



Department
for Education

Provision for children under five years of age in England: January 2019

Technical document

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1. Background

1.1 Overview of the data collection

The data sources for this publication are the Early Years Census, the School Census and the School Level Annual School Census. All schools, and all private, voluntary, and independent (PVI) providers receiving government funding, are required to make a return. PVI providers make a return via the Early Years Census, schools via the School Census and general hospital schools via the School Level Annual School Census. These are statutory collections, which helps ensure complete and accurate information is returned.

1.2 Entitlement to funded early education places

All 4-year-olds have been entitled to a funded early education place since 1998 and in 2004 this was extended to all 3-year-olds. Since September 2010, all 3- and 4-year-olds have been entitled to 570 hours a year of funded early education over no fewer than 38 weeks of the year (which equates to 15 hours a week for 38 weeks of the year). This is known as the universal entitlement and is referred to as the funded early education entitlement.

From September 2013, the entitlement to 15 hours of funded early education per week for 38 weeks of the year was extended to 2-year-olds from families in receipt of specified benefits and 2-year-olds who were looked after by the local authority. The entitlement for 2-year-olds was further extended in September 2014 to children in low income families, children with a statement of Special Educational Needs (SEN) or an Education, Health and Care Plan, children in receipt of Disability Living Allowance and children who are no longer looked after by a local authority as a result of an adoption order, a special guardianship order or a child arrangements order which specifies with whom the child is to live. In April 2018 the eligibility criteria for 2-year-olds to benefit from a funded early education place were changed to reflect the introduction of Universal Credit.

The detailed eligibility criteria for the funded early education entitlement for 2-year-olds are set out in regulations - [The Local Authority \(Duty to Secure Early Years Provision Free of Charge\) Regulations 2014](#) and [The Local Authority \(Duty to Secure Early Years Provision Free of Charge\) Amendment Regulations 2018](#).

In September 2017 the government doubled the entitlement to funded early education for 3- and 4-year-olds in working families who meet the eligibility criteria to 30 hours a week for 38 weeks of the year. This is referred to as the extended funded early education entitlement.

Eligibility for 30 hours is checked by Her Majesty's Revenue and Customs (HMRC). Parents must apply for 30 hours through the digital Childcare Service, or in some circumstances, through the childcare service Customer Interaction Centre.

30 hours are available to families where both parents are working (or the sole parent is working in a lone parent family) and each parent earns a weekly minimum equivalent to 16 hours at the national minimum wage or living wage and less than £100,000 per year. This also includes self-employed parents.

Parents who successfully apply for 30 hours are given an 'eligibility code' for their child. They are prompted to take this code (along with their National Insurance number and child's date of birth) to their childcare provider to claim their 30 hours place.

The detailed eligibility criteria for 30 hours are set out in regulations - [The Childcare \(Early Years Provision Free of Charge\) \(Extended Entitlement\) Regulations 2016](#) and [The Childcare \(Early Years Provision Free of Charge\) \(Extended Entitlement\) Amendment Regulations 2017](#).

More information about funded early education places is included in the [statutory guidance for local authorities](#).

1.3 National Statistics

The United Kingdom Statistics Authority designated these statistics as National Statistics in [July 2012](#), in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Statistics.

Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics it is a statutory requirement that the Code of Practice shall continue to be observed.

Since 2012, these statistics have been improved, in line with policy development, to ensure they remain relevant and best meet the needs of users of the statistics. The main changes are outlined below:

- Adding data in the 2014 release, when the entitlement to 15 hours of funded early education per week for 38 weeks of the year was extended to 2-year-olds from

families in receipt of specified benefits, from September 2013. The entitlement criteria was extended in September 2014 and revised in April 2018 to reflect the introduction of Universal Credit. The statistics have adapted to incorporate these changes, including presenting figures on 'basis for funding' to help users understand the changes.

- Adding data in the 2016 release, following the introduction of early years pupil premium (EYPP) in April 2015, for disadvantaged 3-and 4-year-olds. The eligibility criteria for EYPP changed in April 2018 and the statistics have incorporated, and helped users understand, these changes.
- Adding data in the 2018 release, when the government doubled the entitlement to funded early education for 3-and 4-year-olds in working families who meet the eligibility criteria to 30 hours a week for 38 weeks of the year, from September 2017. This is referred to as the extended funded early education entitlement.

The Department has a set of [statistical policies](#) in line with the Code of Practice for Statistics.

