

# **Evaluation of Early Implementation of 30 Hours Free Childcare in York**

**Ivana La Valle, Principal Investigator for  
the Early Implementers Evaluation**

**July 2017**

# Contents

1. Introduction	5
1.1 The 30 Hours Free Childcare policy	5
1.2 Aims of the case studies	5
1.3 Methodology	6
1.3 The local area and its childcare market	7
1.5 The report	8
2. Delivery model	9
2.1 Aims of the local programme	9
2.2 Key features of the local programme	9
2.3 Funding arrangements	10
2.4 Implementation challenges and facilitators	10
3. Provision of places	12
3.1 Taking part in the programme	12
3.2 Profile of funded providers and places	13
3.3 How sufficiency is supported and achieved	14
Supporting sufficiency	14
Achieving sufficiency	15
3.4 How flexibility is supported and achieved	16
Supporting flexibility	16
Achieving flexibility	17
3.5 Financial viability of the offer	17
Supporting financial viability	17
Achieving financial viability	18

3.6	Challenges and facilitators	19
4.	Parents' use of places and work choices	21
4.1	Engaging parents and enabling access	21
4.2	Profile of families using the extended hours	22
4.3	Parents' use of the extended funded hours	23
4.4	Flexibility of the offer	25
4.5	Initial impacts on families	25
5.	The child's experience	29
5.1	Long funded hours	29
5.2	Multiple providers	30
6.	Conclusion	32
6.2	Sufficiency	32
6.3	Flexibility	32

**Acknowledgements:** We are very grateful to Barbara Mands, Head of Childcare Strategy Services in York, for her help with the evaluation and thanks to her colleagues for taking part in the interviews. We would also like to thank providers and parents who gave up their time to take part in the research. Within the evaluation team, our thanks go to: Gillian Paull for all her support and for so efficiently co-ordinating the project; Eva Lloyd for her helpful advice and encouragement; Svetlana Speight and Hannah Jones for providing high quality survey data; Chris Farrell for his help with the parent interviews. Finally, we would like to thank Max Stanford at the Department for Education for being a very helpful and supportive project manager.

This report is part of the Evaluation of Early Implementation of 30 Hours Free Childcare commissioned by the Department for Education and undertaken by a consortium of Frontier Economics, researchers from the University of East London and NatCen Social Research. The lead contact for this evaluation is Gillian Paull (Gillian.Paull@frontier-economics.com).

# 1. Introduction

The report presents the findings of data gathered to evaluate the Early Implementer (EI) programme in York. The research in York was part of a larger study commissioned by the Department for Education (DfE) to evaluate the eight local authorities that tested the implementation of the 30 hours of free childcare for 3 and 4 year olds from September 2016. The evaluation has been carried out by a team led by Frontier Economics and including researchers from the University of East London and NatCen Social Research.

In this chapter, we provide an overview of the 30 Hours Free Childcare policy. We then outline the aims of the case studies and the methodology used to gather the evidence in York. In the final part of the chapter we present a brief overview of the childcare market in York before the extended hours offer was introduced.

## 1.1 The 30 Hours Free Childcare policy

From September 2017, the 30 Hours Free Childcare policy will be rolled out nationally to all local authorities in England. This policy will extend the current entitlement from 15 hours per week of free early education for 3 and 4 year olds to 30 hours for children with working parents. The aim of the policy is to support parents to work or to work longer hours, by driving greater flexibility in the offer and enhancing accessibility for families currently facing barriers to taking up funded provision.

Early implementation of the 30 Hours Free Childcare policy began in September 2016 in eight local authorities. The role of the EI programme is to generate learning to help refine implementation plans for the national rollout and to provide early insights in to the responses of childcare use in relation to parental employment. Initially funding was provided by DfE for 415 places in seven of the local authorities and for all eligible children in the eighth authority. The programme was administered through a Grant Funding Agreement, which included requirements for the delivery of extended funded places, as well as a specific focus for each authority around the themes of:

- Promoting a flexible offer and supporting efficiency
- Supporting access for groups facing barriers to take-up of funded provision
- Introducing approaches to support parents to return to work.

## 1.2 Aims of the case studies

Case studies were carried out in the eight EIs to:

- Provide a detailed understanding of different approaches for delivering the extended offer and the rationale underpinning different delivery models.

- Explore key challenges in relation to capacity building and take-up and different approaches for dealing with them.
- Identify facilitators and barriers to successful implementation in diverse local contexts and for programmes with different foci (e.g. flexibility, rurality).
- Explore perceptions of how the programme is affecting (or failing to affect) the nature of the local childcare market in response to the needs of working parents and families who face barriers to take-up.

### 1.3 Methodology

The case studies gathered in-depth data to explore how the programme worked from different perspectives. Between January and March 2017 qualitative interviews, that allowed participants to discuss their views and experiences in their own words, were carried out with:

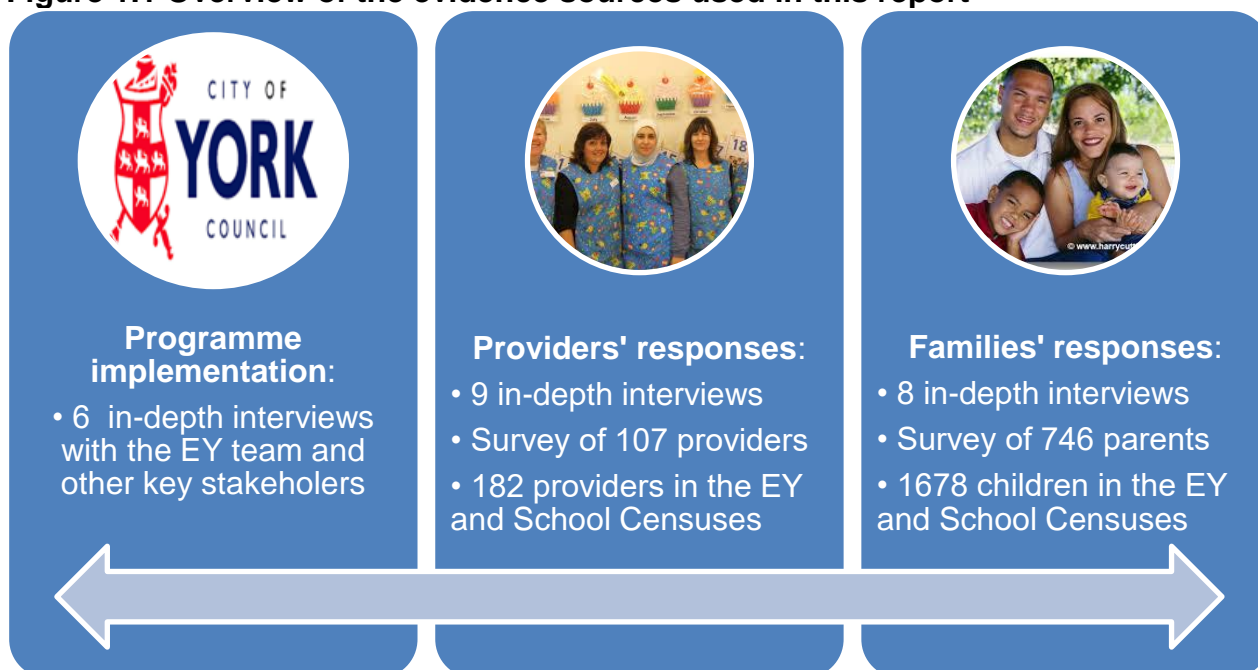
- **Local authority Early Years (EY) staff and other key stakeholders** who supported the programme's implementation within the local authority. A total of six respondents took part in these interviews in York.
- **EY and childcare settings** of different types and sizes located in different parts of the local authority. Nine providers that delivered the extended hours were interviewed in York.
- **Parents** who were purposively selected to cover key areas of interest, diverse responses to the offer and from a wide socio-economic profile. In York eight parents who had taken up the extended hours were interviewed.

