

<b>Title: Paediatric First Aid (PFA) in early years provision</b>		<b>Impact Assessment (IA)</b>		
<b>IA No: RPC15-DfE-2356(2).</b>		<b>Date: 30/03/16</b>		
		<b>Stage: Final</b>		
<b>Lead dept. or agencies: Department for Education</b>		<b>Source of intervention: Domestic</b>		
		<b>Type of measure: Regulatory</b>		
<b>Other dept. or agencies</b>		<b>Contact for enquiries: Paul Oates, Tel: 0370 000 2288</b>		
<b>Summary: Interventions and Options</b>		<b>RPC Opinion: Fit for purpose</b>		
Cost of preferred (or more likely) Option				
<b>Total Net Present Value</b>	<b>Business Net Present Value</b>	<b>Net Cost to business per year (EANCB on 2014 prices)</b>	<b>In scope of OI30?</b>	<b>Measure qualifies as</b>
-£36,677,780	-£33,856,036	2,152,590	YES	IN

**What is the problem under consideration? Why is government intervention necessary?**

Following a fatal incident in a nursery class, the Coroner for the case wrote to the Secretary of State recommending that all nursery staff have mandatory paediatric first aid training (PFA). The Government wants to take account of the recommendation, which was subsequently the subject of a 103,000 signature petition, parliamentary debate and a national review. The review has shown that parents require additional reassurance that their children are safe through increased PFA provision. The Government believes that it must increase PFA provision to prevent accidents and demonstrate the importance of child safety and PFA without making training mandatory for all childcare staff. This will raise the expertise of the workforce to deal with the health issues that children attending childcare settings may have.

We propose to do this by building relevant first aid training into the ratio/qualification requirements for new entrants to the workforce. This will significantly increase the number of staff trained in PFA without placing a disproportionate cost on business, compared to the cost of mandatory training for all current staff. Government intervention is needed because nurseries won't voluntarily increase the numbers of trained staff unless required to and changes need to be made to the Statutory Framework for the Early Years Foundation Stage.

**What are the policy objectives and the intended effects?.**

To embed paediatric first aid training into the qualification requirements for new entrants to the early years workforce and thereby, over time, significantly increase the number of staff trained in paediatric first aid. This will help to raise the overall skill level of staff in the sector, help nurseries to give more reassurance to parents that staff are well trained and able to help their children where there are routine health issues, when first aid is required or there is a medical emergency. Nurseries will be able to provide a safer environment for children in which there is a raised medical awareness, better accident prevention and improved first aid skills.

Significant numbers of providers already train all of their staff in PFA. Encouraging all childcare providers to also apply for a voluntary quality mark scheme ("Millie's Mark"), will ensure that such providers are recognised for the PFA provision they already have and encourage the rest to raise their standards too.

**What policy options have been considered, including any alternatives to regulations? Please justify preferred option (further details in Evidence Base).**

Option 1 - Make no changes to the existing requirements

Option 2 - Retain existing requirement and in addition introduce a voluntary quality mark scheme aimed at encouraging providers to train all staff in PFA.

Option 3 - Require all staff to have some form of PFA training (this is what the petition called for and could be a full PFA certificate for all or a full PFA certificate for some and emergency first aid training for everyone else)

Option 4 - Retain existing requirements and adopt a quality mark scheme (see option 2), and make it a requirement that newly qualified early years staff (with a level 2 or level 3 childcare qualification) must have a paediatric first aid or emergency paediatric first aid certificate before they can be included in the required adult:child ratios in an early years setting. – **Preferred Option**– this will meet the policy objective and intended effect.

Option 5 - Retain existing requirement and in addition require a greater proportion of staff to have PFA training (this could be a full PFA certificate or some staff members having emergency first aid training).

<b>Will the policy be reviewed?</b>	Yes	If applicable, set review date	31/08/21
Does implementation – go beyond minimum EU requirements?	N/a		
Are any of these organisations in scope? If Micros not exempted set out reason in Evidence Base	Micro YES	<20 YES	Small YES
			Medium YES
			Large NO
What is the CO <sup>2</sup> emissions equivalent change in greenhouse gas emissions?	<b>Traded</b>		<b>Non-traded:</b>
<i>I have read the IA and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.</i>			
Sam Gyimah	Date: 19/02/2016		

Consistent with the new rules regarding the ‘public sector carve-out’ introduced under the Small Business, Enterprise and Employment Act 2015, we now discount the impact on PVI settings in line with the proportion of activity which is relates to the provision of public-services, for the purposes of calculating the EANDCB. This means deflating the EANDCB by 45%, in line with the high proportion of activity which is undertaken providing the Early Years’ free entitlements for 2, 3 and 4 year olds.

<b>Summary: Analysis &amp; Evidence</b>				Policy Option 1	
Description: (status quo) FULL ECONOMIC ASSESSMENT					
<b>Price Base Year:</b> 2015	<b>PV Base Year:</b> 2015	<b>Time Period Years:</b> 10	<b>Net Benefit (Present Value (PV))</b>		
			<b>Low:</b> N/A	<b>High:</b> N/A	<b>Best Estimate:</b> N/A

<b>COSTS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>	0	10	0	0
<b>High</b>	0		0	0
<b>Best Estimate</b>	0		0	0

**Description and scale of key monetised costs by ‘main affected groups’**

None

**Other key non-monetised costs by ‘main affected groups’**

None

<b>BENEFITS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>	0		0	0
<b>High</b>	0		0	0
<b>Best Estimate</b>	0		0	0

**Description and scale of key monetised benefits by ‘main affected groups’**

None

**Other key non-monetised benefits by ‘main affected groups’**

None

**Key assumptions/sensitivities/risks** **Discount rate (%)** \_\_\_\_\_

**BUSINESS ASSESSMENT (Option 1)**

<b>Direct impact on business (Equivalent Annual)</b>			<b>In scope of OI30?</b>	<b>Measure qualifies as</b>
<b>Costs:</b> £0	<b>Benefits:</b> £0	<b>Net:</b> £0	N/A	N/A

<b>Summary: Analysis &amp; Evidence</b>				Policy Option 2	
Description: (voluntary quality mark) FULL ECONOMIC ASSESSMENT					
<b>Price Base Year:</b> 2015	<b>PV Base Year:</b> 2015	<b>Time Period Years:</b> 10	<b>Net Benefit (Present Value (PV))</b>		
			<b>Low:</b> N/A	<b>High:</b> N/A	<b>Best Estimate:</b> N/A

<b>COSTS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>	Not Quantified	10	Not Quantified	Not Quantified
<b>High</b>	Not Quantified		Not Quantified	Not Quantified
<b>Best Estimate</b>	Not Quantified		Not Quantified	Not Quantified

**Description and scale of key monetised costs by 'main affected groups'**

None identified at this stage but we will review once the scheme has been implemented

**Other key non-monetised costs by 'main affected groups'**

Employers: Application fees for Millie's Mark. The scheme will be voluntary and it is not clear how many providers will apply, so we are unable to calculate the monetised cost at this stage.. We expect to have a fuller evidence base once the development of the quality mark is underway (spring 2016) and a contractor to develop and manage the mark is appointed (early 2016). The cost to DfE will be £75k in 2015-16. The cost of the scheme to individual providers is likely to be in the region of £250 per applicant for the mark depending on the type of setting.

