Parents in Lambeth and Southwark need to be able to access childcare that is affordable and flexible, but where quality is not sacrificed.

There is much that needs to happen to create a system that works better for parents. Local government can provide the leadership, but genuinely improving access to quality, affordable and flexible childcare will require actions not just from local councils, but from central government, from the London mayor and from the business community.

### The role for central government

Central government plays a critical role in shaping the local childcare market. In England, government support for childcare is split between complex demand-side support that parents access after-the-fact through the tax system, and supply-side funding that goes directly to providers via local authorities to pay for parents' access to the free entitlement.

This split between demand- and supply-side funding contributes to inefficiencies in the market. It is not always easy for parents to access support through the tax system because the system is complex and parents can only access this support once they have paid the upfront costs of childcare themselves. Demand-side subsidies can also inflate the costs of childcare\*. And the fact that the free-entitlement is only available for fifteen hours a week for 38 weeks a year makes it difficult to access for parents who need more flexible and wraparound childcare.

The international evidence suggests that the

best way of delivering affordable and accessible childcare is through predominantly supply-funded and strategically commissioned services, as happens in the Nordic countries. For example, in Denmark, supply-side funding goes directly to providers and childcare costs are capped for parents, based on a sliding scale of parental income that means the lowest-income parents pay nothing. Countries that have focused instead on demand-side subsidies have found that this tends to inflate costs both to parents and the taxpayer, reducing their value to parents\*\*.

The level of spending on childcare is also critical. Figures from the OECD and analysed by the Institute for Public Policy Research show that the UK is very much a middle-ranking spender on childcare, lagging behind the Scandinavian countries. In Scandinavia, where there is greater investment in childcare, maternal employment rates are higher as inability to access childcare simply is not a barrier to mothers moving into work. Hence greater upfront investment in childcare can result in significant savings to the exchequer in the longer term through improved female employment rates, as well as better outcomes for children if a high quality of provision is secured. Analysis by the Institute for Public Policy Research has also suggested that a 5 percentage point increase in the maternal employment rate would generate extra revenue to the Exchequer of £750m a year, and a 10 percentage point increase £1.5bn\*\*\*.

The tight fiscal context means it will always be difficult for government to find additional upfront resources to invest in childcare. However, the costs of expanding access to the free entitlement would be a small proportion of what is spent on school education in general: per-child funding for childcare places for the

under-5s is much lower than per-child funding for school-age children. For example, the cost of expanding the free entitlement from 15 hours to 25 hours a week for all three- and four-year olds would be £20m a year in Lambeth. This is not an insignificant sum: however, it is a small proportion of Lambeth's total school budget of half a billion a year. Given the high returns on investing in childcare, which come from improving children's' school readiness and increased rates of maternal employment, there is a good case that spending on childcare and schools should be looked at in the round, with some funding reallocated from primary and secondary schools to childcare provision in the early years. This should be a responsibility devolved to local councils, as part of giving them greater freedom over place-based budgets.

Central government also shapes the role local authorities can play in their local childcare markets. While local authorities continue to have 'market shaping' duties under the Childcare Act 2006, many of their statutory powers – for example, over quality and regulation – have been eroded in recent years. As Stewart and Gambaro (2014) have argued, the local authority's responsibility, powers and funding to monitor and improve quality of childcare provision in their local areas have been weakened\*. Internationally, in many countries such as Norway, France and Germany, local government plays a strong and active role in quality improvement. This is particularly important where the sector is fragmented and diverse, as it is in England. Local authorities have historically been able to access funding in order to support them in playing a quality improvement role, for example through the Transformation Fund that was set up in 2006, which later became the Graduate Leader Fund and has now been scrapped. Without

centrally-coordinated support and investment at the local level, there is a real danger that the quality of provision offered by private and voluntary providers and childminders will diminish.

### Recommendations for central government

#### Government should consolidate existing funding for Education, Early Years and Childcare, taking a 0-18 approach.

Given the high returns on investing in childcare, detailed above, there is a good case that spending on childcare and schools should be looked at together, with some funding reallocated from primary and secondary schools to childcare provision in the early years.

This would also include reallocating existing demand-side funding (tax credits) towards the expansion of the free entitlement. As an illustration, expanding the free entitlement from 15–25 hours for three and four year olds would cost Lambeth approximately £20m per year. Lambeth already fund almost 1000 children at 30 hours per week, so the cost to other local authorities is likely to be higher. Other organisations have costed more radical expansion options, for example, to provide all children aged 2, 3 and 4 for 15 hours a week, 48 weeks of the year, with guaranteed access to a further 20 hours of affordable provision a week for which parental contributions would be capped\*\*. Therefore to fund such options would require a radical rethink of government funding structures.

#### Government should give local authorities more control over how this budget is spent.

This move should be part of moving towards

\* Ben-Galim D, with Pearce N and Thompson S (2014) No more baby steps: A strategy for revolutionising childcare, IPPR. <http://www.ippr.org/publications/no-more-baby-steps-a-strategy-for-revolutionising-childcare>

\*\* Ben-Galim D, with Pearce N and Thompson S (2014) No more baby steps: A strategy for revolutionising childcare, IPPR. <http://www.ippr.org/publications/no-more-baby-steps-a-strategy-for-revolutionising-childcare>

\*\*\* Ben-Galim D and Thompson S (2014) Childmind the gap: Reforming childcare to support mothers into work, IPPR. <http://www.ippr.org/publications/childmind-the-gap-reforming-childcare-to-support-mothers-into-work>

\* DfE (2013) Early education and childcare: Statutory guidance for local authorities [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/269734/early\\_education\\_and\\_childcare\\_for\\_local\\_authorities.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/269734/early_education_and_childcare_for_local_authorities.pdf)

Stewart K and Gambaro L (2014) World Class: What does international evidence tell us about improving quality, access and affordability in the English childcare market? Resolution Foundation.

\*\* Ben-Galim D, with Pearce N and Thompson S (2014) No more baby steps: A strategy for revolutionising childcare, IPPR. <http://www.ippr.org/publications/no-more-baby-steps-a-strategy-for-revolutionising-childcare>

giving local authorities more power over place-based budgets, which would bring together funding for different services at the local level that currently sit with different commissioners. It would give local authorities the power to further build on the switch from demand-side to supply-side funding, to provide extra funding to move towards the universal entitlement set out above. It would also give local authorities the freedom to earmark funding

for coordinated investment in improving quality at the local level, for example, investment in initial training, continuing professional development and in the infrastructure required to improve quality, for example childminder networks.

