

# Expansion of the entitlement to free education for disadvantaged two-year-olds



# Contents

## Executive summary

1. Introduction
2. Policy context
3. The trial areas
4. Case study examples
5. Findings and lessons to share
6. Tools and resources to be shared

## Annex: Summary of trials

# Executive summary

The Children's Improvement Board (CIB) commissioned the Centre for Excellence and Outcomes in Children's and Young People's Services (C4EO) to identify lessons from the trial areas, which are testing approaches to expanding the entitlement to free early years education for disadvantaged two-year-olds.

## Policy Context and Aims of Trials

Local Authorities will have a statutory duty to provide free early education to disadvantaged two-year-olds from September 2013, which will be an extension to the existing entitlement for three and four year olds. Eligible families will be entitled to 570 hours of free early education for their two-year-olds and, under the 2010 Spending Review, the number of places was set to increase nationally from 20,000 to around 140,000 over the four years until 2014-15. In the Autumn Statement, the Chancellor announced a further expansion to around 260,000 places from 2014. The expansion of the eligibility will be phased, so that 20% of two-year-olds will be eligible for the entitlement in 2013, and 40% in September 2014.

Fifteen trials involving eighteen Local Authorities have been testing a range of approaches to expanding free early years education for disadvantaged two-year-olds. The trials will end on 31 March 2012. The areas were: Derbyshire, Gloucestershire, Hertfordshire, Hartlepool, Manchester/Tameside, Medway, Northamptonshire, North Yorkshire, Rotherham, Southampton, Stoke-on-Trent, Sunderland, Merton/Sutton, Tower Hamlets, Walsall/Wolverhampton. A more detailed report of the learning from the trials is also available.

## Key Findings

### (a) **Building sustainable capacity to meet the projected need for additional early education places:**

- The definition of "disadvantage" (i.e. the eligibility criteria) needs further clarification;
- Criteria used in the trials have helped to identify previously un-referred children, therefore, reaching children in need at an earlier stage;
- Settings need planned lead-in time to amend their admissions criteria ahead of implementation;
- Expectations of multi-agency partners will need managing. Many trials found that communication across sectors has greatly improved as a result of the trials, with raised awareness of the offer and its benefits, for both parents and practitioners;
- Some providers need additional business support and training;

- Childminders may be an appropriate solution in some areas and additional resources are needed to support bespoke training;
- Funded placements for disadvantaged two-year-olds are providing a financial lifeline for day nursery providers with sustainability issues.

**(b) Improving overall quality of provision and the early years workforce:**

- Addressing the issues of quality of settings and qualifications of leaders is critical;
- Links to local academic institutions to improve training and the skills of the workforce have been useful;
- Working with local Childminding Associations to engage and train childminders has been effective;
- Time spent with settings in building relationships with partners, modelling good practice, guided visits to other settings and information sharing events for settings and practitioners, have been effective in improving quality and raising ambition.

**(c) Engaging Parents:**

- Parents need support to access the free entitlement and overcome barriers such as low self-esteem and long term unemployment;
- Integrating this work around the two-year-olds combined with additional support to improve the well-being of the whole family has proved beneficial. Some have made this a key plank of their child poverty strategies;
- There is potential to use this opportunity to engage parents in home learning with their children;
- Transport has proved a challenge where parents live some distance from settings, particularly in rural areas;
- Financial eligibility requirements may be a priority to be addressed for BME communities;
- Children's Centres are well placed to identify and target eligible children and Parent Support Advisers in Children's Centres, have proved important in engaging parents;
- Health Visitors have also had an important role to play in identifying and supporting potential families.

**(d) Offering parents greater flexibility:**

- It is generally too early to draw lessons about the benefits to parents of flexible implementation of the 15 hour a week offer. Rotherham and Derbyshire have reported increased take-up through their flexible models, but Hartlepool and Hertfordshire found little interest in carrying forward hours from one year to the next.

# 1 Introduction

The Children's Improvement Board (CIB) has commissioned the Centre for Excellence and Outcomes in Children's and Young People's Services (C4EO) to draw out and disseminate learning from the 15 trial areas, which are testing approaches to expanding the entitlement to free early years education for disadvantaged two-year-olds. All 15 trial areas have been asked to disseminate the learning from their activity to other Local Authorities as part of their grant agreement. Nevertheless, the CIB believes there would be benefit in bringing together, in one place, the learning from the trials which will assist other Local Authorities in their planning and practice.

It is hoped that the lessons learnt from the pilots could help all local areas prepare for the delivery of the new entitlement. Whilst the requirement does not come into force until 2013, many Local Authorities will need to increase the number of places available substantially in order to provide the offer and to grow the market at a local level.

The content of this report is taken from the original bid documents (Funding Allocation Forms), the September 2011 Progress Reports submitted to the DfE, plus additional material that pilots provided in February 2012. It needs to be made clear that this paper has been produced before the end of the trial period (31 March 2012). All pilots will be providing a second progress report for DfE once the trials end on 31 March 2012 and, in some cases, their own evaluations. All but two of the pilot areas have provided additional updates of progress since September 2011, with varying levels of detail.

This paper provides a brief overview of the policy context that underpins the trials, a description of the elements that the trials have been testing out with some case studies, the key findings and learning points from the trials that can be shared, and finally, signposting to the tools and materials that the local areas have produced and can be shared.

## 2 Policy context

Local Authorities will be aware that, from September 2013, they will have a statutory duty to provide free early education to disadvantaged two-year-olds. The extension of the free early education entitlement to disadvantaged two-year-olds is a key plank of the Government's social mobility and foundation years' strategies – announced by the Deputy Prime Minister in October 2010 as part of the 'Fairness Premium'.

This entitlement will be an extension to the existing entitlement for three- and four-year olds. The entitlement will be for 570 hours of free early education for eligible two-year-olds. If taken over 38 weeks in a year, this represents 15 hours a week, but the hours may be taken in different patterns over the year.

As part of the 2010 Spending Review, the Government announced that this would be gradually extended to every disadvantaged two-year-old, funded by an additional investment of around £300 million per year through the Early Intervention Grant (EIG) by the end of the spending period. This would have meant an increase in the number of places nationally from 20,000 to around 140,000.