This in-depth qualitative data was complemented with statistical evidence from surveys of providers and parents and the EY and School Censuses.

- **Surveys of all providers** who had delivered the extended hours and **parents** who had taken part in the programme were carried out between January and March 2017. The samples for the surveys were provided by local authorities. Respondents were invited to complete a survey online or over the phone:
  - 107 providers from York responded to the survey, 81% of those who were invited to take part
  - 746 parents from York took part in the survey, a response rate of 68%.
- Data was drawn from the **2016 and 2017 EY Census and School Censuses** and from some additional data collected in January 2017 by the eight EIs. The censuses provide data on all children receiving funded hours and settings providing these hours, although the precise nature of that information differs between the two censuses. The additional element undertaken in 2017 involved

collecting information on the number of extended hours received by each child and whether these hours were spread throughout the year.<sup>1</sup>

**Figure 1.1 Overview of the evidence sources used in this report**



### 1.3 The local area and its childcare market

The City of York is one of the least deprived areas in the country with employment levels above the national average. It has become more ethnically diverse in the past decade, with 1 in 10 of the population belonging to an ethnic minority group and an increase in migration in recent years.

The latest Childcare Sufficiency Assessment reports that the market has shown a high level of resilience through a turbulent economic period and has responded well to an increase in demand due to a rising birth rate. The spread of places reflects where the demand is, although some areas are less well served than others. At a time when childminding places have decreased nationally, in York the number of childminders has grown. Provision is reported to be flexible with many providers offering an extended day, although there are still challenges in meeting the needs of parents who work atypical hours. Take-up of the 2 year olds offer is above the national average. The quality of provision, as measured by Ofsted ratings, is higher than that of similar authorities.

---

<sup>1</sup> The statistics from the census data presented in this report may have small discrepancies with those published elsewhere for several reasons: the local authorities may count places and children using extended hours in a slightly different way; the EY census data for 2017 used for this report was a preliminary version; for a range of other technical reasons which are covered in the national evaluation report.

## 1.5 The report

In chapter 2 we outline York's approach to testing the delivery of the extended funded hours, as well as the challenges and facilitators in developing and implementing the programme.

In chapter 3 we discuss providers' responses to the programme, if and how sufficiency and flexibility were achieved in response to parental demand and the financial viability of the offer.

In chapter 4 we examine parents' take-up of the extended funded hours. We explore how they became aware of the programme, how they accessed the extended hours and their experiences of the offer. We then look at changes in childcare arrangements and parental work, as well as exploring parents' perceptions of the impacts of the offer on families.

In chapter 5 we discuss how the extended hours may affect children's experiences, particularly as they may be spending more time in a setting and use multiple providers.

In chapter 6 we conclude by summarising key findings from the York experience of implementing the extended funded hours offer.

Finally, a note on terminology:

- We refer to funded hours taken over and above the initial 15 hours in the Free Early Education Entitlement as the "extended funded hours".
- The term "childcare" is applied to all hours taken under the initial Free Early Education Entitlement and the 30 Hours Free Childcare policy (and to additional paid hours), but it is acknowledged that these hours could be better described as "early education" when their primary purpose is to improve child development and school readiness.



## 2. Delivery model

In this chapter, we describe the aims of the York EI programme, its key features and its funding arrangements. We then consider challenges and facilitators in implementing the extended hours offer in York.

### 2.1 Aims of the local programme

York was the only EI given funding for full implementation by DfE for all York children eligible for the extended hours. They estimated that 1480 children would be eligible and gave York a minimum target to engage 70% of these. York was also given development funding from the EI programme to focus on two themes: sufficiency and flexibility.

The programme was envisaged to support York's economic strategy by providing a good business opportunity for settings and by supporting parental employment. Furthermore, York has a tradition of successful engagement in childcare pilots and was regarded to be well placed to test the early implementation of the extended hours.

The objectives for the programme agreed with the DfE were as follows:

- To produce a robust sufficiency assessment of the childcare market's capacity to respond to the extended hours
- To facilitate the expansion of the market where there was unmet demand
- To design a simple electronic parent application process.

### 2.2 Key features of the local programme

York's approach for delivering the extended hours was expected to be underpinned by a well-established partnership model, the Shared Foundation Partnerships (discussed later). In addition, the programme involved:

- Extensive analysis of the market in order to understand the likely response to the extended hours of different market segments and the level of funding required to achieve sufficiency.
- The provision of business advice to settings to support expansion, flexibility and sustainability.
- The development and testing of a model for involving out-of-school clubs in the delivery of the extended hours.

- Further development of the Childcare Widget, a plug-in for providers' websites, developed by the local authority to improve the accessibility and quality of information for parents on childcare services.

## 2.3 Funding arrangements

Funding was provided by the DfE to deliver places to all eligible children and York had discretion to decide how to make this funding available to providers.

York decided on a single rate of £4 an hour for all the 30 hours and for all provider types, plus a 40p an hour deprivation supplement. This was considerably higher than the rate for the universal entitlement (£3.38). Having gathered extensive evidence (presented later), the EY team concluded that this funding arrangement was required in a market where much of the spare capacity had already been absorbed by the 2 year olds offer and where the model of delivery had to work immediately, given that there was no time for a gradual build up.

