

Childcare Service Needs

Why there are not enough Early Children Education Centres in Italy (and what is being done to catch up)

July 2018

More crèches, more pre-school kindergartens, more facilities for children from 0 to 6 years of age: Europe has been insisting for years. Beginning in 2002, when the Barcelona European Council set all Member States the objective "to provide **childcare by 2010 to at least 90% of children between 3 years old and the mandatory school age**" and "**at least 33% of children under 3 years of age**".

Italy reached the first goal before 2010 but is running late on the second objective: **fewer than a quarter of children between 0 and 2 years of age find a place** in early childhood services. And while in the Aosta Valley four children out of 10 go to childcare, in Campania only six out of 100 do so. Yet in the last decade a number of (expensive) initiatives have been launched to increase the zero-three offering: since 2007 **the State has spent about Euro 1.15 billion** and now the "Buona Scuola" reform is making available **over €200 million a year, starting from 2017, to implement an integrated education and teaching system from 0 to 6 years**. So what is the outlook?

The Starting Point

To achieve the objectives set by the Barcelona European Council, Italy has launched: an extraordinary plan in 2007; experimentation with the "Sezioni Primavera" starting from 2007/2008; the PAC (Action Plan for Cohesion) in 2011; and lastly, in 2017, a national action plan for the implementation of the integrated zero-to-six system.

Table 1 - Places available as of 31.12.2014 in early childhood educational services^(a)

Geographic Breakdown	Number of places authorised			Number of places per 100 children 0-2 years (%)		
	Public	Private	Total	Public	Private	Total
Piedmont	14,551	13,102	27,653	13.4	12.0	25.4
Aosta Valley	848	496	1,344	25.2	14.7	39.9
Liguria	4,787	4,938	9,725	14.2	14.6	28.8
Lombardy	34,760	39,496	74,256	12.9	14.6	27.5
Trentino-Alto Adige/ South Tyrol	5,058	4,372	9,430	16.1	13.9	30
<i>Bolzano/Bozen</i>	<i>1,420</i>	<i>2,963</i>	<i>4,383</i>	<i>8.8</i>	<i>18.3</i>	<i>27.1</i>
<i>Trento</i>	<i>3,638</i>	<i>1,409</i>	<i>5,047</i>	<i>23.8</i>	<i>9.2</i>	<i>33.1</i>
Veneto	13,046	19,698	32,744	10.2	15.3	25.5
Friuli-Venezia Giulia	3,344	4,224	7,568	11.6	14.7	26.4
Emilia-Romagna	30,194	11,171	41,365	26.1	9.7	35.7
Tuscany	16,246	13,404	29,650	17.9	14.8	32.7
Umbria	3,905	4,301	8,206	17.7	19.5	37.2
Marches	6,337	3,923	10,260	16.3	10.1	26.5
Latium	19,470	25,100	44,570	12.4	16.0	28.3
Abruzzo	3,556	2,985	6,541	11.0	9.2	20.2
Molise	946	524	1,470	14.0	7.7	21.7
Campania	4,593	5,701	10,294	2.8	3.5	6.4
Apulia	5,140	7,779	12,919	5.0	7.6	12.6
Basilicata	1,200	622	1,822	9.4	4.9	14.3
Calabria	1,045	3,342	4,387	2.1	6.7	8.7
Sicily	8,168	5,339	13,507	6.0	3.9	9.9
Sardinia	3,971	6,104	10,075	11.0	16.9	27.9
ITALY	181,165	176,621	357,786	11.6	11.3	22.8

Source: ISTAT. (a) Traditional nurseries, micro-crèches, Spring Sections ("Sezioni Primavera") and supplementary services for early childhood are included

Analysis

In the school year 2014/15 **13,262 socio-educational services for early childhood** were recorded throughout the country, of which 36% were public and 64% private. A total of **357,786 places** were available, equivalent to **22.8%** of Italian children between 0 and 2 years of age.

The highest participation rates were in the Aosta Valley (a **national record: 39.9%**), Umbria, Tuscany, Emilia Romagna and the autonomous province of Trento, all of which reached and exceeded the European target of 33%.