In 2011, the Chancellor announced in his Autumn Statement that the early education entitlement for two-year-olds would be further expanded, with additional funding. This means that, from 2014, free early education places will be available for around 260,000 two-year-olds (around 40%). The Department for Education (DfE) is developing options for widening the eligibility criteria to cover 40% of two-year-olds. There will be a phased implementation of the eligibility, under which 20% of two-year-olds will be eligible for the entitlement in 2013, and 40% in September 2014.

Section 1 of the Education Act 2011 enables the Government to extend the early education entitlement to two-year-olds who meet eligibility criteria set out in regulations.

DfE ran a consultation on early education and childcare which closed in February 2012. It covered proposals for the three and four year old entitlement and childcare sufficiency, as well as the two-year-old entitlement from September 2013. This paper was completed before the results of the consultation were published.

Finally, it is worth drawing attention to the recently published National Audit Office (NAO) report "*Delivering the free entitlement to education for three and four year olds*" [http://www.nao.org.uk/publications/1012/education\\_for\\_3-4-year-olds.aspx](http://www.nao.org.uk/publications/1012/education_for_3-4-year-olds.aspx) Its purpose is to examine whether the DfE is achieving 'value for money' in delivering the entitlement, but it also contains much useful information for Local Authorities as they prepare for the expansion of the entitlement for two-year-olds.

### 3 The trial areas

15 trials, involving 18 Local Authorities, were successful in gaining funding to test approaches to expanding free early years education, for disadvantaged two-year-olds. The trials ran from April 2011 until 31 March 2012.

The 15 trials were in the following areas:

Derbyshire	Gloucestershire	Hartlepool
Hertfordshire	Manchester / Tameside	Medway
Northamptonshire	North Yorkshire	Rotherham
Southampton	Stoke-on-Trent	Sunderland
Sutton / Merton	Tower Hamlets	Walsall / Wolverhampton

The trials were requested to address issues directly relating to (a) the **expansion of the free entitlement**, and/or (b) **greater flexibility**, under one or more of the following headings:

- (i) **Building sustainable capacity** to meet the projected need for additional early education places in their local area;
- (ii) **Improving overall quality** of early years provision in the local area, to ensure settings meet the particular needs of children attending and their families, delivering tangible benefits to both;
- (iii) **Increasing the skills** of early years workers in working with disadvantaged two-year-olds and their families;
- (iv) **Enhancing local systems** to manage the expansion of the two year old offer from 2013;
- (v) **Offering parents greater flexibility** in how they use their 2, 3 and 4 year old free entitlement; to assess demand for increased flexibilities and to trial local systems to enable greater flexibility.

## Analysis of the approaches tested by each trial area:

	Building capacity				Improving quality of settings and increasing skills of the workforce				Enhancing local systems	Greater flexibility for parents
	CM	PVI	CC	Nursy/Schls	CM	PVI	CC	Nursy/Schls		
Derbyshire					✓				✓	✓
Gloucestershire	✓	✓			✓	✓		FC		
Hartlepool	✓	✓		✓				✓		✓
Hertfordshire		✓	✓	✓		✓	✓		✓	✓
Manchester / Tameside	✓	✓			✓	✓			✓	
Medway	✓	✓	✓			✓	✓			
Northamptonshire					✓	✓	✓			
North Yorkshire					✓	✓				
Rotherham		✓	✓		✓	✓				
Southampton									✓	
Stoke-on-Trent					✓	✓	✓			
Sunderland	✓	✓	✓	✓	✓	✓	✓			✓
Sutton / Merton	✓				✓	✓	✓			
Tower Hamlets		✓	✓	✓		✓	✓	✓		
Walsall / Wolverhampton		✓	✓			✓	✓		✓	✓

### KEY:

<b>CM = Childminders</b>	<b>Nursy = Nursery</b>
<b>PVI = Private, Voluntary &amp; Independent</b>	<b>Schls = Schools</b>
<b>CC = Children's Centres</b>	<b>FC = Foster Carers</b>

## 4 Case study examples

This section provides some detail for seven of the trial areas and provides a description of what they were intending to trial, the results and the lessons to be shared. The selection was based on a variety of factors including a range of aims and approaches, many features of which are also found in other trial Authorities. Several case studies illustrate particular features which are not common across other trial areas. The spread of Authorities by type and location is also reflected in the selection. All types of settings are covered (including urban and rural areas) and some trials have 'readily replicable' features.

### Hartlepool

#### **Aim / approach**

To expand flexible childcare places in high quality settings for targeted two-year-olds in child poverty hotspots, largely through partnerships with local primary schools, but also in PVI settings and with childminders. The focus is on childminders and PVI settings rated 'good' or 'outstanding', plus support for schools in targeted wards, to enable them to deliver the entitlement to two-year-olds. Parents receiving the offer are required to register with a Sure Start Children's Centre and actively engage in training, education, work or volunteering. Integrated Children's Centre teams are increasing the number of two-year-olds targeted.

#### **Progress / findings / outcomes**

Demand for places exceeds funding. Parents welcome the scheme and are happy to work with Children's Centres; many are involved in volunteering. There is evidence that placements encourage parents to take up opportunities and have a positive impact on children. Parents have not been interested in flexibility through 'carrying forward' of hours and they prefer group-based childcare, where children mix/play with others, to childminders – and childminders can earn more per session than the LA hourly rate. Funded placements for two-year-olds are providing a financial lifeline for day nursery providers with sustainability issues, in the face of declining take-up of paying places.

#### **Progress with preparations for expanded entitlement**

All available PVI settings (including childminders) have been audited to establish their capacity for two-year-old provision; providers are being supported to adjust their Ofsted registration; a RAG process has been introduced differentiating providers who can care for two-year-olds, from those who cannot. There have been one-to-one and cluster-based discussions with Headteachers; extra training for staff on working with two-year-olds is underway, allocation of appropriate resources is complete and

school settings are due to open in April 2012. The referral process is embedded through Children's Centres – with more than the initial target number of children now placed (and demand for places exceeding the available funding).

### **Learning points**

An effective administration/co-ordination system is needed to track children, placements, take-up and payment. Time needs to be spent with schools on establishing appropriate governance arrangements, Ofsted registration, changes in environment/equipment, staff recruitment and training. It has taken longer than planned to get two-year-olds placed in schools. Parents' willingness to take up opportunities (despite, for example, low self-esteem, long-term unemployment) shouldn't be under-estimated, but some parents need support to access provision.