This would include restoring local authorities' formal powers of monitoring and oversight of childcare. Currently local authorities are only

## Work already in place in Lambeth and Southwark

Our recommendations here should be viewed in the context of the work both Southwark and Lambeth Councils are already actively undertaking in response to some of the challenges outlined above, for example:

- Outreach workers across both boroughs often offer one-to-one support for parents to register for the 2 year old offer and help in finding a place. An outreach worker we interviewed, for example, regularly calls nurseries on behalf of parents to check availability and then advocates on behalf of parents to ensure that providers are meeting their obligations on the two-year-old offer.
- Lambeth organised reading buses to sit in the middle of major each council estate in the borough and had Parent Champions engage with local residents and help eligible parents to sign their children up for the offer. In Southwark a 2014 marketing campaign included bus stop adverts, banners outside settings and new marketing materials including postcards. Parents in Lambeth can check their eligibility on-line\* helping many to register. Southwark outreach workers are keen to deploy a similar platform to help register parents.
- Easing geographical constraints: Southwark and Lambeth have both agreed to a cross border agreement with all neighbouring boroughs wherein they have agreed to fund eligible children from out of borough attending their settings, with a reciprocal arrangement for parents choosing out of borough provision.
- Lambeth have also focused on encouraging schools to help expand capacity to meet the two-year-old free entitlement: they have encouraged schools to take 'rising 3s': 2 year olds who are 2 and 7–9 months and who will be eligible for the free full-time place from their 3rd birthday, under Lambeth's full-time childcare program for vulnerable children. That child will then remain in the same school after they turn three and are eligible for a full-time place.

required to support settings that Ofsted have judged as requiring improvement or inadequate, but in order to improve quality overall, they should have greater responsibility for all settings.

The above are long-term measures. In the shorter term, government should commit to scrapping the planned changes to funding of the two-year-old entitlement due to come in in 2015, which will cripple local authorities' capacity to ensure there is enough provision to meet demand for the free two-year-old entitlement.

## Recommendations for Lambeth and Southwark

### 1. Information and advice

A lack of information for parents makes it difficult for them to access the right provision. In the national Childcare and Early Years survey, almost one in four parents (39%) said they felt there was too little information available to them about what was available in their local area\*.

**Lambeth and Southwark should improve access to information about local childcare by facilitating the creation of an online childcare portal.** An online portal would connect parents with providers including private and voluntary sector providers and childminders, and empower parents with good-quality information about what is available. The portal could include:

- Online listings with real-time information about availability and Ofsted ratings.
- The opportunity for parents to leave ratings, working in collaboration with the Good Care Guide.

- Advice for parents on how to choose between different types of childcare setting.

- Links to existing Family Information Services.

Given financial constraints, funding options – such as from external sponsors and partners – could be explored.

The councils could also build on existing initiatives to provide more advice and advocacy for parents in helping them access childcare, for example co-locating Family Information Services in Children's Centres, offering practical support to help parents claim financial support via Family Information Centres and Jobcentre Plus advisers, and training parent champions to offer more support to other parents to help them access childcare (see Chapter 5).

### 2. Increasing the awareness of existing provision as well as the supply and quality of childminders

As outlined above, the high proportion of the free entitlement provided by maintained nursery and primary schools in both boroughs – while leading to better-than-average quality of provision leads to real issues for parents working atypical hours in being able to access it.

One way to help parents unlock the free entitlement in centre-based provision is in expanding access to wraparound care through childminders who tend to offer more flexible provision than what is available in centre-based settings. However, the quality of provision by childminders can be lower, meaning that on the whole, it is less effective in getting children school-ready. This is particularly important for children from disadvantaged backgrounds, whose parents are much more likely to work

\* See <https://www.mylearning.co.uk/EarlyYears/LocalAuthorities#/EarlyYears/LocalAuthorities>

\* Department for Education, The Childcare and Early Years survey for parents, 2014.

atypical hours and hence rely on flexible childminder provision.

However, even where good quality childminding is available, parental knowledge of, or willingness to take up, this option can be an obstacle.

Both councils should therefore work to increase both the supply and quality of childminders at the same time:

**Lambeth and Southwark should expand and strengthen childminder networks, run out of Children's Centres.** There are international lessons around the role that childminder networks can play in increase quality of care in these settings that both boroughs can draw on\*. For example, in New Zealand, networks of childminders are supported by an early years teacher known as a coordinator. Coordinators do monthly home visits of all childminders and also organise group sessions for childminders and the children they are caring for. Public funding for childminders is contingent on them joining a network. In France, childminders are encouraged to participate in childminder centres, where they can take part in supervised play sessions and receive advice from a qualified child nurse.

Here in England, the move has been away from local authority childminder networks focused on quality. It used to be a requirement for childminders delivering the free entitlement that they were a member of a network (although numbers of childminders delivering the entitlement have always been low), and it was never a requirement that networks should be led by qualified teachers or early years professionals. This government has scrapped the requirement for childminders offering the free entitlement to belong to networks and has

shifted the emphasis away from childminder networks towards childminding agencies. It is not yet clear how much training and support will be available from agencies – and the extent to which there will be a focus on quality. Professionals themselves have raised concerns that this move could see declining standards of care\*\*. And nationally, evidence suggests that a falling number of Children's Centres are offering childminder drop ins\*\*\*.

In light of the international evidence, both boroughs should commit to expanding and strengthening childminder networks focused on improving quality through their Children's Centres. Where necessary the establishment of these should be encouraged, and where they already exist, they should be strengthened to encourage more childminders to join. These networks should:

- Be run by professionals with qualified teacher status or early years professional status.
- Offer free training in centres.
- Offer drop in advice sessions with qualified early years professionals.
- Offer shared play sessions with other childminders and children in their care.

By improving the amount of support available for childminders, these networks should also have a positive impact on supply.

**Both boroughs should explore the option of flexible childminder networks to broker parental access to childminders.** Brent Council has recently developed a 'flexible childminder network' model that has created a network of qualified childminders to provide

flexible, on demand childcare at short notice, including outside office hours and overnight care. Both boroughs should explore demand for this type of scheme, perhaps in conjunction with employers in sectors that require atypical hours such as in social care and health, or with Jobcentre Plus. A brokering network could also help parents access the free entitlement via childminders, provision of which by childminders is currently very minimal (just eight childminders in Southwark provide the free entitlement, for example). This must be implemented at the same time as reforms to improve the quality of childminders, however, or this would risk reducing the effectiveness of the free entitlement in ensuring all children are school-ready.

**Both boroughs should work with local further education providers to increase the supply of childminders.** Lambeth and Southwark should work with FE providers to expand places on apprenticeships and other pathways into childminding. There could be a particular focus on training local parents looking to return to the workplace, building on lessons from social care providers like the Three Sisters Care Agency who have worked to retrain mothers who have never been part of the labour market or left it when they had children. This fits with Southwark's formal commitment to support 5,000 residents into work and to create 2,000 new apprenticeships for local residents.

#### **Providing more business support.**

Childminders interviewed in the course of researching the commission identified the need for more business support to help them set up and remain sustainable as businesses. For example, some interviewees spoke about difficulties with IT affecting both their marketing and business operations. Southwark already has a business support infrastructure that includes

set-up and support and advice services\* that could also be extended to child-minders.

### **3. Increasing wraparound and holiday provision for school-age children through cooperative childcare schemes**

Lambeth Council has pioneered the cooperative approach to local service delivery as England's first cooperative council. The co-operative approach is about working with a range of stakeholders including parents, community representatives, national and local voluntary providers, private and maintained and social enterprises to find local solutions and unlock existing assets. Cooperative childcare solutions have significant potential to expand access to flexible and affordable provision, by supporting parents to contribute to create their own childcare solutions rather than simply relying on schools, private and voluntary sector providers and childminders. Both councils could build on Lambeth's existing cooperative provision, and examples from cooperative schemes elsewhere in the country (see box next page), to do more to support parents to contribute to and create their own childcare solutions.