In three regions in the South, Calabria, Campania and Sicily, fewer than 10% of children under three years of age were in childcare facilities. The worst performer was Campania: 6.4%.

The situation for older children is decidedly better: **in 2015, 96.2% of four-to-six-year-olds** were able to attend a pre-school kindergarten.

In detail. Interventions and resources for bridging the gap: 2007-2016

The objective of reducing the territorial imbalance in zero-to-three services and also increasing the overall number of places available has for years been considered a priority in Italy. Since 2007 various **extraordinary initiatives** have been launched whose financing has also included European funds.

- The most important initiative was the **extraordinary plan for the development of socio-educational services for early childhood**, established in the 2007 Budget, which aimed to create 40,000 new places in the public system so as to reach an **average national coverage in the public sector of 13%** (it was 11.4% in 2004) and **a regional minimum of 6%** (in Calabria it was 1.7%).
- In the same years the Ministry of Education, Universities and Research (MIUR) promoted **experimentation with the Spring Sections**, associated with nursery schools and financed by the State: these were intended to accommodate children in the 24-36 months age group in the lead-up to the beginning of nursery school.

- Finally, since 2011 a State intervention has been promoted in four regions of the south as part of the European *Convergence* objective: the PAC - **Cohesion Action Plan** - to finance, among other services, those for zero-to-three-year-old children.

Starting with the extraordinary plan launched in 2007, the Italian State has allocated approximately **Euro 1.15 billion to the Regions, on average around €100 million a year**, to develop creches and other formal day-care services.

Considering only the extraordinary plan and the resources of the PAC, funding amounts to over Euro 950 million. **Calabria, Campania, Sicily and Puglia alone have absorbed 60% of the funds.**

As of 31 December 2015, over 95% of the resources allocated to the Regions were distributed, with the exception of around €24 million to the Campania Region (of which an amount of Euro 17 million was budgeted for 2009 but not used).

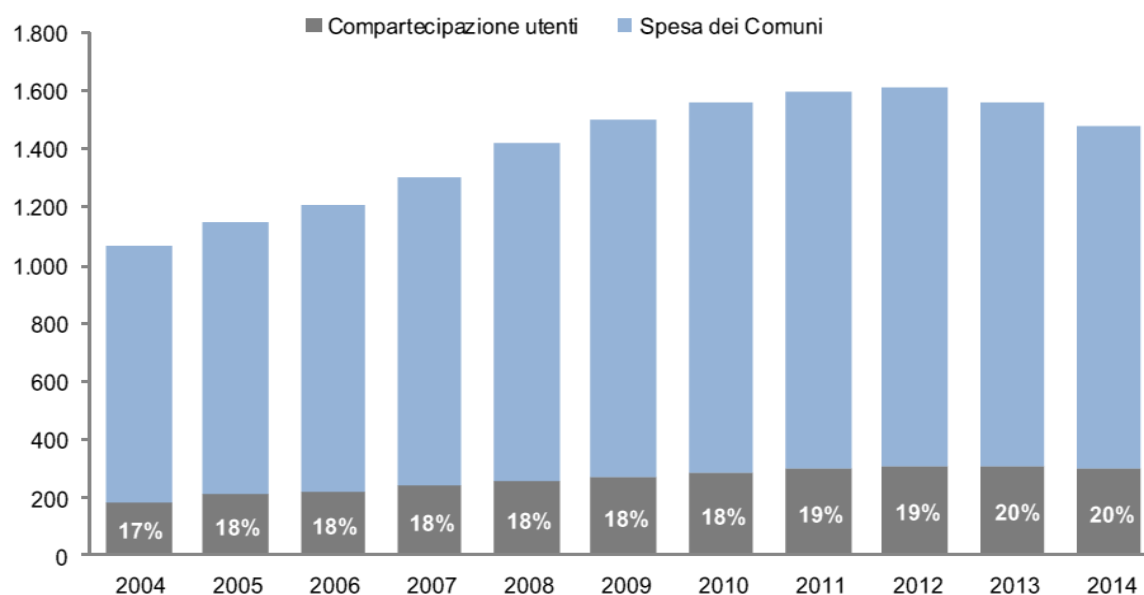
Table 2 - National resources for the zero-to-three education services sector (2007-2016)