## **Hertfordshire**

### **Aim / approach**

To increase the number of PVI settings rated 'good' by Ofsted or RAG-rated green by the local early years consultant; to support 10 targeted settings to undertake LA Quality Standards; to develop a 'leading Early Years practitioner' scheme to ensure sustained improvement; to deliver a Peers Early Education Partnership (PEEP) accredited home learning programme; to increase the skills of early years staff with training at different levels, including for cross-sector practitioners; to engage a range of Children's Centre staff in 'team around the community' networks; to trial transferability/carry forward of entitlement hours, and develop the existing online admission system to manage data on hours accessed.

### **Progress / findings / outcomes**

The target for placements has been exceeded, with regular referrals from multi-agency teams. Training has been undertaken by a range of staff, including 'leading practitioners'; a post-graduate course with 15 places is looking at the issues surrounding vulnerable families and multi-agency responses. Conferences were held on working with two-year-olds and two community networks have been established, developing new ways of working.

### **Progress with preparations for expanded entitlement**

The Council is assessing existing provision in order to establish baseline data for expansion projections and mapping where children live. The trial has led to reconsideration of the eligibility criteria, which may be incorporated into the expanded provision. A support package is being considered for settings willing to expand, including workforce development and business modelling. The Council is looking at using technology to improve the application and payment process.

## **Learning points**

Parents have shown almost no interest in the carry-forward flexibility. There is concern that the eligibility criteria being used (determined by each Local Authority) and speed at which children are being placed in the trial, may not be possible in expanded provision, so expectations of multi-agency partners will need to be managed in the future. Parents, however, say speed of placement is important or events can intervene and reduce take-up. The trial criteria have helped to identify previously un-referred children, linked to the early intervention/ prevention process, before they move up to a higher level of need. Communication across sectors has greatly improved, with raised awareness of the offer and its benefits; practitioners are sharing information and families are being directed to the services they need. The multi-agency training course has enabled practitioners to learn from each other, discuss how each service will support a family, and which creative solutions could be offered.

## **Medway**

### **Aim / approach**

A Local Authority-wide analysis to identify the scale and concentration of eligible families and the capacity of existing settings to develop new and appropriate provision for two-year-olds; a staged plan for expansion of entitlement places using replicable strategies, building on Sure Start Children's Centres, established PVI settings and childminders, with the commissioning of new provision. The model is focused on the role of graduate Early Years Professionals in leading the development of high quality, affordable, sustainable provision in 'lead two-year-old settings', with focused improvement plans supported by early years consultants and the Early Years Professional network.

### **Progress / findings / outcomes**

A number of professional development sessions for settings involved in the pilot have been held. Audits continue to identify the baseline of provision and to feed into settings' focused improvement plans. Information is being gathered to present and share with the next phase of settings offering provision for two-year-olds. Universal provision of services for two-year-olds is being audited, with tracking of children involved in the first wave of two-year-old funded places linked to the Children's Centre. Packs of resources are being developed for home learning linked to Children's Centre services for two-year-olds, focused on language development, and a prompt sheet to enable Children's Centre staff to talk with parents about their children's starting points. A number of settings are full and altering admissions criteria to prioritise eligible two-year-olds, requires a long lead-in time.

## **Progress with preparations for expanded entitlement**

The announcement has necessitated a fundamental review of the Local Authority's strategy, with a shift from a tightly targeted intervention to support the most vulnerable and disadvantaged families to one which encompasses almost half the population. However, the commitment remains true to its purpose being to improve outcomes and reduce inequalities at age three, for which quality of provision is the key determinant. The numbers and locations of children and families have been mapped using proxy data and matched with the potential settings for delivery. The eligibility criteria for settings are being adapted (with lower thresholds to increase the number); and the approach to integration of places with the family support offer provided by the Children's Centre is also being adapted.

## **Learning points**

Settings must be approached early (at least six months in advance) to establish if they will have places available. Settings need plenty of time to amend admissions criteria. Children's Centres should be allowed to identify and target the most needy eligible families (rather than mail shots to benefits recipients). Quality of settings and the qualifications of leaders are critical to improving outcomes, as is support for parents/families to support home learning.

## **North Yorkshire**

### **Aim / approach**

To develop a model of childcare provision for vulnerable two-year-olds in sparsely populated rural areas, capable of replication in similar areas from within available resources from 2013; to establish two accredited childminder networks with a half-time co-ordinator, linked to Children's Centres – one focused on children with SEND the other focused on disadvantage; to build on learning from the 2009/10 pilot on identification of eligible children and engagement/support of families; to work with settings to audit current practice and enhance provision – including the development of parenting capacity, the home learning environment, early language development and engagement with children's learning.

### **Progress / findings / outcomes**

Challenges include balancing economic entitlement with other measures of vulnerability, tracking families and providing appropriate support in settings largely in the PVI sector (the local authority currently controls allocation of places, with links to the CAF process). The funding system has been modified to bring it in line with head count dates and needs to continue to change towards a system which replicates three and four year old funding. Schools suggest that the DfE hourly rate is insufficient, with no capital or revenue to provide incentives. Transport has also proved a challenge and childminder pick-ups are being trialled as this forms part of the entitlement, but this can only benefit limited numbers.

## **Progress with preparations for expanded entitlement**

Ensuring sufficiency of places will be a major challenge, with a high proportion of settings in the PVI sector and the sparse population (with few children) making viability of settings difficult. Funding has been secured for 2012/13 for 426 places (DfE estimates 20% = 700) to enable work to start in other areas of the county. This also links into the early intervention work of Children's Centres and the Children & Young People's Plan priorities. The Authority will learn from the wave 3 allocation and the current trial, to inform an appropriate approach for 2013.

## **Learning points**

Communication with many agencies including Health Visitors has improved, as they have engaged with referrals, highlighting vulnerable families in the community which were previously unknown to Children's Centres. Parent Support Advisers have proved important through their home visits, to engaging parents and signposting them to further support. Children's Centres have also had a crucial role to play in identifying potential families for the free entitlement.