**Both boroughs should facilitate the setting up of parent-run childcare cooperatives in order to address the gaps in provision for school-age children.** Learning lessons from successful childcare cooperatives in Lambeth, Cambridge and Edinburgh, they should support parents to set up and run their own pre-school, after-school and holiday provision which can also improve affordability as well as supply by giving parents access to low-cost (for example, £1 an hour) or free provision in exchange for them helping to run or staff schemes on a

\* 2014 resolution foundation report

\*\* Gaunt 2014; Gordon-Smith 2014 from resolution foundation report

\*\*\* Goff et al 2013 from RF report

\* <http://www.southwark.gov.uk/info/100002/business>



voluntary basis. This support could include:

- Provision of support, for example, training and workshops; support with running DBS checks; production of an interactive ‘how to’ kit for parents looking to set up cooperative childcare schemes.
- Brokerage to use unused spaces in the community.
- Looking at opportunities to use the councils’ asset transfer policies and community hubs programmes to offer access to buildings in local communities at below market rent.
- Facilitating the involvement of schools (for example, support from governing bodies or use of school premises).

- Setting up a steering group to facilitate local business support for cooperative schemes, for example through running a grant scheme, funded by local businesses.

**Both boroughs should set up childcare clubs for parents, which could operate on a ‘timebank’ principle.** These could, for example, help parents coordinate drop-offs and pick-ups from school with other local parents, and facilitate the set up of ‘babysitter circles’ whereby parents look after each other’s children in a reciprocal scheme.

## Cooperative childcare

Cooperative childcare – run by parents for parents – offers significant potential to expand low-cost or even free local childcare provision. There are a number of successful schemes already in operation in England.

For example, in Lambeth a group of parents set up a childcare cooperative called Childspace 25 years ago, when they wanted to find more nurturing and affordable childcare for their children, and it is still going strong today. Parents are required to work one session for every seven their child attends, supervised by a trained nursery work – for example, they plan and develop activities; prepare lunch; and prepare the nursery space. The local authority have played a critical and supportive role in ensuring quality.

In Cambridge, the Ace Cooperative is a parent cooperative childcare scheme where parents make a practical contribution through shopping, mending equipment, helping in the nursery and organising fundraisers. For parents with children aged 3-5, the commitment is five hours term; and for parents with children aged under three it is one hour a month. Those who are unable to commit to paying have the option of paying a contribution levy.

## 4. Incentivising quality, affordable provision through business rate discounts and council tax rebates

As discussed above, business rates and rents increase the cost of provision in the private, voluntary and independent sectors compared to in the maintained sector. Local authorities have the power to reduce the business rates of any local ratepayer through Section 69 of the Localism Act 2011. They could therefore seek to incentivise providers to increase quality, skills and wages by offering business rates discounts and council tax rebates to providers and childminders offering good and high quality care that offer a proportion of places to two-year-olds and make a commitment not to increase prices for parents above inflation for a set period.

**Both boroughs should explore the feasibility of offering business rate discounts and council tax rebates to nurseries and childminders offering high quality care,** for example to all settings that are rated as good or outstanding by Ofsted.

## 5. Using Children’s Centres to expand provision, especially for the two-year-old free entitlement

Where there are pronounced shortages of provision, for example in the two-year-old free entitlement, both boroughs should use Children’s Centres to expand provision, either by directly providing childcare through Children’s Centre or by offering Children’s Centres premises to other providers in the community.

## The role of the Mayor of London

The Mayor of London has an important role to play in strategically coordinating a London-wide approach to flexible, affordable and high-quality childcare.

**The Mayor’s Office should look into the feasibility of a London-wide affordable loan scheme** to enable parents across London to access no-interest loans to help them with the upfront costs of childcare and moving into work. Many providers ask for up to a month’s fees in advance as well as a deposit, which can be a significant barrier to parents accessing childcare. In Hillingdon, the council has worked with the Daycare Trust and a local credit union to provide low interest loans to parents to help them with these upfront costs\*, which has worked successfully.

**The Mayor’s Office should review Transport for London fares for parents working flexibly and part-time.** Transport for London reviewed its daily Oyster caps so that they are now a fifth of the cost of a seven-day travelcard, which has reduced the costs of travel for part-time workers. This is a positive step forwards, but the Mayor’s office should continue to keep Transport for London fares under review so they are not unfairly penalising employees working part-time and atypical hours, who are more likely to be low income.

**The Mayor’s Office should bring together a London-wide coalition of businesses** that commit to support their staff with their childcare needs.

\* <http://www.london.gov.uk/sites/default/files/Tackling%20childcare%20affordability%20-22%202%20MW.pdf>

## The role of local employers

Local employers can play an important role in helping their employees and parents in the local community to access flexible and affordable childcare:

**Business Improvement Districts across both boroughs should commit to making joint investments in childcare, such as through loan schemes or flexible working policies.**

**Local employers should commit to setting up workplace nurseries,** in conjunction with social enterprises and charities where appropriate.

The efforts of local employers should be supported by both councils:

**Both councils should investigate the feasibility of providing business rates discounts for employers that invest in supporting employees with high quality, affordable childcare.**

**Both councils should run a brokering service** putting in touch employers and charities and social enterprises interested in running workplace nurseries.

**Both councils should expand their requirement for businesses winning council contracts to pay the living wage, to other forms of family friendly working,** for example, by asking employers to sign up to Timewise or demonstrate good practices with respect to promoting the right to request flexible working and granting requests.



Children's Centres

**It is difficult to believe that Children's Centres did not exist 20 years ago, given the extensive network that now exists across the country.** This was a result of sustained investment until 2010, but the tough fiscal climate has resulted in significant cuts to the Children's Centre network. While the majority of centres have been kept open, evidence suggests there has been a hollowing out of services as falling budgets have forced managers to reduce the provision and services available (4Children 2014)\*.

Children's Centres were originally conceived as community hubs, with co-located services for families spanning childcare and drop-in play sessions, parenting support, midwifery and health visiting services, health services and employment support. But particularly in light of the cuts local authorities have experienced since 2010, there is huge variation in the extent to which Children's Centres across the country are fulfilling that strategic vision.

The funding challenges mean local authorities will need to be much more creative in ensuring that Children's Centres continue to fulfil their function as community hubs which all parents can drop into, meet other families and access universal services, but which also target the most intensive support services at parents most in need of it. Blending the universal and the targeted is difficult at the best of times, but is even more challenging at a time of fiscal consolidation. But it is key to making Children's Centres work: they cannot become stigmatised centres that only operate for at-risk parents, undermining their community function which enables parents to meet and support each other. Neither can they become places in which everything is accessible by everyone, or their services become dominated by the group

Naomi Eisenstadt has called 'the worried well', rather than the families and children with the highest levels of needs\*\*.

Only a genuinely progressive universal approach to service provision can ensure Children's Centres play their role in helping parents and children from different backgrounds to mix, but also offer targeted and personalised support spanning different types of services. Co-locating existing services in Children's Centres is not only an effective way of improving take up of different services by families due to increased awareness and convenience, it is also an important way of boosting their community presence when resources are so limited.providers.

## Children's Centres as community hubs: best practice

There are many examples of Children's Centres acting as one-stop community hubs: Coin Street Children's Centre is itself an excellent example. It offers a range of different services, including a nursery, a holiday play scheme, family support services and family activities.

