

Early Childhood Inequalities

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CENTRE FOR
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STUDIES



Inequality

The IFS Deaton Review

This presentation



1. How have early childhood inequalities evolved over the past 20 years?
2. What role has policy played in shaping early inequalities during this period?
3. Where do we go from here to reduce early childhood inequalities?

How have early inequalities evolved over the past 20 years?

Trends in early childhood inequalities

A difficult question to answer....



Scarce data on (very) early development of children over time

- Administrative data: Early Years Foundation Stage Profile (age 5)
- Longitudinal surveys: cohort born in 2000-02 (Millennium Cohort Study) and cohort born in 2010-12 (Study of Early Education and Development), restricted to England only

Change in measurements over time

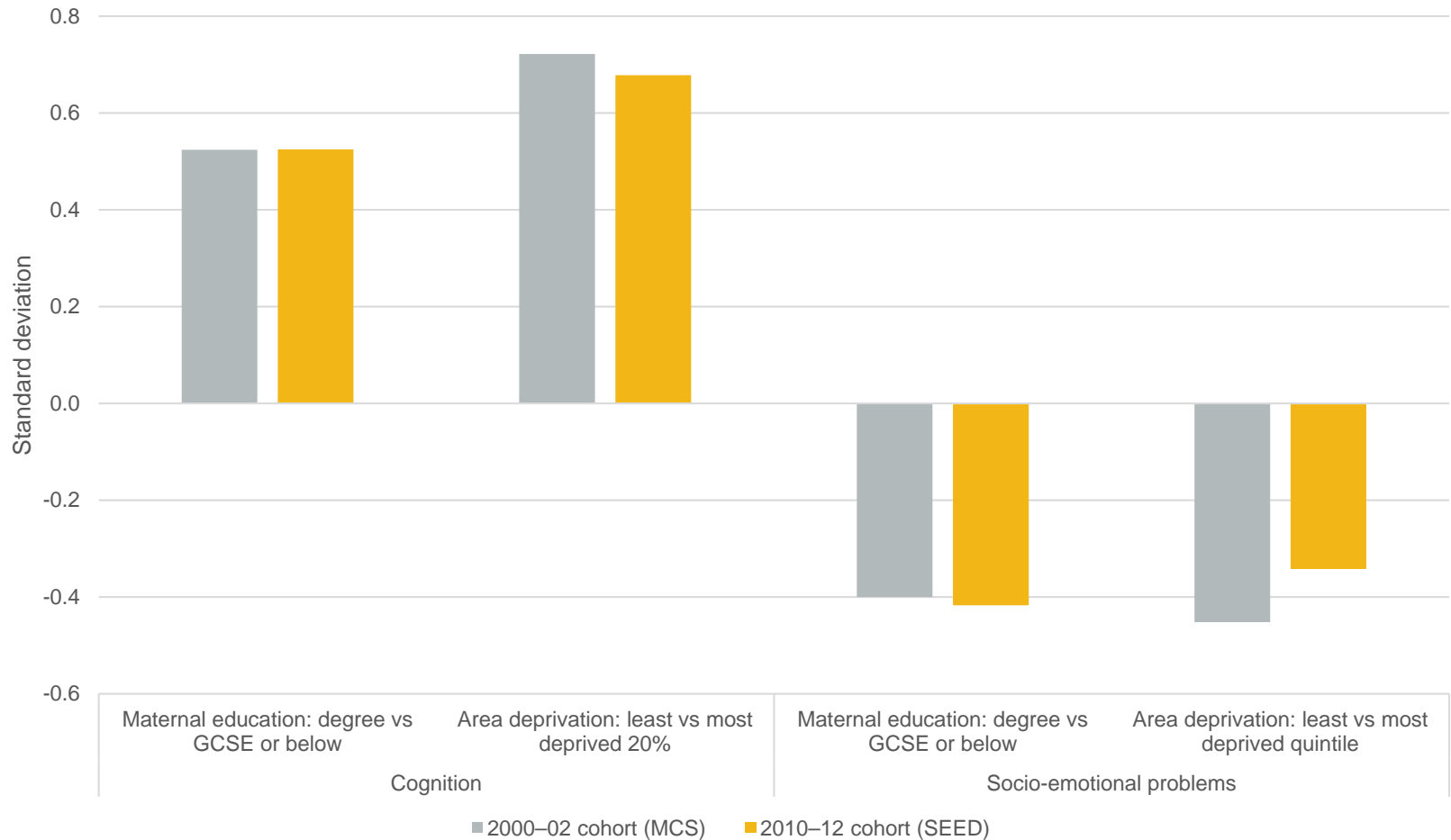
- Early Years Foundation Stage Profile framework changed in 2012-13