## **Southampton**

### **Aim / approach**

To develop a web-based system for secure and real-time electronic communication and data transfer with and between providers and settings (based on additional functionality of commercially-available Anycomms Plus software), most of whom lack secure PCs. This will enable the Local Authority to maintain an accurate record of place availability and, therefore, track vacancies and support the most appropriate and timely placement of disadvantaged two-year-olds. It will also reduce the burden on providers, and reduce costs.

### **Progress/findings/outcomes**

The software is largely developed, but awaiting pre-population with data for providers to update (Avco have circulated an information flier to Local Authorities, but further details of more functionality benefits are now available). Providers currently use the system for sending information and data, often in response to Local Authority questionnaires to generate specific data. It is also being used for sending other secure information (e.g. on safeguarding). Southampton has been in close liaison with Buckinghamshire County Council. Southampton has set up a "community" on the Communities of Practice website and 12 Local Authorities are members.

## **Progress with preparations for expanded entitlement**

Funding has been secured from the EIG for a stepped increase in places for 2013 and scoping is completed for increasing places for full entitlement – but there is concern about a lack of sufficient funding to support creation of additional places.

## **Learning points**

The system provides secure transmission of a wide range of information and data from providers to the Local Authority, without the need to download or save files to a local PC which has shared use. It has a facility to include deadlines for returns and compulsory fields and to generate alerts to complete returns.

## **Sutton / Merton**

### **Aim / approach**

To increase the capacity and quality of childminder places, in order to meet the criteria for two-year-old provision, increasing the support available for vulnerable children and their families from within the community. Focused on a large, disadvantaged estate which sits across the Borough boundaries, with families using the Children's Centre in whichever Local Authority best suits them. A multi-agency training programme was developed for existing and newly-recruited childminders, with childminders, PVI and Children's Centre staff also being trained to deliver the "Incredible Years" family support programme. The programme covers assessment and tracking, intervention and prevention models (including speech and language), emotional and social development, family support, safeguarding and a pedagogical approach to parental involvement in the home learning environment.

### **Progress / findings / outcomes**

The number of new places created is expanding, with an increase in the number of registered providers – mainly in the childminder sector. Data is being analysed to identify areas of highest demand from eligible children to inform developments. Training the trainers and phase 1 training and evaluation is completed, with phase 2 underway and "Incredible Years" training available for childminders who have taken part. The first cohort of childminders have been added to the Early Years Directory, with NVQ level 3 offered to those not yet qualified. New partnerships have been developed across the two Local Authorities and are improving.

### **Progress with preparations for expanded entitlement**

In addition to the above (with the aim of increasing two-year-old places by 30%), the potential of provision in schools is also being explored.

## **Learning points**

Two Local Authorities working together on a multi-agency basis has provided mutual learning. The focus on childminders has made them feel valued. The training programme developed is working well in terms of take-up by childminders, adding to the Directory of Providers and the size of the Quality Improved Network, and all are RAG rated. 50 per cent of children placed have made good progress, meeting

expected levels of learning and development. Funding to extend the programme and the number of modules required, may be barriers to the scale of expansion.

## **Tower Hamlets**

### **Aim / approach**

Starting from a base of few high quality settings (mainly PVI nurseries/playgroups) serving a very disadvantaged community with poor EYFS outcomes, the aim is to simultaneously expand provision, improve quality and deliver more effective multi-agency work. Through the engagement and enthusiasm of the workforce, it is planned to ensure that practitioners are securely achieving continuous professional development, with better systems for quality improvement. Parents will be supported and encouraged to engage in the language and emotional development of their children and develop greater resilience in order to cope with a variety of stressful situations such as poor housing, health and poverty.

### **Progress/findings/outcomes**

Three sets of providers were included: settings where there were quality concerns, new providers, and council-maintained nurseries (all with good or outstanding Ofsted judgements) supported to lead practice in their neighbourhoods. Settings were assessed and rated (by A+ Education, using ECERS-R and ITERS-R scales), provided with feedback on strengths and areas for development and asked to produce an action plan (with support from linked project workers). Members of the Early Years team have now been trained to undertake future quality audits. Training was provided for all settings, followed by a conference for all staff in the pilot settings; a small project with three settings focused on professional development of staff (being assessed with oversight from the Institute of Education).

Project workers have strengthened links with Children's Centres and are trialling different models for improved referral. Early indications suggest considerable development in trial settings; children's outcomes are being tracked using the Every Child a Talker (ECAT) monitoring tool and the Personal, Social and Emotional Development Scale in Development Matters. The need to focus on two areas has been identified: the referral/admission system to identify and prioritise children in greatest need and reach out to families and communities who may miss out on their entitlement (this may involve establishing a multi-agency panel and a financial incentive for settings including children with high levels of need). Plus the capacity of settings to support parents and offer advice (a training package is being developed to include ongoing training for practitioners in post and initial training at level 3).

## **Progress with preparations for expanded entitlement**

Tower Hamlets estimates a likely need for around 1,300 new places (more than the DfE figure). There is a serious shortage of suitably trained staff, the staffing level for two-year-olds is twice that for three-year-olds (most existing provision is for three- and four-year-olds), and most settings require funding for equipment and facilities for two-year-olds. The training timescales make meeting the level of entitlement unachievable by the time required. The most viable option for progress is aiming to transfer more three-year-olds into nursery classes in primary schools whilst supporting other providers to convert three-year-old places into two-year-old places. Opportunities for new providers are limited by high property values and shortage of supply. Tower Hamlets is working closely with Hackney and Merton Boroughs and sharing learning.

## **Learning points**

Early years settings lack the funding, and sometimes the staff expertise, to meet the challenge of working with two-year-olds with additional needs (whilst schools have devolved funding for pupils with additional needs but without SEN statements). Time spent with settings in building relationships and partnerships, modelling good practice, guided visits to others settings, and the conference for practitioners (who often work in some isolation) have been effective in lifting ambition to improve quality. It will be difficult to sustain the financial commitment without the trial funding and there are real concerns about funding the expansion of two-year-old places, especially in small settings, because of the lower adult/child ratio (and the need to invest in equipment and facilities). Childminders have been reluctant to engage, as the funding rate is not competitive for them. Ofsted judgements are a valuable, but not a sufficient basis for assessing appropriate quality.

## 5 Findings and lessons to share

This section summarises the key learning points and experiences of the trials.

