
Submission to Education Select Committee Inquiry into Covid-19 response

Introduction

PACEY represents over 25,000 childcare and early years professionals. This submission is written in light of the experience of our members across England and Wales.

The people who work in childcare and early years are part of our country's critical public sector infrastructure. Unlike many other public services, the majority of childcare and early years settings are run by private, voluntary and independent providers (PVI) or are self-employed childminders, running their own business from their own home. They are accountable to Ofsted and deliver the Early Years Foundations Stage (and equivalents in Wales), but they also offer much more. They are crucial for the early emotional and cognitive development of children (childminders also care for older children¹). Many operate 52 weeks a year and as such are critical childcare provision for parents in employment. However, the sector has for too long been treated like a Cinderella service. There are parallels here with the social care sector: reliance on private fees to supplement poor public funding, a lack of strategic, political investment and a neglected workforce.

The Covid-19 pandemic has exposed the frailties in the early years sector, as is outlined below. Both maintained and PVI providers will need urgent and focussed government support to remain part of the UK's critical infrastructure and to ensure all children, particularly the most vulnerable and disadvantaged, are supported in their emotional needs and to catch up with their education over the coming year.

We are particularly concerned about the situation for childminders. Already in decline, we are deeply worried that many that have closed since March will not re-open and that the financially precarious nature of the role, alongside the long hours and anxieties over Covid-19 infection entering their family home, will mean that far few people will register and train to join the profession in the future.

This paper provides evidence of how Covid-19 has impacted upon childminders and the children that they educate and care for. We will outline our perception of the government response and communication, give evidence of the impact on the ground and offer our sense of the strategic overhaul that is needed going forward.

Government communication

Childminders are among the unsung heroes of the coronavirus pandemic. Many have taken a huge financial hit to their businesses yet have continued to care for key workers' and vulnerable children, whilst others have stayed in touch with their families to provide support for home learning.

¹ There are 41,000 childminders in England and Wales and there is no uniform model for what they do. The structure of their business model varies considerably according to the types of service they offer (e.g. whole days, school wrap around, holidays) and the type and number of children they care for (e.g. funding entitled children as opposed to privately funded). As you will see from the example below, some childminders have as many as 25 children on their books, but many have around 5/6.

However, there has been enormous frustration at the way they have been treated by government. We at PACEY recognise that the crisis caused by the pandemic has been unprecedented, and we have welcomed the open and cooperative relationship that we have enjoyed with many officials at the Department for Education and Ofsted. We were also please to meet with the Minister, Vicky Ford MP during the crisis.

However, there have been many serious concerns. The key areas of anxiety were:

Lack of clarity around initial closure.

When the initial announcement was made that schools and nurseries would close, there was no clear message in regard to childminders who consistently feel that they are the forgotten arm of childcare provision. Furthermore, as has been the case with all announcements, there was a time lag between the message that settings could stay open for vulnerable children and those of key workers and the issue of any guidance from government on what constituted a key worker. Such delays in guidance cause unnecessary anxiety amongst providers.

The lack of support from the SEISS

As is outlined in more detail below, despite the chancellor listing childminders in his Covid-19 briefing on help for the self-employed, far too many have been left wholly unsupported by this scheme and at risk of losing their business.

Confusion over re-opening

Following the announcement of the Prime Minister's 'roadmap' on Sunday May 10th, PACEY was contacted by thousands of concerned childminders in England seeking clarification about returning to work. It took us some time to gain an agreed position between Downing Street and the Department for Education, which even then was somewhat muddled².

From our perspective as the organisation offering support to childminders, it was frustrating to see Department for Education guidance often published on Friday evenings or at weekends and as said, often published too long after a political announcement had been made.

Furthermore, there remain many outstanding issues that are yet to be resolved.

