

# Hidden Value

A report exploring the role and future of maintained nursery schools in London





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# 1. Executive Summary

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The government is currently placing a focus on early years as a key cornerstone for social mobility and has committed to investing in the sector to ensure that more children are ready for school by age 5.<sup>1</sup> Maintained nursery schools (MNSs) – standalone local authority nursery schools which provide around 8,800 places to London’s children – make a vital contribution to narrowing the gap in attainment between disadvantaged children and their more affluent peers. They support a large number of children who are disadvantaged, vulnerable or have Special Educational Needs and Disabilities (SEND), and have the expertise and experience to ensure that these children receive the wide-ranging support they need to make good progress at nursery and throughout their lives. Yet these settings’ legal responsibilities as schools and their determination to prioritise the most vulnerable children (who tend to be the most costly to support) have placed them in an unsustainable financial situation. A London Councils survey conducted in December 2017 highlighted that MNSs in over a third of London boroughs are likely to close if a sustainable funding solution is not put in place by March 2020. This research builds on that finding and suggests that the situation is even more urgent, with several headteachers at MNSs fearing that they will be forced to close within the next couple of years.

By collating findings from interviews with headteachers and leaders representing around a quarter of London’s MNSs, this research aims to uncover their hidden value, including the contribution they make to social mobility and the school readiness agenda by supporting some of London’s most disadvantaged and vulnerable children. It also further explores the current financial situation of these schools and the potential consequences of a lack of government investment.

## Findings

### Supporting children with Special Educational Needs and Disabilities (SEND)

MNSs support a higher number of children with SEND and a larger proportion of children with the most complex needs than other provider types. Unlike private, voluntary and independent (PVI) settings, MNSs are required to employ qualified teachers, whose expertise and experience ensures that children with SEND are identified early and supported effectively. MNSs put in place targeted support to ensure that children with the most complex needs are able to progress. They also place a focus on supporting parents of children with SEND.

### Supporting disadvantaged children

Disadvantaged children are over-represented in MNSs for a variety of reasons. MNSs place importance on supporting disadvantaged children to access early years provision by prioritising them in admissions policies and saving spaces for them in the next classes. Staffing levels and qualifications ensure that children who enter MNSs with lower than average levels of development are ready for school when they leave. The emphasis that MNSs place on extra-curricular elements, such as outdoor provision and school trips, exposes children from less well-off backgrounds to a range of cultural opportunities that they may not otherwise experience.

### Supporting families

MNSs see supporting families as a vital part of their work because parents’ understanding of how best to support their child at home and parents’ own wellbeing have a significant impact on a child’s development. As well as supporting parents on a one to one basis, MNSs run free training courses and drop-in

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sessions for parents to learn about various aspects of child development and deal with the challenges of bringing up a child. They also build parents' own confidence and support base by offering them volunteering opportunities in the nursery and involving them in extra-curricular opportunities such as school trips.

### **The role of maintained nursery schools as systems leaders**

As well as supporting their community directly, MNSs also take on a wider systems leadership role. This involves offering training to other early years providers and providing one-to-one support to providers on an ad-hoc basis. MNSs also collaborate and innovate by participating in networks, pilots and research projects, and provide support for the new and existing early years workforce.

### **Funding situation**

MNSs have higher costs than other setting types because they have the legal responsibilities of a primary school but are not able to achieve the same economies of scale. Recent policy changes, such as the introduction of 30 hours free entitlement for 3- and 4-year-olds with working parents and the Early Years National Funding Formula (EYNFF) have impacted on the financial sustainability of the schools. Providing places for disadvantaged 2-year-olds is a priority for MNSs but the funding for this entitlement does not cover the costs. Furthermore, MNSs are not sufficiently funded to support the number of children with SEND that they do, with the complexity of needs they present. These factors are combining to create an unsustainable financial situation for MNSs. Headteachers are concerned that they will have to close their schools within the next couple of years, especially if the government were to remove the supplementary funding that is currently being provided to the majority of MNSs until March 2020.

### **Conclusions and recommendations**

MNSs make a vital contribution to the government's agenda around early years intervention and social mobility by narrowing the gap in attainment between disadvantaged children and children with SEND and their peers, while supporting the wider early years system to do the same. To ensure that MNSs can

continue to undertake this important role, this report calls on the government to:

- Implement a sustainable funding solution for maintained nursery schools which acknowledges their status as schools, their higher costs, and their distinct role in the early years system. Consideration should be given to providing emergency financial support for individual schools that are under threat of closure prior to March 2020.
- Undertake a mapping exercise to understand the distribution of children with SEND across different setting types and the support they receive. It should identify reasons for any variations and identify what support settings might require in order to be in a position to effectively support children with SEND.
- Increase funding to the high needs block to allow for more funding to be put in place for children in the early years, both to intervene early and to allow early years providers to claw back funding for the support they provide for children with SEND before the child has an Education, Health and Care Plan.
- Ensure that all Ofsted-approved Level 3 training courses include an appropriate level of training in how to support children with SEND (including practical experience), so that Level 3 practitioners in all settings have the appropriate knowledge and experience to work with children with SEND. Ofsted inspections of early years providers should investigate the proportion of the cohort who have SEND and the providers' approach to working with these children.
- Undertake a review of the impact of the Early Years National Funding Formula and the 30 hours entitlement on the ability of disadvantaged children to access early years places.
- Set up an innovation and systems leadership fund for the early years sector to fund outstanding settings, including maintained nursery schools, aiding them to provide free support to other providers.

## 2. Introduction

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London has 80 maintained nursery schools (MNSs) in total, across 24 out of the 33 local authorities. These 80 settings provide 8,760 funded places to 2-, 3- and 4-year-olds in London, which accounts for 3.8 per cent of all funded places in the capital.<sup>2</sup> While MNSs represent a relatively small proportion of the early years sector, they often meet a gap in providing places for children with Special Educational Needs and Disabilities (SEND) and disadvantaged children in areas where other providers may not be financially viable. Some MNSs also offer places for children under two, and provide additional hours that some boroughs fund for disadvantaged 3- and 4-year-olds.

MNSs have a different structure and set up to other types of early years settings. They differ from nursery classes in primary schools in that they are standalone schools providing education and care services to children under five, often alongside a children's centre. They also differ from private day nurseries as they are non-profit-making and exist primarily to provide government funded places. Like nursery classes in primary schools, they are required to employ qualified teachers.

The government's social mobility action plan, *Unlocking Talent, Fulfilling Potential*, published in December 2017, highlights early years as a key cornerstone of social mobility.<sup>3</sup> Secretary of State for Education, Rt. Hon. Damian Hinds MP, built on this plan in a speech in July 2018, where he announced the government's ambition to halve the number of children who are not meeting the expected level of communication and literacy by the end of reception year, largely by improving access to and quality of early education.<sup>4</sup> This research highlights the key role of MNSs in achieving the government's ambition for high quality early education that narrows the gap in attainment between children who are disadvantaged or have SEND and their peers.

### Literature summary

According to the 2017 Ofsted annual report, 100 per cent of maintained nursery schools in the country are rated 'good' or 'outstanding'.<sup>5</sup> Sixty-three per cent of these are rated 'outstanding', compared to an average of 17 per cent across all registered early years providers. Ofsted's report describes the typical features in these outstanding schools, which include a vibrant curriculum, effective partnerships and relationships with parents, and a strong focus on professional development.