### (i) Increasing capacity in early years education settings

- **Hertfordshire** found some concern that the eligibility criteria and speed of placement in the trial may not be possible in expanded provision, so expectations of multi-agency partners will need managing. But parents say speed of placement is important or events can intervene and reduce take-up; and the trial criteria have helped to identify previously un-referred children, linked to the early intervention/ prevention process, before they move up to the next level of need.
- Several trials have expressed the need for the **definition of “disadvantage”** (eligibility criteria) to be clarified in order to progress the expansion of places.
- **Medway** found that **settings must be approached early** (at least six months in advance of implementation) to establish if they will have places available. Settings need plenty of time to amend admissions criteria for the new cohort of disadvantaged two-year-olds.
- The **Manchester/Tameside** pilot ran an evening event for providers interested in increasing places. Providers were largely uninformed about the national place increase forecasts and had not considered implications for: growth in the sector; the larger numbers of disadvantaged children, including those with additional needs; and how to balance bookings of publicly funded children and those privately funded, whilst ensuring sustainability within the business. They also found there was a **need for business support/training for providers**.
- The consortium trial of **Sutton and Merton** found that the two Local Authorities working together on a multi-agency basis provided valuable mutual learning. The focus of the trial was on **childminders**, which made them feel valued and their take-up of the bespoke training programme was good. However, it was reported that funding of childminders to attend the programme, and the number of modules required, may be barriers to the scale of expansion. They felt the development of the training programme and associated work stream should be relatively easy to replicate in other Local Authorities, as the model is based on a comprehensive training package with in-built quality assurance.

- **Tower Hamlets** found that **childminders** have been reluctant to engage, as the funding rate is not competitive for them. (Note: DfE didn't set a staff rate for these two-year-olds trials, but £6.00 an hour seems to have been the unofficial guide that many Local Authorities work to. DfE recognises that the funding rate for a two-year-old may be higher than that for a three- or four-year-old as the costs associated with the care can be higher e.g. they have different staff ratios, but no rate was stipulated).
- **Ofsted** judgements were found by some to be a valuable, but not a sufficient basis, for assessing the quality of childminders.
- Four of the trial areas indicated they would be exploring the **expansion of places in nurseries on school sites**. **Hartlepool** has indicated that time needs to be spent with schools on establishing governance arrangements, Ofsted registration, changes in environment/equipment, and staff recruitment and training. It has taken longer than originally planned, to get two-year-olds placed in schools. Others are looking to expand places for three-year-olds in schools, to create places for two-year-olds in other settings.

## (ii) Sustaining good quality early years education

- Many trial areas have found that the funded placements for disadvantaged two-year-olds are providing a financial lifeline for day nursery providers with sustainability issues, in the face of declining take-up of paying places in many areas (often because parents have lost their jobs).
- The implication of this is that it will be difficult to sustain the financial commitment without the trial funding. There are **real concerns about funding the expansion of two-year-old places**, especially in small settings, because of the lower adult/child ratio needed for two year olds and the need to invest in equipment and facilities.
- **Sunderland** is finding that the economic climate may close settings before the full offer for disadvantaged two-year-olds is in place, leading to a shortage of places.

### (iii) Quality of settings and skills of workforce

- All of the trials (except **Southampton**) addressed the issues of quality of settings and improving the skills of their workforce through **training**, peer mentoring and in some cases, lead early years professionals being responsible for leading skills development in Children's Centres, groups of Children's Centres or settings.
- A small number have **linked their activities to local academic institutions** to improve training, skills, etc. **Tower Hamlets** is working with the Institute of Education on monitoring impact; **Medway** is working with the University of Canterbury on their New Leaders in Early Years Programme (NLEY) and in **Northamptonshire**, links have been made with staff at the University of Northampton to develop solution-focused training resources for the bespoke core induction programme for Family Support Workers.
- **Tower Hamlets** found that early years settings often lack the funding, and sometimes the staff expertise, to meet the challenge of working with two-year-olds with additional needs (whilst schools have devolved funding for pupils with additional needs but without SEN statements). Time spent with settings in building relationships and partnerships, **modelling good practice**, guided visits to others settings, and the conference for practitioners (who often work in some isolation) have been effective in lifting ambition to improve quality.
- The quality of settings and the **qualifications of leaders** is critical to improving outcomes, as is support for parents/families to support home learning. The **Manchester / Tameside** trial found that improving provider qualifications can also motivate practitioners and reduce turnover.
- The training provided by the **Northamptonshire Childminding Association** attracted a range of high qualified participants, a number of whom already held Level 3 and 4 qualifications in areas other than childcare; but the Authority reported that in some circumstances this has made them ineligible for accessing funded professional development opportunities.

### (iv) Engaging parents and take-up the entitlement

- **Many of the trials found that parents need support** to access the free entitlement and issues such as low self-esteem and long-term unemployment, shouldn't be under-estimated. For the majority of the trials, providing family support through Children's Centres and developing good relationships, giving attention to the wellbeing of the whole family, was

integral to the aim of encouraging those families to take up the free two-year-old offer.

- A small number of areas have integrated their work around the two-year-olds and their families in disadvantaged areas, into their **child poverty strategies**.
- Many of the trials have also taken the opportunity to engage the parents in **home learning** with their children. **Derbyshire** found that parents need to be encouraged and motivated to apply for funding and that many parents feel stigmatised because of the application process and the need to provide evidence of the benefits they claim.
- Transport has sometimes proved a challenge. Childminder pickups are being trialled in **North Yorkshire** as part of the entitlement, but this can only benefit limited numbers; **Hartlepool** has found that it has had to meet the **cost of transport** if no setting is in walking distance for a parent.
- The financial eligibility requirement for **BME communities** was found to be problematic in one area as they did not always meet this element of the criteria and benefits were not always claimed.
- Most of the trials described **Children's Centres as the most important vehicle** for identifying and targeting children, specifically through Children's Centre Registrations which were speeding up referrals. Children's Centres are well placed to identify and target eligible families, and more effective than mail shots to Benefits recipients.
- In **Rotherham**, **new panel processes** have been set up to allocate childcare places to ensure the most disadvantaged families are targeted and this has led to earlier identification of children with complex needs and the provision of support to families through joined up specialist services.
- **North Yorkshire** found that **Parent Support Advisers** have proved important through their home visits, in engaging parents and signposting them to further support.
- **Health Visitors** have also had an important role to play in identifying families as potential recipients of the free entitlement.