Risks to staff in childcare and early years settings remains a key concern, as the focus has been on the risk to children and the scientific advice emphasises that much is still not known about risks of transmission. This leaves setting leaders in the difficult position of making the decision to re-open or not without much reassurance; challenges to how they access PPE where required; the additional burden of increased hygiene measures and potentially more complex staffing arrangements to ensure "bubbles" of children are maintained.

Scientists seem to be advocating the benefits of **children returning in rotas**, but government seems not to be saying this. The rationale be made clear by the Department for Education.

The impact of these measures on the **quality of education**, especially if required for what is potentially a long period of time needs to be reviewed; so the best balance can be made between

² On May 12 the Department for Education announced - **A childminder that is already open and currently caring for children of key workers** or vulnerable children can stay open and continue caring for these children. However, they should not take on any more new non-eligible children. **A childminder that is not currently open**, can open for a child or children from ONE other household, providing it is in line with current guidelines to minimise the risk of spreading infection. It is up to the individual childminder to decide whether to open or not.

managing risk and quality of education. As part of this also improved guidance on how to **travel with children** where necessary so they can enjoy trips out etc.

Growing confusion around how best to support children who usually attend more than one setting e.g. a nursery and a childminder or a school and then a childminder or other wraparound childcare setting. Guidance states they should be encouraged to only attend one setting but this isn't a requirement. Some local authorities have now started to tell childminders that they cannot care for children who are attending another setting; some school heads have said a childminder cannot collect a child from their school. We have had a number of reports of schools banning childminders from collecting children. Guidance could be made clearer that, whilst these trips should be minimised, some parents have no alternative available to them and rely on childminders and other providers for wraparound childcare. Especially now elderly relatives cannot be relied upon. There is an urgent need for clarity here so that childminders (especially with children of their own) can challenge this where necessary. We also hope guidance will be updated as and when government indicates that non-essential shops can reopen as part of a wider explanation of why some activities that are now permitted but others e.g. visiting family are not.

There is on-going confusion around **when children under five can be tested** and when they cannot and how to access the test rapidly, so a childcare setting doesn't have to stay closed for longer than necessary. Is this through NHS website or via the emergency key worker system? As we understand it all children including those under five can now access a test but this information is not yet updated by bodies such as NHS 111 and Public Health England. We also would like to see more information to parents on the importance of testing under-fives in a childcare setting, as we are concerned some parents may find it distressing to take their child for a test. There are also growing questions around the accuracy of any test with medical experts stating it can have a 30% false negative rate. Furthermore, how a childcare setting gets access to the results of any test (so they know they can reopen or not) is unclear. At present they are solely reliant on current procedures which require a parent to inform them of the results.

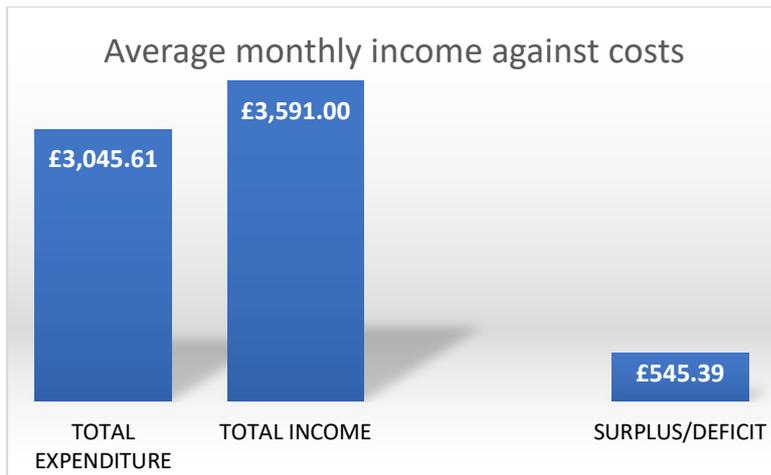
The financial implications of closures for providers

Despite initial optimism following the Chancellors fiscal support announcements, it soon became clear to us that thousands of registered childminders were unlikely to receive the government support they needed to sustain their businesses. Of particular concern were newly registered childminders who having invested in starting up their businesses, were set to receive no support.