<b>BENEFITS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>	Not Quantified		Not Quantified	Not Quantified
<b>High</b>	Not Quantified		Not Quantified	Not Quantified
<b>Best Estimate</b>	Not Quantified		Not Quantified	Not Quantified

**Description and scale of key monetised benefits by 'main affected groups'**

**Other key non-monetised benefits by 'main affected groups'**

The key non-monetised benefits primarily relate to the welfare and safety of young children, which is hard to quantify, but we believe they are likely to be considerable over time. For parents: increased assurance that their children are safe and well looked after in an emergency situation. For employers: Increasing the number of PFA trained staff will raise safety awareness and reduce the likelihood of accidents involving children.

**Key assumptions/sensitivities/risks**

**Discount rate (%)** \_\_\_\_\_ 3.5 \_\_\_\_\_

Our intention is to create an incentive to childcare providers to voluntarily train all their staff in PFA rather

than requiring all of them to be trained through regulation. However, at this stage we do not know how many nurseries currently train all their staff or how many would be encouraged to do this by the creation of the quality mark. We expect that initially the majority of applications for the quality mark will come from nurseries that have **already** trained all their staff. It is anticipated that there will be around 900 applicants during the first year of the scheme and 1000 in the second year. This means there is likely to be a limited impact/benefit in terms of more nursery staff being trained in the short term, therefore the preferred option is to combine this with a regulatory route to guarantee at least 15,000 extra staff trained per year. We will test this and explore the likely take-up with the contractor of the quality mark (once appointed). We will also discuss with them how they will encourage other childcare providers to train all their staff and apply for the quality mark.

As this scheme is voluntary, for the purposes of OI30 the measure Out of Scope.

**BUSINESS ASSESSMENT (Option 2)**

Direct impact on business (Equivalent Annual)			In scope of OI30?	Measure qualifies as
<b>Costs:</b> -	<b>Benefits:</b> -	<b>Net:</b> -	No	Out of Scope

<b>Summary: Analysis &amp; Evidence</b>				Policy Option 3	
Description: (require all staff to have training) FULL ECONOMIC ASSESSMENT					
<b>Price Base Year:</b> 2015	<b>PV Base Year:</b> 2015	<b>Time Period Years:</b> 10	<b>Net Benefit (Present Value (PV))</b>		
			<b>Low:</b> -£189,806,861	<b>High:</b> -£281,999,307	<b>Best Estimate:</b> -£251,268,491

<b>COSTS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>		10	£23,046,595	£189,806,861
<b>High</b>			£34,131,941	£281,999,307
<b>Best Estimate</b>			£30,436,826	£251,268,491

**Description and scale of key monetised costs by 'main affected groups'**

Employers: fees for one day of paediatric first aid training and cost of one day's pay for paid employees when they are on the paediatric first aid training course.

**Other key non-monetised costs by 'main affected groups'**

We have not estimated the costs to providers of Level 2 and Level 3 childcare qualifications from redesigning their courses in order to incorporate paediatric first aid training. These will all be public sector bodies and therefore out of scope of OI3O. We have also not monetised any negligible familiarisation costs to childcare providers.

<b>BENEFITS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>	Not Quantified		Not Quantified	Not Quantified
<b>High</b>	Not Quantified		Not Quantified	Not Quantified
<b>Best Estimate</b>	Not Quantified		Not Quantified	Not Quantified

**Description and scale of key monetised benefits by 'main affected groups'**

**Other key non-monetised benefits by 'main affected groups'**

Parents: increased assurance that their children are safe and well looked after in an emergency situation.

Employers: increasing the number of PFA trained staff will raise safety awareness and reduce the likelihood of accidents involving children.

**Key assumptions/sensitivities/risks**

**Discount rate (%)** \_\_\_\_\_ 3.5 \_\_\_\_\_

Assume that 30% of staff are already trained.

Courses cost between £50-£150. Assume that the average cost nationally is at the mid-point of this range.

Assume 15,000 new qualifiers per year, 66% have Level 2 and 33% have Level 3, as is currently the case. Assume that they all work in the early years sector.

The overall number of staff in the sector who need training remains the same throughout the period.

Low cost scenario assumes that 50% of staff are already trained.

High cost scenario assumes that 20% of staff are already trained.

**BUSINESS ASSESSMENT (Option 3)**

Direct impact on business (Equivalent Annual)			In scope of OI30?	Measure qualifies as
<b>Costs:</b> £14,746,750	<b>Benefits:</b> £0	<b>Net:</b> £14,746,750	Yes	In

<b>Summary: Analysis &amp; Evidence</b>			Policy Option 4		
Description: Require all newly qualified L2/L3 staff to have training FULL ECONOMIC ASSESSMENT					
<b>Price Base Year:</b> 2015	<b>PV Base Year:</b> 2015	<b>Time Period Years:</b> 10	<b>Net Benefit (Present Value (PV))</b>		
			<b>Low:</b> -£24,451,853	<b>High:</b> -£48,903,706	<b>Best Estimate:</b> -£36,677,780

<b>COSTS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>		10	£3,096,717	£24,451,853
<b>High</b>			£6,193,433	£48,903,706
<b>Best Estimate</b>			£4,645,075	£36,677,780

**Description and scale of key monetised costs by ‘main affected groups’**

Employers: fees for one day of paediatric first aid training.  
Employers: cost of one day’s pay for employees when they are on the paediatric first aid training course.

**Other key non-monetised costs by ‘main affected groups’**

We have not estimated the costs to providers of Level 2 and Level 3 childcare qualifications from adapting their courses in order to incorporate paediatric first aid training. These will all be public sector bodies and therefore out of scope of OI3O. We have also not monetised any negligible familiarisation costs to childcare providers.

<b>BENEFITS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>	Not Quantified		Not Quantified	Not Quantified
<b>High</b>	Not Quantified		Not Quantified	Not Quantified
<b>Best Estimate</b>	Not Quantified		Not Quantified	Not Quantified

**Description and scale of key monetised benefits by ‘main affected groups’**

**Other key non-monetised benefits by ‘main affected groups’**

Parents: increased assurance that their children are safe and well looked after in an emergency situation thereby providing further incentives for more parents to use childcare particularly as we are concurrently expanding the 3-4 year-old free entitlement to 30 hours to enable more parents to work.  
Employers: Increasing the number of PFA trained staff will raise safety awareness and reduce the likelihood of accidents involving children and enable staff to better treat any accidents that do occur.

**Key assumptions/sensitivities/risks**

Assume 15,000 new qualifiers per year, 66% have Level 2 and 33% have Level 3, as is currently the case. Assume that they all work in the early years sector.

**Discount rate (%)**

3.5

The costs of training range between £50-£150. Assume that the average cost nationally is at the mid-point of this range. It is assumed 71% of the initial training costs are borne by early years training providers rather than individuals before hiring the other 29% being borne by employers where training providers haven’t borne the costs. The cost of renewing the training every three years is met by employers.



Costs could rise if the demand for newly qualified workers rises, the costs of training rises or if pay rises significantly from current levels.

**BUSINESS ASSESSMENT (Option 4)**

Direct impact on business (Equivalent Annual)			In scope of OI30?	Measure qualifies as
<b>Costs:</b> £2,152,590	<b>Benefits:</b> £0	<b>Net:</b> -£2,152,590	Yes	In

<b>Summary: Analysis &amp; Evidence</b>			<b>Policy Option 5</b>		
<b>Description: require a greater proportion of staff to have PFA training</b>					
<b>FULL ECONOMIC ASSESSMENT</b>					
<b>Price Base Year: 2015</b>	<b>PV Base Year: 2015</b>	<b>Time Period Years: 10</b>	<b>Net Benefit (Present Value (PV))</b>		
			<b>Low:</b> -£42,201,100	<b>High:</b> - £126,603,300	<b>Best Estimate:</b> - £84,402,200

<b>COSTS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>		<b>10</b>	<b>£5,065,344</b>	<b>£42,201,100</b>
<b>High</b>			<b>£15,196,033</b>	<b>£126,603,300</b>
<b>Best Estimate</b>			<b>£10,130,689</b>	<b>£84,402,200</b>

#### **Description and scale of key monetised costs by ‘main affected groups’**

Employers: fees for one day of paediatric first aid training.