In comparison to private, voluntary and independent (PVI) settings, the high quality of maintained settings (both MNSs and primary schools) has been well established and is outlined in the most recent Study of Early Education and Development (SEED) published by the Department for Education (DfE) in 2017.<sup>6</sup> Research has also highlighted the good progress made by disadvantaged children in maintained settings (both MNSs and primary schools), in comparison to PVI settings.<sup>7</sup> While many primary schools deliver high quality early years provision, research and Ofsted results suggest that MNSs are often the leaders in quality. A large scale analysis of early years data undertaken in 2004 found that integrated centres and nursery schools scored significantly higher on quality than PVIs, concluding that "integrated centres that fully combine education with care and have a high proportion of trained teachers, along with nursery schools, tend to promote better intellectual outcomes for children".<sup>8</sup> Ofsted has also been clear about the value of MNSs, particularly for the most disadvantaged, highlighting "the only early education provision that is at least as strong, or even stronger, in deprived areas compared with wealthier areas is nursery schools."<sup>9</sup>

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## Financial situation of MNSs

The DfE-commissioned SEED report also revealed significant differences between the costs of different settings providing early education and childcare. MNSs in particular had significantly higher costs than other setting types, with the cost of providing a place for a 3- or 4-year-old at an MNS averaging at £6.65, in comparison with £3.12 for a private setting, £3.45 for a voluntary setting, and £3.64 for a nursery class in a primary school.<sup>10</sup>

In April 2017, the DfE introduced the Early Years National Funding Formula (EYNFF), which set a flat hourly rate for all providers offering places for 3- and 4-year-olds under the free entitlements. Most MNSs had previously been funded at a significantly higher rate than other providers to reflect their higher costs, and a survey carried out by the APPG for maintained nursery schools in January 2017 found that 67 per cent of MNSs in the country thought they would have to close if they were subject to the reduced hourly rate.<sup>11</sup>

When the EYNFF was introduced, the DfE committed to providing supplementary funding to MNSs until 2019/20, acknowledging that “maintained nursery schools are of course schools and as such, bear costs over and above other providers because of their structure.”<sup>12</sup> The supplementary funding amounted to £60 million each year nationally, and allowed MNSs to receive the same hourly rate for the universal 3 and 4 year old provision as they had done prior to the introduction of the EYNFF. The DfE is yet to announce what the funding model for MNSs will look like after March 2020, when the supplementary funding is no longer guaranteed.

A London Councils survey conducted in December 2017 found high levels of support for government investment in MNSs among the London boroughs, with 15 of the 18 respondents who had MNSs believing that funding should be protected at its current rate, or further increased.<sup>13</sup> The most common reasons local authorities gave for funding MNSs at a higher rate to other settings were that they offer a large number of places for pupils with SEND and disadvantaged 2-year-olds and they provide systems leadership and

support to other early years providers. Out of these 18 boroughs, 13 answered that their MNSs would be likely to close if the government were to remove the supplementary funding after 2019/20.

## Data limitations, justification for research and methodology

The DfE historically collected data which highlighted the extent that MNSs support disadvantaged children and children with SEND as part of its annual Childcare and Early Years Providers Survey. The last time that this data was collected was in 2013, at which point 64 per cent of MNSs nationally were located in the 30 per cent most deprived areas of England, compared to 26 per cent of providers of full day care.<sup>14</sup> The 2013 survey also highlighted the disproportionate support that MNSs provide for children with SEND, especially those with severe SEND. Forty-nine per cent of MNSs provided places for children with severe disabilities, compared to 16 per cent of full day care providers, 25 per cent of primary schools, and 2 per cent of childminders. Only 6 per cent of MNSs nationally did not currently provide care for children with disabilities, compared to 36 per cent of full day care providers, 19 per cent of primary schools, and 84 per cent of childminders.<sup>15</sup>

Unfortunately, 2013 was the last time that the Childcare and Early Years Providers Survey included these indicators. Data on free school meals (FSMs) and Early Years Pupil Premium (EYPP) take up are not published by provider type, and are in any case unreliable proxies for disadvantage for this age group.<sup>16</sup> The progress that disadvantaged children and children with SEND make in different settings is also difficult to compare with available data. Early Years Foundation Stage Profile results, which are the main indicator of a child’s level of development at reception age (and thus the quality of the early education they have received), are not broken down by setting type and pupil characteristics.

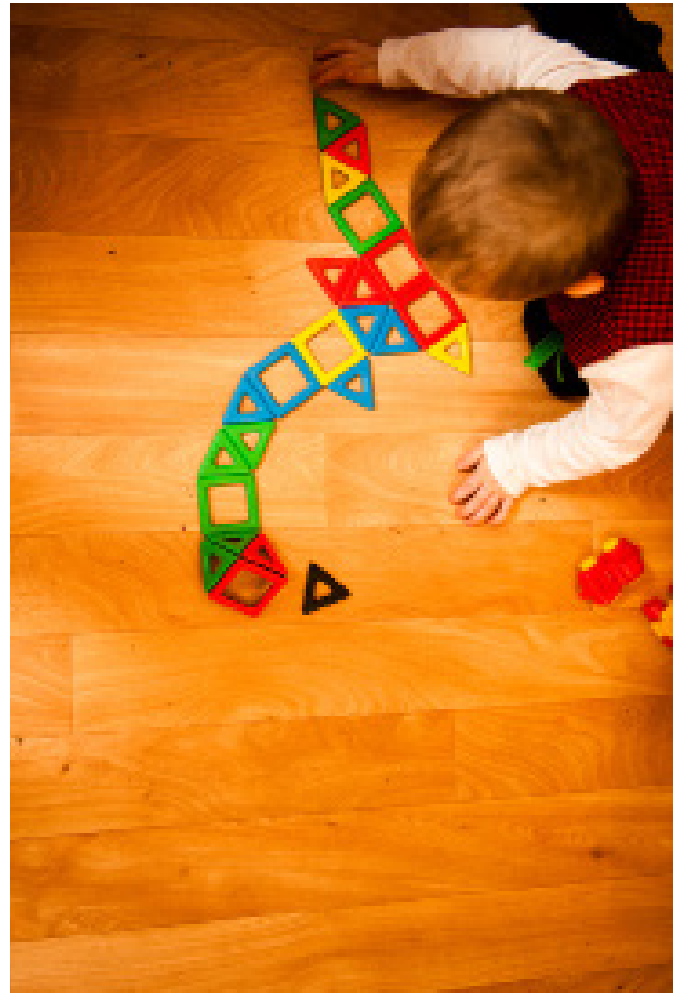
As a result of the limited quantitative data available, particularly in relation to the support that MNSs provide to disadvantaged children and children with SEND, London Councils decided to conduct research

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on a qualitative basis to better understand what this support looks like in practice. The findings support the quantitative data in highlighting that MNSs continue to provide disproportionate support to disadvantaged children and children with SEND, and are therefore a vital element in delivering the government’s ambition to improve social mobility and ensure high quality, graduate-led early years intervention. Another key aim of the research was to explore the consequences if the government decided to remove the current supplementary funding after 2019/20 without putting in place a sustainable funding solution.

The research draws predominantly on comparisons between MNSs and PVIIs rather than considering the differences between MNSs and primary schools. This is largely because interviewees drew such comparisons more readily. Primary schools are also required to employ graduates and many deliver high quality early education for children, including disadvantaged children and children with SEND. When comparisons were drawn with primary schools in the interviews, headteachers acknowledged the good work that they do. However, many emphasised the fact that MNSs are solely focussed on the early years age group and can therefore often achieve better results, especially for disadvantaged and SEND cohorts.

This research involved undertaking face-to-face, semi-structured interviews with headteachers and senior staff covering 19 MNSs across eight London boroughs, between March and May 2018. The boroughs were Barnet, Hackney, Islington, Kingston upon Thames, Lambeth, Sutton, Tower Hamlets, and Westminster. Further details on the scope and research methods can be found in Appendix 1.





# 3. Findings

## Supporting children with Special Educational Needs and Disabilities (SEND)

### Proportion of children with SEND in maintained nursery schools (MNSs)

All of the headteachers involved in the research said that their school supported a higher proportion of children with SEND than the average setting in their area. Most headteachers did not quantify this, but a few suggested that between 20 and 30 per cent of their children had SEND. There were four main reasons identified for the high number of children with SEND in MNSs. Firstly, the schools have developed a reputation in the community for providing high quality support for children with SEND, and parents recommend the settings to one another. Secondly, because of this reputation, parents of children with SEND are signposted to MNSs by a range of professionals, including health visitors, family support workers, local authority portage teams, children’s centres, Speech and Language Therapists (SLTs), educational psychologists, and hospitals. Thirdly, some local authorities have panels or advisory groups which allocate children with complex SEND to specific early years settings. A lot of these children are placed with MNSs because of their expertise in this area – sometimes with accompanying funding and sometimes without. Lastly, the majority of the interviewees had accepted children with SEND who had been turned away from other settings and told that their needs could not be met there. Headteachers spoke about the distress of parents who had struggled to find a setting that would agree to support their child.

