

REQUEST FOR ASSISTANT DIRECTOR DECISION – ADD2459

Research on the impact of COVID-19 on the capital's childcare provision

Executive Summary:

This Assistant Director Decision requests approval of £35,000 in 2020/21 for:

- research into the provision of sector-specific business support to make recommendations for the wider system to ensure the sustainability of London's early years sector through the transition and recovery phase of the COVID-19 pandemic; and
- research into the impact of the COVID-19 pandemic on parental confidence in accessing formal childcare.

Decision:

That the Assistant Director of Health, Education and Youth approves:

1. expenditure of up to £25,000 in 2020/21 on early years research activity into the impact of the COVID-19 pandemic on the business sustainability of childcare provision; and
2. expenditure of up to £10,000 in 2020/21 on research into the impact of the COVID-19 pandemic on parental confidence in accessing formal childcare.

AUTHORISING ASSISTANT DIRECTOR/HEAD OF UNIT

I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Jazz Bhogal

Position: Assistant Director of Health, Education and Youth

Signature:



Date:

18 August 2020

PART I - NON-CONFIDENTIAL FACTS AND ADVICE

Decision required – supporting report

1. Introduction and background

- 1.1 London's early years provision plays a vital role in both closing the inequality gap in children's attainment and in enabling parents to pursue training and employment opportunities.
- 1.2 The outbreak of COVID-19 and the mandatory closure of early years settings to most children from March to June 2020 is predicted to have a significant impact on the medium and long-term sustainability of the sector.
- 1.3 London saw a rapid closure of childcare settings in March 2020 and huge financial pressure on those that remained open – facing significant overhead costs, yet a massive reduction in income from parents. According to [childcare.co.uk](https://www.childcare.co.uk)¹, nearly a sixth of providers could close permanently as a result of the COVID-19 pandemic.
- 1.4 Department for Education data from 9 July 2020 shows that only about 25 per cent of the number of children who usually attend early years settings in term-time had returned. Parental demand is predicted to decrease over a prolonged period. This will impact on the early years sectors sustainability and could lead to lack of childcare places as a result of permanent nursery and childminder closures. The childcare sector is crucial to London's recovery process.
- 1.5 [MD2147](#) and [MD2361](#) approved a programme to improve access to quality affordable early years education and childcare. This ADD sets out proposals for the following additional activities to support early years settings through the COVID-19 pandemic transition and recovery phases:
 - up to £25,000 to commission research into the provision of sector-specific business support to ensure the sustainability of London's early years sector; and
 - up to £10,000 to work with the GLA's City Intelligence team to carry out research into the impact of the COVID-19 pandemic on parental confidence in accessing formal childcare. The transfer of the funding to the GLA's City Intelligence Team will be in line with internal financial procedures.

2. Objectives and expected outcomes

Research into the provision of sector-specific business support

- 2.1 In order to ensure London has sufficient childcare post the COVID-19 pandemic, research objectives are to provide information that will help to:
 - better understand the specific business support needs of the London's early years sector, including the type and scale of support needed;
 - better understand the business support already being provided to the early years sector and identify any gaps within it; and
 - develop clear, scalable, and evidence-based recommendations for the sector, with a clear indication how the Mayor can use his convening role in bringing partners together to support long-term sustainability of the sector and disseminate best practice.
- 2.2 Research will include a rapid review of the business support needs of London's private, voluntary and independent childminders and nurseries through consultation with early years providers, Local Authorities and early years sector policy and membership organisations.
- 2.3 A report will be produced that directly addresses the research objectives and offers clear and evidence-based recommendations for the sector, with a clear indication how the Mayor can use his

¹ <https://www.nurseryworld.co.uk/news/article/coronavirus-warning-that-250-000-childcare-places-could-be-lost>

convening role in bringing partners together to support long-term sustainability of the sector and disseminate best practice.

Research into the impact of the Covid-19 pandemic on parental confidence

- 2.4 In order to raise parental confidence in using formal childcare during the transition and recovery period, research objectives will help to:
- better understand barriers to accessing formal childcare, resulting from the COVID-19 pandemic;
 - better understand whether barriers to accessing formal childcare are relating to specific characteristics, such as child's age, ethnicity background, health, previous use of childcare, location etc.
 - better understand what measures would increase parental confidence; and
 - provide evidence-based recommendations for the sector to develop effective activities to encourage parents in taking up formal childcare, with a clear indication how the Mayor can use his convening role in bringing partners together and disseminate best practice
- 2.5 The research will be carried out by the GLA's City Intelligence team and will include a survey of London parents.