2. Methodology

Data is loaded into the Department for Education’s (DfE’s) bespoke data collection system COLLECT (Collections On-Line for Learning, Education, Children and Teachers).

2.1 Data cleaning

COLLECT has built-in validation rules which flag up data which is potentially in error. This allows local authorities to identify errors and clean the data before they submit it to DfE. Validation rules can either be errors (data is invalid) or queries (data quality is questionable but could be accurate in certain circumstances).

Local authorities are encouraged to clean all errors and double-check data where queries are flagged. Notes can be added to their return if there is a genuine reason for “unusual” data.

Guidance notes and specifications (including validation rules) for the Early Years Census can be found [here](#) and the School Census [here](#).

2.2 Production of this statistics publication

The National Statistics Code of Practice requires we take reasonable steps to ensure that our published or disseminated statistics protect confidentiality.

Where it is applicable to apply suppression, we suppress cell counts and totals below 6 and sometimes use secondary suppression and rounding of regional totals to preserve confidentiality. Because of rounding, totals in text and in tables may not always equal the sum of their component parts. Similarly, differences quoted in text may not always be the same as differences shown in tables. This suppression is consistent with the [Departmental statistical policy](#).

Where it is decided disclosure control is necessary to protect confidentiality, symbols are used in the tables as follows:

- c below 6
- 0 the original figure submitted was zero
- .
- .. data not available
- represents less than 0.5%

2.3 Calculated data items

The statistics publication contains tables which cover:

2.3.1 Numbers of children benefiting from funded early education

This is a count of children in receipt of funded early education. Where children received funded early education at more than one private, voluntary or independent (PVI) provider (of funded early education), they have been counted only once. The PVI provider where the child took the majority of their funded hours is the provider reported in the figures. A child splitting their funded hours between a maintained school and a PVI provider may be counted more than once. This does not impact on the national take up rate.

For PVI providers, counts are taken from the Early Years Census data. Counts for other providers are taken from the School Census and School Level Annual School Census data.

2.3.2 Funded hours taken

This is the percentage of children broken down by number of funded hours taken¹, where the funded hours have been grouped together into bands. Children at general hospital schools have been excluded from these figures as their data is collected through the aggregate School Level Annual School Census and individual funded hours are not reported. The percentages in each provider group sum to 100%, although this can vary due to rounding of percentages to 1 decimal place.

2.3.3 Number of children benefiting by provider type

This is a count of providers by type of provider, and also the number of children benefiting from some funded early education at those providers. Special schools include maintained and non-maintained special schools and general hospital schools.

The number of children benefiting from some funded early education is calculated as the head count of children in receipt of some funded early education. Where they are receiving funded early education at more than one PVI provider, they have only been counted once at the provider where they take the majority of their funded hours. In the

¹ For those local authorities who provide funded early education places flexibly over more than the standard 38 weeks, the funded hours during census week may not accurately reflect the full extent of the take-up of the funded early education place, e.g. a child funded for 10 hours during census week may in fact be taking up the fully funded place over more than 38 weeks.

2019 Early Years Census there were 11,572 children who split their funded entitlement across more than one PVI provider and 8,303 who split their extended entitlement across more than one PVI provider.

2.3.4 Number of providers

When a child splits their entitlement over more than one provider, the provider where they spend the majority of their time is counted. As childminders often provide wrap-around care, the count of childminders is adversely affected by this methodology. For the 2-year-old entitlement and funded early education entitlement, 96% of the providers removed are childminders. For the extended entitlement, 81% of the providers removed are childminders.

2.3.5 Ofsted Inspection ratings

To report against Ofsted inspection ratings, we match the Early Years Census data and the School Census data to Ofsted inspection ratings.

Ofsted provided us with the latest outcomes of early years inspections up to 31 December 2018. Common variables between the Early Years Census and Ofsted's outcomes of early years inspections dataset are: LA identifier, provider name, and Ofsted unique reference number (URN). There are inconsistencies between data on provider name on the Early Years Census and Ofsted's outcomes dataset, which made it difficult to use this variable for matching purposes. Matching was carried out using LA number and Ofsted EY URN only.

Where a match could not be found between the Early Years Census and Ofsted's outcomes of early years inspections dataset, the relevant cases were then matched to the outcomes of school inspections dataset, again using the Ofsted URN. The outcomes of school inspections dataset was used because some EY providers return a school's URN rather than an EY URN because the early education is run under the auspices of the governing body of the school and therefore fall under the school's registration. In such cases, we used the Early Years Foundation Stage inspection rating. If no Early Years Foundation Stage inspection rating was reported then we used the school's overall effectiveness rating.