**“You get parents who are in floods of tears because you’ve said ‘yes’!”**

One headteacher talking about how difficult it is for some parents of children with SEND to find a setting that will accept their child

As a result of these factors, several headteachers highlighted that children with SEND often come from further afield than their peers because they have chosen or

been recommended their setting specifically.

Many children with SEND will not have had their needs identified before they arrive at the MNS and will not have an Education, Health and Care Plan (EHCP). The process of applying for an EHCP is a long one; several headteachers suggested that the average EHCP takes a year to produce. In the meantime, the majority of MNSs provide the support that the child needs without any additional funding.

### Staff expertise

The interviewees highlighted that children with SEND make good progress in MNSs. The interviews suggested that this is largely due to the expertise of the staff. Unlike PVI settings, MNSs have to employ a qualified Special Educational Needs Coordinator (SENCO), who coordinates additional support for children with SEND and connects with their parents, teachers and professionals to ensure that any necessary assessments and interventions are put in place. This law applies to primary schools as well, but while a SENCO in a primary school might work across all age groups, the SENCO in the MNS is focussed solely on supporting the children at the nursery. Some MNSs employ more than one qualified SENCO, and several invest in training for their other teaching staff to better understand how to teach children with SEND. Several headteachers pay for Speech and Language Therapists (SLTs) to run sessions for children with speech and communication difficulties, and in some cases these SLTs also train up the full time teachers so that they are able to run language groups or support these children on a daily basis. Furthermore, headteachers emphasised that having qualified teachers leading the classes helps raise the standard and is particularly important for improving outcomes for children with SEND. The expertise of the staff at MNSs allows them to identify needs at an early stage, respond effectively, and build trust with parents.

**“I can see, they meet the child in the moment of learning ... and that costs”**

Headteacher talking about the benefits of using a trained teacher to support children with SEND

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## Case study – Lambeth nursery schools’ contribution to the development of Education, Health and Care Plans

In September 2017, 57 Education, Health and Care Plans (EHCPs) were in place in Lambeth for under 5s. Despite the fact that MNSs in Lambeth provide funded places for just 6 per cent of children in the borough, they helped develop EHCPs for a third of Lambeth’s children, identifying the needs of the children in their settings and working with the local authorities and other partners to build evidence for the EHCP and develop a package of support.<sup>17</sup> This not only shows the disproportionate number of children with complex SEND that attend MNSs, but also highlights the time and resources they invest in ensuring that these children get the support that will allow them to progress and achieve to the best of their ability.

### Identifying children’s needs

The expertise of the staff in MNSs means that children’s needs are identified and responded to at an early stage, which is crucial in reducing the gap in attainment between children with SEND and their peers. Some headteachers talked about how they identified children with SEND before they even start at the nursery – for example, through getting to know the children at stay and play sessions, or by working with staff in the children’s centre. This allows them to prepare and structure their classes accordingly, and start working with the parents to think about what support their child might need. Some interviewees reported instances of children’s needs not being picked up by their previous setting, or practitioners at other settings being too nervous to approach a parent when they have spotted signs of SEND.

### Supporting parents of children with SEND

A common theme across the interviews was the need to build a trusting relationship with parents, many of whom can take some time to acknowledge their child’s needs. According to the interviewees, building this relationship requires knowledge, compassion and time. In addition to this one-to-one work, schools have held workshops with parents looking at how to support children with SEND or monthly coffee mornings specifically for parents of children with SEND. One nursery gave an example of taking a group of parents to a local college with a department for young people with SEND and visiting a café where they were served by adults with SEND, to show

parents some of the provision, support and opportunities that could be out there for their children in the future.

### Targeted support for children with SEND

Some MNSs that were involved in the research have specialist provision attached to the nursery for children with more complex needs, which identify need and provide extremely targeted and specialist support. Most children with SEND, however, are educated in mainstream provision.

**“I never think that compassion and expertise we have ... is ever really addressed” (sic)**

Headteacher talking about maintained nursery schools’ approach to supporting children with SEND and their parents

Children with SEND who are educated in mainstream classes in MNSs have individualised plans and targets; classes are planned depending on the needs of the children who will be attending them; and specialist support is sourced where necessary. Different nursery schools provide different levels of support, but some examples of support offered by the schools that took part in the research are: language groups for children with speech and language difficulties; funded one-to-one teaching assistant support for children who do not yet have an EHCP; and full time learning assistants who work with small groups of children with SEND. Several

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### **Case study – Old Church Nursery School, Tower Hamlets – Supporting children with SEND in mainstream provision**

Old Church Nursery School in Tower Hamlets has a high proportion of children with SEND. One example of the kind of support the school offers is language groups for children with communication difficulties, in groups of about five. The school has one full-time member of staff dedicated to running these sessions because there is so much demand, with a third of children in the setting attending one of the groups. The teacher running the group is supported by a Speech and Language Therapist and Phoenix Outreach Service in Tower Hamlets, which helps mainstream settings to work effectively with autistic children. Every day the school also runs a bucket morning for children with autism, where children share toys from a bucket, helping them build social and sharing skills.

headteachers discussed the importance they placed on transition for this cohort and one school with a specialist unit said that the children might be taken to visit their primary schools four times before they leave the nursery.

### **Supporting disadvantaged children**

#### **Proportion of disadvantaged children in maintained nursery schools**

While the make-up of the MNSs visited as part of the research was varied, every interviewee highlighted the large number of children from disadvantaged backgrounds that the schools support in comparison with other settings in the local area. As stated in the introduction, there is limited quantitative data indicating the proportions of deprived children attending different setting types, but the latest data shows that MNSs are disproportionately located in areas of disadvantage. Many headteachers spoke of the high number of children with English as an Additional Language (EAL) attending the school, with one citing a 92 per cent EAL rate across the schools' cohort.

Interviewees highlighted several potential reasons for this. The first is related to the geographical situation of some of the schools, many of which have been set up in areas of disadvantage where private settings may be less financially viable. The second is the fact that many MNSs do not offer full wraparound support and holiday provision, so more affluent parents who are working full time will often decide against an MNS in favour of a PVI that does provide this. Equally, PVI settings may prioritise children whose parents are willing and able to pay for

wraparound support on top of the free entitlement. Thirdly, some interviewees highlighted that some PVI settings are not always welcoming to more disadvantaged children and sometimes do not have the expertise to meet their needs or work as effectively with the parents.

#### **“They’ll be rejected nicely”**

One interviewee summing up the approach of some local PVI settings to offering places to disadvantaged 3- and 4-year-olds

The fourth reason given as to why MNSs tend to support a disproportionate number of disadvantaged children is that the local authority relies on these settings to deliver funded places for these children, which may be less profitable for private settings to deliver. For example, the vast majority of MNSs offer places for 2-year-olds who qualify for the free entitlement. Provision for 2-year-olds makes up 20 per cent of funded places provided by MNSs in London, in comparison to 10 per cent for the average provider.<sup>18</sup> Much of this discrepancy arises from the fact that it is uncommon for primary schools to offer provision for 2-year-olds. However, after taking into account the fact that a significant amount of the childcare delivered by PVI settings will be paid for by parents and therefore not included in the statistics for funded hours, provision for 2-year-olds becomes a much smaller part of the service offered by the average PVI in comparison to the average MNS.