There are many other examples of Children's Centres acting as one-stop community hubs with strong parental engagement in the development and delivery of services, advisory boards representing the views and expertise of parents and local stakeholders alongside partner organisations, the LA and the children's centre provider. The effectiveness of this model is evident at Jubilee and Treehouse Children's Centres, where the board includes strong representation from parents on the local estate. These parents first attended a Community Champions course delivered within the children's

centre, and subsequently became engaged with a wide range of children's centre activity.

Health services contributed strongly to the hub model:

- The Baby Friendly Initiative (BFI) is a Unicef accredited programme being delivered across Lambeth's network of children's centres, and seeks to raise standards in the promotion and support for breastfeeding; peer supporters, Milk Spot breastfeeding cafes and a rigorous programme of staff training are effective in maintaining high numbers of mothers breastfeeding at 6–8 weeks.
  - Partnerships with Speech and Language Therapy across both Lambeth and Southwark are also very strong and well embedded, with a consistency of approach and an offer that is clearly understood and communicated. A recent innovation in this area of work has been to implement data sharing processes across in both boroughs to ensure that children who do not attend speech and language therapy appointments are immediately contacted by their local children's centre and offered support to either access further speech and language support within the centre, or to overcome other barriers which may prevent access to services. Some children's centres in Southwark and Lambeth offer childcare, and an increasing number are developing their services to allow for provision of the two year old free early learning offer, recognising that this is a key component of the early help offer and that they are best placed to provide the additional family support and training and learning opportunities needed to make it as effective an intervention as it can be.
- A range of services support the development of adult skills and access to employment through

Southwark and Lambeth children's centres; these include the central commissioning of ESOL and related adult learning provision, alongside entry level courses to develop parental confidence in supporting their child's home learning. In children's centres such as Ivydale in Southwark, Benefit and Tax Credit Advice sessions are held on a regular basis to help families find out what benefits are available to them. Through this centre, parents are also able to attend ESOL and Literacy Classes and even an NVQ level 2 in Childcare to help them find employment.

## Recommendations for Southwark and Lambeth

**Both boroughs should work together to share and develop best practice on Children's Centres** so that core Children's Centres serve as community hubs with a range of co-located services that provide both universal and targeted support to families. The scale of the cuts both councils are having to implement means that difficult decisions will need to be taken about how to consolidate and prioritise services across both boroughs, for example looking at a networked service model as developed by Brighton and Hove or the hub-and-spoke model that has been introduced in other areas, in which groups of centres share resources and staff. This may potentially need to include closures across the network of forty centres across both boroughs to enable remaining centres to be better resourced. Best practice in co-location of services includes:

- Midwifery and health visiting services, and ante-natal classes.

\* 4 Children (2014) Sure Start Children's Centres Census 2014 [http://www.4children.org.uk/Files/6f907ff7-35fe-4c6f-a3a4-a3cb00e1a11c/Children\\_Centre\\_Census\\_2014.pdf](http://www.4children.org.uk/Files/6f907ff7-35fe-4c6f-a3a4-a3cb00e1a11c/Children_Centre_Census_2014.pdf)

\*\* Eisenstadt N (2012) Providing a Sure Start London: Policy Press.

## Best practice from around the UK

Outside of the boroughs, **Islington** has pioneered a new approach in four of its Children's Centres based on the First 21 Months Programme, which focuses on improving pathways for women from conception to their baby's first birthday, and the role of Children's Centres in facilitating this and beyond. Jointly working with local health services, it coordinated care between midwifery, GPs and children's centres, with midwife and health visitor clinics taking place in the Children's Centres to promote a seamless transition from antenatal and postnatal care to other relevant family services\*.

**Islington** has also placed a strong emphasis on providing childcare in all 16 of its Children's Centres. Each has its own nursery, with up to one third of childcare places offered through a priority referral system for children identified as being at risk, and the rest of places being offered on a subsidised basis to ensure there is a mixed community within the setting. There is a particular emphasis on the qualifications of staff: all family support and outreach workers and nursery staff are qualified to level 3, and most of the family support and outreach managers have a social work qualification. Many Children's Centre Heads and family support outreach managers have completed the National Professional Qualification in Integrated Care Leadership\*\*.

In **Brighton and Hove**, Children's Centres are at the heart of integrated commissioning. Ahead of health visiting commissioning transferring to local authorities in 2015, the city's health visiting service has been seconded into the council through a Section 75 agreement. All Children's Centres are run as a citywide service led by three managers, two from a health visiting background, and one from social work. Integrated teams in each children's centre are led by health visitors, who supervise outreach workers. Centres are also staffed by citywide teams that offer services such as support with breastfeeding and Family Nurse Partnership. There has been an impact on breastfeeding rates and on outcomes for children living in the most disadvantaged areas. All of its centres have been judged as good or outstanding by Ofsted.

In **Wales**, a network of Sure Start Children's Centres across 11 areas were used to roll out Incredible Years, an evidence-based parenting programme for parents with children identified at risk of developing conduct disorder. Randomised control trial evaluation has shown that this approach of delivering targeted, evidence-based support via the Children's Centre infrastructure was highly effective, demonstrating significant improvements in child behaviour, parental mental health and positive parenting behaviours\*\*\*. This example shows the power of using the universal infrastructure of Children's Centres to deliver this kind of support to parents of children who have been identified as being at risk of poor development.

\* Messenger C and Molloy D (2014) Getting it Right, Early Intervention Foundation, <http://www.eif.org.uk/publications/getting-it-right-for-families-full-report/>

\*\* Messenger C and Molloy D (2014) Getting it Right, Early Intervention Foundation, <http://www.eif.org.uk/publications/getting-it-right-for-families-full-report/>

\*\*\* Hutchings J and Bywater T (2010) Evidence for the Incredible Years Programmes in Wales [https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=5&cad=rja&uact=8&ved=0CDwQFjAE&url=http%3A%2F%2Ffincredibleyears.com%2Fdownload%2Fadministrators%2Fimplementations%2Fwales-1Y-evidence-overivew.pdf&ei=9d6EVJKbJoz-ZavPXgYAL&usq=AFQjCNE\\_hCmfZ1ZsDX2YENvsVB9OPVkvkA&sig2=xxs7wog-mRSZmcteg0VU2Q&bv=80642063,d.d2s](https://www.google.co.uk/url?sa=t&rct=j&q=&esrc=s&source=web&cd=5&cad=rja&uact=8&ved=0CDwQFjAE&url=http%3A%2F%2Ffincredibleyears.com%2Fdownload%2Fadministrators%2Fimplementations%2Fwales-1Y-evidence-overivew.pdf&ei=9d6EVJKbJoz-ZavPXgYAL&usq=AFQjCNE_hCmfZ1ZsDX2YENvsVB9OPVkvkA&sig2=xxs7wog-mRSZmcteg0VU2Q&bv=80642063,d.d2s)

- Parenting support services.
- Employment support services, including Jobcentre Plus advisers trained to work specifically with parents of young children.
- Mental health services.
- Further education and training for parents.
- Effective outreach, which is so critical in ensuring the most at-risk families access services through their local Children's Centre\*.