There was also a plan to increase the inclusion fund to meet the needs of children with 'high need-low incidence' and 'high incidence-low need' and to improve the transparency of the Inclusion Fund process (e.g. how the money is spent and what difference it makes).

At the time of the visit, the EI team were waiting for the publication of DfE guidance to decide if their advice to settings about charges and the extended hours should be adjusted. The team were aware of a range of practices around charges (discussed later), but had no evidence that providers were charging unfairly and no parents had contacted them to raise these concerns.

Providers were paid 85% of the estimated funded places shortly after the term started, with the final payments made in the second half of term after adjustments were calculated. On the whole providers seemed happy with this method, they reported that payments were made on time and queries were answered promptly.

## 2.4 Implementation challenges and facilitators

The EY team reported challenges, mainly at the national level, in implementing the EI programme:

- The timescale for setting up the programme was unrealistic, it took a lot of good will and very long hours to deliver the programme with a very tight timetable. It also resulted in temporary and 'make-do' systems that will need to be revised for national roll out in September. Developing an adequate IT system for monitoring and paying the extended hours in the time available also proved particularly challenging.

- There was a lack of robust data on the number of eligible families, where they lived and where they may take up the provision. The estimates provided by DfE were approximate and not adequate for planning purposes.
- While their model was based on a single rate for all the 30 hours, the funding initially offered by DfE was not sufficient to implement a financially viable 'blended' rate as York had a very low funding rate for the universal entitlement. Extensive work was needed to produce a vast amount of evidence in order to agree a sustainable rate with DfE, at a time when resources were needed to deliver the programme.
- The delay in appointing the Business Support Organisation meant there was no strategic support partner in place at the planning stage and when the programme was launched:  
*'In the lead up time we were left really working in isolation and it was extremely challenging and frustrating...'*
- Some very vocal local providers that hit the news headlines could make it difficult at times to ensure that parts of the local childcare sector, such as play groups and childminders, could be heard and had an opportunity to inform the EI programme.

Local facilitators to the implementation of the programme included:

- Sign-up and support from the senior management team and local politicians, which was identified by the EY team as a key factor to the successful delivery of the extended hours. An example of senior level commitment was the Director of Children's Services establishing a Director's EY Partnership group to meet with representatives of the sector once a term. This helped (alongside other engagement mechanisms) to make the sector feel valued and listened to.
- Commitment and engagement from local providers. This was achieved through providers' representation on fora set up to develop and implement the programme, as well as through the Shared Foundations Partnerships.
- Development funding from the EI budget to increase staff resources by offering additional hours to part-time staff and capitalising on existing knowledge and expertise meant that the team could work effectively from the start.

### 3. Provision of places

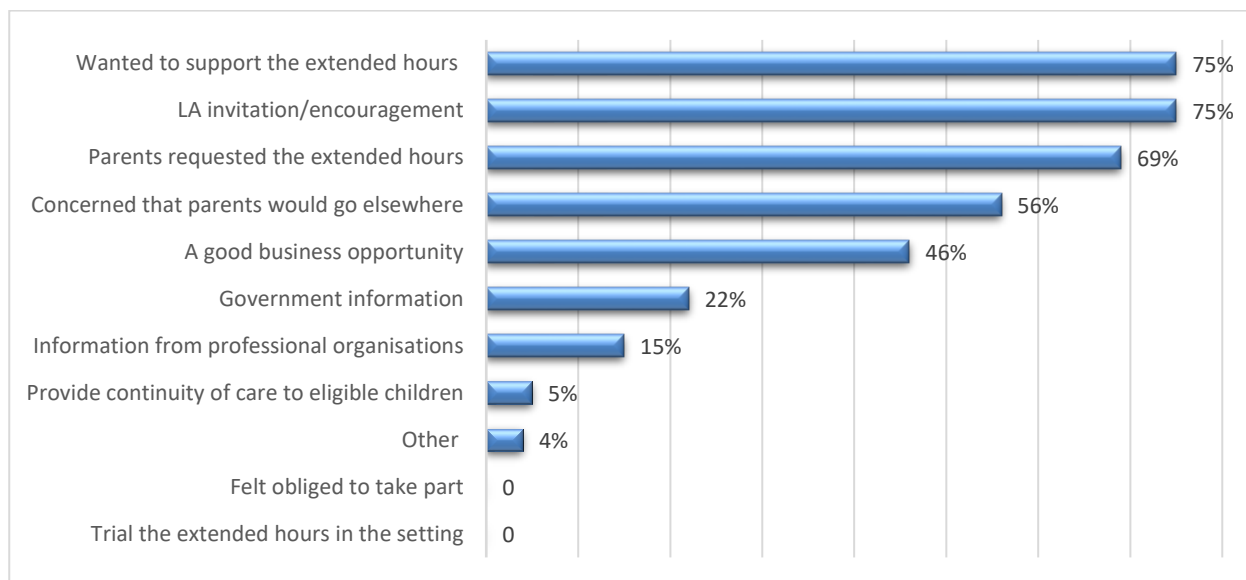
In this chapter we explore:

- Factors that influenced providers' decision to take part in the programme
- The types of providers offering the extended hours and the kind places offered
- How sufficiency and flexibility were supported and achieved
- The financial viability of the offer
- Challenges and facilitators experienced by providers.

#### 3.1 Taking part in the programme

Providers were asked in the survey their reasons for taking part in the programme. The findings in Figure 3.1 show that key motivators were wanting to support the extended hours (75%) and encouragement from the local authority (75%), although parental demand (69%) and concern that parents would go elsewhere (56%) were also mentioned by a majority of providers.

**Figure 3.1 Reasons for participating in the extended hours programme**



Source: EI Evaluation Survey of Providers 2017

The qualitative interviews with providers found that:

- There was a lot of support for the programme because providers wanted their parents to benefit from the offer. Even when they had some reservations about the funding level, they engaged with the programme and explored how it could be adapted to fit their business model.

