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Budget representation from 4Children to HM Treasury

Policy Suggestion **Extension of the pupil premium to the early years**

4Children are submitting this representation in support of a proposal which we understand is being discussed within Government, of introducing a new Early Years Premium within the forthcoming Budget 2014.

4Children is the national charity all about children and families. It has spearheaded a joined-up, integrated approach to children's services and work with a wide range of partners around the country to ensure children and families have access to the services and support they need in their communities. It runs Children's Centres as well as family and youth services across Britain. It develops, influences and shapes national policy on all aspects of the lives of children, young people and families.

Speaking at a 4Children event in Parliament in mid-January, the Deputy Prime Minister gave his backing to the notion of a 'nursery premium' as part of a wider commitment to ensure that the most vulnerable children get the support they need.

4Children is convinced that there is potential for the pupil premium to apply to the early years to bring real benefits and increase support to those most in need and, with other children's charities including Barnardo's and Action for Children, has been making the case for such an approach for some time. Taking an 'early years premium' approach would open up opportunities to improve support for children in Children's Centres, childcare and early years more broadly, and to maximise its impact for vulnerable children. The approach could play a powerful role in reducing poverty, preparing children for school and in increasing social mobility.

Evidence demonstrates that early intervention saves money, and that by working with families to stop them falling into crisis, significant savings are made down the line. The Early Intervention Foundation, a charity that advises policy-makers on the implementation of early intervention initiatives, has undertaken research which has highlighted a number of local authority cost-benefit analyses that demonstrate the economic case for early intervention. For example, in Greater Manchester, it is estimated that implementation of a new early years delivery model would cost £38 million per annum, but deliver savings of £215 million over a 25 year period (£145 million at net present value), equating to a benefit-cost ratio of 4:1.4

Indeed, the House of Commons Education Select Committee have also emphasised the economic benefits of early intervention. In the recently published final report of their

“Foundation Years: Sure Start Children’s Centres” inquiry, the Committee stated unequivocally that:

“Research evidence shows clearly that investment in early intervention reaps rewards. It is the most effective way in which the gap between the most disadvantaged children and their peers can be addressed. Reductions in spending on early interventions therefore risks being counter-productive, requiring more money to be spent later on”

I therefore urge you to give full and serious consideration to its inclusion as many within government are also arguing and would be very happy to discuss these proposals, and the benefits that we know these could deliver, in further detail.

Yours sincerely,



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