## (v) Flexibility of the offer

- Less than a third of the trials explored **delivering the entitlement more flexibly**, with mixed findings. **Hartlepool** anticipated allowing parents to use their two, three and four year old free entitlement of 570 hours per year by taking a minimum of 475 hours each year, with an opportunity to carry forward a maximum of 95 hours, but no parent has yet expressed an interest in this. **Hertfordshire** also wanted to trial the carry forward of hours to the next year within settings which they felt would also support their sustainability, but despite discussion with stakeholders, particularly around the funding process, no agreement is yet reported.
- **Rotherham's** proposal, however, to use **flexible session times** in line with the delivery of early education to three- and four-year olds, ensuring all days and times were accessible to disadvantaged two-year-olds, have achieved good results. They used the 5-hour sessions across holiday periods and made greater use of the Autumn term, which traditionally has lower occupancy levels due to the single intake into schools in September. Rotherham changed its delivery model (now limited to 3 x 5 hours or 5 x 3 hours in term time, or 10 hours per week all year round) and staffing rotas. Consequently, they have increased substantially the number of two-year-olds placed and seven of Rotherham's most challenging areas (in terms of capacity and levels of disadvantage) have met next year's estimated number of places – a four-fold increase on this year.
- **Derbyshire** has also found that parents have welcomed the opportunity for their child to access the free entitlement from the age of two. **Stretching the entitlement** over more than 38 weeks has proved very popular, so parents can access either 15 hours x 38 weeks or 11.5 hours x 49 weeks.

## (vi) Partnership Working with other agencies

- Many Authorities found that as a result of the trial, **communication across sectors** had greatly improved, with raised awareness of the offer and its benefits for both practitioners and parents. It was found that practitioners were sharing information and families were being directed to the services they need.
- **Hertfordshire** reported that their **multi-agency training course** had enabled practitioners to learn from each other, discuss how each service would support a family and which creative solutions could be offered.

- A number of trials reported how **partnerships with health professionals**, particularly Health Visitors, have been strengthened because they have engaged with referrals, highlighting vulnerable families in the community which were previously unknown to Children’s Centres.

### **(vii) Enhanced Local Systems**

- There was a **wide interpretation** in the trials of “enhancing local systems”. Many applied it to improving partnership working with colleagues from other agencies, particularly developing more effective referral processes, monitoring take-up of places and improving communication jointly with partners. This was generally a positive outcome of the trials.
- **Southampton** was the only trial to focus only on systems; it developed a **web-based system** for secure and real-time electronic communication and data transfer with and between providers and settings (based on additional functionality of commercially-available Anycomms Plus software). The system provides secure transmission of a wide range of information and data from providers to the Local Authority without the need to download or save files to a local PC which has shared use.

### **(viii) Working with other Local Authorities**

- A small number of the trials have worked with at least one other Authority, and found it to be very helpful. For example, in the **Gloucestershire** trial, the Sure Start Partnership Manager from Swindon BC joined the project group, enabling sharing of information across professional teams from the two Authorities, which both found useful.
- **Manchester and Thameside** formed a consortium pilot and have found that **new partnerships** have been formed across the two Authorities – Manchester’s Free Entitlement Team are now working with the Quality Assurance team. In addition, the development of an audit tool for use in settings and with childminders in both Authorities is underway, building on Thameside’s pre-existing tool.
- **Tower Hamlets** is working with Merton and Hackney, and finding it useful. **Merton** and **Sutton** decided to form a joint trial because the geographical area that needed to be targeted for disadvantaged two-year-olds crossed their Borough boundary.

## 6 Tools and resources to be shared

One of the requirements for becoming a trial area was to share and disseminate the learning to support other areas. Some trials have held events already or will be doing so. The DfE will collect progress reports from the trials at the end of the pilot period and is holding regional events. Some of the trial areas have also produced tools and resources to be shared with others. These are detailed below (some may not be available until after March 2012):

**Gloucestershire**: information from the pilot will be available on its 'New for Two' website: <http://www.gloucestershire.gov.uk/index.cfm?articleid=97491>

**Hartlepool**: will share; ■ Training packages developed for schools staff; ■ Support required for registration and inspection of two-year-olds; ■ Models of flexible delivery in a school setting.

Hartlepool Headteachers are available to talk through what works with Headteachers in other Authorities [www.hartlepool.gov.uk](http://www.hartlepool.gov.uk)

**Hertfordshire**: is undertaking its own evaluation which will be placed after the end of March on its website: [www.hertsdirect.org/childhoodsupport](http://www.hertsdirect.org/childhoodsupport)

**Medway**: ■ An Authority-wide analysis tool to map location/number of eligible two-year-olds to settings that are fit for development will be available; ■ Two-year-old tracker – based on the Progress Monitor software tool developed in Medway to support the monitoring of children's progress throughout the EYFS; ■ Publication of case studies; ■ Discussion forum/peer support network available on-line; ■ Model job descriptions and professional development programmes; ■ Supervision and support arrangements, operational plans, resource lists and environmental change plans. Available at: [www.e-learningatlast.org.uk](http://www.e-learningatlast.org.uk)

**North Yorkshire**: information can be found on: <http://cyps.northyorks.gov.uk/index.aspx?articleid=17222> ■ Monthly newsletters are also planned which will be available on the above website.

**Manchester/Tameside**: ■ Training plans and audit materials for practitioners to provide greater skills; and the same for the mentoring role development and activities; ■ Training plans and information campaign materials, together with evaluation feedback on referrals post training. Visit [www.manchester.gov.uk](http://www.manchester.gov.uk) and/or [www.tameside.gov.uk](http://www.tameside.gov.uk)

**Northamptonshire**: ▪ New templates and procedures / protocols for early intervention and prevention identified through the ‘increasing skills strand’;  
▪ Resources produced to deliver the Common Core ‘Working with Families’ sector specific training programme and resources created to support childminders;  
▪ Promotional materials; ▪ Final report on delivery strands with lessons learnt  
**Contact**: Carole Jones, Project Manager, [cajones@northamptonshire.gov.uk](mailto:cajones@northamptonshire.gov.uk).