	Competent Administration	National Resources Budgeted
Extraordinary Plan 2007-2009	PCM Family Department	446,462,000
Extraordinary Plan 2010-2012	PCM Family Department	170,000,000
Childhood PAC (2 nd Distribution 2014)	Interior Ministry	339,295,644
Spring Sections	MIUR (Ministry of Education)	195,000,000
Total		1,150,757,644

Source: Department of Family Policies

These funds are in addition to municipal resources: **from 2008 to 2014, local councils spent almost €8.4 billion on zero-to-three services. Families have increasingly contributed to the cost of these services: their share has increased from 17.4% to 20.4% of spending.**

Figure 1. Current expenditure of municipalities for zero-to-three services. 2004-2014 (in millions of euros)

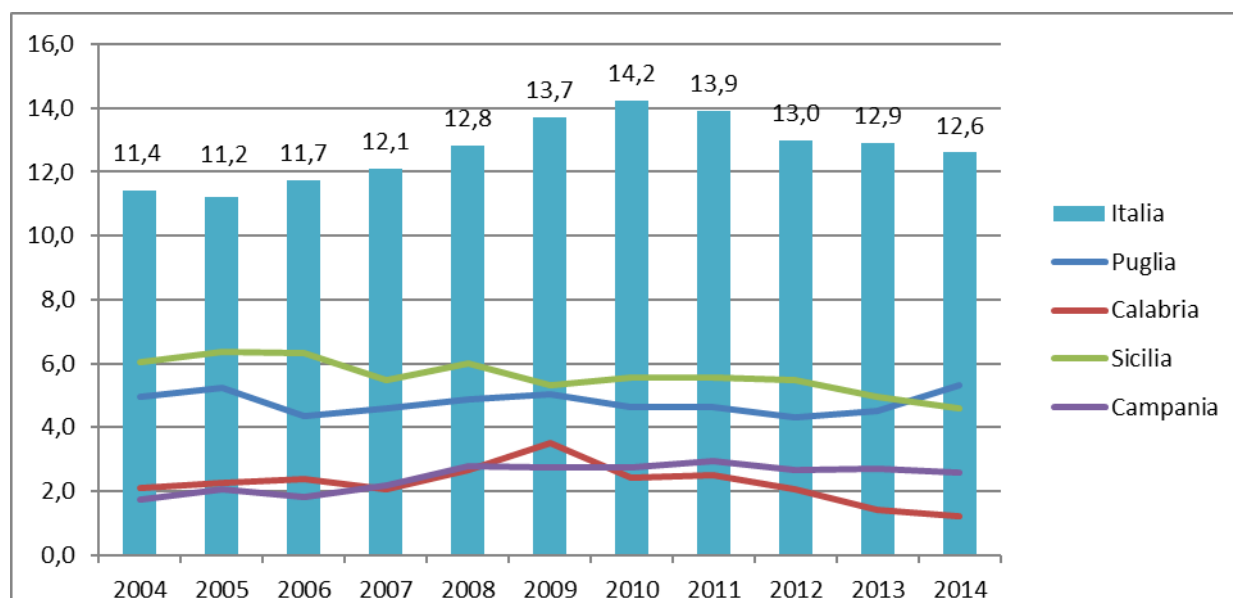


Source: ISTAT. Expenditure of municipalities (blue) and share of families (grey).

The **first objective** of the 2007 extraordinary plan - a national average of 13% coverage in the zero-to-three bracket in public crèches - **was reached and exceeded**, arriving at a maximum of **14.2% in 2010**: 55,000 extra places. The number of municipalities covered increased from 38.4% to 55.2%. From 2011 coverage started to decline (12.6% in 2014).