Employers: cost of one day’s pay for employees when they are on the paediatric first aid training course.

#### **Other key non-monetised costs by ‘main affected groups’**

We have not estimated the costs to early years training providers from adapting their courses in order to incorporate paediatric first aid training. These will all be public sector bodies and therefore out of scope of OI3O. We have also not monetised any negligible familiarisation costs to childcare providers.

<b>BENEFITS (£m)</b>	<b>Total Transition (Constant Price)</b>	<b>Years</b>	<b>Average Annual (excl. Transition) (Constant Price)</b>	<b>Total Cost (Present Value)</b>
<b>Low</b>	<b>Not Quantified</b>		<b>Not Quantified</b>	<b>Not Quantified</b>
<b>High</b>	<b>Not Quantified</b>		<b>Not Quantified</b>	<b>Not Quantified</b>
<b>Best Estimate</b>	<b>Not Quantified</b>		<b>Not Quantified</b>	<b>Not Quantified</b>

**Description and scale of key monetised benefits by ‘main affected groups’**

**Other key non-monetised benefits by ‘main affected groups’**

Parents: increased assurance that their children are safe and well looked after in an emergency situation.

Employers: Increasing the number of PFA trained staff will raise safety awareness and reduce the likelihood of accidents involving children.

**Key assumptions/sensitivities/risks**

**Discount rate (%)** \_\_\_\_\_ **3.5** \_\_\_\_\_

Employers train 2 extra paid staff, which can be any staff member in the setting – 1 member of staff for the ‘low cost’ scenario and 3 members of staff for the ‘high cost’ scenario. **Courses cost between £50-£150.**

Assume that the average cost nationally is at the mid-point of this range.

It is difficult to estimate how many additional trained PFA staff would be needed given the wide variation in layout of premises and numbers of children of varying ages.

**BUSINESS ASSESSMENT (Option 5)**

Direct impact on business (Equivalent Annual)			In scope of OI30?	Measure qualifies as
<b>Costs:</b> <b>£4,953,499</b>	<b>Benefits:</b> <b>£0</b>	<b>Net:</b> <b>-</b> <b>£4,953,499</b>	<b>Yes</b>	<b>In</b>

## Evidence Base

1. **Problem** – to respond to the coroners statement, the campaign led by Mr and Mrs Thompson, who are the parents of a child who died at a nursery, and their subsequent petition that all staff in nurseries should have mandatory PFA training, and to provide extra reassurance and encouragement to parents to access childcare and demonstrate the importance of child safety and PFA. The Government wants to increase the number of nursery staff with this training, and provide a proportionate response to the demands, made via a petition, for all nursery staff to have PFA training. The Government has to act because the ‘Thompson’ case highlighted to parents that it is not mandatory at present which is a source of worry and concern as many can’t see why this should be the case.
2. We need to ensure that there are enough staff with PFA training available to cover staff leave. From discussions with early years providers we estimate that around 30% of staff already have PFA training (this information is not collected centrally). Some responses from early years providers to the ‘Consultation on Amendments to the Paediatric First Aid requirements in the Statutory Framework for the Early Years Foundation Stage (EYFS)’ indicated that they require all their staff to have PFA training. This leaves some 458,150 early years staff that would need training if the coroner’s recommendation is accepted.
3. The Statutory Framework for the Early Years Foundation Stage (EYFS), which is the relevant regulatory measure for these arrangements, already makes clear that at least one person with a current PFA certificate must be on the premises and available at all times when children are present, and must accompany children on outings. PFA training must be appropriate for workers caring for young children and, where relevant, babies. Providers should take into account the number of children, staff and layout of premises to ensure that a paediatric first aider is able to respond quickly to emergencies. This means in practice that providers need more than one paediatric first aider so that cover can be provided for holidays and sickness. In addition, large premises with several rooms and or with more than one floor need more PFA trained staff to enable that quick response. Providers that already have all their staff PFA trained have found that it makes it easier to deal with cover for sickness and holidays etc.
4. However, the response to the petition has shown that these requirements do not provide enough reassurance to parents about current PFA provision in early years settings and findings from our review show that it would be possible to prevent at least some accidents, thereby reducing the number of children injured. The ‘Consultation on Amendments to the Paediatric First Aid requirements in the Statutory Framework for the Early Years Foundation Stage (EYFS)’ has found that 91% of those that responded to the question on whether the current requirements should be changed/strengthened said ‘yes’. In order to find a proportionate response, the preferred option must ensure that the risk of harm to children will be reduced and that they will be safer. It also needs to show that it adequately addresses the concerns raised by the coroner and those who signed the petition.
5. **Rationale for intervention** – The coroner’s statement and the petition demanded that all nursery staff have mandatory PFA training. The sheer scale of the petition has shown that a significant body of parents do not believe their children are always safe and so require additional reassurance of that. The Government does not want this to be a disincentive to parents accessing childcare at a time when it is radically increasing the free entitlement for 3 and 4 year-olds so that more parents can access sufficient childcare to return to work.
6. This is supported by a survey conducted by Child Accident Prevention Trust (CAPT) for Child Safety Week in 2012, which showed that 78% of parents with children aged 0-16 say that their child’s safety is of paramount importance. 71% of parents of 0-5 year-olds were worried about their child having a bad accident.

## Injury Statistics

7. Unintentional injuries are a leading cause of preventable death for children under five and a major cause of ill health and serious disability. The 'Reducing unintentional injuries in and around the home among children under five years' report from Public Health England (PHE), which worked with (Child Accident Prevention Trust (CAPT) and the Royal Society for the Prevention of Accidents (ROSPA), published in June 2014, reveals that, each year, across England:
  - 62 children under five die following accidents
  - 40,000 under-fives are admitted to hospital
  - around 450,000 under-fives attend A&E.
8. Between 2008 and 2012, 311 children aged under five years died from unintentional injuries compared with 199 aged 5 to 14 years.
9. The DfE collects information on reviews of child deaths that were completed each year. There were 2,684 child death reviews for children aged 0-4 in England in 2014/15. However, the statistics cannot be broken down to show how many were in early years settings. Neither is there a breakdown of cause of death by age group, but there were 87 deaths across all age groups caused by types of accident or trauma (other than road traffic accidents of which there were 74). The DfE does not require childcare providers to submit data on injuries to children.
10. Statistics compiled by the Health and Safety Executive (HSE) on serious injury to children in childcare aged 1 to 5 notified under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 (RIDDOR) show that there were 2187 cases, including 2 which resulted in fatality, in the four years from 2010 to 2014. This figure only includes those children who were taken to hospital and is limited to those where an employer may be at fault such as inadequate supervision, faulty equipment or poorly maintained premises. However, it should be noted that for non-fatal incident records no checking is done by HSE at an individual record-level to determine its accuracy. It is therefore likely that some records may be omitted from this search. Paediatric first aiders are required to deal with a wide range of medical conditions, such as asthma attacks and diabetes, as well as accidents varying in severity – everything from minor cuts and bruises to children unconscious or not breathing. The statistics do not show the total number of incidents that first aiders have to deal with in childcare settings.
11. A paper produced by the Department of Trade and Industry (1999)<sup>1</sup> uses data from the Home Accidents Surveillance System (HASS) and Home Accidents Deaths Database (HADD) to report the total number of home accidents (non-fatal and fatal) each year, broken down by age. The report shows that for children aged 0 to 4, this figure is 668. As this figure does not only include those children taken to hospital, it is likely to be a better estimate than the RIDDOR statistics. This figure refers to the number of accidents that occur in the household. However, as there is no reliable data on the number of accidents that occur in childcare settings we assume that this is similar to the number of accidents that children experience at home. We also assume that the annual number of accidents reported when the study was carried out has not changed overtime.

