

Leeds University Business School – Research and Innovation Podcast

Episode 34: “Educators, not glorified babysitters”

Speakers: Dr Helen Norman, Dr Nathan Archer, and Neil Leitch

Helen Norman: Hello, and welcome to the Research and Innovation Podcast. I’m Dr Helen Norman, senior research fellow in the Centre for Employment Relations, Innovation and Change at Leeds University Business School.

Nathan Archer: And I’m Dr Nathan Archer, I’m a researcher, also based at Leeds University Business School. We’re working on a research project exploring the impact of the coronavirus pandemic on Early Years education and childcare across England and Wales. The project is led by Kate Hardy and Jenny Tomlinson at the University of Leeds, and it’s funded by the Economic and Social Research Council as part of the UK Research and Innovation’s rapid response to COVID-19.

Helen Norman: And we’re delighted to be joined today by Neil Leitch, Chief Executive at the Early Years Alliance, and we’ll be discussing with Neil some of the first findings from our research with nurseries. As well as reflecting on the findings so far, Neil’s going to give us some of his insights into how the COVID pandemic has affected or disrupted the Early Years sector and its future sustainability. So, thanks for joining us today, Neil.

Neil Leitch: Thank you. Thank you for inviting me. I have to say I’m quite excited by this as well.

Nathan Archer: So, Neil, could you start by giving us a brief overview of the Early Years sector in England and Wales, and why you think it’s important to bring to light and understand how COVID has impacted on the sector?

Neil Leitch: Of course, Nathan. I think it’s fair to say that for many parts of the sector it felt like they were on their knees before the pandemic, to be absolutely frank. So, this is just a new issue for us. What the pandemic has done, frankly, is just exacerbate the problem for us. I mean we’ve had several, several years of under-funding, something that was, I think, brought to light when we did our Freedom of Information request back in 2018, where we’ve only just got the information from the Department for Education, where even the department itself acknowledges that the sector was grossly underfunded and at this point in time we’re about a third short in terms of funding, so you can imagine, when we hit the pandemic and you had nurseries and childminders struggling, it just got worse.

What I do think, for me, the two things that have come out of the pandemic, the first was the importance of Early Years in terms of its value to the country’s infrastructure, and it came to the fore, there’s no question it came to the fore, and that’s probably the most positive thing. The most negative thing, I think, was how it felt like it was a poor relation in terms of the

education system and how it was treated really, really badly. And I think that the treatment of the workforce in particular was... and I use the word shameful. We had people, right at the beginning when the evidence was really poor in terms of scientific evidence, going into nurseries that were asked to remain open for critical workers, and they did it without really knowing what the consequences might be. They risked themselves, they risked their families, they go home in the evening, they turn on the television and they'd see 1000 people had died. And yet, the value that was attached to them when it came to testing and other support was absolutely appalling. So, there is no question in my mind that the pandemic has made things incredibly worse for the sector. I'm not suggesting... I would just add that I'm not suggesting there won't be providers that have managed to get through this, but I would certainly suggest that they are predominantly located in areas of wealth, or where they rely on predominantly parent fees. I think there are other parts of the Early Years sector that have been greatly hit and your evidence substantiates that as well.

Helen Norman:

Yes, and all these points raise further questions about whether the sector is able to navigate these disruptions caused by COVID-19 going forward, and what providers are doing to manage those disruptions, and what that means for the safety and sustainability of the sector. And these are the sorts of questions that we're trying to address in our research project. And it would be great to get some of your insights on this, Neil. So, we conducted a survey of 821 nursery managers across England and Wales at the start of 2021, and that survey data showed that many nursery settings have experienced a decline in numbers of children attending, decreased occupancy rates, our survey showed 41% of settings have moved into financial deficit during the pandemic in 2020. We found local authority nurseries were the types of setting that were most likely to report that they've moved into financial deficit, which is concerning because these tend to be located in the most deprived areas, serving the most disadvantaged children, and our data shows that while we're not seeing widespread closures of Early Years settings yet, we found that settings are having to take a number of concerning actions to mitigate the risk of closure following a fall in fee income like using up their reserves, taking on more debt, permanently cutting staff, which might impact, we think, on the quality of education and care that is provided. So, does this, kind of reflect your reading of the situation from your work with the Early Years Alliance? And what are your thoughts about what our data is showing, particularly in terms of, you know, the actions that settings are taking to mitigate the risk of closure?

Neil Leitch:

It's refreshing, I have to say, Helen, to hear all of this because when I talk with government ministers, and I talk to officials, they would say, "Well you would say that, wouldn't you?" To have independent research that echoes everything that we found, I have to say, as I said, it is like mana from heaven

for us. I don't think the worst, frankly, is over. I think we have a real struggle moving forward as well. So, your point about closures, I think is still on the horizon, we have a situation where the number of, for example, employers that are looking at hybrid working, so parental hours in terms of their needs, will change, I'm sure. We have a situation where, I can tell you first hand, we're an operator ourselves, so as well as representing 14,000 members, we operate, at the moment, 65 settings in areas of deprivation. So, again, your point about where those closures might be I think is critical. This time a couple of years ago, we had 132 settings.