We focus on comparison of MCS and SEED cohorts and pick insights from other data

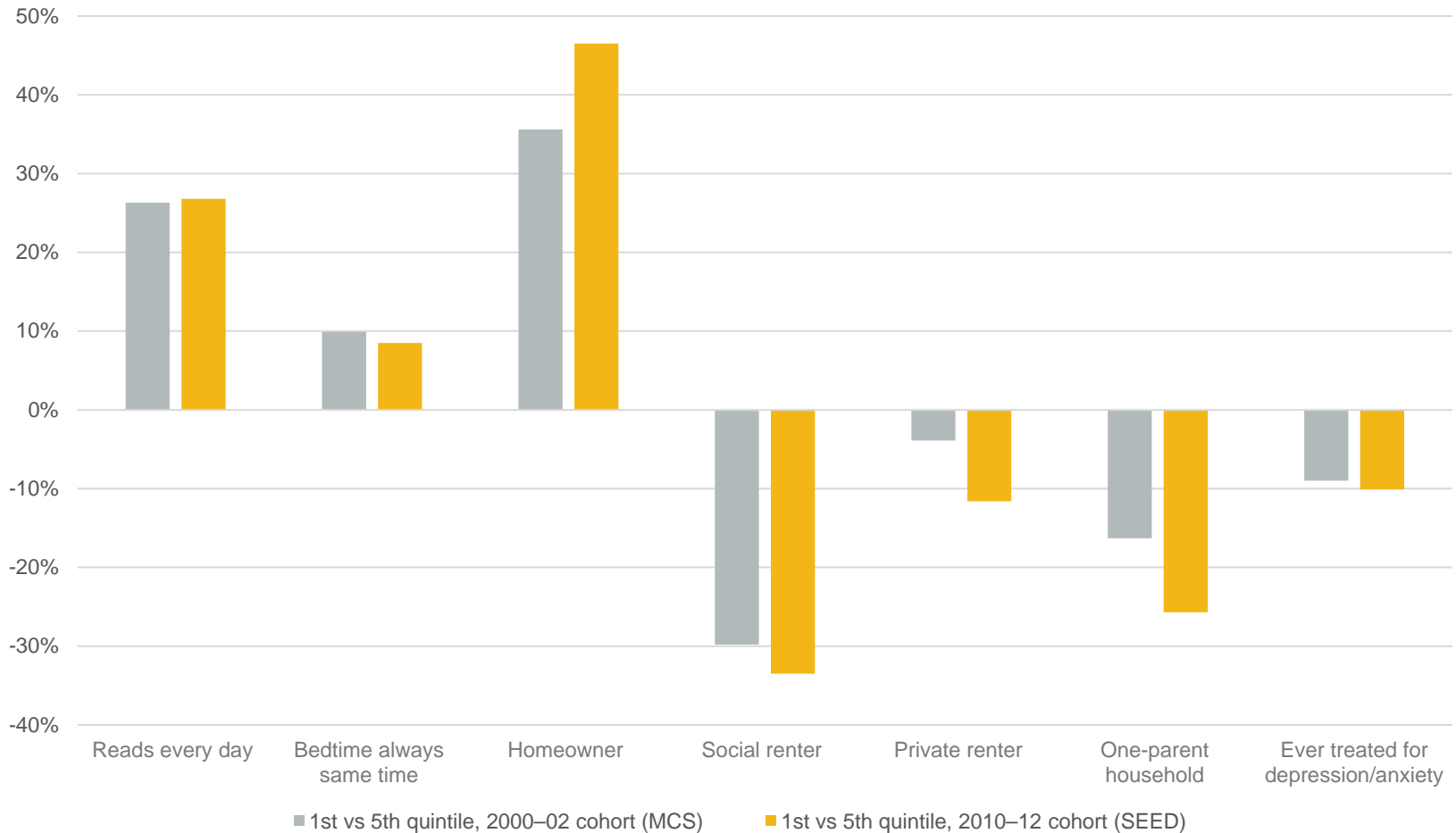
- Family income is not available in SEED so we focus on gaps measured by maternal education and area deprivation