## Cost of injuries

12. There is no robust evidence that will allow us to estimate the full costs of injuries sustained in childcare settings. However, we believe that the cost associated with injuries sustained at home provide the closest equivalent evidence. In addition to the devastating impact of

---

<sup>1</sup> 'Research on the pattern and trends in home accidents', Department of Trade and Industry, October 1999

childhood death, acquired disability and serious injury on families, there are significant costs for the NHS and for local authority social care services. For example, a fall can result in permanent brain damage. Injuries can have major effects on education, employment, emotional wellbeing and family relationships. Using data from a Transport Research Laboratory (TRL)<sup>2</sup>, the cost of individual home accidents for 0-4 year olds has been estimated to range between £132 (slight/GP treated) to £1,067,180 (fatal). The break-even analysis section (below) presents these figures as well as the cost of injuries of other levels of severity. Based on the severity distribution of home accidents for 0-4 year olds reported in the Department for Trade and Industry (1999) study, the weighted average cost of injuries to 0-4 year olds has been estimated at £9,287 each year.

13. There are also significant costs to local authorities and to society as a whole. For example, a traumatic brain injury (TBI) to a child under five from a serious fall may result in acquired disabilities which lead to high education and social care costs as well as loss of earnings to families and benefit costs to the State. The approximate lifetime costs for a 3 year-old child who suffers a severe TBI is £4.89m.

#### **Lifetime Costs are calculated as:**

Acute care (including paediatric intensive care unit and rehabilitation), outpatient appointments, community health services, general health problems, special equipment to aid mobility, communication and day-today activities - £268,000

Attending special educational needs schools, transport to and from school, SEN statements - £238,000

Social care assessments, direct payments for a home care worker, grants for home and vehicle adaptations, residential respite breaks, residential care from the age of 40 - £1.19m

Missed employment opportunities for the child and the mother who gives up work to be a full-time carer - £1.73m

Cost to government:

Lost income tax revenue for mother and child - £346,000

Benefits - including Disability Living Allowance, Carers' Allowance and child tax credits - £1.12m

Total: £4.89m

Although these injuries are relatively rare the information highlights the impact on local authority services and the cost to the Government. Other serious injuries such as severe bathwater scalds which incur individual lifetime medical costs of around £189,000, also generate significant economic costs but the social care costs are not well documented. The Child Accident Prevention Trust (CAPT) report that the financial costs to the NHS of burns to a child and the emotional cost to the child and their family is significant<sup>3</sup>.

- The vast majority of burn injuries happen to children under 5 years old.
- The cost (in 2012 prices) of a simple tea scald for one or two day's treatment is **£2,000** per child
- The cost to the NHS to treat a major burn to a child even without intensive care is **£60,000**

<sup>2</sup> Walker L., 'Re-evaluation of home accidents', Transport Research Laboratory, 2010

<sup>3</sup> The cost of child accidents, January 2013 <http://www.makingthelink.net/tools/costs-child-accidents>

- Each year over **3,750** under-5s are admitted to hospital because of burns and scalds.
- Children under 2 years make up half of admissions and under 5s account for three quarters of admissions
- A day in a specialist burns unit costs three times as much as a bed on a normal ward.
- For a parent who is employed full-time, taking two weeks off work while their child is in hospital costs the economy **£7,600**.

14. In addition, the CAPT report shows that choking, suffocation and strangulation result in the highest number of deaths for the under-fives (138). Choking on food and vomit is the leading cause of death particularly amongst the under twos. The two deaths recorded under RIDDOR were both caused by choking on food. A third death of a 3 year-old child occurred when she fell off a swing and was strangled by it. There was also a death at a nursery in 2007 which was caused by strangulation. In this case the companies with responsibility for the nursery were, in 2013, fined £150,000 for health and safety breaches plus £70,000 costs. An individual member of staff was fined £2,400.

15. The same report found that falls at home lead to the most injury-related admissions for the under-fives: 93,315 falls compared to 2,024 for choking, suffocation and strangulation. They are the third most common cause of death for this age group (24). In March 2011, a child at a nursery sustained a serious skull fracture after colliding with another child and falling head first down some steps onto a concrete floor during a fire practice. The owner of the nursery was fined £23,500. Anecdotal evidence from childcare providers suggests that bumps, trips and falls are a fairly frequent occurrence in nurseries where children are encouraged to be active.

### **Benefits of first aid training**

16. St John Ambulance has provided statistics which demonstrate the practical value of trained first aiders in the workplace. They found there is a 71% likelihood of first aiders using their skills during the three years of initial training, with 45% of these using their skills within 12 months of qualifying. In the workplace, 59% of first aiders have used their skills to help a colleague, 16% a visiting member of the public and 15% on others, including school children in a school. Of those 61% who have performed first aid outside of the workplace, 46% performed first aid on a family member, 22% on a friend or acquaintance and 17% on a stranger.

17. Evidence from the National Day Nurseries Association (NDNA), gathered while compiling guidance and case studies on good practice in PFA, suggests that where providers have a high proportion of staff with PFA training there are significant spill over effects. The level of confidence, particularly when helping children with complex medical conditions, and overall competence in caring for children increases significantly. These staff are also more able to work together in a team during a medical emergency. In addition, because they have a greater knowledge of the causes of accidents, they are better placed to prevent them in the first place.

18. Evidence gathered from the NDNA case studies indicate that where a high proportion of staff are PFA trained, the spill-over effect on the culture creates a climate which is proactive rather than reactive in addressing concerns. Staff are more likely to take action to prevent accidents than only to react to improve premises or equipment etc. after an accident. Nurseries that have a raised awareness of safety issues regularly include discussion on safety, and first aid in particular, in staff meetings and actively update one another if procedures need to change or where first aid techniques change. By concentrating on the potential for all types of accidents/injuries, not just the most serious ones, staff can reduce the possibility of a serious injury occurring. Such settings also tend to be more able to deal with children who have complex medical needs.



19. Although precise figures are not known we do know that many childcare providers exceed the requirements in the EYFS on PFA. The NDNA workforce survey of their members in 2015 has shown that some 72% of providers exceed the EYFS requirements. Approximately one third of those providers report that all their staff, including support staff, are PFA trained.
20. The NDNA found that when an accident occurs, staff are more able to respond quickly and to support one another, thus ensuring that the incident is dealt with effectively and in a way that minimises distress to other children. It also allows for situations where one member of staff 'freezes' or panics and fails to act, thus ensuring another member of staff is available. The fact that a paediatric first aider 'froze' and was unable to react appropriately as a child began to choke was a major factor in the incident that was the subject of the coroner's enquiry.
21. Whilst we can't be absolutely certain exactly how many accidents or injuries can be prevented or treated as a result of more staff having PFA training, we know that it can make a big difference. St John Ambulance and the British Red Cross both say that the quicker the response to an accident, the better the outcome for the patient and this is particularly true in life threatening cases. For example, having a member of staff able to deal with a medical emergency close by and other staff able to respond appropriately to any instructions given by the first trained person on the scene means that the emergency services can be called quickly or assistance with CPR can be given. The St John Ambulance report that their 'Chokeables' campaign (which through a short online video clip demonstrated how to save a choking baby) has led to 42 babies and young children being saved after they choked on a variety of small objects.