Some local authorities have also previously funded free

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hours for disadvantaged 3- and 4-year-olds, on top of the universal entitlement, to support their development and wellbeing and to help narrow the gap at school age. Local authorities have relied heavily on MNSs to deliver the additional hours for disadvantaged 3- and 4-year-olds. For example, around 60 per cent of the children at one of the nursery schools are currently receiving full time places funded by the local authority. However, the majority of councils have recently stopped offering this additional provision or are gradually phasing it out, as the restrictions that the new Early Years National Funding Formula (EYNFF) places on the amount of funding that councils can retain means that they can no longer access the funds to provide it. The interviews revealed that the large majority of these children are not eligible for the 30 hours provision for 3- and 4-year-olds with working parents.

Several headteachers emphasised that they also support a disproportionate number of children known to social care or other agencies. For example, one headteacher reported that this group of children made up a third of the cohort at her school. Several schools said that local authority panels referred children on the Children in Need register directly to the settings, as they knew that they would be able to offer the appropriate level of support to fit the complexity of need.

### **Supporting disadvantaged children to access nursery provision**

All of the headteachers that were interviewed as part of the research saw supporting children from deprived backgrounds and their families as a key priority, and focused largely on delivering the universal entitlement for 3- and 4-year-olds (i.e. the 15 hours), alongside the entitlement for 2-year-olds. Some of the MNSs also offered the 30 hours entitlement to 3- and 4-year-olds with working parents because they believed that, if they did not, many working parents would choose to send their children to a setting where they could receive their full entitlement, and thus no longer take up the universal 15 hours at the MNS.

A common theme in the interviews was the desire amongst headteachers to make it as easy as possible for disadvantaged children to take up an early years place. There were three key ways in which schools achieved

this. Firstly, the large majority of headteachers talked about saving places in the next class for disadvantaged 2-year-olds who they knew would be coming through the system. This is done to ensure that 2-year-olds are able to move to the 3-year-old class after their third birthday and do not run the risk of being unable to access a place. It was also deemed to be important for schools to support a disadvantaged child through from 2-years-old to school age, so that keyworkers can build a trusting relationship with parents, maintain stability for both child and parent, and use their knowledge of child development and the individual to ensure that the child makes good progress. While headteachers explained that MNSs save places for deprived children as a matter of course, they highlighted that this is not common practice in other setting types. It was thought that PVI settings do not tend to take this approach because it can mean keeping a space empty for several months when it could be filled by another child. Headteachers highlighted the strain that this policy of saving places can put on school budgets but felt it was essential to providing essential support for the most deprived children.

The second way in which several MNSs support the take up of free entitlement amongst disadvantaged families is to have an admissions policy that explicitly prioritises places for the neediest children. Many interviewees conveyed a very practical, 'can-do' approach to providing places for children where the need was great, and a few even spoke of funding additional hours from their own budgets in a small number of instances where they were concerned about the welfare of the child.

### **“We will find a space for them”**

Response given by a headteacher when asked about how the school supports children in households where challenges such as domestic violence are present

The third approach to supporting disadvantaged children to take up a place at the nursery is via children's centres. Several of the MNSs that took part in the research were attached to children's centres, and some of the headteachers run the children's

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### **Case study – Comet Nursery School and Children’s Centre, Hackney – Making a difference with the Early Years Pupil Premium**

Around 25 children at Comet Nursery School in Hackney are claiming Early Years Pupil Premium (EYPP). The school has developed a model to maximise the impact of the relatively small amount of funding that settings receive to support children eligible for EYPP. Comet identified communication and language as a key challenge for some of their more disadvantaged pupils and devised a programme that would give them new experiences and improve their language skills by encouraging them to put these new experiences into words. The school employs a professional gardener who helps this group of children learn about gardening, growing vegetables and cooking – the aim being to get the children interested in healthy eating and thereby contribute to tackling the high obesity rate in the area. Another key priority of the programme is to expand the children’s cultural capital by taking them on outings that are relatively low cost to expose them to opportunities they may not otherwise access. Recent outings include visits to the Tate Modern and the Transport Museum, a walk around central London, duck hunting and a trip to the local Vietnamese restaurant. The nursery monitors children’s communication skills prior to and after the interventions and have found the programme to have a positive impact on children’s early language. Comet’s innovative approach to the EYPP has won them the Early Years Pupil Premium award and the headteacher has shared her experience of the approach at several conferences and events.

centres as well as the schools, ensuring a close link between the services provided by the two setting types. Disadvantaged and vulnerable families who engage in children’s centre services are encouraged to access early years provision at the MNS, and someone from the nursery will support them to apply for the early years entitlements. Equally, the MNSs will encourage children and families to access the children’s centre services to support their development and wellbeing outside of the free hours they access at the nursery.

#### **Supporting disadvantaged children to get the most out of nursery provision**

When asked what MNSs are able to offer disadvantaged children in particular, headteachers tended to speak about three areas: quality of teaching, extra-curricular activities, and support for the family.

All of the headteachers spoke about how vital staffing levels and qualifications are to ensuring that the most disadvantaged children can progress. Research has established the importance of graduate-led provision, particularly for disadvantaged groups, and Ofsted has reiterated this, claiming “nursery schools have high levels of graduate level staff and perform as strongly in deprived areas as in more affluent ones”.<sup>19</sup> Interviewees

emphasised that qualified teachers are able to more effectively identify the needs of individual children, monitor their progress, design individualised plans and targets, and ensure that they are able to ‘catch up’ with their peers during their time at the school. Many interviewees talked about children from more disadvantaged backgrounds coming into the school with a level of development that is significantly lower than average, and leaving with a similar level of development to their peers. For example, the average level of development of a child when they start at Children’s House Nursery School in Tower Hamlets at around 40 months (the term after their third birthday) is equivalent to the level expected at just 22 months. By the time they leave, the majority of these children have reached the average level of development, with some exceeding this. The headteacher at Children’s House believes that this is predominantly due to staff expertise and experience.

Secondly, the schools place a strong emphasis on the extra-curricular elements of children’s learning. Most of the nurseries had large outdoor spaces and many had forest schools either on-site or off-site where the children could undertake activities such as growing vegetables, gardening, healthy eating, and looking

## Case study – Margaret McMillan Nursery School, Islington – Working with social care

Thirty per cent of spaces in Islington’s maintained nursery schools are reserved for 3- and 4-year-olds under Islington’s priority referral service for children with additional needs, many of whom are currently funded by Islington to receive full time places. The panel often refers children with the most extreme needs and challenges to the MNSs because of their expertise and commitment to this particular cohort. One of these nursery schools is Margaret McMillan. Despite the fact that a third of the children at the school have additional needs or are known to other agencies such as social care, the vast majority of children have reached an age appropriate level by the time they start primary school (the minority that do not are predominantly those with SEND). The headteacher and staff at the school are committed to ensuring that these children are supported as effectively as possible, both in the nursery and in their home lives. The headteacher keeps in regular contact with the local authority social care team to ensure that staff members across the two organisations are best equipped and informed to support this cohort of children, and nursery staff will always attend inter-agency forums to contribute to the creation of Early Help plans. A senior member of staff at Margaret McMillan talks social workers and health visitors through the process of applying for 2-year-old provision to ensure that as many disadvantaged children are supported to take this up as possible. The school places an emphasis on developing staff’s perseverance, confidence and resilience, and on ensuring they are equipped to support this challenging cohort of children. For example, the nursery had recently paid for all of the senior nursery nurses and the Special Educational Needs Coordinator to receive training to the level of a Designated Safeguarding Lead, as it was deemed to be essential for staff to be able to identify vulnerability and feel confident in supporting some of the most vulnerable families. Through work with other agencies to understand children’s needs, the nursery has also built up a system of reflective practice, so current practitioners have regular opportunities to reflect on the issues they have come across and the interventions and services that would best support individual children.

after pets. Several nurseries had specific staff in the role of forest school leader, or play leader, who would model good play and support the children to increase their independence outside the classroom. Several interviewees said that the forest schools gave children from disadvantaged backgrounds, who often rarely left their borough, experiences that they would otherwise not be exposed to. Similarly, MNSs place a focus on taking children on trips, such as visits to museums, theatres, camping and the seaside – funded from the nursery school budget – to widen their cultural horizons.

