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nursery insurance

Cyber security and the UK early years sector

Key research findings:
February 2023



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Introduction

How are nursery managers and owners handling data compliance and security in their settings in 2023?

We set out to gather a national picture of what is really happening in this difficult administrative territory – a notorious pain point for senior personnel.

Nursery management software provider, Connect Childcare, teamed up with childcare insurance specialist, dot2dot, to launch a short survey, aimed at gleaning insight into staff members' experiences of keeping essential information safe – and the cyber security concerns or worries they face every day.

To allow respondents to speak honestly and candidly, answers have been anonymised. A total of 137 early years professionals filled in our online survey, offering a robust sample of the sector.

Results Overview

Cyber security is clearly a significant worry for many nursery owners and managers. Several reported the threat of ransomware attacks, falling prey to scam emails, and theft of data kept them awake at night.

Unwittingly breaching data regulations, staff knowing what to do if that were to happen, and handling such matters in house, without external assistance, are also major concerns. The potential for human error, or even a mole inside a workplace, were among the possibilities highlighted.

However, it is clear from our survey that personnel are well informed about the need for strong passwords to be kept safe, and for sensitive information to be protected – and deleted within legal time frames.

Some felt that other topics took precedence above cyber security – recruitment, sustainability, lack of Government support – which is understandable, provided that strong data management systems are in place, running properly and regularly reviewed.

Respondents also highlighted the cost of maintaining and updating robust systems as a worry, with one person making the matter-of-fact comment:



“Data security requires a lot of money to invest in the latest technology so that companies can operate safely.”



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CYBER SECURITY SURVEY KEY FINDINGS 2023

Risks and Accidents

It is vital for early years settings to keep good records of accidents on site, for insurance purposes and to meet Ofsted requirements. Children who have been in a nursery's care can make safeguarding or injury claims up to the age of 18 and three months, meaning data must be kept in order to respond to and defend such an action.

A total of 45.3% respondents continue to log such incidents on paper, for example in an accident book, which would rely on very good filing systems over many years. These could be lost, for example during a move or reorganisation of premises, and are vulnerable to fire, flood, etc.

Though reporting 'near miss' accidents can uncover trends – such as an issue with a particular piece of nursery equipment – 31.2% of those who answered our questions do not keep such records.

Establishing procedures to log 'near misses' – as a majority of nurseries already do – can indicate where risk assessments need to be updated and provide additional background information if an incident does occur.

45.3%



**ALMOST
HALF**

of nurseries still log
incidents on paper



Reviewing risk assessments should not be an annual tick-box exercise – some such documents should be revised more regularly and previous versions kept to demonstrate this progress. However 29.9% of owners and managers currently work to a yearly timeframe for updates, highlighting potential for better practice. Another 26.3% do this every six months.



Good Nursery Practice

A majority of respondents are well aware of the need to log 'near misses' as well as accidents themselves, and to take a fluid and agile approach to updating and improving documents as required.

56.2%

How many nurseries use nursery management software to record accidents?



Areas for Improvement

Some settings could strengthen their reporting and risk assessment procedures, offering greater confidence and protection in the event of issues and incidents.



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CYBER SECURITY SURVEY KEY FINDINGS 2023

IT Policies and Equipment



76.9%

Over three quarters of nurseries (76.9%) report that they have a dedicated staff member who is responsible for IT policies and data security.

This is encouraging, though 'going it alone' without an external provider means staff must undergo regular training to keep up to date with the latest requirements.

However, outsourcing can be expensive and only a fifth of respondents (21.2%) said this function was provided by an external expert. When asked how much money their business spent on data security for GDPR and privacy in the last 12 months, responses ranged from £40-£200 to many thousands of pounds.

Many nurseries report using up to five or more IT platforms to manage their data – despite the security risk that such practice can create. Operating multiple systems can also add to admin woes, especially when seeking insurance against cyber security incidents, where each interface must be listed – and security measures detailed.