**Rotherham**: ▪ Learning and outcomes gathered will be published;  
▪ Shadowing opportunities as well as learning visits/dissemination events.  
[www.rotherham.gov.uk](http://www.rotherham.gov.uk)

**Southampton**: ▪ Southampton’s Electronic Data System will be available to share; a “community” has been created on the LGALGID’s Communities of Practice website.  
[www.communities.idea.gov.uk/comm/a-z-index.do?page=2&pageSize=15](http://www.communities.idea.gov.uk/comm/a-z-index.do?page=2&pageSize=15)

**Sutton/Merton**: ▪ An evaluation of the project which will be published; ▪ A comprehensive training package that supports childminders to understand the key aspects of support for disadvantaged two-year-olds. [www.sutton.gov.uk](http://www.sutton.gov.uk); and/or [www.merton.gov.uk](http://www.merton.gov.uk)

**Stoke-on-Trent**: Their “model 2 year old room” is in a central location and will be offered as a training facility for neighbouring Authorities. [www.stoke.gov.uk](http://www.stoke.gov.uk)

**Sunderland**: Learning will be made available via Sunderland’s website by 31 March 2012, including ▪ training pathways for childminders; ▪ a sustainable business and practice model for non-traditional providers; ▪ final evaluation report;  
[www.sunderland.gov.uk](http://www.sunderland.gov.uk);

**Tower Hamlets**: Key findings will be shared through case studies and other publications available on-line; Tower Hamlets will also share its adaptations to ECERS-E and guidance on the use of other data collection tools.  
[www.towerhamlets.gov.uk](http://www.towerhamlets.gov.uk);

**Walsall/Wolverhampton**: ▪ Web-based referral system developed for Synergy;  
▪ e-start systems (already widely used by other LAs); ▪ Competency-based training package linked to the Common Core of Skills for the children’s workforce  
<http://mywalsall.org/professional/>

## Summaries of Trials

Below is a summary of those trials not highlighted as “Case Studies” in the main body of this report. Some will also be undertaking their own individual evaluations which will be available on their websites..

### Derbyshire County Council

#### Context and focus

Derbyshire’s trial was focused on three communities in the most deprived parts of the county which are coterminous with multi-agency teams. Each community has a Children’s Centre with full day care on school sites and a childminding network. Services to children are delivered via local community-based services which embrace early intervention to the whole family. Derbyshire’s sufficiency survey indicated a surplus of childcare places, so building capacity was not one of their aims.

Through this trial, Derbyshire intended to provide additional training to early years workers to help them recognise complex problems; expand the pool of ‘community childminders’ and train them to provide additional support to families alongside childcare; brief all staff involved with children and families to focus on the literacy needs within families of rising two-year-olds in their CAF assessments, and to extend to parents of vulnerable two-year-olds the current offer to parents of three and four year olds of taking 15 hours over 48 weeks.

#### Progress made

- There was a slower uptake of funded places than anticipated in the target areas at the beginning, although this has now increased;
- The health service, children in care team and traveller services, are assisting with the promotion and identification of potential eligible families;
- Some parents requested if the free entitlement could be stretched over the year, so the project was amended to give 2 options:
  - (a) 9 hours per week term time only
  - (b) 6 hours per week all year round.

Anecdotal information indicates that parents need to be encouraged and motivated to apply for funding. Parents feel stigmatised because of the application process and the need to provide evidence of the benefits they claim.

## Gloucestershire

### Context and focus

A largely rural county, early years provision is mostly delivered through the PVI sectors. Gloucestershire's Childcare Sufficiency Assessment 2011 identified a significant lack of high quality places for two-year-olds in Gloucester City, Cheltenham and Stroud. The aims of the trial were to: increase the stock of accredited childminders (ACMs) through recruitment of new childminders and training existing ones; improve the skills of the PVI workforce and settings, thereby increasing the total stock of providers able to deliver the entitlement. In addition, targeted training was offered to foster carers with 'looked after' children who do not meet initial Benefit criteria. The trial mapped and tracked take-up by the most vulnerable two-year-olds, including children with disabilities and SEN, children in care and those on the child protection register.

### Progress made

- New childminders in target areas have come forward and some existing ones have expressed interest in achieving accreditation (ACM)(Level 3), although this has been restricted in some target areas because their level of competency was not sufficient to successfully achieve the ACM status within the timescale. Existing ACMs, however, have been used to promote training and accreditation to existing childminders at events and this has proved successful;
- A new internal partnership has been formed with the Fostering Team and Foster Parent Training Officer to include foster parents in training opportunities;
- The Sure Start Partnership Manager from Swindon BC joined the trial project group, enabling useful sharing of information across professional teams from both Authorities.

## Manchester and Tameside

### Context and focus

This trial is a consortium of the neighbouring Authorities of the City of Manchester and the Metropolitan Borough of Tameside. The early years teams across the two Authorities have shared expertise and knowledge through networks and collaboration. The shared trial focused on: building sustainable capacity – insufficient capacity existed in the target areas; improving overall quality activities by the more widespread use of an established publication to improve quality in childminders as well as the writing of a similar publication aimed at pre-schools; increasing skills by professional development training to further develop skills for good/outstanding practitioners; training for all practitioners to understand the support needed for disadvantaged two-year-olds (the contents of the course are available); and enhancing local systems activities through information sessions for referring partners/voluntary agencies on child development of two-year-olds.

## **Progress made**

- New partnerships have been formed across the 2 Local Authorities – Manchester’s Free Entitlement Team are now working with the Quality Assurance team; also, an audit tool for settings and childminders are underway, building on Tameside’s pre-existing tool;
- Childminders have enrolled to undertake a level 3 qualification or the Managing Quality Standards qualification;
- Take-up for the two-year-old pilot was slow as providers were unaware of the funding available; parents were less likely to engage in the pilot offer as they were not aware of the funding involved;
- Providers attending an evening awareness-raising event to increase places were largely uninformed about the national place increase forecasts and had not considered implications for: growth in the sector; larger numbers of disadvantaged children (including those with additional needs); and balancing bookings of funded children that do not pay for additional hours but do ensure sustainability within the business.

## **Northamptonshire**

### **Context and focus**

Northamptonshire has applied an economic disadvantage model which includes ‘looked after’ children as a disadvantaged group. In addition, each child referred to the pilot must have a CAF in place to meet the eligibility criteria for the free entitlement.