Stubborn inequalities in early childhood development

Comparison of socio-economic gaps in cognitive and social and emotional development between cohorts born in 2000-02 (MCS) and 2010-12 (SEED)

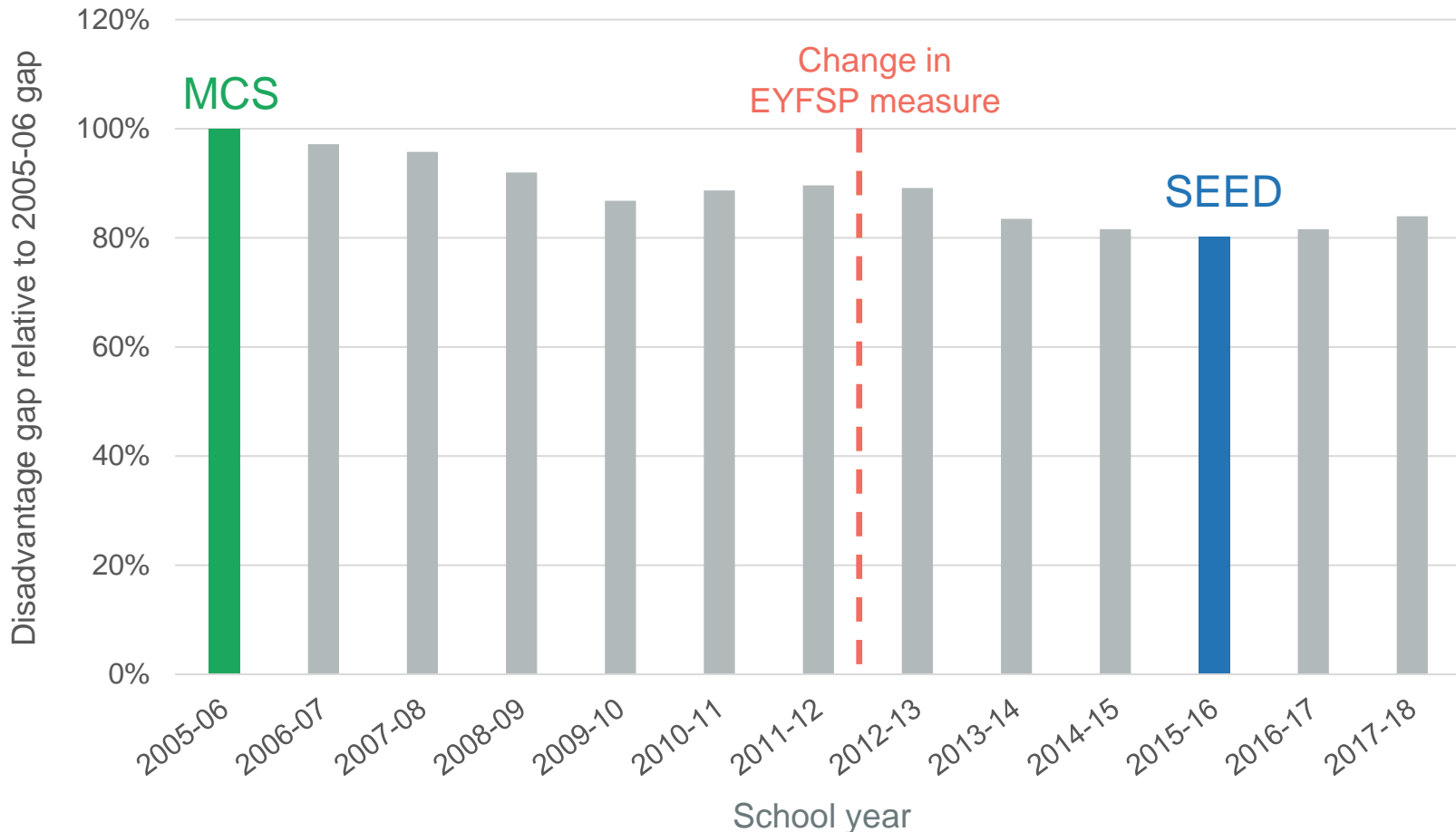


Inequalities in some aspects of the material and emotional learning environment of children have grown



What has happened in between these two birth cohorts?

Disadvantage gap in Early Years Foundation Stage Profile, relative to 2005-06



What role has policy played in shaping early inequalities ?

Trends in public spending on early childhood

After rising in the Labour era, public spending on early childhood has fallen steadily since 2011-12

- Reader and Stewart (2021) estimate a 13 % fall b/w 2011-12 and 2018-19

There has been a shift in the composition of spending

- Away from cash benefits towards spending on services
- Away from low-income families towards working families

Largest drivers of these shifts

1. Change in free entitlement to childcare policy
2. Decline in Sure Start spending
3. Cut to some child-contigent benefits

Free entitlement to childcare

In 2018-19, £3.8bn spending on free entitlement

The only policy that has seen large spending increase since 2010

- Entitlement to 15 hours free childcare for all 3 and 4 year-olds since early 2000s, extended to 30 hours for children of working families in 2017
- Entitlement to 15 hours free childcare for 20% (40%) disadvantaged 2 year-olds since 2013 (2014)

Expected impact on inequalities

- Some evidence that 15 hours free childcare had positive impacts on EYFSP, especially disadvantaged children, but impacts faded after age 5
- Weak evidence that the 2 year old entitlement has increased take up of ECEC at 2 and hence positively affected outcomes
- No evidence about the extension to 30 hours yet, but the policy excludes poorest households because of conditionality

Integrated support to under 5s and their families through `one-stop` shops

- Parenting support, health services, (high-quality) early education and care

Significant investments followed by dis-investment since 2010

- Funding cuts by 60% since 2010