So, we are living proof that it is operators in areas of deprivation that are likely to struggle more. And so, I think that is the biggest concern that I've got. And when you look at the return on human capital investment that you will get from operating in those areas, again I think it's shameful that we're allowing this to just happen. The whole thing about occupancy and attendance is pretty critical. I mean, I was pretty appalled the other day when I received an email from the Department for Education suggesting that they should drop collecting attendance data. The attendance data in its own right is misleading anyway, it's flawed because if a child happens to be attending on a Wednesday, what it doesn't show you is that this time two years ago, they were attending for six hours, now they might be attending for two hours or three hours, and that's why that's misleading. And when they were suggesting we should drop this data, I sort of said to them, I think you should improve this data.

So, attendance versus occupancy is critical. Occupancy is what, basically, will keep a setting alive. And we are starting to see is reduced paid for hours, which have historically crossed subsidised, so called, free hours. So, occupancy, I think, is absolutely critical in terms of moving forward. And I think what we have got with more and more providers taking on debts, and my background is as a regulator in terms of second mortgages, I'd have to say, you know, that has a time lag on it as well. So, people that are using their reserves, they're taking personal borrowing, second mortgages on their homes. Add to that, the fact that that's about survival, but your business model may drastically change, and I think you could, you know... there could be several operators that go by the wayside. So, yes, I think, frankly, what your research has done is dot the Is and cross the Ts in terms of what we're hearing from members on a daily basis.

Nathan Archer:

Can I ask about the impact of underfunding of the sector? Neil, you've alluded to that already. In the 82 in depth interviews that we did with nursery managers and practitioners within settings, that data has highlighted longstanding and chronic underfunding of Early Years in England and Wales that is well known and well documented. But data from the project confirms that difference between the cost of delivering early education and the funding that the government are offering for those hours. So, that's still a significant issue for many settings and we think jeopardises the sustainability

of that infrastructure because the funding is not keeping pace with increases in expenditure. So, obviously that adds to the weight of evidence on the issue. But what do you think are the long-term implications for Early Years providers, and also for families as well who want to access that provision?

Neil Leitch:

I think it's potentially catastrophic. I struggle to believe that any informed government could not see what's coming. And what we have is a situation... is where government is waiting for market failure, and if you were doing that in any corporate business, in other words waiting until the last moment and firefighting, you probably would be investigated for corporate negligence, frankly, you know? And yet we do this almost as routine. I said earlier that government already acknowledges that it pays the sector... their words, not mine, it pays the sector a third less than is needed, and it has already said that what that will mean is that we have to work to maximum ratios, so there is no margin whatsoever to support disadvantaged families, giving one to one care or additional support. And that will just reach a crisis point, I suggest, and then government will attempt to manage their way out of it. But by then we will have destroyed the infrastructure.

So, what you will have, and this is not a criticism, but you will have those providers that have operated, and continue to operate in areas of affluence where parents can afford to pay, and afford to keep them afloat. But providers, dare I say, in middle England and in areas of deprivation will struggle. And we will see a widening of the haves and the have nots. And when I hear things like levelling up, I mean I do think levelling up might backslide. I can't see how this does anything to help disadvantaged families and children. When you have government openly admit that it expects providers to put up the prices of care and education to those parents who don't qualify for the free entitlement to cross subsidise that particular policy, it just means that parents are being pushed further and further and further, and it will come to a point where this is just unaffordable. Why would you go back to work if all your money is spent on care and education? Why would you do it? You'd only do it if you had margin, and if you're on the lowest wages, then the reality is, you won't bother. I think it's a hideous position, but I come back to: it's a negligent position, my opening remark on that.

Nathan Archer:

It's a really troubling trajectory, isn't it? There is also, of course, the impact on the pay and conditions of the workforce as well that have really been exposed through the pandemic and pay and pay progression do remain poor. We know that many settings are reporting recruitment challenges in terms of attracting and retaining workers at all levels. And the qualitative data, the interview data that we've secured shows significant work intensification as well for group-based setting managers and staff, they are working long hours and assuming responsibility, obviously, for the safety of children and their teams as well, and not really getting the recognition or reward for this. So, I wonder if you had any thoughts on the long-term

impacts of the pandemic on the workforce and the stability of the sector as well?

Neil Leitch:

Do you know, Nathan, I feel like the grim reaper today because there's nothing that I can tell you that I think is positive if things carry on in the way in which they have been going. Every single year I am singled out by the Low Pay Commission to go and give evidence. Just a few weeks ago I had to give evidence to the Low Pay Commission in terms of our workforce, yet again, at the bottom of the pile. And so, it's difficult to see, with a sector that is potentially on its knees in terms of financial stability, how it can basically reward its workforce any more than it does. And that's an appalling position given the work that they do.

