

# Stricter rules on free childcare cut number of eligible families by third <sup>[1]</sup>

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## EXCERPTS

The number of families who will benefit from the government's prized 30 hours free childcare offer has been cut by a third as a result of cost-saving changes to the eligibility threshold.

Under the original terms of the offer, as many as 600,000 families were said to benefit, but changes outlined by George Osborne in the spending review mean that only 390,000 families will now be able to take advantage of the scheme.

The government has set a new upper income limit of £100,000 a parent, down from £150,000 in the original proposal. In addition, parents will qualify only if they work at least 16 hours a week, up from the eight hours previously stipulated.

The changes are expected to result in savings of £215m for the Department for Education by 2020. There is unlikely to be outrage on behalf of parents denied access to the scheme because they earn more than £100,000 a year, but the doubling of working hours has raised fears that parents could be put off going back to work.

Beatrice Merrick, chief executive of Early Education, said: "At a time of scarce resources we welcome the plans to place a cap on eligibility for the additional free provision for the highest-earning parents.

"However, the lower earnings limit will exclude the most disadvantaged parents and risks compounding existing inequalities for the most disadvantaged families, in tension with the government's stated aim to close the attainment gap for the most disadvantaged children."

It emerged in the second reading of the childcare bill on Wednesday that the government plans to increase the average funding rate to childcare providers to £4.88 for three- and four-year-olds, and £5.39 for two-year-olds, including the early years pupil premium (EYPP), which provides extra funds for disadvantaged children.

Neil Leitch, chief executive of the Pre-School Learning Alliance, expressed concern that the rates appeared to include EYPP. "Given that this is currently additional funding available only to children from disadvantaged backgrounds who meet very specific criteria, we are unclear as to why this money has been factored into the general three- and four-year-old rate.

"What's more, ensuring the sustainability of the sector means more than just a one-off increase; it means a mechanism that ensures that funding continues to cover costs in the long-term, in the face of rising business costs such as rent increases, pensions contributions and, of course, the national living wage."

Although the education secretary, Nicky Morgan, seems to have been largely successful in resisting Treasury demands for deeper cuts, there was widespread concern about Osborne's announcement of a £600m cut to the education services grant (ESG) paid to local authorities and academies to provide essential support including child protection checks.

The grant pays academies £87 per pupil, so the cut will mean a typical secondary school with 1,200 pupils will receive £100,000 a year less. School budgets, though largely protected in this spending review, are already under severe pressure from rising tax and pension costs.

The ESG cut will be seen as a further assault on the already hugely diminished role of local authorities in education, mirrored in the chancellor's statement by his assertion that all schools would be helped out of local authority control and towards academy status.

Russell Hobby, general secretary of the National Association of Head Teachers union, said: "A fixation with ever greater autonomy will not help build capacity and sustain improvement. These support services must come from somewhere and forced academisation is a costly, disruptive business."

Roy Perry, chairman of the Local Government Association's children and young people's board, called on the government to provide urgent clarification on the proposed cuts.

“The ESG helps ensure that children are getting the education they deserve, from helping to provide speech, physiotherapy and occupational therapies and making sure that children are in school when they should be, to carrying out [disclosure and barring service] checks on staff and providing music services in schools.

“It also helps to plan for the new school places that are urgently needed, ensuring that every child has a place at a good school near their home. Last year £815m was spent on the ESG, so we need urgent clarification on how the £600m cuts will be achieved, and how quickly, without impacting on welfare and standards.”

Perry added: “The announcement that all schools will be helped towards academy status seems to dismiss the fact that over 80% of council-maintained schools are currently rated as good or outstanding by Ofsted. Local authorities should be regarded as education improvement partners rather than as a barrier to change.”

Osborne confirmed that a long-awaited shakeup in the formula for funding schools in England will take place by 2017. This is likely to lead to funding being shifted away from inner-city schools.

Mary Bousted, general secretary of the Association of Teachers and Lecturers, said: “Any changes to the school funding system must protect disadvantaged children, with funding going where it is most needed rather than where it is most asked for. We urge the government to conduct a proper consultation to ensure any new system is fair for all children and to give schools a proper transitional period to prepare.”

She said the chancellor had failed to address the teacher recruitment and retention crisis. “Four more years of a 1% pay cap will cast teaching further and further adrift from the salaries of other graduate entry professions,” Bousted said.

-reprinted from The Guardian

**Region:** Europe <sup>[3]</sup>

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[1] <https://childcarecanada.org/documents/child-care-news/15/12/stricter-rules-free-childcare-cut-number-eligible-families-third> [2]

<https://www.theguardian.com/money/2015/nov/25/stricter-rules-free-childcare-cut-eligible-families-third> [3]

<https://childcarecanada.org/category/region/europe> [4] <https://childcarecanada.org/category/tags/affordability> [5]

<https://childcarecanada.org/category/tags/funding> [6] <https://childcarecanada.org/category/tags/accessibility> [7]

<https://childcarecanada.org/category/tags/federal-programs>