1. **Purpose of paper**

1.1. At its meeting on 9 April 2013, the Committee decided as part of its work programme to undertake an in-depth review into Nursery and Childcare Provision.

1.2. This paper sets out the rationale for the review, provides some background information on the current situation within Lewisham and sets out proposed terms of reference for the review.

1.3. The in-depth review process is outlined at Appendix A.

2. **Recommendations**

2.1. The Select Committee is asked to:
   - note the content of the report
   - consider and agree the proposed terms of reference for the review, outlined in section 6 and the timetable, outlined in section 7.

3. **Background**

3.1. At the meeting of the Children and Young People Select Committee on the 9 April 2013, the Committee discussed undertaking an in-depth review looking at the issue of childcare and nursery provision within Lewisham.

3.2. During the meeting the Committee discussed what nursery and childcare provision is available in the borough, the standards set on provision by Ofsted, costs of provisions and provision for children with extra needs. Additionally they discussed what national guidance is available and benefits for children when entering schools at reception stage from previous nursery and childcare education. They also noted the number of changes to policy in relation to early years that had recently emerged from central government.

3.3. Since the April Children and Young People Select Committee meeting Her Majesty’s Chief Inspector, Sir Michael Wilshaw, launched Ofsted’s ‘Good early years provision for all’, a consultation on changes to the inspection framework aimed at improving the quality of early years provision. It was announced that from September 2013, nurseries and pre-schools judged less than good will need to improve rapidly and that the new designation of ‘requires improvement’ should act as a catalyst to get all early years providers to good as soon as possible.
4. Policy context

4.1. The report by the Department for Education, ‘More great childcare’ (attached at Appendix B and released in January 2013) sets out a plan of action for how the government will achieve its vision of a dynamic childcare market, delivering high quality early education. It incorporates the government's response to Professor Cathy Nutbrown's independent review, 'Foundations for Quality'.

4.2. The vision for early education and childcare is to make sure there is more great childcare available for parents and children. The report highlights that a good start in early years can have a positive effect on children's development, preparing them for school and later life. The reforms proposed seek to benefit both society and the economy by delivering high quality education in the early years at the same time as helping parents back to work.

4.3. ‘More great childcare’ sets out four key priorities:

- **Raising the status and quality of the workforce**

4.4. The quality of the early years workforce and the relevant qualifications on offer at the moment are not good enough. Staff are on low pay and in too many cases lack basic skills.

- Early Years Teachers will be introduced to build upon the strengths of the Early Years Professionals programme. Early Years Teachers will specialise in early childhood development and meet the same entry requirements and pass the same skills tests as trainee school teachers
- Early Years Educators will be introduced to improve the quality of people below graduate level working in the early years.

- **Freeing high quality providers to offer more places**

4.5. Nurseries in England have relatively tight staffing rules which drive higher costs for parents and lower pay for staff. In turn, low pay undermines the attractiveness of the profession to potential applicants. The aim will be to free high quality providers to offer more places by allowing greater flexibility, including ratios of staff to children, allowing providers extra income to pay staff more and giving parents more choice.

4.6. There will also be more flexibility to home-based childminders, who will still only be able to look after six children in total. However, the number of under-5s childminders can look after will increase from three to four, and the number of under-1s they can look after from one to two. These will be maximum limits on the number of children child-minders can look after – childminders will be free to carry on using existing ratios and parents will be able to choose childminders who care for fewer children if they wish

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1 ‘More Great Childcare’ Department for Education
http://www.education.gov.uk/childrenandyoungpeople/earlylearningandchildcare/a00220847/more-great-childcare
Improving the regulatory regime

4.7. A rigorous regulatory and inspection regime is important, and should ensure providers are focused on quality rather than process, and provides parents with assessments in which they can have confidence. Local authorities can also inspect early years providers who are implementing the early education programme for three- and four-year-olds as well as two-year-olds from low-income families.
- The Ofsted inspection rating will be the sole test of whether a provider can offer funded early education for two, three and four-year-olds, ending duplication in inspection.
- Reforms will also be made to Ofsted’s early years inspections