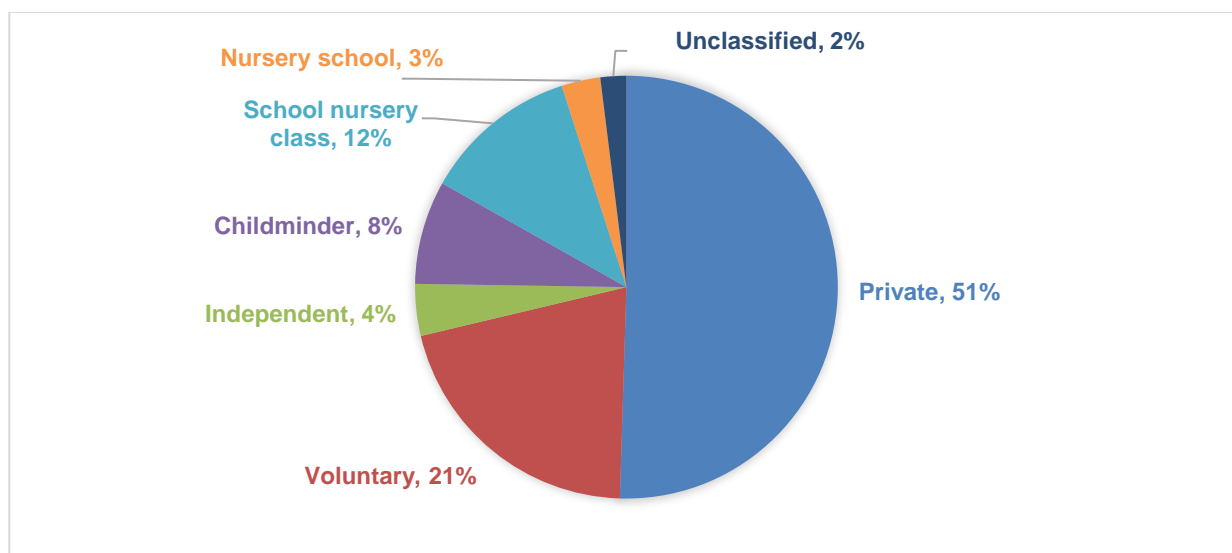
- Where a setting had been planning or considering changes to improve flexibility, the extended hours encouraged and supported them to do so.
- Some providers saw the offer as supporting efforts to increase occupancy levels and was a welcome new source of funding (e.g. for out of school clubs and childminders who had not accessed EY funding in the past).
- Participation in the programme was largely about retention for some providers, as there was a concern that existing parents would go elsewhere if they could not access the extended hours.

### 3.2 Profile of funded providers and places

As previously discussed, DfE agreed to fund all York children eligible for the extended hours. They estimated that 1480 children would be eligible and gave York a target to engage at least 70% of these. This target was exceeded and by the spring term 1678 places were delivered, indicating the success of the programme and also that the number of eligible families was higher than estimated.

Figure 3.2 shows that most extended places were delivered by private providers (51%) and voluntary settings (21%), while others played a considerably smaller role, with nursery schools and nursery school classes delivering 15% of places and childminders 8%.

**Figure 3.2 Distribution of extended hours places across provider types**



Source: EY Census 2017 and School Census 2017

The majority of local authority funded providers (80%) were delivering the extended hours. This varied from 100% among private and voluntary settings to 82% among

childminders and 45% among maintained settings. The average (mean) number of places per provider was nine.

The census data shows that 44% of settings were also providing funded places to 2 year olds. Just under a fifth (19%) were providers that had not been funded by the local authority the previous year.

### **3.3 How sufficiency is supported and achieved**

#### **Supporting sufficiency**

A key aim of the EI programme was to test what adjustments were required to meet demand generated by the 30 Hours Free Childcare policy. Interviews with providers confirmed the EY team's expectation that their Shared Foundation Partnerships model played an important role in supporting the delivery of the offer. The partnerships involve a small group of local settings (approximately eight) from across the sector that meet regularly to share good practice and work collaboratively to meet the needs of local children and their families. The partnerships determine their own vision and aims for the local childcare market and usually have their own local brand. Improving quality and inclusion and sufficiency planning are also a key part of their work and they regularly gather evidence on local demand to identify strategies for addressing unmet needs. Therefore, a lot of the planning around sufficiency and the extended hours was done in these partnership fora, where providers were able to discuss their plans for responding to the offer, how these may affect other local providers and how they would ensure parental demand was met.

The EI team supported the work of the partnerships and individual providers by:

- Collecting extensive data via a business readiness survey of providers commissioned to gather evidence on: awareness and understanding of the 30 Hours Free Childcare policy; commitment to delivering the extended hours; business planning around the delivery of the offer; concerns around sustainability and barriers to the delivery of the offer. This data, combined with data from previous business readiness surveys, provided a robust evidence base to predict the response of different provider types and any support they may require.
- Providing regular updates on programme developments and organising events that focused on providing support identified by the business readiness survey. Providers responded well to efforts to keep them informed and engaged, especially as government announcements about funding levels and places for the early implementation were made very late.
- Piloting the involvement of out-of-school clubs in the delivery of the extended hours. All 52 clubs in York were invited to express an interest and 5 applied to take part. In the autumn term, these 5 clubs delivered extended funded hours to

20 children in collaboration with other settings. The Shared Foundation Partnerships supported the involvement of the clubs in the programme, as did a working group facilitated by the local authority.

## Achieving sufficiency

The findings suggest that there was sufficient provision to meet the demand of eligible parents. As discussed later, demand did not increase significantly as the funded hours were used to cover the cost of additional hours that parents were already using. In addition, the autumn term is a traditionally ‘quiet’ period and the EI programme started when settings were most likely to have some spare capacity. In the spring term, when the survey was carried out: 23% of providers said they ‘definitely’ and 32% said they ‘possibly’ had some spare capacity and just under half (45%) reported no spare capacity. However, providers believed that this would be different in the summer term, traditionally the busiest time of the year.

The survey of providers found that (Table 3.1):

- 28% of providers said the extended hours had resulted in an increase in the number of funded 3 and 4 year olds and 10% of those that provided funded provision to 2 year olds reported an increase in this group because of the extended hours.
- 3% of settings reported a decrease in funded 3 and 4 year olds and 2% of those that provided funded provision to 2 year olds reported a decrease in this group because of the extended hours.

**Table 3.1 Whether the number of funded 3-4 and funded 2 year olds changed due to extended hours**

	3-4 year olds	2 year olds
Increased due to extended hours	28%	10%
Increased not due to extended hours	9%	8%
No change	59%	73%
Decreased due to extended hours	3%	2%
Decreased not due to extended hours	1%	6%

Source: EI Evaluation Survey of Providers 2017

Sufficiency was partly achieved by increasing staff: 30% of providers in the survey reported that they had increased staff hours or number of staff to deliver the offer. 14% had only raised hours, 6% had only taken on more staff and 10% had done both. New

partnership arrangements played a small role, only 8% of providers had formed new partnerships with other settings to offer the extended hours.