Thirdly, many interviewees spoke about the work the schools did to support the children in their lives outside the nursery school, as working effectively with parents and helping overcome issues in the home impacts greatly on children’s development and wellbeing. This is explored further in the section ‘Supporting families’.

In relation to supporting more vulnerable children, most interviewees highlighted the close links the schools had with local authority services, such as

social care and early help, housing and domestic abuse support services. This was described as a two-way relationship which helps both MNSs and other agencies to better understand and support the children involved. Interviewees saw themselves very much as part of a wider system of support around the child.

### Supporting families

#### Attitude to families and parents

The role of MNSs in supporting families and the wider community was a key theme of every interview. Each headteacher spoke about the importance of building a trusting relationship with parents and supporting them to nurture their children when they are outside of the setting.

Working with children’s centres is also a key priority for the MNSs involved in the research – both for those that are co-located with children’s centres and for those that are not. A few interviewees spoke about the impact of children’s centres’ shutting on the availability

### Case study – Old Church Nursery School, Tower Hamlets – Supporting parents in their homes

As well as supporting parents at the nursery through courses, coffee mornings, and one-to-one support, Old Church Nursery School also runs a home/school liaison service, paid for out of the nursery budget. The school employs two lead practitioners who spend one day a week visiting parents in their homes. The practitioners are trained in areas such as counselling and mental health and are frequently upskilled. Parents can self-refer to the service, or a member of staff can suggest that the parent receives a visit from one of the practitioners if they notice there is an area they may be struggling with. Practitioners support parents with a variety of topics, from child-focused issues such as dealing with challenging behaviour and establishing routine to practical support for the parent, such as signposting to support for housing or domestic violence. The practitioners have links with local authority services and other partners, so they are well placed to find the right support for the parent. If the practitioners notice several parents experiencing similar issues, the MNS will run a course on this topic for a larger number of parents at the nursery.

of services for disadvantaged families, and the increasingly important role MNSs play as a community hub and support base for families in this context.

The interviewees suggested two key ways in which MNSs support parents: through supporting them with their child's development directly, and simultaneously supporting them to improve their own wellbeing. These two forms of support were seen by the headteachers as interconnected and vital to ensuring that parents are in the best possible place to help their children and to build a home learning environment that will improve the outcomes of their children.

Every MNS involved in the research had a different offer for parents, and the examples below are not universal. However, every MNS offered some kind of support for local parents.

#### **“All of the schools place a really high priority on relationships with parents”**

One headteacher discussing the priorities of maintained nursery schools

#### **Supporting parents with their child's development**

The majority of interviewees mentioned offering free courses for parents. Some examples of the courses

on offer are: toilet training, childhood obesity, child development, early maths, mark making (an early step in learning to write, involving making lines or patterns), speech and language, and transition workshops. Headteachers and keyworkers also carry out a significant amount of one-to-one work with parents on an ad hoc basis, to support them in dealing with specific issues. A few nurseries mentioned offering drop in sessions for parents to come and discuss current concerns. Several nurseries also spoke about producing information and guidance for parents, from practical advice on toilet training to information about child development and suggestions of activities.

The nursery schools also place an emphasis on supporting parents to share experiences with their children. The most common example of an activity run for children and parents is Stay and Play sessions, which even those MNSs not attached to children's centres tend to offer, but some nurseries mentioned offering sessions as diverse as music therapy, literacy activities, yoga or healthy eating workshops. Several nurseries run activities or trips which involve both parents and children, such as Book Weeks and Art Weeks, family sports days, camping trips or visits to museums and events, or trips to the seaside. Headteachers spoke about the value of including parents in these experiences so that they can see how the staff behave with the children, bond with their own children through the activities, and develop the confidence to carry out similar activities as a family independent of the nursery.

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## Case Study – Children’s House Nursery School, Tower Hamlets – Building parents’ confidence and knowledge

Children’s House Nursery School in Tower Hamlets offers an array of support for parents, relating to both child development and parental wellbeing. The course programme at the time of interview included courses on childhood obesity, financial advice, first aid and emotional first aid, internet safety, healthy living, and workshops targeted specifically at fathers, parents struggling to raise their children; and parents looking to get into work. The nursery tracks which sessions parents attend and whether this has any impact on outcomes for the child or the parent, then plans their future programme based on this data. Most parents attend at least one workshop while their child is at the nursery, and some attend sessions on a regular basis. Children’s House also places a specific focus on improving the home literacy environment of their children. The school won this year’s Pearson Shine A Light Award for Early Years Setting of the Year, for their volunteer-led literacy programme, Early Words Together. This has involved training parent volunteers to support other parents to enjoy books with their children. This is empowering for the parent volunteers and the parents they support, and also helps create a nurturing home learning environment for the children. Children’s House will now be providing the programme across the whole of Tower Hamlets.

### Supporting parents’ own wellbeing

Headteachers highlighted that undertaking activities which involve both parents and children, as described above, can also have a positive impact on the parents’ own wellbeing. Being seen as trusted individuals who have a role to play can build the confidence of parents, and parents are able to form relationships with one another. MNSs also try to help parents build a supportbase through the coffee mornings and drop-in sessions, and some nurseries offer additional sessions such as art classes so parents can meet others in a social and welcoming environment. Some nurseries provide active support to help parents into work. For example, several mentioned offering volunteering opportunities to parents, such as working in the library, the office, or mealtime supervision. One nursery has used its apprenticeship levy to support parent volunteers to undertake an apprenticeship in the setting. A few headteachers mentioned offering specific support for parents to get back into work, such as CV writing and English for Speakers of Other Languages (ESOL) workshops.

**“It’s just about making parents understand how important they are”**

One interviewee explaining why her school invests so much time in supporting parents

### The role of maintained nursery schools as systems leaders

MNSs are often referred to as ‘systems leaders’ and one of the aims of the research was to understand what this means in practice. Different settings engage in systems leadership to a different extent; this is dependent on several factors, such as funding and the existing offer from the local authority. The three main areas which emerged throughout the interviews were the support and training MNSs offer to other providers and the wider system; the collaborative and innovative initiatives that they get involved in; and the support they offer to the workforce.

### Support and training provided to other providers and the wider system

Many schools that were involved in the research offered training to other settings and practitioners. In some cases, this training was provided for free; in others, it was a charged service. Training courses included: physical and social development; running forest schools; early maths; problem solving; Early Years Foundation Stage; phonics; Early Years Pupil Premium, and literacy. Some of this training happens as a one-off, and other training is more regular: for example, one setting supports the local authority to run SEND support groups for PVIIs once a month, and another runs regular training for Early Years Foundation Stage leads.



As well as training courses, much of the support provided by MNSs to other settings happens on an ad hoc basis. Many interviewees gave examples of staff being trained to go out to other settings and support them with particular areas, such as forest schools or 2 year old provision. A number of MNSs have engaged in peer reviews and then supported the other setting with a particular challenge identified during the review. Often, the local authority has asked MNSs to support a particular setting that they are concerned about.

Headteachers also mentioned being visited frequently by practitioners from other settings on an ad-hoc basis. Most also spoke about receiving visits from overseas visitors interested in understanding what outstanding early years provision looks like in the UK. One of the schools with a specialist unit runs 'come and see' workshops which are well attended by practitioners from other settings across the borough. Headteachers also highlighted that MNSs are often seen by local settings as the place to go to for advice and support on particular issues.

It was clear throughout the interviews that the support offered by the MNSs is taken up by primary schools significantly more than by PVIIs. This happens particularly where there are associated costs, but can also be the case when the training or support is offered free of charge. Some interviewees saw this as a matter of pride for PVIIs, who are often happy with the provision they offer and can be unwilling to acknowledge that they may have something to learn from MNSs; others believed that it was related to the fact that PVIIs often operate on minimum ratios which makes it more difficult to release staff for development purposes. This was a key barrier for MNSs who were considering developing a trading arm to help with their financial situation, as there were significant concerns that this offer would not be taken up by PVIIs.