### **Break even analysis**

22. The £2.5 million cost of training 15,000 new staff each year is the equivalent of preventing 269 accidents to children in childcare settings each year at the average cost of £9,287. This represents a 40% fall in the average number of injuries in childcare settings (668). As more newly qualified staff are trained each year, the likelihood of them being able to treat accidents and injuries on the spot, thus preventing the need for subsequent medical treatment by a GP or hospital, increases. It is difficult to predict whether a 40% fall in the number of injuries is likely. However, evidence from the NDNA's work on PFA provision in nurseries has found that where high numbers of staff are trained, the accident rate falls because they become much more aware of safety issues and act to prevent injuries in the first place.
23. It should be noted that data on the severity distribution of injuries has been used instead of injury severity triangles, as the latter are widely used for industrial and workplace injuries rather than for injuries to children, so are not appropriate for the purpose of this impact assessment.

### **Results**

<b>Estimated</b> number of injuries to children in childcare settings per year	668
Annual weighted average cost per injury to 0-4 year olds	£9,287
Total annual cost of injuries to 0-4 year olds	£6,203,599
Approximate annual cost of training 15,000 more staff	£2,500,000
Number of prevented injuries needed to break even	269
Percentage fall in annual number of injuries required to break even	40%

The Severity distribution of home accidents for 0-4 year olds. Source: Department of Trade and Industry (1999) shows that 0.06% were fatal, 20% could be regarded as serious and 80% slight.

## Summary/conclusion

24. Although 35% (37% of childcare providers) of respondents to the consultation were concerned about the additional long term cost of providing PFA training, 82% (77% childcare providers) agreed with the proposal that the Government should introduce a mandatory requirement for newly qualified early years staff (with full and relevant level 2 or level 3 childcare qualifications) to also hold a current PFA or emergency PFA certificate in order to be included in the required staff:child ratios in an early years setting. 25% separately commented that they want all staff included in the staff:child ratios to be PFA trained.
25. The Government wants to take account of the coroner's concerns and the weight of parents' concerns as shown by the petition. The aim of these proposals is therefore to raise the skill level in the sector, and to demonstrate the importance of child safety and PFA in particular by showing that staff are able to deal with health issues, have a high awareness of measures to prevent accidents and respond more quickly and effectively when accidents or medical emergencies occur (thus preventing the need for further medical treatment) by having more staff trained.
- 26. Our preferred option is Option 4 (voluntary quality mark and requirement for all newly qualified L2/L3 staff to have PFA training). Over time, this will significantly increase the number of staff trained in paediatric first aid, thus demonstrating a greater commitment to children's safety and care. It will also give parents more confidence in using childcare, respond proportionately to the coroners recommendation, reduce the number of accidents in early years provision and ensure that accidents which do occur are better treated.**
27. The Government's overarching policy objective is to ensure there is sufficient provision of high quality, affordable childcare that meets the needs of parents, and helps them either to find or remain in work. Reassuring parents about the safety of children whilst in childcare is a key factor in removing disincentives to parents accessing childcare.

### **Options:**

#### **Option 1 - Make no changes to the existing requirements, i.e. do nothing.**

1.1 The current EYFS requirements are that at least one person who has a current PFA certificate must be on the premises and available at all times when children are present, and must accompany children on outings. PFA training must be appropriate for workers caring for young children and, where relevant, babies. Providers should take into account the number of children, staff and layout of premises to ensure that a paediatric first aider is able to respond to emergencies quickly.

1.2 Childcare providers are responsible for meeting the needs of all the children in their care. This means that it is expected that providers will consider carefully how many trained paediatric first aiders there need to be; and to be accountable for that. This means in practice that providers will usually have more than one paediatric first aider so that cover can be provided for holidays and sickness. However, in large premises with several rooms and or with more than one floor there should additionally be more PFA trained staff to enable that quick response.

1.3 Although the Government has regarded the current requirements in the EYFS as sufficient to keep children safe in settings, i.e. that there is always someone trained and able to respond immediately, the national review has shown that parents require additional reassurance that their

children are safe by guaranteeing providers ensure that high numbers of staff are PFA trained. The Government does not want to hinder parents' use of childcare and recognises the importance of parents feeling that their children are safe and well cared for in the event of an emergency. The Government therefore believes that increasing the number of trained PFA staff will have the effect of reassuring parents, removing a disincentive to parents accessing childcare, raising the skill level and confidence amongst early years practitioners, reducing the number of accidents through a raised awareness of accident prevention and better treatment of accidents which do occur.

## **Option 2 (non-regulatory) - Retain existing requirement and in addition introduce a voluntary quality mark scheme aimed at encouraging providers to train all staff in paediatric first aid.**

2.1 The current requirements (set out in Option 1) above have not provided the assurance needed by parents that their children are safe and will be well cared for in the event of an emergency. The effect of the quality mark will help to increase the number of trained PFA trained staff so as to provide the reassurance that parents want and should have the added effect of reducing accidents.

2.2. A quality assurance scheme, to be known as 'Millie's Mark' will be introduced in summer 2016. It will not require regulatory change and participation will be entirely at the discretion of the early years provider, including schools. In order to achieve the 'mark' all staff caring for children will need to have either a PFA certificate or an Emergency PFA certificate.

2.3 The cost to DfE will be £75k in 2015-16 and will be met from the existing Early Years programme budget. The cost of the scheme to individual providers is likely to be in the region of £250 per applicant for the mark depending on type of setting but exact costs will be announced when the development of the mark has been finalised.

2.4 Our intention is to create an incentive to childcare providers to voluntarily train all their staff in PFA rather than requiring all of them to be trained through regulation. However, at this stage we do not know how many nurseries currently train all their staff or how many would be encouraged to do this by the creation of the quality mark. We expect that initially the majority of applications will come from nurseries which have already trained all their staff. This means there could be a limited impact/benefit in terms of more nursery staff being trained in the short term. Our preferred option is therefore to combine this with a regulatory route to guarantee at least 15,000 extra staff trained per year. We will explore likely take-up of the quality mark with the contractor and discuss with them how they will encourage applications not just from nurseries which have already trained most or all their staff, but from all childcare providers regardless of the numbers already trained.