The **second objective** - a minimum level of coverage of 6% at the regional level - **has not been achieved: Puglia, Calabria, Sicily and Campania still have less than 6% coverage**. Apulia and Campania show minimal growth, while Sicily and Calabria have even recorded a decline in the last ten years.

Figure 2 - Zero-to-three. Number of users of public crèches, by school year and territorial level



Source: ISTAT. Italy, Apulia, Calabria, Sicily and Campania.

A childcare centre? Yes, no, maybe. Where and why

In 2011, according to ISTAT's multi-purpose survey of households, **18.7% of children under the age of three years attended a public or private childcare centre**. The percentage changed from 5.6% of children under twelve months to 19.5% of children between one and two years, reaching **27.8% among children over two years of age**.

Most of the **mothers were graduates** (27.4% of zero-to-two users) **with a job** (28.6%). **The percentage rose to 34.7% if the mother was a manager, entrepreneur or was self-employed**.

For the non-registered children, the reasons were: in **61.4% of cases a personal choice by the parents** (having someone who could take care of the child, or considering the child to be too small) and only in **8.1% of cases objective factors relating to the shortcomings in childcare services** (limited availability of facilities, high cost, distance, inconvenient hours). The territorial differences were remarkable: in the south and in the islands, personal reasons exceeded 72%.

The new integrated zero-to-six system and the national 2017 plan

Ten years after the extraordinary plan of 2007, a new plan was launched with resources dedicated to the zero-to-six bracket. **The 2015 reform known as "Buona scuola" [Good School] introduced an "integrated system of education and teaching from birth to six years of age"** integrating educational services for babies (zero-to-three) and pre-school kindergartens (four-to-six) into a single educational path (zero-to-six).

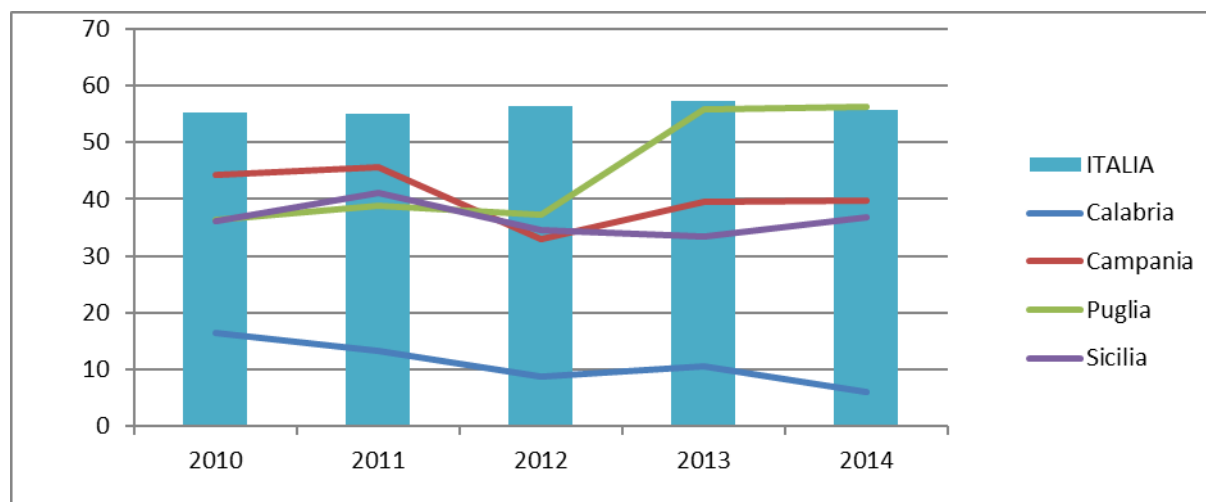
To implement this integrated system, **a multi-year National Action Plan was adopted in 2017** which provides, *inter alia*:

- a **budget** of Euro 209 million in 2017, 224 million in 2018 and 239 million each year from 2019
- the **role of orientation**, planning and coordination entrusted for the first time to the Ministry of Education (MIUR)
- the establishment of a **control room** having the functions of support, monitoring and evaluation of the implementation of the plan (and its effectiveness)
- the establishment of a **committee of experts** to propose the pedagogical guidelines to the Ministry of Education
- **safety checks on buildings and improvement of the quality** of services through university qualification and ongoing training of all staff, educators and teachers alike
- the strengthening of overall offerings and in particular of the Spring Sections, the expansion of offerings in areas where state nursery schools are lacking, and the construction of **centres for infants**
- the introduction, for public and private companies, of a "**crèche voucher**" worth up to Euro 150 per month, exempt from tax and social security charges
- the introduction of a **maximum economic contribution** by families
- **monitoring requirement**: each year the regions must report the status of implementation of the plan to the control room. The MIUR, in turn, is to present a report to Parliament every two years.

The priority objective of the 2017 Plan is to increase the availability of services, reaching 75% of Italian municipalities - in 2014 early childhood services, public or private, were available in only 55% of municipalities, and in Calabria even fewer: 6 out of 100 - and **offering 100% coverage in the three-to-six years range and 33% in the zero-to-three range**.

Given that the private sector currently covers about 11% of users, reaching 33% means it would be necessary for services supported by public funding to accommodate 22% of children under 3 years of age, doubling the current number of users (who in 2014 numbered 197,328).

The number of children accommodated would have to increase to 343,583, no fewer than an extra 162,421.

Figure 3. Percentage of municipalities offering zero-to-three services, by year and territorial level

Source: ISTAT. Italy, Apulia, Calabria, Sicily and Campania.

A detailed look. Will the resources be enough? The cost of the new zero-to-three plan

To reach the 33% availability of zero-to-three services foreseen in the "Buona Scuola" reform, **places must be found for 343,583 children in publicly financed crèches, which means creating 162,421 new places.**

The average cost of accommodating each child being estimated at Euro 7,962 per year, **steady-state running costs would amount to Euro 2.736 billion annually (Table 3).**

Table 3. Expected costs to raise the coverage offered by zero-to-three public services to 22%

Current places with public funding	181,160
Additional publicly-funded places needed	162,421
Total of publicly-funded places (for 22% coverage)	343,583
Cost of creating 162,421 places (millions of euros)	2,599
Annual running cost of 343,583 places (millions of euros)	2,736

Source: UVI. Formulation by the author

Table 4 provides another type of simulation, developed by SOSE for the "ordinary statute" Regions using the **standard cost estimation model**. It foresees running costs of Euro 8,770 per child.

To reach a minimum coverage of 22% in the zero-to-three bracket, **the standard requirements of the municipalities would increase from Euro 1.41 to 2.62 billion (+85%).**

The number of **users would increase from 161,739 to 297,943 (+84%)**, such increase being concentrated in the south.

In almost all regions coverage would only slightly exceed 22%, with the sole exception of Emilia Romagna: here the service, already widespread today, would reach 27.39% of children.

Table 4 - Estimate of the standard cost for a minimum coverage of 22%. Regions with ordinary statute

Region	% of municipalities offering the service	% coverage of the service	Number of children served	Of which in municipal facilities	Standard cost (Euro)
Piedmont	97.76	23.15	23,727	22,711	210,944,212
Lombardy	99.74	22.97	59,250	53,290	499,445,733
Veneto	99.83	22.90	27,685	25,407	222,896,051
Liguria	99.15	23.13	7,350	6,867	69,486,736
Emilia-Romagna	99.71	27.39	30,237	28,303	269,129,895
Tuscany	100.00	25.56	21,869	18,623	173,270,486
Umbria	100.00	22.97	4,734	4,351	40,515,796
Marche	99.58	23.28	8,527	8,017	68,248,954
Lazio	99.47	24.70	36,469	35,831	351,736,261
Abruzzo	99.02	22.94	7,106	6,458	59,731,747
Molise	98.53	22.47	1,451	1,433	12,705,157
Campania	99.82	22.05	34,168	33,882	316,152,525
Puglia	100.00	22.38	21,800	20,554	199,582,767
Basilicata	100.00	22.10	2,698	2,669	23,429,070
Calabria	100.00	22.14	10,872	10,773	99,733,313
TOTAL	99.34	23.55	297,943	279,168	2,617,008,704

Source: SOSE tabulation based on the cost function model used to calculate the standard costs.