The interviews suggest that the level and type of change could vary depending on the type of provider. Settings providing full-time provision, such as day nurseries and childminders, reported limited change to accommodate the extended hours as typically their families used the offer to cover the costs of additional provision they were already using. As a day nursery owner explained:

*'We have not had a queue of people outside who weren't getting any hours or could not get the 30 hours with us...we have had our normal flow and I would have not expected otherwise because the overwhelming majority of children start with us when they are one year old and stay with us until they go to school.'*

On the other hand, some sessional providers that had extended their opening times to deliver the full 30 hours reported an increase in the number of hours being taken up:

*'...it was a bit of a surprise actually, how many children did take the 30 hours and I think because we'd predominantly been a playgroup where parents would bring them for a couple of days and then keep their children at home with them, they've actually decided not having their children at home with them, they're choosing to send them here...'*

### **3.4 How flexibility is supported and achieved**

Another key aim for the EI programme was to test how the extended hours offer could increase flexibility by encouraging providers to be more responsive to the needs of working parents. Two aspects of flexibility were explored, changes in opening times to accommodate the needs of eligible families and restrictions in the way the funded hours could be accessed.

#### **Supporting flexibility**

As previously discussed, the Shared Foundation Partnerships have been key in identifying and responding to parental demand for flexibility in their local areas. Evidence from the business readiness survey mentioned earlier showed that not all providers fully understood the different ways in which the offer could be delivered. Considerable time was devoted to cover these topics in the information sessions run by the EY team to ensure providers developed a sustainable model of delivery. Providers appreciated the information, advice and the frank discussions on conditions they could place on the delivery of the funded hours. This reassured them that they could deliver the offer in line with their business model, while complying with DfE statutory guidance. The only area that was highlighted as requiring clarification was whether funded hours that were not used during term time could be used to cover retainer fees (fees charged when a place is not needed over school holidays).



## Achieving flexibility

The providers' survey found that only 8% of settings extended their opening times to offer the extended hours, probably reflecting the fact that most settings delivering the offer were already open for an extended day.

The survey found that 7% of providers reported increased flexibility for 3 and 4 year olds taking the universal entitlement, but 19% said they had limited the flexibility for this group to offer the extended hours.

When looking at how the extended funded hours could be used by parents, the providers' survey found that:

- 62% allowed parents to choose when to take the extended funded hours
- 33% reported flexibility in offering these hours but also some restrictions
- 6% said these hours could only be used when specified by the setting.

Parents' experiences of restrictions on how the funded hours could be accessed will be discussed later.

Even when providers were allowing complete flexibility on how the extended hours were accessed, each request was considered individually and flexibility allowed if it made 'financial sense'. Providers reported that they could not offer hours (whether funded or paid by parents) without considering how difficult it may prove to fill gaps in occupancy.

## 3.5 Financial viability of the offer

### Supporting financial viability

One of the aims of the Shared Foundation Partnerships is to encourage open discussions among local providers on how the plans of one setting may undermine the viability of another. While interviews with providers suggest these discussions took place, there were also limitations to the kind of business plans and decisions settings were prepared to share in these fora.

Evidence from a range of sources<sup>2</sup> had enabled the business adviser to gain a good understanding of the challenges faced by different providers who were preparing to deliver the extended hours, the risks associated with different business models (or lack of

---

<sup>2</sup> Business readiness survey of providers, inspections of published records (e.g. Charity Commission and Companies House records) and feedback on occupancy levels provided by Early Years advisers who regularly visited settings.

them) and provider types. This information was planned to be used to offer tailored support to individual settings. However, take-up of business support was low, even when business mentoring by a third party was offered, as it was recognised that some settings may not feel comfortable to have detailed business planning discussions with the local authority.

Providers were aware of the business support available from the local authority and while some had accessed it and found it useful, others felt that they had sufficient business experience and did not need it. Providers typically appreciated the dialogue with the local authority regarding additional charges to identify solutions in line with their business model and in compliance with the spirit of DfE guidance. However, there were some cases where this advice was viewed less positively, for example, a provider felt they were being pressured to charge for extras against their business model because their inclusive hourly fee, which covered everything from food to sun cream, was a unique selling point.

## **Achieving financial viability**

The evaluation explored the financial implications of the extended hours offer and the survey of providers found that:

- 65% of settings reported no effect on occupancy rates, while 31% said these increased due to the extended hours.
- 74% did not introduce or increase charges because of the extended hours, while 23% reported an introduction or an increase in their charges.
- Most providers had not increased their fees since they started offering the extended hours. However, 18% said their fees for 3 and 4 year olds had gone up and 13% of those with 2 year olds provision had increased fees for this group.
- The majority (59%) said the extended hours made no difference to their delivery costs, while 37% reported an increase and 4% a decrease in delivery costs because of the extended hours.
- 42% of settings said the extended hours had no effect on their profit, while 23% reported an increase and 35% a decrease in profit due to the extended hours.

Providers stressed that every setting operates a different business model and what works for one setting may not work for another. This view was reflected in the findings with some settings reporting that additional charges (in compliance with DfE guidance) were necessary to make the offer financially viable and had implemented these, or were planning to do so. Other providers said the offer was financially viable without extra charges, as the funding rate was in line with what they charged parents and that it helped to increase occupancy and provide a stable income.

Analysis carried out by the childcare business manager indicated that the funding rate appeared to be in line with what the voluntary playgroups and some childminders charged (although charges among the latter varied considerably). These were also the settings most at risk of 'business failure', although not necessarily because of low charges. For example, high trustee turnover was a considerable business risk for voluntary settings and poor business planning was also common among both provider types. Conversely, hourly rates among private day nurseries were (consistently) higher than the extended hours funding rate and therefore discussions about chargeable services seemed inevitable to engage this section of the market.

### 3.6 Challenges and facilitators

Providers reported a number of challenges in delivering the extended hours:

- Insufficient planning time due to late confirmation of places and funding rates (late in the summer term), which did not allow enough time to prepare or assess the financial viability of the offer.
- Emerging tensions as settings that had traditionally provided part-time care were extending their service and entering the 'full-time' market, undermining an implicit 'division of labour' that had served the market well in the past.
- Some providers, notably voluntary playgroups and childminders, felt that they did not have the same opportunity to influence local decisions as other more vocal parts of the sector, despite the local authority's efforts to include them.
- Naming the programme '30 hours free' caused confusion among parents, with some providers reporting having to invest considerable time in managing parental expectations and explaining why they could not have 30 funded hours a week if they were taking the stretched offer.
- When the extended hours were split between two settings, it was not always clear to providers how many funded hours were to be taken at each setting, which could lead to parents over-claiming funded hours.

