
Report to:	Economy Scrutiny Committee – 14 January 2015
Subject:	Early Years New Delivery Model – further information on the potential impact on worklessness associated with the relevant budget savings option
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Summary

This report provides a brief overview of the planned roll out of the Early Years New Delivery Model from April 2015 and a summary of the modelled impact of the Early Years New Delivery Model on worklessness associated with the budget savings option.

The Early Years Offer

1.1 Following statutory consultation in February 2012 the Executive resolved to transform early years services in the City in support of the Community Strategy priorities and in the light of continued evidence of the challenge of ensuring that children in Manchester achieve a good level of development by the age of 5 and therefore, in the longer term achieve a higher skill level and sustainable employment.

Early Years services are central to reducing low skills and worklessness for parents in support of the wider priority of the Council and support the Community Strategy priority for growth alongside Public Service Reform to reduce dependency. The transformation of Early Years was agreed to include withdrawal from being a direct provider of universal daycare to enable resources to be focused on commissioning a targeted family offer for those most in need, including adopting a model of assertive outreach to support parental and family engagement in universal and targeted services.

- 1.2 In this context a three part Early Years Offer for the City has been developed:
- (i) an Early Years New Delivery Model (see below) working in an integrated way with health partners;
 - (ii) access to good quality, accessible and affordable childcare and early learning places across the City; and
 - (iii) ensuring families are connected to an integrated and targeted family offer delivered by Sure Start Children's centres through the revised Sure Start Core purpose

The Early Years New Delivery Model

2.1 The Early Years New Delivery Model (EYNDM) is an integrated pathway for all children from pre-birth to 5 years of age in partnership with health care and early years professionals. The model supports the delivery of the Sure Start Core Purpose which has at its heart improving outcomes for young children

and their families and reducing inequalities in: child development and school readiness; parenting aspirations and parenting skills; and child and family health and life chances, and incorporates the new model for Health Visiting in accordance with the national 'Call to Action'.

- 2.2 Key components of the model include:
- an 8 stage assessment model covering the period from before birth to the age of
 - targeted early years assertive outreach to children and families identified through the assessments as requiring interventions to achieve age-appropriate child development and school readiness and/or a secure pathway into work for the parents and carers to reduce long term dependency
 - evidence based interventions for targeted, including Parenting Programmes - 'Incredible Years'; Speech and Language Therapy - 'It Takes Two to Talk' and Family Nurse Partnership.
- 2.3 Progress has been made in Manchester in the early implementation of the model in three areas of the City. Data is continuing to be collected and analysed to support the development of the evidence base and to gather information on the activity and impact of interventions being used.
- 2.4 The phased roll out of the EYNM will mean that, from April 2015, staffing within the Council and partners will be in place, all the assessment points will be in full use or being trialled, and evidence based interventions at the available level to meet need for all those born thereafter.

Sure Start Children's Centres

- 3.1 The 38 Sure Start Children's Centres have been grouped into 14 localities as agreed by the Council's Executive in July 2014. The Sure Start Centre groupings have been devised to ensure accessibility, availability and convenience for those accessing services. The management and organisation of 8 of the 14 groups has been retained by MCC whilst that of the remaining 6 groups is being commissioned from local not-for-profit and voluntary sector groups with a track record of success in working in Early Years in the City.
- 3.2 Access to high quality and affordable childcare is central to the ability of parents to sustain training and employment, and remains at the heart of the Council's Early Years strategy. It is an ongoing priority to match capacity in the childcare system with demand, through the Council's role in developing the market and supporting high quality provision.

The impact of the EYNM on employment, and the potential impact associated with budget savings options.

- 4.1 The financial modelling for the EYNM (undertaken in partnership across GM) identified substantial long term fiscal benefits for public expenditure from the model. The significant majority of the savings identified occur over a long period of time – reflecting that they are made once the children involved become adults. Approximately two-thirds of the more modest savings after 5

years fall to DWP or HMRC through reduced payments associated with out of work benefits and increased tax earned, reflecting the impact on employment of parents involved. After 25 years, over half of all the benefits still fall to DWP, relating to savings in out of work benefits for the children themselves, who by that stage will have entered the labour market.

- 4.2 It is important to note that the financial modelling recognises that it is the longer term impact of the full suite of interventions used according to need identified that has the modelled impact on children in the longer term as they themselves enter the labour market. The financial modelling suggests that, for every £1m reduction in spend on targeted interventions, over £3m of employment related savings would be lost at the end of the 25 year modelling period. In the shorter term, where the benefits relate to the parents of the children involved, the impact is less marked: the employment-related savings are similar to the sum invested, although the model does demonstrate the added long term value of these interventions across a range of public sector expenses.
- 4.3 The universal and targeted interventions within the EYNM are predominantly focussed on parenting and child development. These support parental confidence and engagement in family learning, skills development and, in due course, access to employment. More specifically, assertive outreach to connect parents to the Sure Start Core Purpose includes access to advice, guidance and training opportunities in support of skills development and sustained employment.
- 4.4 Data shows that up to 90% families supported to access advice and guidance across a range of areas, including for example dental health and smoking cessation, report behaviour change as a result of sessions attended and guidance provided. Work is underway to measure the impact of targeted access to the range of universal services including the healthy child drop-in and midwifery clinics
- 4.5 Local data from the early implementation sites is beginning to show some impact in engaging parents in education and skill development leading to volunteering opportunities and enrolment in training courses that then lead to employment. Learning programmes with key providers (including MAES) have been reviewed and co-designed to sustain learner engagement in order to secure attendance and to promote progression. Of learner who have engaged in this extended programme, 33% have progressed to Skills for Life and/or vocational programmes with MAES.
- 4.6 Individual examples include a mother referred by a health visitor through the MCAF process and supported to attend English as an Additional Language (EAL) taster classes who went on to complete an EAL Level Two course and subsequently successfully completed GCSE English and Mathematics. This learner is beginning a Teaching Assistant course in March 2015. This involvement has been sustained with support from outreach workers and Manchester Adult Education Services.

- 4.7 It is difficult to make an accurate assessment of the potential impact on employment and skills development of the budget savings options for the Early Years New Delivery Model. The options considered at the December scrutiny meetings focussed on a reduction in the targeted interventions described above. The impact of these interventions on employment is, as shown in the modelling, predominantly in the long term and relates to the future employment of the children themselves. Access to Sure Start Core Purpose and associated skills and employment development activities are not directly affected by the savings option, and therefore the impact in the shorter term on the employment and skills development of parents is likely to be small.

Conclusion

- 5.1 The report has highlighted the link between the EYNDM and wider Early Years strategy and the current and future training and employment activities of parents and children.