Expected impact on inequalities

- Robust evidence of impacts on children's health and parenting practices, concentrated among low-income children
- Retrenchment will have stopped this progress
- Unclear whether Family Hubs are equipped to have the same impact

Cash benefits for families with young children

Spending on cash benefits for families with children doubled during the Labour era but cut by 18% between 2011-12 and 2018-19

- Baby Tax Credit and Health in Pregnancy Grant abolished
- Loss of the family element in Child Tax Credit
- Sure Start Maternity Grant restricted to 1st child
- Two-child limit for tax credits and Universal Credit



Disproportionate impact on large families

Expected impact on inequalities

- Benefit cuts disproportionately affect low-income families, likely to have increased child poverty and inequalities in early child development

Where do we go from here?

Key takeaways from the chapter



The IFS Deaton Review

Importance of development in the first 3 years of life (1000 days) and existence of inequalities already by age 3

→ policy has focused on 2+ (especially 3+)

Enriching home environments early on can have a dual dividend by boosting early skill and creating sustained improvements in home environment through childhood

→ policy has focused on enriching the environment outside the home

Many aspects of children's environments matter for their cognitive, social and emotional development and are affected by poverty

→ policy has cut integrated family programme and benefits to help support families' specific and multiple needs

Priorities to reduce early childhood inequalities



Reduce inequalities in important drivers of healthy development, most likely through a set of policies to reduce poverty and support families

- Parenting support from birth
- Strong mental health care, with a stronger focus on detection and treatment among mothers in the period of infancy
- Stable and high-quality housing

Redress regressivity of current childcare system by ensuring that any further investment focuses on increasing childcare take-up by and/or quality available to disadvantaged children

Thank you!