### **“There are some PVIIs that don't really want that help”**

Interviewee talking about PVIIs' response to offers of support from MNSs

### **Case study – A collaboration between MNSs in Tower Hamlets – Setting up a training consortium**

The six maintained nursery schools in Tower Hamlets have recently come together to set up a training consortium, Tower Hamlets Inclusive Nursery School Consortium (THINC). The main aim is to spread best practice and support other providers to improve social mobility by raising standards and narrowing attainment gaps. Each of the schools involved has something to give – for example, one of the nursery schools is offering training on how to set up and run forest schools; and another is providing training on block play and learning through experience. THINC offers training days as well as bespoke packages to providers. THINC is in its early stages but is an innovative way of supporting other providers to raise the quality of early years provision across the borough, and hopefully making some money for the MNSs at the same time.

### **Collaborative and innovative initiatives**

The headteachers also described playing an active role in ongoing collaboration with other settings and organisations.

Many of them are involved in regular network meetings with early years or school settings, and some actively chair or manage these networks. Several headteachers said that the networks tend to involve schools, including MNSs, but that there is less engagement with PVIIs. It was also clear from the interviews that MNSs work closely with local authorities to support new initiatives or other settings. Some MNSs have links with other local authorities, but this is not common. Many of the MNSs also talked about being involved in networks focusing on specific issues, such as domestic abuse or 30 hours.

The interviews revealed other examples of specific collaborative initiatives, such as MNSs and primary schools working together or with the local authority on moderation. A few MNSs described taking part in pilots for the new entitlements, and others have been

## Case study – Barnet Early Years Alliance, Barnet

The Barnet Early Years Alliance (BEYA), which is a federation of three MNSs, is leading the Barnet early years hub, funded by the Greater London Authority. The aim of the hub, which involves practitioners from different settings in the local authority, is to improve take up of the 2 year old offer. The hub is working with parents and practitioners in many settings in Barnet to raise awareness and increase take up of the free entitlement and to develop partnerships between settings to improve practice through collaboration. BEYA also has a Service Level Agreement with Barnet Council which allows the federation to offer training to other settings for example ; developing a forest school ethos, and to undertake activities to support providers in a range of different ways.

involved in research projects. For example, Children’s House Nursery School in Tower Hamlets has taken part in a pilot project with Sutton Trust about resilience in the early years. The headteacher at Comet Nursery School in Hackney has presented the school’s approach to the EYPP to a variety of audiences. MNSs in Lambeth are working with health colleagues on a 0-5 programme for children receiving EYPP, entitled ‘Early Achievement and Literacy’.

### Supporting the workforce

All of the interviewees described hosting students on a variety of placements, such as trainee teachers and early years practitioners, research students, and students studying nursing or educational psychology, while a few offered work experience and apprenticeship opportunities. One of the nursery schools – Children’s House – is also an Initial Teacher Training provider, training at least five teachers a year and undertaking all of the Newly Qualified Teacher (NQT) training for the borough. Many headteachers also spoke of the focus they place on upskilling their own staff, including conducting regular sessions on reflective practice to help practitioners continually improve, and funding training courses on an ongoing basis. Several offered volunteering opportunities for parents and supported them to get jobs in the early years sector, as described in the section ‘Supporting families’.

### Resourcing systems leadership

Most of the interviewees demonstrated an enthusiasm to take on more of a systems leadership role, and emphasised their willingness to support other settings and the wider workforce to share the good practice

more broadly. However, every headteacher raised concerns about the difficulty of taking on this role in the current financial climate. Many of the nurseries have reduced their staff to child ratios in the face of budgetary pressures, meaning that it can be difficult to release staff to run training and support other settings. It is possible to break even by charging for the training, but many settings are unwilling to pay for it, especially where there they can still receive free or subsidised support from the local authority. Some of the headteachers talked about the need to be more entrepreneurial, but several said that their budgets were already so stretched that they couldn’t risk embarking on a venture that may not prove to be successful.

**“My bits of training here and there won’t make us sustainable”**

The response of one headteacher to the question of how the setting could be financially sustainable in the future

## Financial situation

### Current financial situation

When the EYNFF was introduced in April 2017, which introduced a flat hourly rate for all providers offering government funded places to 3- and 4-year-olds, local authorities and MNSs argued that many of the schools would be forced to close if they were funded at the same rate as other provider types. The government acknowledged the higher running costs of MNSs and announced £60 million supplementary funding annually

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until 2019/20 to ensure that MNSs would receive the same hourly rate for the universal entitlement for 3- and 4-year-olds as they had done prior to the introduction of the formula. This means that a small number of MNSs which had previously received an hourly rate equal to or below the new rate set for their local authority under the EYNFF do not receive any supplementary funding. The majority of MNSs involved in the research do receive the additional funding, but a few do not, and have different arrangements with the local authority to support them to remain sustainable. The supplementary funding has been guaranteed until March 2020, and the government is yet to announce what provision will be put in place for MNSs after this date.

Crucially, the interviews highlighted that the supplementary funding that most MNSs are receiving is not sufficient to make them sustainable in the future. Most of the interviewees said that their school was in deficit and that this was growing each year. Several headteachers discussed how recent policy changes and cost rises have impacted on the financial resilience of MNSs, meaning that they may struggle to stay open until March 2020, even with the supplementary funding. The factors that are creating this difficult financial position for MNSs are highlighted below.

**“If we survive until 2020, we’ll be very lucky”**

Response by one headteacher to the question of what the future after March 2020 will look like

**Factors contributing to an unsustainable financial situation for maintained nursery schools**

**Ongoing reasons for higher costs**

MNSs have historically had higher costs than other settings. Due to their size, they spend a higher proportion of their budget on fixed costs and overheads than primary schools. For example, MNSs and primary schools are both required to have one headteacher, deputy, governing body and SENCO for the whole school. This is much more cost-effective for a primary

school (the smallest of which would have 7 classes, with around 210 pupils) than a maintained nursery school (which typically has around 110 pupils).<sup>20</sup> In comparison with PVIs, which are not required to have a headteacher, deputy, SENCO or governing body, MNSs inevitably have much higher overheads.

In addition, like primary schools, MNSs are required to employ qualified teachers to run their classes, which cost significantly more than a Level 2 or 3 practitioner. PVIs, by comparison, can run their setting with staff holding Level 3 qualifications and below. Some of the MNSs are required to pay all of their staff the London Living Wage as local authority maintained settings, unlike PVIs. Pensions and national insurance contributions are rising, and the teacher and general public sector pay rise is likely to exacerbate budgetary pressures. MNSs also have higher fixed costs than primary schools for services such as payroll and health and safety, and have to pay the apprenticeship levy, unlike most PVIs.

**Implications of policy changes on costs**

While most MNSs currently receive supplementary funding from the government to cover the delivery of the 15 hours universal entitlement for 3- and 4-year-olds, this additional funding is not extended to cover the delivery of the additional 15 hours for 3- and 4-year-olds with working parents. This means that MNSs who are offering the 30 hours must provide the additional 15 hours at a lower rate that does not cover their costs. Some MNSs who took part in the interviews did not offer 30 hours, as they wanted to focus their provision on the more disadvantaged in the community. However, some felt that they had to offer 30 hours, even at a loss, because otherwise many working parents would decide to move their children to another setting where they could take up their full entitlement.

Several London boroughs have previously offered full time places for the most disadvantaged 3- and 4-year-olds, and MNSs have been instrumental in delivering these additional hours. However, the vast majority of boroughs have stopped offering this provision, or are gradually phasing it out since their funding has been reduced by the restrictions placed by the EYNFF on the

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level of funding that local authorities can hold back from providers. This means that a key funding source is disappearing for some MNSs, and cannot easily be replaced by the 30 hours entitlement for MNSs in areas of disadvantage, where it is less common for both parents to work.