I remember a conference a few years ago where we had... I'm going back a few years in fairness, but we had a minister attend, and we were talking about pay and conditions of the workforce, and he said, maybe the gender issue comes into play here, but he said, "We have to be very careful that we don't deprive women from earning a bit of pin money working in Early Years." And I think that just summed up seriously that particular minister took Early Years, and nothing has moved from that particular point in time. We have a recruitment crisis, everybody I talk to in the sector tells me we cannot get people into this sector. And I go back to an earlier point, that as more and more businesses start to adapt hybrid working, that will become quite attractive to more and more of the people that we currently employ. Why would you work in a nursery for long hours, for everything that you said, for abysmal money, for poor recognition, when you can possibly go to an employer that will allow you to work at home for a couple of days, three days a week, and you can still do an effective job? Unless we start to sort this out, it's very difficult to see that there is a change in the way things have been going. Again, I'm sorry to be negative, but it is the reality.

Helen Norman:

Thank Neil, yes, that's... thanks for your reflections there, it's... yes, it's quite revealing, really. But yes, so I mean I guess from our conversations today and from, you know, the project work with nursery settings, we've really highlighted the undervaluing of early childhood education and care throughout the pandemic, which has now intensified in a number of ways, and, you know, the complexity, intensity of this work that has increased during the pandemic hasn't been recognised. And there is a persistent undervaluation of care work and the work done by women more generally given they make up the majority of the Early Years workforce, and these are things that we need to urgently address. And also, just, you know, there is kind of a lack of recognition of education work involved in Early Years... early childhood education and care, and it's this educational element that is often unrecognised as well. So, kind of, based on this quite bleak summary and, sort of, our project findings, what do you feel are the priorities for change in the Early Years sector going forward?

Neil Leitch:

I think there are probably three for me, Helen, and you touched on probably the most important when you talked about education. We recently held a conference, the title of that was: We Are Educators, because I do think that we are seen as glorified babysitters. Throughout the pandemic, when you look at the education system, and how schools, for example, have been treated, when it came to protective equipment, when it came to vaccinations, when it came to funding, when it came to catch up, all way ahead of Early Years. Early Years was always ever brought in as a, sort of, last resort when enough pressure had been applied. We got access to home testing, for example, just a few days before the public... it became available to the public in general, so that gives you the priority. When it came to the catch up fund, Early Years got zero at the outset, 0.58%, not even 1% of the total pot. That tells you how much importance we place on Early Years.

And I think the fact is, it's because we are seen, as I say, as babysitters not as educators. So, we need to resolve that position, we need to be taken seriously and we need to have recognition that we are educators, that we have the power to change the lives of children and shape the lives of children. So, that's my first... that would be my first thing, recognition that we are educators. The second would be, a group of ministers that can be bothered, and a group of policy-formers that could be bothered to change the system, can be bothered to do things differently. When we revealed the results of the Freedom of Information request which showed government to be, dare I say, deceitful and certainly didn't pain them in a good light. What was the reaction? The reaction was: yes, but that was then, since then we have, you know, put more money into the system etcetera etcetera. Well let's be absolutely clear, government was suggesting that the cost of delivering a one hour, for a three and four year old, of so-called free education, would cost £7.49 in 2021, what we got was £4.89, and even with the money that's been ploughed in since that date, the figure only goes up to £4.95, and I said that point, when we were getting these defensive comments coming from ministers, "This was not on your watch, this was before your time, you have the power to either carry on and be part of this or do something different." But I fear that they won't. And so, I think that we need ministers, policy-formers, to be brave and to be different and that would be my second thing. Maybe even a cabinet minister, I know we have the Secretary of State for Education, so technically we have a cabinet minister that should be arguing our cause, but I think we've been on the back burner all the way through.

My third point, my final point, would be despite all this negativity that comes from me, and, you know, I used to be quite a positive person before I became involved in Early Years, I'm still positive, but I would say this: never give up. Because although the change looks like it's very slow, it's very small, meanwhile businesses go bust, people who have been in the sector for 20, 30 years go by the wayside, the consequences of not battling this, of not

challenging this, are just awful, so my third suggestion would be never give up.

Helen Norman: Thank you.

Nathan Archer: Thanks for that, Neil and we really appreciate and value your insights into the data from our project, and we also really value the work that you and the Early Years Alliance are doing on these ongoing issues that the sector is facing. So, thanks very much for listening to today's episode. If you're interested in finding out more about this research or would like to get in touch, our contact details are available in the episode description. We hope you'll join us for the next podcast and webinar which will focus on childminders and nannies who have also experienced significant, and sometimes, very difficult disruptions to their care services caused by the coronavirus pandemic, and details for these events will be released soon.