The vulnerability of so many settings in light of the Covid-19 enforced closures illustrates the hand to mouth existence on which the sector is already based.

To illustrate this, below is an average breakdown of childminder income and outgoings based on:

1. Averages costs from a selection of PACEY members.
2. Income based on an average of 5 children, Monday to Friday for 9 hours a day.
3. Payment of childminder salary based on minimum wage for 35 hour week.



This is based on a childminding business with 5 children. This meagre profit has been drastically reduced by the impact of Covid-19. While 59% of childminders remained open to provide childcare to vulnerable children and children of key workers' families through the pandemic, their incomes were vastly reduced due to smaller numbers of children taking up places.

To better understand the experience on the ground, we conducted a survey of over 5,000 childminders³. It showed that the COVID-19 outbreak was having a devastating impact on the 41,000 childminders across England and Wales, with 1000s at risk of closure just at the point when families, business and the economy will need their support a return to work.

40% of childminders said they were not confident of their business being able to survive COVID-19.

The majority of childminders that were not eligible for SEISS support did not meet the criteria because;

- they become a childminder recently
- they did not make a profit in the last three years
- they also take part in PAYE work

For too long, many childminders, mainly women, have struggled to balance their work with other family caring responsibilities and have been working at less than or near minimum wage. Our survey showed that just under a quarter only had a total household income of between £10,000 and £20,000 in the last year and just under 10% had an income of less than £10,000. The vast majority (75%) of childminders made under £10,000 profit over the last three years. 21% made under £5,000 profit. They are dedicated early years practitioners, many relying on in-work benefits to make ends meet, who have utilised their commitment and good will to overcome desperately low incomes and precarious payment streams.

This cannot continue. Without urgent intervention, we risk the devastating loss of the 250,000 high quality and flexible childcare places that families need over the coming months, at the point when the economy needs working parents to return to their jobs.

Sustainability for the future

³ A self-selected online survey of childminders (n= 4755) of which 91% of respondents were from England and 9% from Wales. Of those 77% were childminders working on their own and 13% employed assistants, with 96% registered as sole traders.

As outlined above, there are multiple reasons for fearing for the future of the childminding sector. Compounding their financial fragility, phased returns to work or school as well as ongoing anxiety about the risk of a further outbreak of Covid-19, will mean that many families will not utilise childcare to support their employment in the same way that they did in the past. In many cases parents will also be concerned about their child taking up their free entitlement to early education. Our recent research amongst 1000 parents of children aged 1-6 revealed that 48% said they are either not planning on sending their child back to a childcare setting in June or haven't yet decided, meaning thousands of childcare providers could potentially open to significantly reduced numbers of children.

This, along with potential changes to regulation and to practice (so that the risk of further infection is reduced) will mean that many registered early years and childcare providers are unlikely to be operating at full capacity for some time whilst managing increased costs. Furthermore, a prolonged period of continued home working for parents whilst also caring for their children is not sustainable, will reduce productivity, and will mean children are further educationally disadvantaged.

It is imperative, therefore, that government sets out now how it will mitigate this risk, by adapting current regulations and requirements; improving existing funding programmes and establishing transition support.

We believe that the Covid-19 pandemic presents an opportunity for government action that can make transformational changes to early years education and childcare. The hand to mouth existence can not go on when so many children, particularly disadvantaged children, will need concerted, fully resourced care and education to restore their development and mitigate the impact of their months of isolation.

We would like to work with the government in reframing the childminder model, but for now there are urgent interventions that we would like to see actioned.

Entitlement funding

The Department for Education must commit to pay settings early education fees after June 1 to those that are unable to open and to those that, because of changed regulations, can no longer care for the same children that they previously did.