**More Children's Centres to allow parents to register their child's birth.** A growing number of Children's Centres are now offering this service, including five in Lambeth, and it is proving an effective way of encouraging all new parents to make at least one visit to their local centre after their child is born, increasing awareness of what is on offer and the chance that parents will continue to engage in with services in the future. Children's Centres are also normally more accessible and family-friendly than town halls, where registration otherwise occurs. No legal or regulatory changes are needed to enable birth registration to take place in all Children's Centres, but local authorities will have to coordinate extra registrars to perform this service.

**Both boroughs should explore how to build upon the availability of Children's Centres at weekends, such as through parent-led provision.** Existing centres such as Nell Gwynn and 1st Place in Southwark offer stay and play sessions for parents at the weekends. An increase in parent-led provision will help mothers and father who work during the week to engage with Children's Centres and realise some of the benefits that come from being able to meet

other parents from the local community in a shared community space, but without significant financial costs. Children's Centres could encourage local parents to set up parents' committees at each centre, which would be given the opportunity to make use of centre facilities at the weekend.

**Both boroughs should look at how to increase the role that Children's Centres play in the provision of childcare.** As set out in the previous chapter, Children's Centres can particularly play a role in increasing provision for two year olds eligible for free provision, which is limited, and in supporting childminder networks to improve the supply and quality of childminders.

**Expand and share best practice on the linking up of family services and employment support.** This presents a particular challenge to integrated working given that unlike health and social services, the majority of employment support is commissioned nationally by the Department for Work and Pensions with both Southwark and Lambeth commissioning additional services on a local level. We have identified the following ways in which Children's Centres could be used to deliver back-to-work support to parents:

- Expand the existing co-location of Jobcentre Plus and Work Programme advisers in Children's Centres and GP surgeries. This can be a very effective way of engaging more parents in back-to-work support in a setting that is less intimidating than the local Jobcentre. Jobcentre Plus or benefits advisers who offer support and advice on site at Children's Centres help eligible parents claim childcare support through the tax credit system. A significant minority of parents miss out on this important source of financial support because of a lack of awareness or

\* Ball M and Niven L (2006) Outreach and Home visiting services in Sure Start Local Programmes <http://www.ness.bbk.ac.uk/implementation/documents/1388.pdf>

because they are not able to fill out complex forms (see next chapter).

- Build on existing back-to-work support, focusing on the needs of new parents. For example, schemes like Southwark Works, a specialist employment service for disadvantaged and unemployed Southwark residents could be co-located in Children's Centres. Its advisers work with people one-to-one in an informal way, supporting them to develop their IT, literacy, numeracy, team-working and people skills to support them back to work. The programme also provides access to approved childcare places and a childcare bursary for Southwark Works clients while they attend job interviews, training and work placements.
- Expanding affordable and flexible crèche facilities at Children's Centres to support parents engaging with employment services and training. Funding for these facilities is often available through the Jobcentre, Work Programme providers and other employment service providers.



Integrated commissioning in early years services

**Commissioning in early years services – like in many other areas of public services – is very fragmented.** Responsibility for commissioning early years services sits with:

- Local authorities, who commission Children’s Centres, and from 2015 will also take on the commissioning of children’s public health services such as health visiting. They are also direct providers of children’s social services.
- NHS England’s Area Teams, who commission health visiting services (including the intensive home visiting programme Family Nurse Partnership, targeted at first-time teen mothers), primary care services such as GPs, and child health information systems.
- Clinical Commissioning Groups (CCGs), who commission midwifery and acute child health services.

This fragmentation poses a huge challenge to the commissioning of early years services. Different commissioners will often use different outcomes frameworks, different assessment tools and different pathways.

This can lead to an ineffective use of resources and poor outcomes for local children, and murky accountability as to who is ultimately responsible for this. No one service has overall oversight of a child’s development, with midwives, health visitors, Children’s Centre staff, childcare providers and reception teachers making separate assessments without this information being available in one place.

There is a lack of consistent data available on the needs of the local population of children which can reliably assess which children and families need extra support, as well as a lack of

data showing which interventions have been proven to work.

Perhaps the most immediately-felt, challenge facing commissioners is the funding challenge. All local authorities are continuing to experience deep and severe cuts to their grants from central government, and Lambeth and Southwark, like other areas with high levels of deprivation, are experiencing a disproportionate burden of cutbacks. Lambeth is the 29th most deprived area in England, yet faces a cumulative decrease in spending power of £306.38 per resident between 2010/11 and 2015/16. Southwark is the 25th most deprived local authority in the country and faces a £155 r eduction in spending power per household in 2015/16 alone.

The last, and perhaps most immediately-felt, challenge facing commissioners is the funding challenge. All local authorities are continuing to experience deep and severe cuts to their grants from central government, and Lambeth and Southwark, like other areas with high levels of deprivation, are experiencing a disproportionate burden of cutbacks. Funding for childcare is protected – as funding both for the support provided for parents through the tax and benefit system and for the provision of the free entitlement for 3 and 4 year olds (and 2 year olds from disadvantaged backgrounds) is set by central government. But because of the scale of the cuts they are experiencing, both Lambeth and Southwark are being forced to cut funding for other early years services, including Children’s Centres. For example, Southwark have estimated that their Early Intervention Grant allocation fell by £6.1m or 29.6% in 2013/4. This will prompt very difficult and challenging questions about how to prioritise early years services vis a vis other services in

the borough, and how to consolidate and prioritise funding within the councils’ allocated early years budgets, for example in striking the right balance between universal and targeted early years services.

Business as usual simply isn’t an option: carrying on as is will see shrinking budgets undermining services and damaging children’s life chances, with the long term costs that carries.

In rethinking the commissioning of early years services in Lambeth and Southwark there are important developments to build upon.

Lambeth has recently been awarded of funding of £36 million for the Lambeth Early Action Partnership by the Big Lottery Fund’s A Better Start programme, a partnership that brings together local authority services, health services and the local voluntary sector to invest strategically in evidence-based early years services for children from conception to age 3 over the next ten years.

There will be much both boroughs can learn from and build upon from this partnership and its approach of early intervention over the next few years.

## Existing partnership working

The Knee High project, a joint collaboration between both boroughs, Guys’ and St Thomas’ Charity and the Design Council, has also provided funding for new innovations to improve the health and wellbeing of children under 5 in Southwark and Lambeth.

In both boroughs the establishment of health and wellbeing boards have created fora through which strategic conversations can happen between health, education and social services. Lambeth and Southwark – with their very similar populations and profiles – have also increasingly been working together since 2010; for example, the two boroughs now share a Director of Public Health.

Both boroughs also have a strong history of integrated partnership working, for example Lambeth’s local strategic partnership, Lambeth First, is award-winning and highly-regarded, and Lambeth has already integrated commissioning between the CCG and local authority to some extent via its Children’s Trust Board.

## Best practice in integrated commissioning

The Early Intervention Foundation (EIF) has recently completed a review of integrated commissioning for early intervention services for children from conception to age 5. It has identified good and promising practice in integrated commissioning based on its work with local authorities across the country, and how local areas can overcome the common issues and challenges in implementing integrated systems. A summary of these can be found in Appendix 2.

A good example of a combined area that has taken this approach is the Greater Manchester partnership of local authorities, who have developed a common strategy around the commissioning of early intervention services, which has a strong emphasis on:

- A shared outcomes framework.
- Integrated assessment.
- Common application of a robust evidence base, with a menu that includes both evidence-based programmes and promising innovations – which members of the partnership have committed to monitor and evaluate (and decommission if they prove to be ineffective).
- Parenting programmes, given the importance of parenting in child outcomes.