2.5 Although this scheme will raise the profile of PFA and become a recognisable brand when parents are looking for childcare provision, the fact that it is voluntary couldn't guarantee on its own that all providers would significantly increase the number of staff trained. In addition the fact that the scheme would be voluntary is likely to mean that although good and outstanding childcare provision are likely to see it as a useful marketing tool to attract parents, weaker providers with a lower standard of care are less likely to take it up and so a regulatory route is also appropriate in order to ensure an increase the numbers of trained PFA staff in all childcare provision. The Government **therefore believes that this scheme should be introduced but that it is not enough on its own to guarantee to significantly increase the number of trained staff.**

**Option 3 - Require all staff to have some form of PFA training (this could be a full PFA certificate for all or a full PFA certificate for some and emergency first aid training for everyone else)**

3.1 This option would fully meet the coroner's concerns and the demands made by the e-petition on PFA.

3.2 The current paediatric first aid training requirement in the EYFS is a two day course resulting in a qualification which must be renewed every three years. Anecdotal evidence and knowledge of the sector suggests that at least 30% of early years staff already hold this qualification. This leaves some 458,150 without training. Requiring the remaining 70% of staff (including those in schools) to train would incur an average annual cost in the region of £30.4m over the 10 year appraisal period based on a cost of £100 per day per person for the training course plus staff costs. This assumes that the policy is phased in gradually: one-third of those in the sector without training become qualified in each of the first 3 years. It also assumes that all newly qualified staff entering the sector will require training and that everyone will require re-training every 3 years. In present value terms, the total costs associated with Option 3 amount to £251.3m over the ten year period. Over time this will have the effect of increasing the expectation that PFA training would become an integral part of early years training courses. The low cost scenario assumes that 50% of the staff are already trained, giving an annual cost of £23m and a ten year cost of £189.8m. For the high cost scenario with 20% of staff trained the respective costs are £34m and £282m.

3.3 Although the Government recognizes that this option would be particularly welcome to parents, mandating such training for all staff, on either course, is likely to be seen by the early years sector, including schools, as a disproportionate response both in terms of cost and burdens to the sector in the short-term. Any large increase in the number of trained staff amongst existing employees would need sufficient time for the sector to adjust. The Government believes that it is right to focus on newly qualified staff having this training rather than trying to train all staff retrospectively and that the mandatory training of all staff would be a disproportionate response. The introduction of a voluntary quality mark as set out in Option 2 and ensuring new Level 2 and Level 3 staff are trained in PFA (Option 4), will have the effect of substantially increasing the number of PFA trained staff without the need for a full regulatory approach.

**Option 4 - Retain existing requirements, adopt a quality mark scheme (see option 2) and make it a requirement that newly qualified early years staff (with a level 2 or level 3 childcare qualification) must have a paediatric first aid or emergency paediatric first aid certificate before they can be included in the required adult: child ratios in an early years setting. – Preferred Option**

4.1 This option would mean that a nursery recruiting a member of staff who had newly completed their early years/childcare qualification must have an emergency paediatric first aid or a full paediatric first certificate to count in the EYFS ratios. The new requirement would apply to newly qualified Level 2 and Level 3 staff. The consultation on amendments to the PFA requirements has shown that 84% of respondents support the proposals with 82% agreeing that they should come into effect on 1 September 2016. The proposed new requirement would not apply retrospectively to staff who had qualified prior to the cut-off date. The emergency first aid training course would be the equivalent of one day of training and would need to be refreshed every three years in order for the staff member to continue to be counted in the ratios. About 20% of respondents to the consultation didn't think that the EYFS should include the possibility of having an emergency PFA certificate rather than a full one. For some this was because of the high number of staff they already have with a full PFA certificate while others don't believe the emergency PFA training is sufficient. We have however consulted with first aid training experts in order to establish what first aid subjects this training should be covered in order for staff to be effective.

#### Costs

4.2 PFA training will need to be completed by the time that Level 2 and Level 3 qualifications are achieved so that those becoming new staff members with an early years provider can count in the

adult:child ratios straight away. The consultation and an additional survey of further education training providers offering relevant level 2 and 3 early years courses and apprenticeships has found that 50% already offer PFA training. Most of these are stand-alone courses with separate certification from the early years courses. Some of these PFA courses (15%) are optional with varying degrees of take up by students depending on the support for them given by tutors. One college reported that approximately 95% of their level 2 and 3 early years students attend optional PFA training. Most training providers with no or optional PFA have said that it wouldn't be difficult to add PFA training into their study programme but training providers with some 29% of trainees suggested that they would need additional funds to do so.

4.3 Most of the initial training costs for PFA will therefore fall on the public sector bodies that provide the training. Responses to the consultation confirmed our understanding that some early years training providers already include PFA training in or alongside their courses but we cannot assume that all early years training providers will be able to do this without additional funding. This is the case even where they know that having PFA training included is a strong incentive to ensuring that their trainees job ready on completion of their courses. The consultation and additional survey of colleges has shown that the initial cost of PFA training can be absorbed for 71% trainees by course providers. This will mean that 29% of costs of training for this first certificate are likely fall on early years providers which will need to send these newly appointed staff without PFA training on courses within three months of starting work. We estimate that this will amount to £0.74m, across the early years sector as whole, for each of the first three years. A representative sample of further education training providers, catering for 5480 level 2 and 3 trainees in 2015, responded to our survey about whether they currently run PFA training alongside early years courses and apprenticeships. Some training providers, catering for 1574 trainees said that they could not meet the cost of providing PFA training for all relevant trainees without additional funding. This represents 29% (rounded) of the total number of trainees that would not have PFA training unless funded.

4.4 The costs of subsequent 'refresher/renewal' training required every three years is expected to fall completely on providers. We therefore calculate the costs for this option from the employer's perspective and estimate that across the early years sector as whole, the total costs will be in the region of £2.5m per cohort of new entrants. It is however possible that the cost of training could fall on the trainees themselves where this is not met by colleges. If 14% of trainees had to pay for their own PFA courses this would reduce the annual costs for childcare providers by an estimated £35K. Over a ten year period this would mean that costs (undiscounted) to childcare providers would be in the region of £46.1m.

4.5 Data published by the Skills Funding Agency indicates that the number of Level 2 and Level 3 Apprenticeships achieved under the 'Children's Care Learning and Development' Framework has been approximately 15,000 in each of the last three years that data is available<sup>4</sup>, with an approximate split of one-third qualifying at Level 2 and two-thirds qualifying at Level 3.

4.6 We expect the costs of training to range between £50 and £150 per person, per day (this was checked with training providers and childcare sector organisations). Costs may vary due to the venue in which the training takes place, geographical location, whether training is provided by a voluntary organisation or business, or whether the training is for individuals or groups. We take the mid-point between the two figures and assume that training costs will average out at £100 per person, per day, for our best estimate. Because we assume that employees will still be paid during their training day, we add onto the direct costs of training the cost to employers of one day's pay for each employee who undertakes the training.

4.7 Hourly earnings for those holding Level 2 and 3 qualifications can vary between settings, averaging out at £6.46 for those holding Level 2 qualifications and £8.68 for those holding Level 3

---

<sup>4</sup> This data is available at <https://www.gov.uk/government/statistical-data-sets/fe-data-library-apprenticeships>

qualifications<sup>5</sup>. However, for the purpose of this analysis, we assume that those holding Level 2 qualifications will be paid £6.70 an hour at the point when they need to undertake their refresher training – the planned minimum wage rate for those aged 21 and over at the time when this legislation is expected to be introduced<sup>6</sup>. Assuming that each employee works an 8 hour day, and adding in an uplift for non-wage labour costs of 21%<sup>7</sup>, this increases the total cost to around £165 on average for those holding Level 2 qualifications and £184 for those holding Level 3 qualifications.