The funding of early education entitlement from local authorities must reflect previous funding levels over the year as a whole (where children retain their registration with that setting, regardless of the hours they may in reality attend over the coming months). This would need to incorporate an urgent increase to the current level of fee paid so sustained underfunding of the early years sector is finally addressed. This is especially important if fewer families are using childcare with an associated reduction in private fees, Tax Free Childcare payments and universal credit payments, due to unemployment, reduced working hours etc.

Transition funding

Registered childcare settings should be given additional transition funding if they reopen but with reduced numbers of children attending and increased costs for cleaning, PPE and staffing requirements. How will registered childminders who don't benefit from the furlough scheme as they are self-employed, or the SEISS be supported to remain in business when there is no clarity that the self-employment scheme will be amended and/or extended?

This can be achieved through a bridging transformational package to prevent closure of registered provision, including the 1000s of recently self-employed childminders, those also working in PAYE and those on low incomes.

Regulatory requirements

Changes to current regulations and requirements may be temporarily needed to reduce burden on providers and to reflect potential phased returns and/or new operating conditions. Government must develop any changes in close consultation with providers and recognise that if settings need to change how they provide care and early education in a post- pandemic world, this can only be maintained if providers' are compensated for reduced attendance levels.

Continual professional development

Support and CPD will be required to help practitioners to change how they work with children and parents (to minimise the risk of further Covid-19 infections) and to develop their business resilience, so they are better prepared for any future pandemics or other major business interruption.

Start up support to encourage new childminders into the sector

The reinstatement of the government start-up grants for newly registered childminders so they are given the funding they need to set up their business. We believe this should be a key part of the new childminder model, encouraging entrepreneurial individuals, perhaps those newly unemployed, to offer innovative support and education to children.

Conclusions

The coronavirus outbreak is going to have a deep and long-lasting impact right across the childcare and education sector.

We also must not forget the disproportionate and potentially devastating impact that the necessary Covid-19 response will have on our most vulnerable children and young people. Everything possible must be done to ensure that those children who are already left behind are not left behind further because of the coronavirus outbreak and the high quality care that childminders provide will be vital to that.

Childminders, like other early years and childcare providers, will also play a critical role in supporting the UK to get back to work.

We believe that the interventions outlined above will ensure childminding can still provide the 250,000 places that, as we move towards a post Covid-19 world, will be vital.

Case studies of childminders:

"I don't qualify for Government support and I am devastated thinking about what this might mean for my future as a childminder. I am fearful for the future. I really want to open up my business again – I have so many skills to offer as a childminder but I am not sure how I will keep going."

Karen Davison, Darlington. Former special needs teaching assistant and single parent.

"We are in a dire financial situation. Before becoming a childminder I was a maths and IT teacher at a comprehensive for many years and also worked in an office for a construction firm. Either of those jobs would have provided more support for me during this pandemic – I feel I have nothing to rely on. I really want to reopen – I am passionate about childcare and early years education and want to build a thriving business but don't know what we'll do. I am really going to struggle to keep myself and my family going over the coming months. We are really worried that we might lose our home if we cannot find a way through and need urgent financial assistance."

Jody Cliffe, Chepstow, Monmouthshire. Former teacher.

"I am not eligible for financial support and am in a desperate financial situation. I love being a childminder – it's the best job in the world and I believe I bring such a lot to it through many years teaching experience. But if something doesn't turn around by September I am going to be forced out of the sector and will need to find another job to ensure we stay afloat financially."

Louise, Lincolnshire. Former primary school teacher.

"My childminding business was going really well, but it has been devastated by the coronavirus. Now I just have a few children, including children of nurses who work in an ICU Covid-ward in hospital. I am a single mum and my daughter has asthma so I am really worried about the risk to her health, but financially I have no choice. I am already on tax credits so not eligible for universal credit. I'm just scraping by through the next few months, but really worried about the future."

Claire, Sheffield. Single parent. Childminder for six years.

Liz Bayram
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