53.3%

of responders said that default passwords were used for systems storing sensitive data



More than half (53.3%) said default passwords were in use for systems and devices handling CRM, online payments, parent interface, accounts, HR, anti-virus, data back-up, and children's milestones.



Good Nursery Practice

Settings are clearly giving data security the care and attention that this area of operations requires, taking responsibility for guarding against issues.



Areas for Improvement

Early years businesses operating several IT platforms – or handling all data requirements in house – could benefit from streamlining and simplifying their systems with the help of an external provider and taking care to use strong, secure passwords.



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CYBER SECURITY SURVEY KEY FINDINGS 2023

Business Policies

Worryingly, almost a quarter of all nurseries (23.4%) have suffered a data breach in the last 12 months and a total of 25.5% feel they do not have an effective Data Breach Management Plan and process in place.

Such a plan is important to gaining cyber insurance, with many insurers requesting that this be put in place as a condition of the policy.

15.3% of nurseries said they do not have a Data Protection Officer, despite the Information Commission Office's clear direction that this is a requirement of all businesses.

Encouragingly, 77.4% of respondents said their workplace had a Business Continuity Plan in place – however, 17% said this document did not cover cyber incidents or data breach losses.

23.4%



**ALMOST
A QUARTER**

of nurseries have suffered a data breach in the last 12 months



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CYBER SECURITY SURVEY KEY FINDINGS 2023



Good Nursery Practice

A majority of nurseries are following guidelines and have relevant plans and personnel in place regarding data matters.



Areas for Improvement

It appears that a minority of nurseries have some work to do in this area, drawing up a Data Breach Management Plan, and appointing and training a Data Protection Officer, if they do not have one.



Consider appointing and training a Data Protection Officer



Some should also give serious consideration to creating a Business Continuity Plan, or building upon the one they have, to encompass detailed procedures to follow in the event of a data incident – especially as many already have experience of such problems.



Staff, Training, and Nursery Management Software



80.3%

4 out of 5 nurseries use nursery management software to help protect data

Our survey reveals wavering levels of confidence among staff in keeping data safe. Respondents admitted worries such as “staff not being trained well enough” or “not knowing what to do if there is a breach” – and “the human factor”, suggesting that mistakes can happen even among the most conscientious and diligent employees.

Overall, however, 70.1% of respondents reported that they were confident or very confident in staff training and knowledge of data security. 69.3% said employees at their workplace were trained to spot signs of fraud and phishing emails etc.

This underlines the importance of staff training in Data Security and Compliance, and indeed the benefits of using an integrated nursery management software solution.

This was clearly recognised by 80.3% of respondents who reported using nursery management software to help protect data – leaving 19.7% who cope with this responsibility in house.

Conclusion

Overall, our findings present an encouraging picture of a sector stepping up to the challenges of data security and GDPR and taking its responsibilities seriously. There is much good practice to celebrate, with the vast majority of owners and managers now using nursery management software to facilitate this continuous improvement.

While paper files are becoming a thing of the past, a significant minority of settings do still rely on traditions such as accident books – which of course are more vulnerable to loss or destruction than cloud-based electronic records.

Perhaps the most concerning finding is that despite senior early years personnel's responsible approaches across the country, almost a quarter of settings reported at least one data incident having happened in the past 12 months.

This indicates an urgent need to carry on working towards better data storage solutions, using ever-more sophisticated and integrated nursery management software at the heart of operations.

Highlights



Over 80% of nurseries are using nursery management software to protect their data



A rising number of nurseries are stepping up to the challenges of GDPR and data security



1 in 4 nurseries have experienced a data breach in the last 12 months

RELATED RESOURCES

- [Make the Switch to Connect Childcare](#)
- [Data Safety in the Early Years: 10-Step Baseline Checklist](#)
- [Why Technology is the key to Safety and Security in Nurseries](#)

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