## Recommendations for Lambeth and Southwark

**Lambeth and Southwark should continue to develop partnership working and integrated commissioning with a strong ethos of early intervention and robust methods for sharing data and best practice.**

This should bring together officials and elected members from the two councils, local health services, the police, local schools, Children's Centres and childcare providers, Work Programme providers and local parents. Any work should be informed by the work of the Early Intervention Foundation on what makes

for effective and integrated commissioning, and it should build on the work that has already been undertaken by the Lambeth Early Action Partnership, for example on priority outcomes. It should review and build on existing practice in the following:

- How data about population-level needs is used to inform service planning.
- How best to undertake joint and early identification of children and families' needs across both boroughs to inform the targeting of services, using a common and evidence-based assessment framework.

- A shared framework for prioritising and measuring school readiness outcomes, spanning children's physical; social, emotional and behavioural; and cognitive development.

- Ensuring all partners are using the best available evidence about what works in improving child outcomes.

- Mapping existing funding streams and provision to enable a strategic consolidation and prioritisation of services.

- Information sharing between different professionals, building on the experiences of areas such as Warwickshire that have been highlighted as working innovatively in this area by the EIF.

- A long-term plan for pooling budgets across different areas in both boroughs, in light of the evidence from the EIF that integration works best when health and local authority budgets are formally pooled through Section 75 agreements, for example as they have been in Swindon.

- Ways of ensuring particular groups of children with high-level needs are able to access the support they need before starting schools, for example, children with special educational needs and disabilities and children with English as a second language. For example, specialist provision may be provided by top-slicing a proportion of schools' pupil premium allocation to fund services that support the transition to school for these groups of children.

- Calculating savings that could be generated through further integration across boroughs, especially of back-office savings.

**Lambeth and Southwark should liaise with schools to pool and invest a proportion of schools' pupil premium funding from the Dedicated Schools Grant in pre-school interventions to support school readiness and transitions to school** as part of an 'invest to save' approach within this strategy. This is no easy undertaking: it will require deep commitment from across both boroughs from a range of different partners. But it is critical if both boroughs are going to rise to the challenge of delivering more for less in early years services, and the experiences of other partnerships such as the Greater Manchester Partnership have shown how this approach can pay dividends.

## Recommendations for central government

The Commission is reporting in the context of a very live debate about decentralisation within England, which has heightened in the wake of the Scottish referendum and political commitments from all the main parties that there will be a new devolution settlement for English local authorities.

As recommended by others\*, **government should provide support to local areas for pooling budgets and shifting resources into early intervention** by setting aligned, five-year budgets for councils, the NHS and other local services in the 2015 spending review. This would support local leaders in coping with what will be another extremely tight spending review, while helping them overcome some of the institutional barriers to investing in early intervention and prevention. It would also give local leaders and citizens the freedom to undertake the big-scale service reconfigurations and strategic partnerships that will be required to allow local areas to take a different approach given deep cuts to budgets.

\* See for example, Lawton K, Cooke G and Pearce N (2014) The Condition of Britain: Strategies for social renewal, IPPR. <http://www.ippr.org/publications/the-condition-of-britain-strategies-for-social-renewal>



Empowering parents to give their children the best possible start

**It is of course parents that play the most critical role in their child's development in their early years**, through the relationships and attachments they build with their children, the extent to which they create an enriching home learning environment filled with conversation, play and story-telling and through diet, nutrition and activity levels. Early years provision must therefore have at its heart support for parents to develop the skills and attitudes they need to provide the best home environment for their babies and toddlers.

First, it is critical that early years services provide targeted, evidence-based programmes to parents and families most at risk and in need of support: for example, young mothers from disadvantaged backgrounds, parents of children at risk of developing emotional and behavioural problems, and parents who have no or low educational qualifications themselves.

Second, Lambeth and Southwark should be looking to facilitate the role of parents themselves in supporting each other, as co-designers and co-producers of services.

### Evidence-based and targeted parenting and early learning programmes

**Both boroughs should continue to review the use of evidence-based parenting support programmes** such as Family Nurse Partnership, Incredible Years and Triple P, and ensuring that the Children's Centre network is used to increase access to these programmes, moving funding away from programmes that are not evidence-based. The councils should draw on the Early Intervention Foundation's live database of what works in enhancing parent

and child interaction and the development of language, communication and social and emotional skills (due to be published in early 2015).

**Both boroughs should also support the provision of evidence-based family learning programmes through Children's Centres**, targeted at parents with low levels of prior educational qualification.

**The menu of programmes on offer via Children's Centres should draw on work that has already been done for the LEAP partnership**, which sets out plans for the following in the Lambeth wards it will apply to over the next ten years:

- A new early literacy programme for the under 3s.
- A new model of provision for children with English as a second language via the Children's Centre network.
- Newly built space and resources in children's centres for parents and children to learn together.
- Early identification of social and emotional needs through screening.
- Extended access of Family Nurse Partnership to all first time young parents.
- Access to the Wait, Watch and Wonder programme for parents who are having difficulties establishing attachment with their child.



## Facilitating parent-led peer support

In both boroughs, there is a real commitment to empowering trained parents to support other parents. For example, Lambeth has introduced a Parent Champions programme in conjunction with the Family and Childcare Trust, in which parents are trained to engage other parents, provide accurate information about local childcare working with the local Family Information Services, and encourage participation in early learning, childcare and other children's services. Parent Champions volunteer for an average of five hours per week\*. Lambeth will be expanding this programme through its LEAP plan, in which community champions will be trained to provide support to new parents and build connections within the community, reducing social isolation, reflecting Lambeth's cooperative approach to coproduction.

Community Mothers is another parent-led peer support programme, in which existing mothers in local communities are trained to support breast-feeding and given information and advice about healthcare, nutrition and child development. Evaluations of this programme suggest it improves parenting skills, the diet of both mothers and their children, and improves take-up rates of immunisation programmes\*\*.

**Both boroughs should commit to expanding support for parent-led programmes such as Parent Champions and Community Mothers.**



Conclusion and summary of recommendations

\* Family and Childcare Trust, Parent Champions – who we are and what we do, <http://www.actionforchildren.org.uk/media/8385589/pccasestudiesweb.pdf>

\*\* <http://www.preventionaction.org/reference/community-mothers>

**The tough fiscal context local councils are facing up and down the country makes it more important than ever that a range of actors come together to ensure parents are able to access the affordable and flexible childcare they need**, and that quality childcare and early years services are working with parents to ensure that all children start school with the skills they need, regardless of what social background or which part of the boroughs they are from. This is particularly true in inner London boroughs like Lambeth and Southwark, which are characterised by high levels of inequality, with areas of great affluence but also great deprivation, and whose parents, particularly low-income parents, need to work atypical hours in jobs with long commute times. Below is a summary of recommendations for central government, local government, the London Mayor and for local employers. We believe that if the recommendations in this report are implemented, we would see parents in both boroughs being able to access the childcare they need, and the gap in outcomes for children in different backgrounds reduced, ensuring they are all starting school ready to learn.

## Recommendations for central government

- Government should consolidate existing funding for Education, Early Years and Childcare, taking a 0–18 approach.
- Government should give local authorities more control over how this budget is spent.
- In the short term, Government should commit to scrapping the planned changes to funding of the two-year-old entitlement due to come in in 2015.