Factors reported by providers as facilitating the delivery of the extended funded hours included:

- A united front from providers who were positive and committed to the successful implementation of the programme. This was reported as a strong motivator to 'keep going' despite the challenges and the negative national publicity.
- The Shared Foundation Partnerships provided supportive fora where providers could share learning about the programme's developments and discuss potential challenges.

- A highly supportive and hands-on EY team who worked extensively to make the extended hours offer work for local providers. The survey found that 71% of providers felt they had received enough support from the local authority to implement extended hours, 21% would have liked more support, while 8% did not need any support.

## 4. Parents' use of the extended hours and work choices

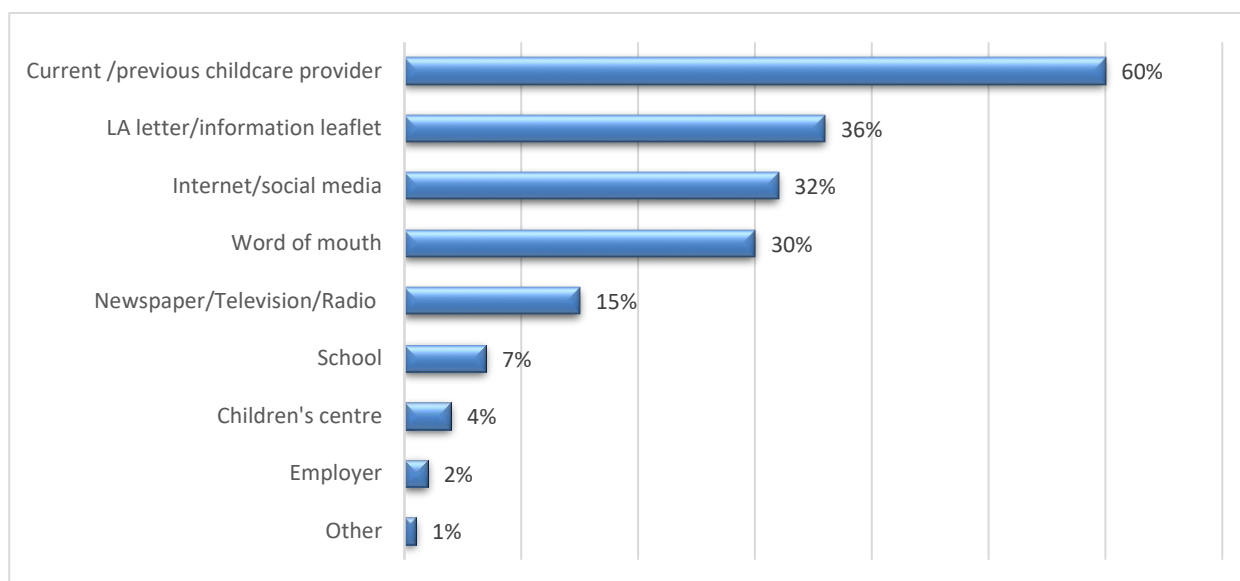
In this chapter we discuss:

- How parents were engaged and supported to access the extended hours
- The profile of the families accessing the extended hours
- Experiences of accessing the offer and the flexibility of the extended hours
- Initial reported impacts of the extended hours.

### 4.1 Engaging parents and enabling access

Parents who took part in the survey were asked how they heard about the extended hours offer. As shown in Figure 4.1, providers were most likely to be mentioned (60%) followed by the local authority (36%) and social media (32%).

**Figure 4.1 How parents heard about the extended hours offer**



Source: EI Evaluation Survey of Parents 2017

Predictably, the extended hours were very popular with parents and did not require any 'engagement' work. Once parents received information about the offer they did not need to be persuaded to apply.

In terms of accessing funded provision, the interviews with parents found that:

- While some providers encouraged and supported parents to apply for the extended hours, others were not as enthusiastic because the funding level was too low, although no parents were refused the extended hours.

- Some parents encountered considerable limitations when accessing the offer at their setting but were reluctant to move their child. As a parent who was not allowed to use the funded hours to pay for holiday provision explained: *‘So I’ve left her where she is, but it leaves a bitter taste in your mouth, to be honest’.*
- When parents became eligible for the extended hours when looking for a setting they enquired whether these were offered and it became a consideration when choosing a setting. However, parents seemed less likely to be aware of conditions settings could impose on the use of the extended hours and their advice to other parents was to: *‘...check the setting’s policy on using funding before you sign-up as I didn’t do that and I regret it.’*

## 4.2 Profile of families using the extended hours

One of the aims of the programme was to test how to make the extended hours offer accessible to groups who have traditionally faced barriers in accessing childcare, that is: ethnic minorities, children with special educational needs or a disability (SEND), families in rural areas and with a low income. As shown in Table 4.1, small proportions of these groups took up places, reflecting the socio-economic profile of York’s population.

**Table 4.1 Profile of children using extended hours**

<b>Proportion:</b>	
Aged four	30%
Female	49%
From different ethnic groups:	
- white	96%
- black	<1%
- Asian	1%
- other / mixed	3%
In rural area	5%
With SEND	1%
Eligible for the EY Pupil Premium	2%

Source: EY Census 2017 and School Census 2017

Note: SEND is defined as having an Education Health and Care plan (EHP) or SEND statement or receiving SEND support

The parents' survey found that that families in York who took up the extended hours were broadly more affluent than in other EIs, reflecting the local economic context:

- 89% of those who took up the extended hour places were two-parent families
- 33% were families where both parents worked full-time
- 86% of parents who responded to the survey were qualified at A' level or above
- 41% of families had a household income of over £52,000 (the equivalent figure across all eight EIs was 32%)
- 20% of children had received the 2 year olds offer (the equivalent figure across all eight EIs was 27%).

### **4.3 Parents' use of the extended funded hours**

In this section, we explore how many were taking the 'stretched' offer (i.e. used funded hours during term time and school holidays), the number of providers used and the average number of funded and additional paid hours accessed. In the last part of the section we consider payments associated with the extended hours.

The census data in table 4.2 shows that:

- 13% of children were taking a stretched offer. While this could reflect parental choice, in the interviews some parents indicated that they were either not allowed to use the funded hours for holiday provision, or had not realised that they could.
- 13% of children were using multiple providers. The interviews with parents identified some difficulties with the administration of funded hours across two providers. Parents were not always clear on how many funded hours they could access at each provider and found providers' calculations confusing when paying for additional hours and/or 'extras'.
- Children were accessing an average of 11 extended funded hours a week and parents who paid for additional provision paid for an average 9 hours a week.