Giving parents more choice

4.8. The report highlights that too few parents have the choice of a good childcare provider, and that this is particularly true in more deprived areas.
- Childminder Agencies will be created to relieve childminders of some of the burdens of setting up their own business, provide training and match childminders with parents
- It will be easier for schools to teach younger children by removing the requirement on schools to register separately with Ofsted if they wish to provide for children under three.
- Encourage private and voluntary nurseries to use existing flexibilities which allow them to have graduates leading classes of 13 children per adult.

4.9. The Children and Families Bill 2013\(^2\) underpins the priorities set out in ‘More Great Childcare’ and will take forward the Government’s commitments to improve services for vulnerable children and support strong families as well as wider reforms including the systems for adoption, looked after children, family justice and special educational needs. The Government is reforming childcare to ensure the whole system focuses on providing safe, high-quality care and early education for children. The enabling measures in the Bill support wider reforms to increase the supply of high quality, affordable and available childcare and include introducing childminder agencies and removing bureaucracy so that it is easier for schools to offer wrap-around care. The Bill is currently at the report stage in the House of Commons.

4.10. The Ofsted consultation document ‘Good early years provision for all’\(^3\) was released in April, with a closing date of 24 May 2013. The documents proposed that from September 2013:
- A single judgement of ‘requires improvement’ will replace the current ‘satisfactory’ judgement for all early years providers

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\(^2\) Children and Families Bill 2012-13  
http://www.education.gov.uk/a00221161/children-families-bill

\(^3\) Good early years provision for all  
http://www.ofsted.gov.uk/resources/good-early-years-provision-for-all
• Early years non-domestic settings judged as ‘requires improvement’ will be the subject of a full re-inspection within two years; they will have a maximum of four years to become good.
• Where an early years non-domestic setting fails to become ‘good’ following two consecutive inspections, this would be likely to lead to an ‘inadequate’ judgement and subject to the monitoring arrangements as set in the early years inspection framework.
• Where any inadequate early years setting has failed to improve sufficiently and is still judged to be inadequate when reinspected, it is likely that steps may be taken to cancel that setting’s registration.

4.11. Lewisham’s Sustainable Communities Strategy sets out six key priorities for the borough as a whole. This review will fall under the ‘Ambitious and achieving’ priority, which will inspire our young people to achieve their full potential by removing the barriers to learning. The review also falls under the ‘Safer’ priority, which aims to keep our children and young people safe from harm, abuse and criminal activity as well as the ‘Dynamic and prosperous’ priority, which aims to increase access to the number, quality and range of employment opportunities.

4.12. Lewisham’s Children and Young People’s Plan for 2012-2015, entitled ‘It’s everybody’s business’ sets out key areas for impact and priorities surrounding children and young people. This review will fall under the ‘Make sure early intervention makes a difference’ key area of impact, which sets out to ensure early intervention and targeted support approaches are embedded and have direct impact for children. It also falls under priority EA1, ‘Raise achievement at all key stages’, the aim of which is to work together with all settings, schools and institutions to ensure the best possible outcome for all our children and young people.

5. Meeting the criteria for a review

5.1. A review into Nursery and Childcare Provision meets the criteria for carrying out a scrutiny review, because it is:
• Timely given the changes to central government policy and legislation
• The issue affects a number of people living working and studying in the borough

6. Key lines of Inquiry

6.1. In light of new legislation and changes to government policy, the Committee will consider the implications of these for nursery and childcare provision.

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4 Lewisham’s Sustainable Community Strategy 2008-2020

5 Lewisham Children and Young People’s Plan 2012-2015
6.2. In order to understand nursery and childcare provision in the borough and the levels of funding, affordability, quality, availability and accessibility, officers will provide information in their first report relating to the following key questions:

**Funding and affordability**
- How is nursery and childcare provision funded in Lewisham?
- What are the ranges in prices of nursery and childcare provision across the borough?
- How does the price of nursery and childcare provision compare to other nearby boroughs?