## Recommendations for the Mayor of London

- The Mayor's Office should look into the feasibility of a London-wide affordable loan scheme to enable parents across London to access no-interest loans to help them with the upfront costs of childcare and moving into work.
- The Mayor's Office should continue to review Transport for London fares for parents working flexibly and part-time.
- The Mayor's Office should bring together a London-wide coalition of businesses that commit to support their staff with their childcare needs.

## Recommendations for local employers

- Business Improvement Districts across both boroughs should commit to making joint investments in childcare, such as through loan schemes or flexible working policies.
  - Local employers should commit to setting up workplace nurseries, in conjunction with social enterprises and charities where appropriate.
- The efforts of local employers should be supported by both councils:
- Both councils should investigate the feasibility of providing business rates discounts for employers that invest in high quality, affordable childcare support for employees.
  - Both councils should run a brokering service putting in touch employers and charities and

social enterprises interested in running workplace nurseries.

- Both councils should expand their requirement for businesses winning council contracts to pay the living wage, to other forms of family friendly working, for example, by asking employers to sign up to Timewise or demonstrate good practices with respect to promoting the right to request flexible working and granting requests.

## Recommendations for Lambeth and Southwark Councils

### Childcare

- Lambeth and Southwark should improve access to information about local childcare by facilitating the creation of an online childcare portal.
- Increasing the awareness of existing provision as well as the supply and quality of childminders, by:
  - ▶ Establishing and extending childminder networks, run out of Children's Centres, focused on improving the quality of childminding.
  - ▶ Expanding and strengthening flexible childminder networks to broker parental access to childminders.
  - ▶ Working with local further education providers to increase the supply of childminders.
  - ▶ Providing more business support for childminders.
- Lambeth and Southwark should support more before- and after-school provision and holiday

provision for school-age children through by supporting parents to set up cooperative childcare schemes.

- Both boroughs should set up childcare clubs for parents, which could operate on a 'timebank' principle. These could, for example, help parents coordinate drop-offs and pick-ups from school with other local parents, and facilitate the set up of 'babysitter circles' whereby parents look after each other's children in a reciprocal scheme.

### Children's centres

- Both boroughs should work together to share and develop best practice on Children's Centres.
- More Children's Centres to allow parents to register their child's birth.
- Both boroughs should explore how to expand the availability of Children's Centres at weekends, such as through parent-led provision.
- Both boroughs should look at how to increase the role that Children's Centres play in the provision of childcare.
- Expand and share best practice on the linking up of family services and employment support.

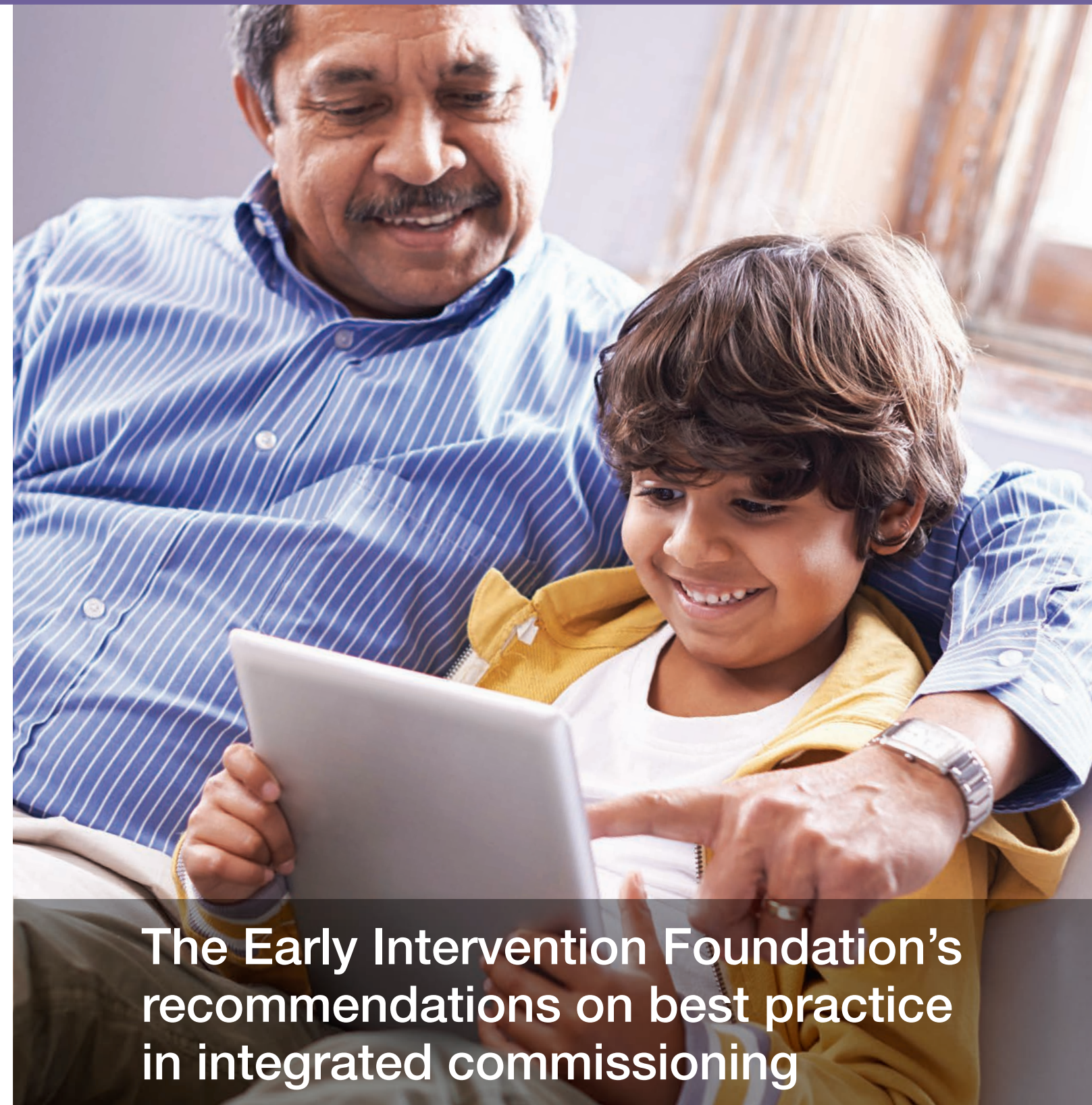
### Integrated commissioning

- Lambeth and Southwark should continue to develop partnership working and integrated commissioning with a strong ethos of early intervention and robust methods for sharing data and best practice.
- Lambeth and Southwark should liaise with

schools to pool and invest a proportion of schools' pupil premium funding from the Dedicated Schools Grant in pre-school interventions to support school readiness and transitions to school as part of an 'invest to save' approach within this strategy.

### **Supporting parents to do the best for their children**

- Both boroughs should continue to review the use of evidence-based parenting support programmes such as Family Nurse Partnership, Incredible Years and Triple P, and ensuring that the Children's Centre network is used to increase access to these programmes, moving funding away from programmes that are not evidence-based. This is already happening as part of Lambeth's LEAP programme.
- Both boroughs should also commit to supporting the provision of evidence-based family learning programmes through Children's Centres, targeted at parents with low levels of prior educational qualification.
- Both boroughs should commit to expanding support for parent-led programmes such as Parent Champions and Community Mothers.