**Table 4.2 Childcare usage for children using extended hours**

<b>Proportion:</b>	
Spreading over the year	13%
Using multiple providers	13%
With additional paid hours	20%
<b>Mean weekly hours:</b>	
Extended	11
Adjusted extended	11
Total funded	25
Paid (if using paid hours)	9
Total funded + paid	27

Source: EY Census 2017 and School Census 2017

Note: Adjusted means weekly funded hours multiplied by 51/38 in cases where the hours are spread throughout the year to obtain the term-time only equivalent.

Parental interviews suggest mixed experiences of accessing the funded hours:

- Some parents were limited to taking the funded hours at specific times. For example, they could use the funded hours for a three-hour morning or afternoon session, but then had to pay for additional wraparound provision needed to cover a full day. This meant that in some cases parents were paying for additional hours whilst not taking their full allocation of funded hours.
- Some parents were not allowed to use the extended funded hours during holidays. Others were not aware that they could access funded hours to pay for holiday provision, reporting that the local authority and/or their provider had not made it clear.
- When parents were able to take their full entitlement, it was because providers allowed considerable flexibility and supported parents to optimise their use of the funded hours. For example, some providers calculated the 'stretched offer' for parents and allowed them to 'bank' any free unused hours for ad hoc provision that they might need during the year.
- There was confusion among some parents about charges associated with the 'free' hours. Some did not have to make any payments or were clear that that they were being asked to pay for extras (e.g. food) and that they were not obliged to do so.



Others were not sure what they had been charged for, particularly if they were paying for additional hours, either because they needed more than the extended hours, or because they could not use their full entitlement due to provider limitations. Some parents were also not aware that they could opt out of chargeable extras.

#### **4.4 Flexibility of the offer**

Parental interviews indicate that they had found arrangements that fitted their working hours. Many had opted for settings that offered full-time provision, a choice that was made before they became eligible for the extended hours.

While there seemed to be sufficient flexibility for parents to secure the arrangements that fitted with their work patterns, lack of provider flexibility in how the funded hours could be accessed meant that parents did not fully benefit from the offer. Choices between flexibility and being able to fully access the extended funded hours were reported by some. As this mother explained:

*'There are settings where the funding covers the costs but they are just less flexible. If you want [the setting] to meet your need for time, if time is a problem, then you have to pay, that's what I've found.'*

Even if parents were aware of settings that could meet their needs and offer more 'favourable' conditions on the use of the extended hours, if a child was already in a setting when they became eligible, they were reluctant to change. However, when parents become aware of the funded offer before choosing a setting, limitations on the use of the funded hours may be more likely to be an influencing factor.

#### **4.5 Initial impacts on families**

The evaluation explored changes in childcare arrangements and working hours since parents started accessing the extended hours, as well as parental perception of their impact.

Care should be taken when interpreting changes because we cannot distinguish between what may be a direct impact of the extended hours, from changes in childcare use and parental work which occur as a child ages, regardless of the extended hours. Using parental perceptions of alternative choices in the absence of the extended hours as indicative of what they might do in an alternative situation should also be interpreted with caution.

As indicated in Table 4.3, 44% of parents in the survey said they were now using more childcare than before they became eligible for the extended hours and 41% said they would be using less childcare without the offer. One in ten parents who were using a setting when they became eligible said they had to change providers to access the

extended hours. The survey also found that 13% of parents, who were using a provider when became eligible, changed provider to use the extended hours.

**Table 4.3 Changes in childcare arrangements**

<i>Since becoming eligible for extended hours parents have used:</i>	
Started to use childcare	6%
Use more hours of childcare than before	44%
Use fewer hours of childcare than before	3%
Not changed hours of childcare	47%
<i>If they were not receiving the extended hours parents would:</i>	
Use the same number of hours of formal childcare	54%
Use more hours of formal childcare	1%
Use fewer hours of formal childcare	41%
I would not be using any formal childcare at all	4%

Source: EI Evaluation Survey of Parents 2017

Table 4.4 shows limited changes in parental employment since taking up the extended funded hours, with a small increase in working hours being most likely to be reported, particularly by mothers.

Just over half (56%) of the parents in the survey said the extended hours offer meant they had slightly more money to spend, 29% said they had much more money to spend, while 15% said it made no difference to their family's finances.

**Table 4.4 Changes in parental employment since receiving extended hours**

<b>Mothers:</b>	
No change in working hours	74%
Reduced working hours	6%
Increased working hours	19%
Entered work	1%
<b>Fathers:</b>	
No change in working hours	91%
Reduced working hours	1%
Increased working hours	8%
Entered work	<1%

Source: EI Evaluation Survey of Parents 2017

Parental interviews illustrate how perceptions of the impacts of the extended hours varied. For some families who had made limited savings or were well off, the extended hours were *'nice to have'* but they had not resulted in changes in working arrangements, nor impacted on family finances beyond being able to afford some additional treats for the children. There were also families where financial gains had been limited because they were no longer receiving help with childcare costs through tax credits. However, these families preferred to receive support through the extended funded hours:

*'I feel better that I'm not taking all the money for the tax credits... [it] could go to others more in need than us.'*

For other families the offer made a considerable difference, for example:

- Some parents said the extended hours made it financially worthwhile to work. One mother explained that without the extended hours she would not have returned to work:

*'Not a chance! Otherwise I would be working for free, if I had to pay for childcare. And I like my job but not that much'.*

- Some parents reported being able to work overtime, which would not have been financially viable if they had had to pay for additional childcare.

- Some felt their career prospects had benefited because, for example, they were able to be more flexible in accommodating their employer's needs, or they had been able to do some training/studying.
- The additional disposable income was reported to have made a considerable difference to some families:
  - It enabled some to afford outings, children's after-school activities and holidays.
  - Some parents mentioned reduced stress from being more financially secure as, for example, they were able to save for emergencies rather than having to rely on a credit card or debt. As one parent explained:

*'...we have started putting money back into the bank account rather than just draining it. Before...we were pretty much in our overdraft almost every month, whereas now there is actually a few pounds left over...It makes such a difference to stress levels.'*

## 5. The child's experience

In this chapter, we consider how children's experiences may be affected by the extended hours. We address the implications that accessing more funded provision and use of multiple providers may have had on children and explore what providers do to ensure positive experiences for children.