### Cost of supporting 2-year-olds

The majority of settings that took part in the interviews reported that they offer places for disadvantaged 2-year-olds. However, the funding rate that MNSs receive does not cover the costs of delivering this provision and the supplementary funding from government does not apply to the 2 year old entitlement. The funding does not cover the costs because delivering 2-year-old places requires higher staff to child ratios, and this cohort can be more challenging given that those who are eligible are predominantly from disadvantaged backgrounds or have SEND.

The fact that MNSs save places for 2-year-olds in the next class so that they are able to remain in the MNS until they are ready to go to school means that they lose out on the opportunity of receiving funding for the nursery place for a period of time, usually a few months. Headteachers emphasised that PVIIs do not normally take this approach, as it is not financially beneficial.

### Cost of supporting children with SEND

The reputation of MNSs among parents and professionals, and the unwillingness of some providers to take on certain children with SEND, means that MNSs often end up supporting a disproportionate number of children with SEND, particularly those with some of the most complex needs. While some MNSs receive some extra funding from the local authority to support children with SEND, headteachers have stressed that this far from covers the true cost of supporting these children and their parents. It takes so long to secure an EHCP that children who may be entitled to one often do not receive it until they are close to leaving the setting, or even in the early stages of primary school. In the meantime, most MNSs do not receive extra funding to support the child but are committed to finding a way of meeting their needs nevertheless, which are often

complex and costly. The high needs budget, which central government allocates to local authorities to fund support for children and young people with SEND, is currently extremely stretched and London boroughs spent £100 million more than the amount allocated by central government in 2016/17.<sup>21</sup> This has meant that several local authorities are prioritising their statutory duties to children and young people with SEND, and do not have the extra capital to support settings such as MNSs to provide support prior to the receipt of an EHCP.

MNSs also support many children who may not yet be eligible for an EHCP, or whose parents may not be ready to apply for one; but they are still in need of additional and individualised support from Speech and Language Therapists or learning assistants.

### The impact of reducing funding for maintained nursery schools

#### Closure

The majority of interviewees claimed that their nursery school would be unlikely to remain open if the supplementary funding that they currently receive were to be removed. Those who do not receive supplementary funding said that their reserves were gradually being depleted, which will soon place them in an unsustainable situation.

**“I just can’t imagine to be honest – I think it will be devastating”**

**“I don’t think we’d be able to do it”**

Headteachers’ responses to being asked about the consequences of losing the supplementary funding

#### Less support for children with SEND

The majority of headteachers said that, if they did manage to stay open, this would only be by accepting fewer children with SEND, or significantly reducing the support available for these children.

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**“You wouldn’t be letting children with SEND through the door”**

**“Where would they go and would they not get picked up until they go to school? ... They’re the kids I would lose”**

**“Will we have to start saying no?”**

Headteachers highlighting the consequence of losing the supplementary funding on children with SEND



#### Other consequences

Most headteachers did not highlight other consequences, as they did not believe the schools would be able to stay open if they did not have access to the supplementary funding. However, a few suggested that their first step would be making redundancies, and another suggested that MNSs would have to be staffed like PVI, without any qualified teachers. Another interviewee speculated that their school would have to reduce the number of places provided to disadvantaged 2-year-olds or 3- and 4-year-olds who were only entitled to the universal 15 hours provision, and instead focus on providing places for children whose parents were entitled to 30 hours and could afford to pay for wraparound provision.

**“It just decimated the whole provision”**

A group of headteachers talking about the findings from a mapping exercise they had undertaken to look at how the MNSs might operate without the supplementary funding

#### Urgency of the financial situation

Every headteacher emphasised how urgently the government needed to make a commitment to funding MNSs at a level that would allow them to operate sustainably. Some said they would struggle to remain open until March 2020, which is the point at which their funding looks set to reduce. Others said they would need to know what their funding situation was going to look like well before September 2019, so they could make a decision as to whether to open for the 2019/20 academic year.

# 4. Conclusions and recommendations

The government's social mobility action plan, *Unlocking Talent, Fulfilling Potential*, published in December 2017, stresses the importance of the early years, which "provide the one chance to ensure disadvantaged children can enter school with the skills and language development they need to thrive, without immediately having to play catch up".<sup>22</sup> In a speech given in July 2018, Secretary of State for Education, Rt. Hon. Damian Hinds MP, reiterated the government's focus on the early years as a vital contributor to narrowing the gap in academic attainment and labour outcomes between children who are disadvantaged or have Special Educational Needs and Disabilities (SEND), and their peers.<sup>23</sup> The Secretary of State pointed to evidence showing that more than a quarter of 4- and 5-year-olds have not reached the expected level of communication and literacy skills by the end of reception year, and announced plans to halve this number.

This research highlights the vital contribution that maintained nursery schools (MNSs) make to the government's social mobility agenda. It shows that these settings are key contributors to addressing the three challenges outlined in the social mobility action plan: ensuring more disadvantaged children can experience a language rich early environment; improving availability and take up of high quality early years provision amongst disadvantaged children; and improving the quality of this provision.<sup>24</sup> The government is investing funding in projects in schools that demonstrate innovative approaches to closing the attainment gap, as well as training for early years staff to improve their ability to support children's language development. Yet it seems counter-intuitive for funding to be invested in new initiatives without ensuring that the settings that are currently excelling at addressing the attainment gap remain sustainable enough to continue undertaking this work. The government urgently needs to address the funding gap for MNSs or valuable early years provision that is contributing to its priorities and aspirations will be lost.

The following section highlights the key conclusions drawn from the findings of the research, and presents a set of recommendations to ensure that MNSs can continue contributing to social mobility by supporting disadvantaged children, children with SEND, and the wider system, as effectively as possible.

## 1. Financial situation

Maintained nursery schools are undertaking valuable work, in particular to support the most disadvantaged children and children with SEND, and it is highly unlikely that they will be able to continue with this work if their financial situation does not improve. The majority of headteachers and local authorities fear that MNSs are close to closing. Without the support of MNSs many disadvantaged children and children with SEND may not be able to access appropriate provision before they reach primary school, which will increase the attainment gap between these children and their peers throughout school and later in life.

**Recommendation 1: The government should implement a sustainable funding solution for maintained nursery schools which acknowledges their status as schools, their higher costs, and their distinct role in the early years system. Consideration should be given to providing emergency financial support for individual schools that are under threat of closure prior to March 2020.**

## 2. Supporting children with SEND

Maintained nursery schools support a large number of children with SEND because they tend to have more expertise in this area and often accept children with complex needs whom other providers do not feel equipped to support. The funding that providers receive for supporting children with SEND does not cover the costs, largely because many nursery-aged children will not yet have an Education, Health and Care Plan. This acts as a disincentive for providers to accept children with SEND and to put in place the necessary support.

**Recommendation 2: The government should undertake a mapping exercise to understand the distribution of children with SEND across different setting types and the support they receive. It should identify reasons for any variations and identify what support settings might require in order to be in a position to effectively support children with SEND.**

**Recommendation 3: The government should increase funding to the high needs block to allow for more funding to be put in place for children in the early**

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**years, both to intervene early and to allow early years providers to claw back funding for the support they provide for children with SEND before the child has an Education, Health and Care Plan.**

Some providers do not feel appropriately equipped to support children with additional needs, meaning that the early years sector relies too heavily on a relatively small number of settings with expertise to plug the gap in provision for this cohort. PVI settings are only required to employ Level 3 practitioners who often have not had sufficient training in identifying additional needs and supporting children with SEND. Regulation of Level 3 training providers lacks robustness and quality assurance. A London Councils survey conducted in December 2017 found that 24 out of 26 London boroughs are concerned about the quality of Level 3 practitioners, with every respondent highlighting the poor standard of the initial training as the main reason for lack of quality. Furthermore, Ofsted does not currently consider the inclusivity of early years providers or the effectiveness of the support provided to children with SEND when issuing judgements.