**The Early Intervention Foundation's  
recommendations on best practice  
in integrated commissioning**

**1.** Establish a joint planning group for early years integrated working that has its governance set within the local corporate planning system and commissioning. Where there is senior leadership and commitment to service development, the outcomes have been shown to be more successful e.g. Brighton and Hove, and Swindon where integration has been in place for a number of years with formal Section 75s in place to enable this.

**2.** Ensure that the risks and early indicators of need are reported through the Joint Strategic Needs Assessment and that there is a system to provide relevant data at local level to inform commissioning and delivery. As the HWB matures, the HWB Joint Strategy will be key to identify need and to direct resources. Good JSNAs already identify needs at ward level that can not only inform commissioning intentions, but also help to identify vulnerable groups that would benefit from Early Intervention and measure the impact of Early Intervention over time.

**3.** Develop a shared outcomes framework. To develop an integrated system there must be agreement of priorities across relevant partners and supporting outcomes. Developing a theory of change is vital to ensure that the outcomes being measured are supported by relevant indicators, and that appropriate evidence-based interventions and services are being commissioned to meet these outcomes.

**4.** Look at opportunities for joint training and developing a shared vision among professionals working in the early years. Learning from Early Intervention Places that have achieved integration across health and LAs emphasises the importance of the workforce, developing a shared vision, understanding different roles

and taking opportunities to build informal relationships. Shared training was seen as a mechanism of supporting this and identifying key areas where consistent messages are required to support families.

**5.** Look at the potential to integrate the two year development check and the Early Years Foundation Stage progress check for children. Bringing together the two year development check (delivered by Health Visitors) and the Early Years Foundation Stage progress check for children (attending a childcare setting) into a single integrated development check at the age of two is a real opportunity to see how children are developing and to identify problems early. This integrated assessment can also provide a benchmark of rounded childhood development in the early years.

**6.** Plan a process for developing integrated pathways. A well-integrated early years model needs to have integrated assessment and delivery and is more than just aligning services. Developing integrated pathways ensures staff with the relevant competences are supporting the right area of need. It also reduces duplication to offer a single service and support for families.

**7.** Address information sharing early. To support integrated working there needs to be an information sharing agreement between relevant partners. This normally takes the form of a high-level partnership agreement at corporate level, and then more detailed agreements between relevant departments such as between health visiting and children centres on live birth data and sharing information on individual needs of a family. When upgrading local authority IT systems to incorporate the NHS number in adult social care records databases, consider similar

steps for children's social care. This will become easier from 2015, when completed work on the national Child Protection Information Service project will mean that almost all LAs will have the capacity in their information systems to record NHS number in their databases for children in need, children subject to child protection plans, those who are looked after and those with SEN/disabilities with Education Health and Care Plans.

**8.** Establish relations and work closely with NHS England area teams. Transition of responsibilities to LAs for children's public health commissioning for zero to 5-year-olds is a significant step towards commissioning an integrated service. Early engagement with NHS England to discuss what co-commissioning means locally and the details of current commissioned health visitor service is vital. Some areas are already discussing a more integrated service delivery through these meetings



## The Commission's terms of reference

**1.** The Commission will review existing policy and practice in childcare provision, with particular reference to the experience of parents, children and childcare providers in the central London boroughs of Southwark and Lambeth. The aim of the Commission will be to examine the challenges and opportunities in this area and to make recommendations for changes to policy and practice at a national, regional and local level in order to secure childcare provision that:

- is accessible and affordable to parents
- supports parents to be economically active
- is flexible enough for the 24 hour economy and working patterns of parents,
- delivers quality education and development for children in the early years,
- delivers an appropriate offer for older children.

**2.** In order to be able to make such recommendations, the Commission will need to address the following stages:

### Data gathering

- a)** Review existing documentation on local provision in Southwark and Lambeth, including the councils' most recent sufficiency assessments.
- b)** Review existing studies and reports on provision nationally and within London.
- c)** Review recent studies on the importance of early years education to children's later development.
- d)** Take evidence from local parents and children.

- e)** Take evidence from local childcare providers of all kinds.

- f)** Take evidence from Southwark and Lambeth Councils and the wider local government community.

### Policy review

- a)** Review the current mechanisms for funding childcare directly and indirectly and their relationship with the tax and benefits system.
- b)** Review the changes in policy announced by the coalition government and stated policy proposals by the Labour party.
- c)** Review the local policies of Southwark and Lambeth Councils.
- d)** Review existing comparator studies of policy and practice in other OECD countries.

### Analysis and appraisal

- a)** Examine the challenges for parents and providers inherent in the existing arrangements for the funding and delivery of childcare provision, including any artificial barriers to parental employment.
- b)** Consider opportunities for improvement, including to the current funding regime, the tax and benefits system and the provider market.
- c)** Make recommendations for changes to policy and/or practice at national, regional and local level, based on the above analysis to improve the quality and affordability of childcare.

### Proposed approach

**3.** The Commission comprises of a small group of individuals with relevant expertise

and perspectives in early years education and development, the childcare market, government and the economy. The Commissioners are:

- Naomi Eisenstadt – Senior Research Fellow at the University of Oxford.
- Tony Travers – Academic and Journalist, specialising in issues affecting local government
- Vidhya Alakeson – Former Deputy Chief Executive of Resolution Foundation during the commission now Chief Executive of Power to Change
- Kathy Sylva – Professor of Educational Psychology at Oxford University.
- Anand Shukla – Former Chief Executive Family & Childcare Trust during the commission, now Chief Executive of the education charity Brightside.

**4.** The Commission will be chaired by the Rt Hon Dame Tessa Jowell MP. Dame Tessa has represented the London constituency of Dulwich and West Norwood, which comprises parts of Lambeth and Southwark, as a Member of Parliament since 1992. Prior to this, she had been a child care officer in Brixton and then a family therapist and psychiatric social worker at the Maudsley Hospital. While a Member of Parliament, Tessa served on the opposition front bench until 1997 when she was appointed to the Government, becoming the first ever Minister for Public Health and implementing the widely acclaimed Sure Start Programme to support childhood and early infancy. After the 2001 election Tessa joined the Cabinet as the Secretary of State for Culture, Media and Sport. In this role she is credited with bringing the whole government behind the decision to bid

for the London 2012 Olympic and Paralympic Games. Subsequent to stepping down as the Shadow Olympics Minister in 2012, Tessa was appointed to lead a global campaign to ensure an integrated approach to the early childhood years in the post Millennium Development Goals framework. Tessa was appointed a Dame in 2012 for political and charitable services.

**5.** IPPR has been procured to provide a secretariat to the Commission, support its research, data gathering, analysis and appraisal, and the drafting and editing of its report. The host will be jointly funded by Southwark and Lambeth Councils. Each council will provide a named lead officer and project officer to link directly with the host and more generally support the work of the Commission.

**6.** The Commission will be empowered to take evidence from individual experts and relevant organisations of its choosing and to commission further research. The Commission is expected to draw on evidence from a wide range of sources, including academia, independent “think tanks”, Government, GLA, LGA, London Councils, local childcare providers, local organisations with an interest in childcare, and local parents and children.