### 5.1 Long funded hours

The evaluation explored how providers were adapting to the '30 hours environment', as well as the acceptability of children spending longer hours in a setting.

Providers that changed from offering one session to two sessions a day had to re-plan their activities typically through key worker groups. For example, to ensure that children who stayed all day received a good mix of activities and some rest, bean bags and quiet spaces were provided. In settings also attended by school children, staff had to consider how mixing with older children may affect the experiences of 3 and 4 year olds.

Both parents and providers were typically positive about children spending longer hours in a setting. However, it must be considered that these were settings that were offering and parents were using extended hours and were therefore unlikely to believe that this was having a negative impact on their children. This is reflected in the parents' survey that found that only 7% believed their child was spending too much time in childcare.

Settings stressed that good quality provision has proven benefits for children and that giving them the opportunity to spend more than the current 15 universal hours would be beneficial, particularly as children prepare to start school. These views were echoed by parents who felt that if a child was happy and settled in a setting, the opportunity to spend extended hours there would be positive for their development and a good preparation for school.

Parents identified the following benefits of the extended funded hours:

- **Continuity of care:** when the extended hours enabled a child to access a setting everyday compared with 15 hours which were used over two and a half days to fit around working hours.
- **Better quality provision:** when funding for the extended hours enabled parents to move the child to a setting which was more expensive, but considered to be of better quality due to provision of a range of specialist activities.
- **More development opportunities** from spending more time in a learning environment. For example, a mother said her son had struggled with his speech, but since he had been spending more time at the playgroup:

*‘...you can tell daily that he’s becoming clearer and saying more things. I think with him playing more with other kids of his own age has helped.’*

The views on benefits of longer hours for children with SEND were more varied. Providers felt that it was essential to be able to offer adequate support to these children and that while inclusion funding in York was good and the inclusion team very helpful, they were under considerable pressure from increasing demand, which was likely to be made worse with the extended hours. It was argued that for some SEND children the extended hours may simply be overwhelming. Conversely, some argued that every child should be treated as an individual and it should not be assumed that they s/he would not benefit from longer hours because of having SEND. As one nursery manager explained:

*‘...the little deaf girl, her mum did say to me before she started the 30 hours: ‘Do you think she’ll benefit from it?’ I said...‘Personally I think maybe a couple of afternoons, but I think full time might be too much for her,’ but I’ve been proved wrong. I mean she’s managed really well. She’s doing really well, her language has really improved...’*

None of the parents interviewed in York had children with SEND. However, findings from other areas show that parents who took the extended hours said that when children were looked after by adequately skilled staff who could meet their needs, they benefited considerably from receiving more specialist input (e.g. speech and language support, behaviour management support).

## **5.2 Multiple providers**

As the extended hours offer is expected to lead to an increase in the use of multiple providers, the acceptability of using more than one setting and how continuity of care can be maintained were explored by the evaluation.

The Shared Foundation Partnerships were reported to have been important in identifying good practice for ensuring continuity of care when children were looked after by two providers. This included:

- Exchange of information on daily activities and issues (e.g. how a child has been, minor accidents) when two providers are used on the same day. These exchanges could be verbal, but written communication tools such as ‘learning journey books’ could also be used for information sharing (with parental permission).
- Exchange of information on a child’s progress (with parental permission) where providers should swap termly reports and assessments, including joint assessments of a child’s progress.
- Exchange of information on planned activities for the term to ensure complimentary input from different providers. This could be enhanced with visits and meetings to ensure continuity of care.

While the above describes good practice that providers typically aspired to, it was acknowledged that it did not always reflect the reality largely due to time constraints, but also due to other difficulties:

- Childminders and staff in out-of-school clubs did not always feel they were treated as professionals by staff in other settings. They felt that despite their best efforts little information was passed on to support the continuity of a child's care.
- Online tools to record children's progress were becoming common, but these could hinder communication when providers did not use the same tool, or used the same one but the software did not allow a child's account to be accessed by different providers.

Interestingly, children having difficulties (e.g. behaviour problems, adjusting to a setting, developmental delays) could encourage collaboration, as it was recognised that a co-ordinated approach would be more effective in addressing their needs.

Parents who were using two providers did not think their children suffered in any way and some believed there could be benefits from these arrangements. For example, a combination of a pre-school and childminder provided a balance of stimulation and learning activities with the former and an opportunity for a quiet time (more akin to a home environment) with the latter. For other parents, the use of two providers was largely driven by the belief that their child needed to attend pre-school to prepare for school, but their pre-school did not offer all the provision required. While this was not viewed as ideal, it was not believed to have any adverse effects on the child. Most of the parents in the survey said it was better for a child to have only one provider, although 44% believed it was fine for a child to have more than one provider. Interestingly this was higher than the equivalent figure across all eight EIs (33%), possibly reflecting the well-established partnership model in York.

## 6. Conclusion

We conclude by summarising the findings of York's experience of delivering the EI programme, focusing on learning around sufficiency and flexibility.

### 6.2 Sufficiency

York was the only area that fully implemented the extended hours. Despite delays in funding decisions which limited planning time and negative publicity, York exceeded the target for the number of places set by DfE.

Sufficiency was largely achieved because the funded offer replaced paid provision parents were already accessing, as well as an increase in occupancy levels. There was no evidence of providers refusing parents the extended hours offer. While, according to parents, some providers were less enthusiastic than others, there was a 100% sign up rate from private and voluntary settings and a very high level of participation among childminders. These findings suggest that the local funding arrangements can deliver sufficiency, Where the funding rate was considered insufficient, providers were supported by the local authority to make the offer work for them in compliance with DfE guidance.

Schools have played a small role and may need more time to fully assess the benefits and risks of delivering the extended hours.

In the limited period monitored by the evaluation, the offer had generated very limited new provision and had not negatively affected the availability of other funded places.

### 6.3 Flexibility

The findings suggest that providers were already meeting the needs of working parents, as much of it was delivered by full-time settings. There was limited evidence of adjustments to increase flexibility, mainly from settings that had previously offered short hours who had started offering a longer day.

There was less flexibility in how funding for the extended hours could be used, which meant that some families did not fully benefit from the offer. Parents would benefit from more information on how the funded hours can be accessed (e.g. stretched offer, banking hours) and where they can obtain greater clarity about what they are being charged for. While parents were given general information on charges and how the funded hours could be used, the findings suggest they need advice to understand the restrictions and charges applied by individual providers and support to negotiate arrangements, enabling them to optimise their use of the funded hours.