**Recommendation 4: The government should ensure that all Ofsted-approved Level 3 training courses include an appropriate level of training in how to support children with SEND (including practical experience), so that Level 3 practitioners in all settings have the appropriate knowledge and experience to work with children with SEND. Ofsted inspections of early years providers should investigate the proportion of the cohort who have SEND and the providers' approach to working with these children.**

### **3. Supporting disadvantaged children**

There are signs that the introduction of the EYNFF and the 30 hours early years entitlement is having a negative impact on the most disadvantaged children. Restrictions placed on the amount of funding that local authorities can retain under the new formula mean that many councils are having to stop offering additional places for the most disadvantaged 3- and 4-year-olds. The research suggests that the majority of children previously benefitting from these additional hours are not eligible for the 30 hour entitlement.

**Recommendation 5: The government should undertake a review of the impact of the Early Years National Funding Formula and 30 hours entitlement on the ability of disadvantaged children to access early years places**

### **4. The role of maintained nursery schools as systems leaders**

There is the potential to make better use of the expertise and experience of teachers and leaders at maintained nursery schools to drive up quality across the early years sector. MNSs are keen to provide more support to other providers, but their budgets are generally too limited to run the risk of setting up systems leadership projects on a larger scale. Local authority budgets are diminishing, meaning that the support that they can offer to PVIs is diminishing, which is likely to negatively impact on quality in early years. Many providers, particularly PVIs, are unwilling to pay for training.

**Recommendation 6: The government should set up an innovation and systems leadership fund for the early years sector to fund outstanding settings, including maintained nursery schools, to provide free support to other providers.**

# 5. Endnotes

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<sup>1</sup> ["Unlocking Talent, Fulfilling Potential: A Plan For Improving Social Mobility Through Education", Department for Education, 2017](#)

<sup>2</sup> ["Education Provision: Children Under 5 Years Of Age, January 2018", Department for Education, 2018](#)

<sup>3</sup> ["Unlocking Talent, Fulfilling Potential: A Plan For Improving Social Mobility Through Education", Department for Education, 2017](#)

<sup>4</sup> ["Education Secretary Sets Vision For Boosting Social Mobility", Department for Education, 2018](#)

<sup>5</sup> ["The Annual Report Of Her Majesty's Chief Inspector Of Education, Children's Services and Skills 2016/17", Ofsted, 2017.](#)

<sup>6</sup> ["Study Of Early Education And Development \(SEED\): The Cost And Funding Of Early Education", Department for Education, 2017.](#)

<sup>7</sup> For example; Quality and Inequality: Do three- and four-year-olds in deprived areas experience lower quality early years provision?, Nuffield Foundation, 2014; Kitty Stewart and Ludovica Gambaro, Government plans will reallocate nursery funding from poorer to richer children – and no one seems to notice., The London School of Economics and Political Science

<sup>8</sup> ["Technical Paper 12 The Final Report: Effective Pre-School Education", Sylva, Kathy, Edward Melhuish, Pam Sammons, Iram Siraj-Blatchford, and Brenda Taggart, London: Institute of Education, University of London, 2004](#)

<sup>9</sup> ["The Report Of Her Majesty's Chief Inspector Of Education, Children's Services and Skills 2012/13", Ofsted, 2013.](#)

<sup>10</sup> ["Study Of Early Education And Development \(SEED\): The Cost And Funding Of Early Education", Department for Education, 2017.](#)

<sup>11</sup> ["One In 10 Nursery Schools In England Face Closure Within Months", Sally Weale, The Guardian, 2018](#)

<sup>12</sup> ["An early years national funding formula: And changes to the way the three- and four-year-old entitlements to childcare are funded", Department for Education Consultation, 2016](#)

<sup>13</sup> ["Head of Early Years Survey: Findings", Hannah Barker, London Councils, 2018;](#) 26 of the 33 London local authorities completed this survey, 18 of which had at least one maintained nursery school in their borough. The questions about maintained nursery schools were asked to these 18 respondents.

<sup>14</sup> ["Childcare and early years providers survey: 2013", Department for Education, 2014](#)

<sup>15</sup> Ibid.



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<sup>16</sup> Entitlement to free school meals (FSM) acts as a proxy for disadvantage for older children, but children under 5 are only eligible for FSM if they attend a school setting full time (either a MNS or a nursery class in a primary school), meaning that figures could not be compared between MNSs and PVIIs even if the data were broken down by setting type. The take up of Early Years Pupil Premium (EYPP), which settings are entitled to receive for each 3- or 4-year-old child who would be eligible for FSM, is also not broken down by setting type – and is in any case an unreliable proxy for disadvantage, as many settings and parents are insufficiently incentivised to claim the EYPP.

<sup>17</sup> [“Education provision: children under 5 years of age, January 2017”, Department for Education, 2017](#)

<sup>18</sup> [“Education provision: children under 5 years of age, January 2018”, Department for Education, 2018](#)

<sup>19</sup> [“The Report Of Her Majesty’s Chief Inspector Of Education, Children’s Services and Skills 2012/13”, Ofsted](#). Other research includes *Quality and Inequality: Do three- and four-year-olds in deprived areas experience lower quality early years provision?* Nuffield Foundation (2014); Government plans will reallocate nursery funding from poorer to richer children – and no one seems to notice. Kitty Stewart and Ludovica Gambaro, The London School of Economics and Political Science

<sup>20</sup> Estimate based on 8,760 funded places across 80 maintained nursery schools in London; [“Education provision: children under 5 years of age, January 2018”, Department for Education, 2018](#)

<sup>21</sup> [“Item 8 - Children’s Services financial pressures \(L10/17\)”, London Councils, 2017](#)

<sup>22</sup> [“Unlocking Talent, Fulfilling Potential”, Department for Education](#)

<sup>23</sup> [“Education Secretary Sets Vision For Boosting Social Mobility”, Department for Education, 2018](#)

<sup>24</sup> [“Unlocking Talent, Fulfilling Potential”, Department for Education](#)

<sup>25</sup> [“Head of Early Years Survey: Findings”, London Councils](#)

# 6. Appendix 1 – Methodology

## Size and characteristics of the sample

This research was conducted on a qualitative basis. The data is based on responses from face-to-face interviews undertaken by London Councils with maintained nursery schools leaders. In total, nine interviews were undertaken with leaders from maintained nursery schools, covering 19 schools in total. This discrepancy can be explained by the fact that several interviews were carried out with headteachers from more than one school simultaneously; and that some interviewees were executive headteachers with responsibility for more than one nursery school.

Of the 33 local authorities in London, 24 have at least one maintained nursery school; therefore, interviews took place across eight boroughs to ensure that a third of the authorities with these settings were represented in the research. Five of these eight local authorities are located in Inner London (Hackney, Islington, Tower Hamlets, Westminster and Lambeth); three local authorities are located in Outer London (Barnet, Sutton and Kingston upon Thames).

Interviews were undertaken with a combination of headteachers, deputy headteachers, governors and other staff at maintained nursery schools. The relevant headteacher was present at every interview. All interviews were undertaken at one of the schools, and lasted approximately two hours.

The majority of these headteachers were recruited via the Head of Early Years in the relevant local authority. One headteacher was interviewed on recommendation from a headteacher in a different borough.

## Scope and structure of the interviews

The research followed on from quantitative research undertaken by London Councils in the form of a survey.<sup>25</sup> These findings shaped the remit of this research. Interviews delved deeper into the areas in which maintained nursery schools were identified as adding additional value, according to the survey findings. These were: support for children with SEND; support for disadvantaged children; high quality; and systems leadership. Furthermore, support for families was added to this list. The other area covered in the interviews was the funding situation of maintained nursery schools and

the expected impact that a governmental decision to remove the supplementary funding after 2019/20 would have on individual schools.

The interviews took place between March and May 2018. They were semi-structured, with each interview covering the areas highlighted above. Some core questions were asked to every individual or group: for example, 'What would the impact be in your nursery if the supplementary funding were to disappear after 2019/20?' Questions were posed in an open-ended way which allowed interviewees to decide what to focus on within each section and to speak freely about their work within the parameters of the scope outlined above.

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