3. Equality comments

- 3.1 Under section 149 of the Equality Act 2010 (the Equality Act), as a public authority the Mayor must have due regard to the need to eliminate discrimination, harassment and victimisation, and any conduct that is prohibited by or under the Equality Act; and to advance equality of opportunity and foster good relations between people who share a protected characteristic and those who do not.
- 3.2 The first years of our lives are vital. Often, it is the poorest children who miss out. In 2019, only 56 per cent of eligible two-year olds took up a free early education place in London, compared with 68 per cent nationally. By aged five, children entitled to free school meals are almost three months behind their better off peers. Our report 'Early Years in London'² sets out more details on the key measures to monitor progress across early years and childcare and the activity to be undertaken to address quality and access to early years provision.
- 3.3 Evidence shows the COVID-19 pandemic has disproportionately affected groups that were in a disadvantaged position before the pandemic, with 40 per cent of low-income families missing at least one essential resource to support their children's learning³ and women and low-paid workers among the worst hit by UK coronavirus job cuts⁴.
- 3.4 The lack of adequate affordable childcare acts as a barrier to labour market participation by parents, and mothers in particular. Increased female employment rates can contribute to higher rates of economic growth and address gender equality issues.

² https://www.london.gov.uk/sites/default/files/early_years_in_london_2019_a4_fa_digital.pdf

³ <https://www.nurseryworld.co.uk/news/article/coronavirus-has-exacerbated-problems-for-low-income-families>

⁴ <https://news.trust.org/item/20200406125229-0o4qn>

4. Other considerations

Key risks

Risk	Impact	Likelihood	Mitigation
Insufficient bids are received to carry out the research.	High	Low	We will work closely with the sector to engage relevant partners in the process
The research findings are impractical and cannot be implemented	Medium	Low	The research will provide improved understanding of needs and the most effective interventions. It will provide a range of options for interventions at different scales and also identify opportunities for match funding.
Local outbreak of Covid-19 impacts on research results	Medium	Medium	The research can be carried out virtually with focus on the overall impact of the pandemic on the sector.

Links to Mayoral strategies and priorities

- 4.1 The proposed research will contribute directly to the following strategies:
- the Health Inequality Strategy identifies the importance of support to parents in the early years and the impact that quality early years provision can have on a child's development and school readiness;
 - the Skills for Londoners Strategy focuses on education and skills with the aim to 'Empower all Londoners to access the education and skills to participate in society and progress in education and work'; and
 - the Economic Development Strategy identifies the importance of early years and childcare, with access to high quality early years education and childcare providing a 'world class education – which gives every child the best start in life'.
- 4.2 The alignment of activity to the Mayor's Inclusive London, Equality, Diversity and Inclusion Strategy is noted above.
- 4.3 Activity directly contributes to an identified COVID-19 recovery priority to support no and low-income Londoners.

Impact assessments and consultations

- 4.4 Consultation took place through engagement with a range of early years organisations and children and young people's service providers with a series of meetings hosted by City Hall between March and June 2020. Attendees were from a wide range of organisations.
- 4.5 According to the Early Years Alliance (EYA) survey⁵, fewer than half of parents with young children plan to take up their childcare. Government commissioned research⁶ found that around half (49%) of 0-4 year-olds that used formal or informal childcare before COVID-19 have parents that intend to return their child to early years settings.
- 4.6 There are no conflicts of interest to declare for any of the officers involved in the drafting or clearance of this decision form.

⁵ <https://www.theguardian.com/education/2020/jun/01/early-years-childcare-sector-at-risk-collapse-england>

⁶ <https://www.ipsos.com/ipsos-mori/en-uk/parents-0-4-year-olds-and-childcare-1st-june-2020>

5. Financial comments

- 5.1 Approval is being sought for expenditure of up to £35,000 on research activities to assess; Early years business support through the COVID-19 transition and recovery phase, and the COVID-19 impacts on parental confidence within the Early Years sector.
- 5.2 This expenditure of £35,000 will be funded from the 2020/21 Early Years programme budget held within the Education and Youth Unit.

6. Planned delivery approach and next steps

Activity	Timeline
<i>Research to scope and develop early years sector-specific business support</i>	
Commission research	August 2020
Final research findings	October 2020
<i>Research into the impact of the Covid-19 pandemic on parental confidence</i>	
YouGov parental survey	August 2020
Final research findings	September 2020
<i>Dissemination</i>	
Stakeholder Roundtable	October 2020
Findings disseminations	October – December 2020

Appendices and supporting papers:

None

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? NO

Until what date: (a date is required if deferring) n/a

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Magda Balicka has drafted this report in accordance with GLA procedures and confirms the following:

✓

Corporate Investment Board

This decision was agreed by the Corporate Investment Board on the 10 August 2020.

ASSISTANT DIRECTOR OF FINANCE AND GOVERNANCE:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date

12 August 2020