**Quality**
- What is the statutory framework and national policy for nursery and childcare provision and how has this recently changed?
- What is the range of quality of nursery and childcare provision in the borough, including private, voluntary and independent and school provided nurseries and childminding?
- What is role of the Early Years Improvement Team in supporting the improvement of nursery and childcare provision?
- What is role of Ofsted in relation to nursery and childcare provision?

**Availability and accessibility**
- Where is nursery and childcare provision available within the borough?
- What is the demand for nurseries and childcare?
- How flexible is the provision on offer in different types of settings such as private, voluntary and independent and school provided nurseries and childminding?
- Is nursery and childcare provision available for children with extra needs?

6.3. Building upon this understanding, the Committee could then consider the following key lines of inquiry:

**Funding and affordability**
- Does the support from central government in the form of funding and benefits provide affordability in nursery and childcare provision for Lewisham residents?
- Is nursery and childcare provision affordable for Lewisham residents?

**Quality**
- To what extent will the changes to government policy and legislation improve nursery and childcare provision?
- Within the resources available, what more could the private, voluntary, independent and school nursery and childcare providers in the borough do to improve the quality of their provision?
- Within the resources available, what more could the Early Years Improvement Team do to improve the quality of nursery and childcare provision in the borough?

**Availability and accessibility**
- Is current nursery and childcare provision appropriate for the needs of the parents and children of Lewisham?
• How could the flexibility in the availability and accessibility of provision be improved?
• How are providers of nurseries and childcare seeking to meet the increase in demand for free places in September 2013 and 2014, as well as increasing demands due to a rising population?

7. Timetable

7.1. The Committee is asked to consider the outline timetable for the review as set out below:

**First evidence-taking session** (2 July 2013):
- Report from officers providing information around funding and affordability, quality and availability and accessibility as outlined in 6.2.

**Fact-finding visit** (September 2013)
- Visit to private nursery, school nursery and childminder, including opportunities to speak to parents.

**Second evidence-taking session** (9 October 2013)
- Report from officers highlighting how the benefits system gives financial support to families to help with childcare and nurseries.
- Representatives from private, voluntary and independent sector nursery and school nursery

**Recommendations and final report** (3 December 2013) **Andrew – I think this is too optimistic a timetable still....**
- The Committee will consider a final report presenting all the evidence taken and agree recommendations for submission to Mayor & Cabinet.

8. Further implications

8.1. At this stage there are no specific financial, legal, environmental or equalities implications to consider. However, each will be addressed as part of the review.

For further information please contact Andrew Hagger, Scrutiny Manager on 020 8314 9446 or email andrew.hagger@lewisham.gov.uk
How to carry out an in-depth review

1 Scoping
- Consider local & national context and identify the key issues
- Agree objectives and key lines of enquiry of the review
- Agree structure (methods of evidence gathering to be used)
- Agree timetable for review

2 Evidence Gathering
Formal meetings can consider:
- Written evidence
  - Reports
  - Key documents
  - Case studies
  - Best Practice
  - Data and analysis
- Oral evidence
  - Questioning of officers of the Council, Partner agencies & expert witnesses
- Results of “Other” evidence gathering activities
  - Consultation (surveys, focus groups)
  - Site visits
  - Research

3 Agree recommendations and draft report
- All evidence and key findings presented to Committee
- Committee agrees evidence-based recommendations and draft report

4 Final report
- Committee agrees final report and recommendations for referral to Mayor and Cabinet

5 Response
- Committee receives Mayoral response to their final report and recommendations

6 Monitoring and Review
- Committee monitors the implementation of the agreed recommendations
- Considers further follow-up review?

Mayor and Cabinet
- Meets twice, once to consider report, once to consider response

Lewisham