Independent schools are inspected by either Ofsted, the Independent Schools Inspectorate or the School Inspection Service; therefore some of these providers were listed under the 'No match to Ofsted' category. Where the school was inspected by Ofsted and a match was found, we used the relevant inspection rating for these schools.

For maintained nursery, primary, secondary and special schools, School Census data was matched to Ofsted school inspection data using a combination of the LA number and

the establishment number. Independent schools were excluded as these were already included in the Early Years Census return. Academy converters which were yet to be inspected under their new status were included under the 'No match to Ofsted' category. The school changes its URN when it becomes an academy.

Inspections ratings from private, voluntary and independent providers were combined with those from maintained nursery, primary, secondary and special schools to produce the tables.

The percentages are based upon the total number of 2-, or 3- and 4-year-olds receiving funded early education at providers rated outstanding, good, satisfactory/requires improvement, or inadequate, as a percentage of children at providers where we have found a match and an inspection rating (and therefore excluding children at providers where we do not have an inspection rating).

2.3.6 2-year-old eligible population estimates

DfE receives list of families with 2-year-olds who meet eligibility criteria of the 2-year-old entitlement, in order to support targeting of eligible families. The lists are provided by DWP, based on matching of benefit claim data held by DWP with child benefit records held by HMRC or derived from the Universal Credit Full Service claim process. Lists are provided to DfE at 7 points throughout the year and cover those eligible in the following 3 terms.

For this publication, the list provided in November 2018 is used to provide the eligible population for January 2019. This list contains children in families who meet the eligibility criteria in November and will be of eligible age in the term starting in the following January. The population of those not on the list is not estimated.

The families on the list are potentially eligible for the entitlement through the following:

- Income Support;
- Income Based Jobseeker's Allowance;
- Income Related Employment and Support Allowance;
- The guaranteed element of State Pension Credit;
- Child Tax Credit and/or Working Tax Credit and have an annual income no more than £16,190 as assessed by Her Majesty's Revenue and Customs;
- the Working Tax Credit four-week run-on (the payment someone receives for a further four weeks after they stop qualifying for Working Tax Credit); or,
- The child attracts the Disability Living Allowance.

- Universal Credit (Full Service only) – for places starting in the summer term of 2018 (on or after 1st April 2018), or any subsequent term, a parent will appear if they are entitled to Universal Credit and have an annual net earned income equivalent to and not exceeding £15,400, assessed on up to three of the parent's most recent Universal Credit assessment periods.

The list does not include anyone eligible through the following criteria:

- Supported under Part 6 of the Immigration and Asylum Act 1999;
- Looked after by the local authority;
- Have left the care of the local authority;
- Have a statement of Special Educational Need or an Education, Health and Care Plan
- Entitled to Universal Credit (Live Service)

There was a change in how the lists were produced in April 2018 (for the term starting September 2018). Before April 2018, children in families receiving the Universal Credit Full Service were not included on the lists. From April 2018, children in families receiving the Universal Credit Full Service² are included on the lists, therefore are included in the eligible population for this publication for the first time. This has resulted in the addition of 32,900 eligible children nationally to the November 2018 list, used to estimate the eligible population for January 2019.

The 2-year-old take-up rate using the number of children benefiting in January 2019 as a proportion of the eligible population used in the 2018 statistical release (which excluded Universal Credit Full Service claimants) is 69%. This suggests the main driver for the drop in the take-up rate is the decrease in the number of children benefiting, rather than the addition of Universal Credit Full Service claimants.

2.3.7 2-year-old basis for funding

Local authorities reported the reason for funding under four categories, three of which were statutory criteria in the 2016 census: 'economic', 'high level special educational needs or disability' and 'looked after or adopted from care'. Children who met any or all of these three criteria have been included in the figures, therefore a child may be counted in more than one category. The fourth category reported, 'Other', was not a valid category

² Please note those on the Universal Credit Live Service are not included. The number of parents on Live Service is relatively small and migration to Full Service is underway.

in 2016 and any children who have been reported solely as 'Other', have not been included in the figures. In 2017, the 'Other' category was removed as a reporting option.