On the basis of both simulations, the amount of Euro 239 million p.a. foreseen by the action plan, starting from 2019, for the development of the whole zero-to-six system, does not seem to be sufficient to achieve (and maintain) a 33% coverage, doubling the places currently offered in the public sector and meeting the relevant running costs.

Conclusions

Data at the national level show the **generally positive impact** of the actions launched in the last 10 years, both on the growth of availability (authorised places and expenditure by the municipalities) and on the users accommodated. **The early childhood services sector, however, still cannot guarantee a quality offering throughout the country.**

The extraordinary plan of 2007 achieved for the zero-to-three bracket one of the objectives that had been set, a **national average of 13% of children accommodated in public services**. On the other hand, **the objective of reducing territorial inequalities is more remote**: the difference between the national average indicator and the lowest regional value,

which was 9.7 percentage points in 2004, rose to 11.4 points in 2014.

The number of children enrolled in municipal crèches or those subsidised by local councils **increased from 165,214 in 2007 to 181,160 in 2014**. The impact of the extraordinary plan can be seen by comparing the number of children accommodated over and above the number accepted in 2007: **181,696 additional users in seven years**.

There was a peak of over 200,000 users in 2010 and 2011, but **since 2012 there has been a drop in nursery enrolments**: this may be due to the difficulty families have had in bearing the costs of fees and the difficulty municipalities have had in bearing the running costs during the years of the crisis, but also to the **ending of the boost given by the state funding** of previous years.

Monitoring of the interventions carried out in the last ten years and consideration of the results **highlight some critical issues** for the implementation of the new integrated zero-to-six system that has been introduced with the "Good School" reform:

- **Limited availability in the zero-to-three sector:** still far from the European targets established in 2002, this area is **strongly constrained by available financing** – which is **discontinuous, fragmented and insufficient** - so that the costs continue to weigh mainly on the budgets of municipalities and households.
- **Territorial inequality:** the rate of material and educational poverty of children is on the rise, and in the first places of the educational poverty index (IPE) 2018, calculated by Save the Children, we find Campania, Sicily, Calabria, Puglia and Molise.
- **The difficulties in integrating the system and its governance,** which must be achieved at all levels: between public and private, between traditional crèches and complementary services, between north and south, between State, Regions and municipalities, between social and educational aspects, between professional profiles of educators and teachers.

Remarks

The full implementation of the integrated system requires, as envisaged by the reform, a continuous and coordinated **monitoring activity**, based on complete, exhaustive, up-to-date and timely data.

In November 2017 the *Third Supplementary Report* presented by the Working Group for the UN Convention on the Rights of the Child (CRC Group) highlighted the **lack of homogeneity amongst the Regions in the quality of the data available:** "the timing and criteria of data collection vary from Region to Region, making it difficult to identify needs and plan timely responses".

The establishment of a control room that centrally monitors the implementation of the plan is therefore of fundamental importance: the data collected and disseminated through the **regional monitoring reports** will make

it possible to examine topics such as regulatory amendments, the authorisation and control procedures for the service network, the **programming strategies** for funding and the **sustainability of costs**.

The Dossier

- offers an analysis of the **results achieved by the extraordinary zero-to-three plan launched in 2007**, paying particular attention to the systems for monitoring results and the statistical framework
- examines in detail the **recent regulatory provisions**, starting with the salient aspects of Legislative Decree no. 65 of 2017 which introduced the integrated education and teaching system from birth to six years, implemented by the National Action Plan.
- estimates the **cost** of achieving the goal of a **minimum coverage of 22%** for publicly-funded early childhood services in 75% of Italian municipalities.
- traces the **evolution of the Italian social, cultural and normative context** into which the reform has been introduced, examining aspects having to do with the zero-to-three sector and some experiences – both national and international - in evaluating educational and scholastic systems.

Credits

The study was carried out by
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