4.8 Assuming that everyone who achieves an Apprenticeship at Level 2 or 3 under the relevant framework goes on to work in the early years sector; and that the number achieving an Apprenticeship remains constant at 15,000 per year over the appraisal period, we estimate the total cost of providing the training for each cohort of new entrants to be around £2.5 million. Over time this will deliver similar outcomes to option 3 but at a lower cost with less regulation. It also compares very favourably with option 3

#### **Direct impact on business (Option 4)**

4.9 The childcare market is a mix of private, voluntary and public sector providers. In order to assess the direct impact on business arising from this option, we estimate the proportion of new entrants in each cohort that private and voluntary sector is likely to take on. To do this, we use information from the Department for Education’s latest Early Years and Childcare Providers Survey. We take the Survey’s estimate of the number of staff holding Level 2 and Level 3 qualifications and turnover rates in these providers, to estimate how many staff qualified at Level 2 and Level 3 may leave their jobs and create a vacancy for a new entrant to fill. We then allocate a proportion of the 15,000 new entrants to these providers, pro-rated using their share of the total numbers of vacancies created due to turnover in the sector as a whole. Our estimate is summarised in the table below:

Tables showing level 2 and 3 staff turnover and numbers of and costs for new entrants

Number of providers	25,000
Number of L2 staff in scope	17,901
Number of L3 staff in scope	151,691
Turnover rate	11%
Number leaving L2	2,054
Number leaving L3	17,525
Total leaving	19,578
% of total leaving L2	100%
% of total leaving L3	90%
Number of new entrants at L2	4,950
Number of new entrants at L3	8,949

<sup>5</sup> R. Brind et al. (2014): Childcare and early years providers survey: 2013, Department for Education Research Report SFR33/2014

<sup>6</sup> We are implicitly assuming that new entrants qualified at Level 2 will enter the sector at age 18 and will be aged 21 at the time they will require their first refresher training course.

<sup>7</sup> We include an uplift to account for non-wage labour costs to estimate the non-wage costs that the provider incurs from employing someone, such as pension and national insurance contributions. Alternative data sources can be used to calculate a percentage uplift to salary to account for NWLC across the economy. We have used the quadrennial Labour Cost Survey, the most recent version of which was undertaken in 2012 and available through the Eurostats website: <http://ec.europa.eu/eurostat/web/labour-market/labour-costs/database>. We have used the general ‘industry, construction and services’ uplift (21%) in the absence of an estimate specifically for the childcare workforce.

Cost of PFA course	£100
Staff cost of training for L2 (per person)	£65
Staff cost of training for L3 (per person)	£73
Total cost per person L2	£165
Total cost per person L3	£173
Total annual costs L2	£817,136.97
Total annual costs L3	£1,540,044.88
TOTAL COMBINED	£2,357,181.85
Average expected cost per provider	£94.29

We assume that these figures remain constant for the duration of the appraisal period.

4.10 The DfE Childcare and Early Years Provider Survey suggests that there are 25,000 non-domestic (ie excluding childminders) private and voluntary providers in the sector (76% of all providers – the other 24% being maintained schools), employing 169,592 staff with qualifications at Level 2 or Level 3.

4.11 The average turnover rate in these providers is 11%. We use this to estimate the amount of staff turnover at Level 2 and 3, to apportion the new entrants to these providers. For example, because 90% of the turnover at Level 3 in the sector as a whole occurs in private and voluntary providers, they are allocated 90% of the new entrants, qualified at that level, in each cohort. This is an approximate measure of the demand for labour between different provider types. The total demand for staff will also depend upon the rate at which the sector expands or contracts, in addition to that created by the need to fill existing vacancies.

4.12 This approach implies that 19,578 people in private and voluntary providers will leave their jobs each year, 2,054 with Level 2 qualifications (100% of all Level 2 qualification holders in the sector)<sup>8</sup> and 17,525 with Level 3 qualifications (90% of all Level 3 qualification holders in the sector).

4.13 If private and voluntary providers recruit new entrants in proportion to the number of vacancies created each year, this implies that 13,899 of the 15,000 new entrants will be recruited into these providers.

4.14 Assuming that providers meet the costs of the first aid training at £100 per person, the total cost per cohort for these providers (not including schools) is estimated to be in the region of £2.3 million.

### **Costs over the 10 year appraisal period.**

4.15 As discussed above, we assume that 71% of the initial first aid training costs are borne by training providers. This means that employers will have to meet 29% of the first aid training cost for newly qualified staff every year, and the full cost of refresher training every three years. Employers will start paying a total annual cost of approximately £0.74m, and this will rise progressively over the 10 year appraisal period to reach approximately £8.4m as more cohorts require the refresher training. The table below sets out these costs over 10 years and the total undiscounted cost.

<sup>8</sup> It should be noted that schools do not usually employ staff with a level 2 qualification

2016 Cohort	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
£740,556			£2,553,642			£2,553,642			£2,553,642	
	£740,556			£2,553,642			£2,553,642			£2,553,642
		£740,556			£2,553,642			£2,553,642		
			£740,556			£2,553,642			£2,553,642	
				£740,556			£2,553,642			£2,553,642
					£740,556			£2,553,642		
						£740,556			£2,553,642	
							£740,556			£2,553,642
								£740,556		
									£740,556	
<b>£740,556</b>	<b>£740,556</b>	<b>£740,556</b>	£3,294,198	£3,294,198	£3,294,198	£5,847,840	£5,847,840	£5,847,840	£8,401,482	
										<b>Total (undiscounted) £46,450,748</b>

For our central estimate under the preferred option, the total costs amount to around £38 million over the 10 year appraisal period (undiscounted).

### Public sector carve-out

4.16 In order to establish the impact on DfE’s Business Impact Target (BIT) and One-in, Three-Out (OI3O) balance, the costs to the PVI sector are deflated in line with the proportion of activity that relates to the provision of public services (i.e. free childcare entitlement). This is consistent with the approach agreed under the Small Business, Enterprise and Employment Act 2015: This has been applied to each option to give the corresponding EANCB figures, taking account of the proportion of activity that falls out-of-scope.

4.17. The figures in the tables below have been used to estimate the proportion of business activity that is in-scope for the EANDCB. The proportion of privately funded childcare in the PVI sector for a given age group is multiplied by the share of children in childcare settings within that age group. The sum of the figures across the different age groups gives a weighted average of 54.7% for the proportion of business activity that is solely privately funded.

### Public vs private activity in PVI sector<sup>9</sup>

Age group	Public (free childcare entitlement)	Private (privately funded childcare)
Under 2	0%	100%
2	35%	65%
3-4	70%	30%

### Age distribution in full day care settings (ages 0-4 only)<sup>10</sup>

Age	Proportion
Under 2	19.6%
2	31.5%

<sup>9</sup> Source: Internal calculations using the Parents Survey, Early Years Census, Provision for Children Under 5 Years of Age SFR and Ofsted data

<sup>10</sup> Source: Childcare and Early Years Provider Survey 2013



3	38.0%
4	10.9%

## **Sensitivity analysis**

### **Recruitment**

4.18 The number of people recruited may vary, if it is influenced by provider expansion, contraction, entry or exit into the market. For example, a strengthening in the economic environment may increase the demand for formal childcare, as household finances improve and labour market opportunities increase. Should this cause the number of newly qualified staff at Level 2 and Level 3 to increase, to say, 20,000 per year, the total cost per cohort for the sector as a whole would rise to £3.4 million, with around £3.1 million of that falling on private and voluntary providers.

4.19 Should the number of new entrants fall to 10,000 per year – if, for example, lower turnover levels negatively affected the demand for new entrants – then this means that the total cost per cohort for the sector as a whole would be £1.7 million, with around £1.57m of that falling on private and voluntary providers.

### **Cost of training**

4.20 We considered whether all 15,000 staff should have full two day paediatric first aid training at £175 per person (total £2,625,000 – costs of courses vary between £150 and £200 per person) but following discussion with the parents of the child that died and with St John Ambulance and the British Red Cross, we consider that given providers must already meet current requirements, additional PF aiders would only need one day of emergency PFA training in order to meet the concerns of parents.