The aims of the trial were to:

- Increase parental choice in the targeted geographical areas (stretching the entitlement hours over a 52 week period if required) by improving the quality and availability of early years provision;
- Improving skills of existing childcare practitioners, including childminders. This included targeted work in partnership with the Northamptonshire Childminding Association (NCA) to support childminders through supervision and to encourage retention and motivation of childminders;
- Proactively engaging parents and professionals to increase awareness and take up of the free entitlement;
- Building on early intervention and prevention working practices for supporting families to access the pilot.

Trial outcomes will be used to create and pilot a 'family support' learning module to share good practice, focusing on successful approaches to engaging families. New cluster arrangements between Children's Centres and early years providers will be trialled to create greater opportunities for engaging parents in their child's development.

### **Progress made**

Childminders have enrolled onto Level 3 qualifications from the areas of greatest need, and early years staff who deliver places for two-year-olds have been recruited to participate in training focusing on disadvantaged two-year-olds.

- Links have been made with staff at the University of Northampton to develop solution-focused training resources for the bespoke core induction programme for Family Support Workers.
- The offer of NCA childminder training attracted a range of high qualified participants; a number already held Level 3 and 4 qualifications in areas other than childcare, and in some circumstances, this made them ineligible for accessing funded professional development opportunities.

## **Rotherham**

### **Context and focus**

The focus for Rotherham was to create additional two-year-old places to ensure sufficient provision. This was done by re-shaping existing delivery, changing the breakdown of registered places to maximise the number of two-year-old places offered, increasing Ofsted registration, and where necessary, supporting the creation of new provision. The development of a start-up toolkit detailing the support and guidance necessary to create sustainable provision was also part of the trial.

The trial looked at stretching the offer over the whole year in line with early education for three- and four-year-olds, ensuring all days and times were accessible for parents. Specialist and enhanced professional development training packages and a parent pack for the family and extended family to support the enhancement of children's learning and development was being developed.

### **Progress made**

- Partnerships with health professionals have been strengthened because of their involvement in the selection of families eligible for places;
- There has been a high level of success in place allocation through changes to the delivery model (now limited to 3 x 5 hours or 5 x 3 hours term time or 10 hours per week all year round), staffing rotas, session times and maximising the quietest periods in day care (September – December and outside term time);

- New partnerships between Children’s Centre Family Support Workers, Outreach Workers and childcare providers have formed;
- New panel processes, set up to allocate places and provide challenge to ensure the most disadvantaged families are targeted, have led to earlier identification of children with complex needs and support to families through joined up specialist services.

## Stoke-on-Trent

### Context and focus

Stoke is the tenth most deprived Local Authority in England according to the 2007 Indices of Deprivation. Poor language and communication skills are a significant issue for children entering nursery. Children’s Centres and additional family support were central to Stoke’s model for this trial, along with: improving the overall quality of early years provision in disadvantaged areas, and increasing the skills of early years staff working with disadvantaged two-year-olds and their families.

Parents had also requested guidance on how to support their children’s learning at home and attention was given to delivering a robust understanding of speech and language and accrediting practitioners through Stoke’s own speech, language and communication scheme – *Stoke Speaks Out*.

Of particular interest is the development of a working model of the ideal “two-year-old room” within an existing training facility. As part of the ongoing training, providers will access and utilise the room and experience best practice in an age-appropriate environment.

### Progress made

- There was a delay to the start of the project due to ongoing consultation and reductions to funding to services in Children’s Centres;
- Working closely with *Stoke Speaks Out* and the Quality Improvement Team, module 1 of the training programme has been scheduled for delivery; remaining modules are being built/refined;
- The parents involvement in their Children’s Learning (PICL) training modules have been completed, a central location for the training identified and the scheme has been introduced in 10 PVI settings as anticipated;
- It was intended to approach owners/managers of PVI settings to co-deliver training modules; this has been difficult to achieve and there are no plans to progress this.

## Sunderland

### Context and focus

This trial supports Sunderland's strategy in tackling child poverty. The trial work focused on maintaining current capacity through the funding of additional places in order to support settings facing difficult economic circumstances, increasing capacity through non-traditional providers, and increasing the number and quality of childminders. Working with the childminder network was trialled to develop training pathways for childminders and developing strategies to overcome the barriers for parents who do not currently use childminders. Increasing the capacity of nursery and primary schools to take two-year-olds was also an aim of the trial.

Building on related work, the Provider Agreement for the three- and four-year-old offer is being rolled out to all providers and will be used for the offer for disadvantaged two-year-olds, picking up and resolving current administrative issues within the system.

The referral process for free childcare is through the CAF process, but centrally administered. This project will enable the development of a local approach which can support parents' engagement and take up of family support through Children's Centres.

### Progress made

- South Tyneside has shown interest in adapting the model and working with Sunderland;
- The number of practitioners fully trained in the ECAT (Every Child a Talker) programme has increased;
- The financial eligibility requirement is problematic when engaging with BME communities as they do not always meet this element of the criteria and benefits are not always claimed;
- The definition of "disadvantage" needs to be clarified to progress the expansion of places.
- The economic climate may close settings before the full offer for disadvantaged two-year-olds is in place, leading to a shortage of places.

## Walsall and Wolverhampton

### Context and focus

The aims were to build sustainable high-quality capacity through training and support for staff; introduction of flexible, stretched provision, and improve referral systems. The two Local Authorities are working together on shared/similar issues/approaches, and assessing differences of approach (e.g. referral systems). Home learning support, already well-developed in Wolverhampton, is being expanded in Walsall.

### Progress made

Development of assessment training for practitioners is continuing, bespoke training is taking place and the induction pack will include Continuous Professional Development (CPD) training.

Evaluation has commenced: the 50-week stretch offer and home learning support is being evaluated by the Centre for Research in Early Childhood (CREC) and the effectiveness of the parental engagement toolkit has been evaluated through an online parental survey. Early indications are that Children's Centres and settings have reflected on their practice and identified where improvements could be made. A regional sharing event to disseminate work was held in October 2011 and another took place in late February 2012.

Work has started on identifying where eligible children within each Authority live and which type of setting will need to be targeted to provide the additional places.

The joint working has enabled comparison of practice, sharing of ideas, and networking of practitioners from both Local Authorities. It is hoped that this will continue beyond the trial.

**Our thanks to all of the trial Local Authorities for their willingness to share their progress**

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