2.3.8 Early years pupil premium

Early years pupil premium (EYPP) was introduced for disadvantaged 3- and 4-year-olds in April 2015. Children will be eligible for EYPP if they are receiving the funded early education entitlement and meet the eligibility criteria of their family being in receipt of specified benefits or the child is looked after by a local authority or no longer looked after by the local authority as a result of an adoption order, special guardianship order or a child arrangement order which specifies with whom the child should live. In April 2018 eligibility for EYPP changed as a result of the introduction of Universal Credit. More details on the eligibility criteria can be found in the [Early years entitlements: local authority funding of providers – Operational guide 2018-2019](#).

2.3.9 Staff qualifications

Local authorities returned the total number of staff (qualified and unqualified) who work with children under 5 at PVI providers with at least one child receiving funded early education at the time of the census. They also returned the number of staff with the following qualifications, recording the highest qualification held by each member of staff:

- full and relevant early years Level 2 qualification
- full and relevant early years Level 3 qualification and not in a managerial role
- full and relevant early years Level 3 qualification and in a managerial role
- early years professional status (EYPS)
- early years teacher status (EYTS)
- qualified teacher status (QTS)

The number of staff with each of the qualifications is reported in the statistics publication along with the number of providers and children benefiting at providers with staff with graduate statuses (EYPS, EYTS and QTS).

2.3.9.1 Ethnicity

Ethnicity was collected on a mandatory basis for the first time in 2017 for all children in PVI settings and under 5s in schools. Prior to 2017 it was collected on a voluntary basis for all children in Early Years Census and for under 5s in School Census. It records the ethnicity as stated by the parent / guardian and / or child (in the case of a child without a parent / guardian). Ethnicity is a personal awareness of a common cultural identity and

relates to how a person feels and not how they are perceived by others. It is a subjective decision as to which category a person places themselves in and does not infer any other characteristics such as religion or country of origin.

The establishment must not ascribe any ethnicity to the child. The information must come from the parent / guardian. Where the ethnicity had not yet been collected, 'NOBT' (information not yet obtained) was recorded. If a parent refused to provide ethnicity, 'REFU' (refused) was recorded. These categories combined are shown as 'unclassified' within the underlying data tables.

3. Notes on specific data quality issues

3.1 Coverage of the statistics

Only those providers with children receiving some funded early education are required to make an Early Years Census return. For example, a provider with no funded 2-, 3- or 4-year olds would not appear in the Early Years Census. For this reason, this publication does not provide a count of all children aged 2, 3 or 4 in private, voluntary, and independent providers. There is no data source that would provide this information.

3.2 ONS population estimates

The population estimates are derived from mid-year estimates and projections produced by the Office for National Statistics (ONS). Mid-year figures are pro-rated evenly by single year of age and the total adjusted to match the total population for that age from the appropriate DfE pupil projections.

These estimates only include long-term migrants. That is, a person who changes their permanent residence for more than a year. The Early Years and School Census includes all children, even if they are defined as being short-term migrants. Therefore take-up percentages could be overestimated as a result.

Population estimates at lower geographic levels, such as local authority, are subject to a greater degree of error. In some cases, local authority take-up rates can exceed 100%. Therefore, take-up rates at local authority level should be treated with more caution than national take-up rates. The sources used in the calculation of take-up rates for 3- and 4-year-olds are consistent over time, allowing users to see any change in local authority level take-up rates over time. The 2019 publication includes revised population estimates so take-up rates for previous years may differ from past publications.

3.3 Proportion of 2-year-olds in the maintained sector

The proportion of 2-year-olds in maintained settings increased from 9% in 2016 to 14% in 2019. Two factors are likely to have contributed to this increase:

- On 26 May 2015 the Small Business, Enterprise and Employment Act came into force. The Act removed the need for schools to register early years provision for 2-year-olds separately with Ofsted, where that provision is run by the school and directly managed by the governing body. Therefore, from 26 May 2015, schools that already directly provided childcare for children aged 2 and over would not need to register separately with Ofsted, but register these children attending the

early years provision on the school roll. These children would be returned to the Department via the School Census, whereas previously they would have been returned on the Early Years Census.

- In our Early Years Census guide to local authorities we provided clearer guidance as whether children should be returned on the Early Years Census or the School Census.

3.4 Estimate of those eligible for extended entitlement

The estimate of 410,000 children eligible for the extended entitlement used data from the Family Resources Survey (FRS), Survey of Personal Incomes (SPI), the schools census, the early years census, and Office for National Statistics (ONS) population projections.

