

Childcare staff GCSE requirement

Department for Education

RPC rating: validated

Description of proposal

The Department is removing the requirement for level 3 Early Years Educators to hold GCSE English and maths at grade C or above. Instead, staff will need to hold level 2 qualifications.

Evidence suggests that the need for level 3 Early Years Educators to hold GCSE English and maths at grade C or above, which was introduced in September 2014, has impacted on both employers' and training providers' ability to recruit and retain staff.

The previous government introduced the requirement, in September 2014, to strengthen the academic ability of new staff entering the workforce. However, the submission states that the introduction of the requirement was not based on an assessment of the knowledge and skills required to specifically perform a level 3 childcare role. The current focus of government policy is for qualifications and regulatory requirements in the sector to reflect the skills needed to do the job. In addition, it is noted that the restriction on the ability of Early Years businesses to recruit staff poses a risk to the 30-hour childcare entitlement set out in the Childcare Act which is to be delivered from September 2017 and to wider sufficiency of staff in the childcare sector.

Impacts of proposal

The only costs associated with the proposal are one-off familiarisation costs for schools and private, voluntary and independent (PVI) providers of Early Years education.

Familiarisation costs have been calculated only for those schools and PVIs that are privately funded. The Department has provided a breakdown of the assumptions used in estimating the proportion of privately funded Early Years providers and has provided a basis for the wage rates used in calculating the cost of the time spent on familiarisation.

The Department anticipates that familiarisation will take 0.5 hours per organisation. The RPC notes that a basis for this assumption has not been provided. However,

given that this is a straightforward deregulatory change, we are satisfied that 0.5 hours is a reasonable estimate.

In total, one-off familiarisation costs are expected to be £0.15 million.

The key benefits are likely to be an avoided potential shortage of qualified staff in the childcare sector, and reduced recruitment and search costs due to an increase in the availability of level 3 Early Years Educator qualified staff. The Department has not monetised these benefits due to a lack of data on the childcare workforce, labour market vacancies in the sector, and underlying evidence with regard to the labour market behaviour of current and future workers. The Department considers it disproportionate to gather this additional evidence.

The RPC verifies the estimated equivalent annual net direct cost to business (EANDCB) of £0 million. This will be a qualifying regulatory provision that will score under the business impact target.

Quality of submission

The level of detail and information provided in the submission is proportionate for this straightforward deregulatory measure.

The RPC notes that the Department states that “*dividing the one-off costs over the 10-year policy appraisal period, yields an annual direct cost to business of - £0.017m*”. It is unclear what figures the Department has used to calculate this net beneficial final figure given that none of the benefits have been monetised. Given that the impacts of the measure round to zero this is not a major concern; however the RPC would suggest that the submission should make it clear how this final figure was derived.

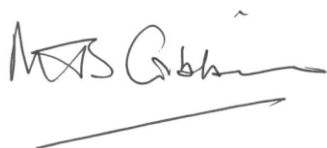
Furthermore, although this an EANDCB validation submission, and an analysis of wider impacts is not necessarily required, it would have been useful if the Department had considered the wider impact of the measure and the extent to which the removal of the GCSE requirement might impact on the quality of Early Years education, given that the requirement was first introduced to strengthen the academic ability of new staff entering the workforce. The consultation evidence presented suggests that consultees were somewhat divided on this issue, with some respondents favouring the acceptance of a ‘functional skills’ qualification as sufficient for level 3 practitioners, but with key exceptions from Local Authorities and ‘nursery classes attached to a primary or infants’ school’ who favoured GCSEs.

Departmental assessment

Classification	Qualifying regulatory provision (IN)
Equivalent annual net cost to business (EANCB)	£0 million
Business net present value	Not provided

RPC assessment

Classification	Qualifying regulatory provision (IN)
EANCB – RPC validated ¹	£0 million
Business Impact Target (BIT) Score ¹	£0 million
Small and micro business assessment	Not required (deregulatory)



Michael Gibbons CBE, Chairman

¹ For reporting purposes, the RPC validates EANCB and BIT score figures to the nearest £100,000.