4.21 Although this option will not meet the petition demand for all staff to be trained it does meet the Government objective to embed paediatric first aid in the training for new entrants to the early years workforce and thereby, over time significantly increase the number of trained staff. The proposed developments have been welcomed by the parents of the child that died as well as St John Ambulance and the British Red Cross.

4.22 The Government is confident that this, along with a voluntary quality marking scheme will provide a proportionate response to the coroner's concerns and will also prompt a cultural shift within the sector and increase the pressure on providers to voluntarily increase PFA provision amongst existing staff without the need for further regulation. With Government funding the National Day Nurseries Association has published some case studies and good practice guidance that shows how providers can improve their provision.

## **Option 5 - Retain existing requirement and in addition require a greater proportion of staff to have PFA training (this could be a full PFA certificate or some staff members having emergency first aid training)**

5.1 This goes some way towards meeting parental concerns. It provides some flexibility for early years providers about who they train and could be implemented via EYFS over a phased period of time. We considered, for example, whether to increase the proportion of PFA trained staff for any under two-year-old provision on the grounds that these children are arguably the most vulnerable, but found that we couldn't establish how many staff only cater for this age group as most staff are employed to care for a wider age range.

5.2 The costs associated with training, for example, two extra staff per setting, including schools,

at £100 per day plus staff costs, amounts to an average annual cost in present value terms of around £10m. Over a 10 year appraisal period the total costs are estimated to be in the region of £84 million in present value terms. The low/high estimates for Option 5 are based on every setting training an extra one and three staff each.

5.3 Although this would go some way to meeting parental demands and would meet the policy objective it was recognised that it would be difficult to determine what the proportion of trained staff needed to be in any setting given the complexity of the sector in terms of setting type, size and layout. The additional costs are also high compared to Option 4.

## **Small and Micro-business Assessment (Option 4)**

### **Exemption**

1. The preferred option will amend the regulations which will impact on all businesses regulated under the Childcare Act 2006. Full or partial exemption of small and micro-businesses is not compatible with achieving the intended benefits of the measure. This is because a very large proportion of nurseries are small and micro businesses. Data from the DfE Providers Survey shows that in 2013, 47% of full day care providers had 10 or fewer staff (paid and unpaid) and only 15% had more than 20 members of staff (paid and unpaid). An average nursery has 12 members of staff. The table below gives a breakdown of the number and percentage of full day care and sessional childcare providers that have between 1 and 5 staff (paid and volunteers), 6 to 10 staff, 11 to 15 staff, 16 to 20 staff and 21+ staff.

<b>Paid and unpaid staff</b>	<b>Full Day Care (nurseries)</b>	<b>Sessional (pre-schools and playgroups)</b>
1-5 staff	12%	26%
6-10 staff	35%	44%
11-15 staff	24%	17%
16-20 staff	14%	7%
21+ staff	15%	6%

### **Disproportionate burden**

2. We consider that there is no disproportionate burden on small and micro-businesses. This is because the preferred option will be linked to the existing staff:child ratios in the EYFS which already take account of the size of the provider. The existing EYFS requirements mean that, for example:

- a smaller than average nursery with just 12 2-year-olds would only need to employ three members of staff
- a larger than average nursery with 80 2-year-olds would need to employ 20 members of staff.

4. When considering this in relation to the preferred option, it may be helpful to consider the potential impact on an average size nursery employing 12 members of staff to look after 48 2-year-olds. Under the existing EYFS, this nursery must have at least one staff member qualified to Level 3 and at least six staff members qualified to Level 2. Given that turnover in nurseries is 11%, it is reasonable to assume that only one of these seven members of staff leaves in any given year. The nursery may recruit another member of staff who already has PFA training or someone who qualified a while ago – in which case, the preferred regulatory option would not apply. On the

other hand, if the nursery chooses to recruit a newly qualified L2/L3 individual who had not already undertaken PFA training, the additional cost to the nursery (course cost plus staff cost) would be in the range £165-£173. To put this in context, total annual mean expenditure in nurseries is £147,000 and total mean income is £190,000.

## **Mitigations**

5. Given the nature of the early years market and our assessment that there will not be a disproportionate burden, we are not proposing mitigations which are specific to small and micro-businesses. However, we are proposing a mitigation which will help all providers to prepare for the new requirements in a measured way and minimises any negative impact on the day-to-day running of their business. An implementation date of September 2016 should ensure that businesses have a reasonable period (at least six months) to prepare for the new requirements. 82% of the consultation respondents agreed that it should be implemented from 1 September 2016.

## **Summary**

1. The review of paediatric first aid, promised in the parliamentary debate on the issue in December 2014 concluded that parents need greater reassurance that their children are safe and that staff are able to respond quickly and appropriately when a first aid or medical emergency arises.
2. The existing requirements on PFA in the EYFS ensure that childcare providers are able to respond quickly to emergencies where a first aider is required. However, the national review has shown that the current requirements do not provide the reassurance parents are looking for, thereby acting as a disincentive to parents accessing childcare, and that more accidents could be prevented. The Government believes that increasing the number of trained PFA staff will have the effect of reassuring parents, raising skill levels and confidence amongst early years practitioners and reducing the number of accidents through a raised awareness of accident prevention.
3. In Option 2, consideration has been given to introducing a non-statutory solution by introducing a quality mark for providers where all staff have had their PFA training. However, consideration of this option has concluded that whilst it would be likely to increase the number of staff with training, it couldn't guarantee this, especially among weaker providers (and therefore not interested in a voluntary scheme) without additional regulation.
4. The most attractive option to parents is likely to be Option 3 which would require all staff to have PFA training. However, this is also likely to be the most disproportionate response on the grounds of cost and burdens to the early years sector.
5. Requiring a greater proportion of staff to have PFA training as suggested by Option 5 is a more proportionate response on cost grounds than Option 3 but nonetheless still high. The Government also considers that it would be difficult to determine what the proportion of trained staff needed to be in any setting given the complexity of the sector in terms of setting type, size and layout. The EYFS already makes it clear that providers should take into account the number of children, staff and layout of premises to ensure that a paediatric first aider is able to respond to emergencies quickly. Providers should also determine how many, and where, PFA trained staff should be on the premises at any given time. There is no exact formula for calculating this as the layouts of premises vary so much, as do the numbers and ages and needs of the children.
6. The Government has concluded that its preferred option, Option 4, making it a requirement that

newly qualified early years staff (with a Level 2 or Level 3 childcare qualification) must have a paediatric first aid or emergency paediatric first aid certificate before they can be included in the required adult: child ratios in an early years setting will best fulfil the policy objective. It will significantly increase the number of staff trained in paediatric first aid without placing disproportionate costs on businesses compared to the likely benefits. This regulatory change would provide parents with the assurance that Government is committed to ensuring provision for children is as safe as possible. Combining this with the introduction of a voluntary quality mark scheme aimed at encouraging childcare providers to train all staff in paediatric first aid will ultimately change the culture in early years whereby nurseries can show parents that staff are well trained and able to help their children when first aid is required or there is a medical emergency.

## **Implementation Plan**

The consultation on proposals to amend the PFA and ratio requirements in the Statutory Framework for the Early Years Foundation Stage (EYFS) and the underpinning regulation supports issuing a revised EYFS in 2016. This will give businesses sufficient lead-in time to prepare.