First, the schools and early years census data is used to identify the proportion of four-year-olds attending reception classes. Additional hours funding stops when children start in reception class (or reach compulsory school age, if later), so these figures are subtracted from the population projections.

FRS data is then used to identify a national estimate of the proportion of three- and four-year-olds with parents meeting the lower earnings eligibility criteria of 16 times the national minimum wage or national living wage per week. The SPI is then used to estimate the proportion of these pupils whose parents earn above £100,000 per year. This is then subtracted from the total national proportion. The result is then applied to the ONS population projections (having removed children who attend reception classes as described above), to give the number of eligible children nationally.

Local authority level estimates, based on sub dividing the national estimate have higher levels of statistical uncertainty and are not included in this publication.

3.5 Data cleaning exercise of provider types in 2019

Since 2014 the number of providers coded as 'other' on the Early Years Census has continued to increase. During the 2019 data collection period, DfE undertook a data cleaning exercise to improve data quality by working with local authorities to re-code providers to the correct provider type. Many of these cases were childminders being coded as 'other', re-coded correctly as 'childminder'. This data cleaning exercise will at least partly account for the decrease in the number of 'other' providers and the increase in the number of childminders. Caution should therefore be taken when comparing changes in provider types between 2019 and earlier years.

4. Users and Usage

4.1 Department for Education and Central Government

DfE and other UK government users use this statistics publication for:

Funding	The data is a crucial evidence base for many funding calculations including the Dedicated Schools Grant.
Producing cost estimates	It is also used to estimate the costs of new policies, for example, the early years pupil premium and the extended entitlement.
Policy development	The data is also used to monitor and develop policies and plans, including underpinning projections of future demand for places.
Parents and local authorities	Parents may use this information when assessing the quality of provision in their area and it enables local authorities to measure their performance against similar authorities.

4.2 Other Users

We are less familiar with the use of these statistics made by other organisations and external parties. We have carried out external consultation through our Research and Statistics website and through our user group of known contacts to try and ascertain users of these statistics and to try and better understand how the statistics are being used. Based on the responses received we are aware of the following users and uses made of these statistics:

- Students and lecturers in the Early Childhood Studies field to keep abreast of changes and challenges in Early Years policy and practices and to support coursework;
- The Scottish Government to make UK-wide comparisons;
- The London School of Economics for various analyses on the early education sector;
- Department for Work and Pensions for numbers of children in early education; and,
- Local authorities for comparisons against the national trend and also to compare themselves to other authorities for benchmarking purposes.

Previous consultations have been carried out seeking comments on the format and contents of the publication. The general nature of the response was that the statistics were useful in their current format and no strong suggestions were received as to improvements or additions to the statistics.

We will continue to engage with users to ensure that the publication best meets their needs and welcome feedback or suggestions from any new or previously unknown users which we will take on board.

Would you like to feed in your views? If so, please see contact details on the publication page.

5. Related information

5.1 Previously published figures

They are available via statistics publication links [here](#) along with links to children and early years providers survey, childcare and early years survey of parents and 30 hours termly statistics.

5.2 Figures for Wales, Scotland and Northern Ireland

The 'Care and Social Services Inspectorate Wales' published information on numbers of regulated settings and related activity, including children's day care (under 8s provision or early years) as part of their 2017-18 [Annual Report](#).

A Pre-School Education Census is carried out annually to monitor the number of pre-school education providers, the number of children receiving pre-school education and the number of staff/teachers. The latest publication for December 2018 is available here: [Summary statistics for schools in Scotland - No. 9: 2018 Edition](#)

The latest children's social care statistics for 2017/18, including statistics on registered day care provision for children aged under 12, are available here: [Children's social care statistics for Northern Ireland](#)

5.3 Early education statutory guidance for local authorities

The statutory guidance from the Department for Education for English local authorities on their duties under sections 6, 7, 7A, 9A, 12 and 13 of the Childcare Act 2006 and under section 2 of the Childcare Act 2016 is available [here](#).

5.4 Ofsted registered providers and inspection outcomes

Ofsted publish statistics on childcare providers and inspections [here](#).

5.5 Early years census collection guidance

Information for preparing and completing the annual Early Years Census, including the scope of the return, technical specifications and what data needs to be submitted to the Department for Education by local authorities is available [here](#).

5.6 School census collection guidance

Information for preparing and completing the School Census, including the scope of the return, technical specifications and what data needs to be submitted to the Department for Education is available [here](#).



Department
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