
Rolling out free early education for disadvantaged two year olds: an implementation study for local authorities and providers

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Background and aims of the study

This paper summarises the findings of a study of the 'two year olds offer', a programme that provides free early education to disadvantaged two year olds in England. The study, commissioned by the then Department for Children, Schools and Families (DCSF), was carried out by the Research Centre at the National Children's Bureau (NCB) and the National Centre for Social Research (NatCen).

Free early education for disadvantaged two year olds was first piloted in 2006. The offer aims to improve disadvantaged children's social and cognitive outcomes so that by the age of five they are as ready as their more advantaged peers to start and fully benefit from school. The programme aims to provide good quality early education combined with support for parents, for example, to improve their confidence in supporting their children's learning and to deal with other challenges in their lives, such as health problems and family difficulties.

The offer will be substantially scaled up in 2013, when every disadvantaged two year old will have a legal entitlement to part-time early education. The research has explored five key areas that are likely to shape the future implementation of the offer:

- how local authorities identify and reach the most disadvantaged families and what seems to work best
- different approaches developed to effectively increase sustainable early education for disadvantaged two year olds
- how authorities ensure that the needs of the children and families who take part in the programme are fully assessed, so that they can receive an appropriate package of care and support
- different models for improving the quality of early education
- flexibility of early education provision and the factors which drive decisions about the way in which parents can use the offer

Key findings

- Use of local 'intelligence' and professionals' knowledge of local families was seen by the case study authorities as the most effective strategy for reaching and engaging families in the offer.
- From the evidence we gathered, it would seem that an effective strategy for targeting the offer would involve a comprehensive list of children before they turn two (e.g. birth data), complemented by information provided by professionals delivering a universal service (e.g. health visitors).
- The research suggests that local authorities should be given flexibility in using funding for the offer, so that financial arrangements can be tailored to different local childcare market conditions.
- There was a commitment to the idea that the offer should involve family support, as well as early education, but childcare providers' engagement with family support varied considerably.
- Going forward, childcare providers with limited experience of catering for vulnerable children will require training, to ensure they will have the capacity and the confidence to increase their in-take from the offer, or indeed take part in the programme for the first time.
- The evidence shows that the ability to deliver the range of support families need was largely dependent on the availability of children's centres, which played a key role in providing and co-ordinating family support.
- There was a commitment among the case study authorities to ensuring that early education funded by the offer is of high quality. However, as the programme is scaled up, it could prove challenging to find enough settings of sufficient high quality.
- Ofsted ratings were not seen as sufficient to assess the quality of providers, therefore a range of local and national quality assurance schemes were used to assess providers' suitability for the offer.
- Going forward the Department for Education (DfE) may wish to consider how much variation in quality would be acceptable and whether providers delivering the offer should be asked to follow national guidelines.
- Considerable effort was required to find childcare arrangements that suited families, were in the best interests of children and were financially viable for providers. When the offer is scaled up, some authorities may have to invest considerable time and resources to ensure the needs of these different groups can be met.

Methodology

A case study approach was used to explore in depth the research questions from the perspective of local authorities, key stakeholders and childcare providers. Eight authorities with programmes of different sizes and that had joined at different times were included in the study. The selected authorities included a mixture in terms of childcare markets, rural and urban areas, and level of deprivation/affluence. Within each authority we interviewed childcare providers of different types (i.e. day nurseries, childminders, children's centres and sessional providers) and in different sectors. Between November 2010 and February 2011, we carried out in-depth interviews with 44 local authority staff and other key stakeholders, 29 staff in 16 group settings, 11 childminders and four childminding co-ordinators.

Findings

Managing the offer

Approaches to managing the offer varied in terms of which local authority team led on the programme and whether management responsibility was centralised, shared or devolved. These variations reflected local circumstances and were developed in line with local needs. For example, in large rural areas it was not seen as appropriate for the management of the offer to be co-ordinated centrally by one person. While devolved and shared management arrangements could work well, once the offer is scaled up, it will be important to ensure that the model does not become disjointed. Whatever the arrangements, going forward the success of the offer will be crucially dependent on having sufficient capacity to effectively manage a considerably larger programme.

The development of the programme encouraged inter-agency working (e.g. with health services, JobCentre Plus) as local authorities needed help to identify and reach the 'right' families, and ensure families had access to a range of support, in addition to early education. However, there is scope for improving joint working with key stakeholders, including parents who, by and large, had not been involved in the development and implementation of the offer in the case study areas. Key stakeholders could be involved in discussions about the delivery of the offer, either through dedicated steering groups or other mechanisms, like parent fora.

Arrangements for delivering the offer varied considerably reflecting the balance authorities tried to strike between families' needs and circumstances and what local childcare providers were able and willing to offer. For example, some authorities that had received funding for 15 hours a week provided ten weekly hours instead, so that places could be offered to more families and/or could cover school holidays. The latter arrangement was more attractive to providers that operated an all year round service; avoiding long breaks was also considered to benefit children, particularly if the settling in period had proved difficult.

Views on the adequacy of the funding provided for the offer were divided and were largely influenced by local childcare rates. In some cases funding for the offer was similar or even higher than local rates. In others it was below, or considered sufficient to cover basic childcare, but not the additional resources required to support vulnerable two year olds. The fact that the offer was very part-time (i.e. 10-15 weekly hours) and usually only during term time, was also a barrier to recruiting some providers that operated all year round and typically offered longer sessions (e.g. 20 weekly hours).

The study identified a number of **facilitators** to the effective management and delivery of the offer, including:

- effective communication and close working relationships between those involved in managing the programme
- making use of existing groups and networks to engage with stakeholders, including parents and childcare providers
- creating strong links between providers, local authority staff and children's centres
- sharing information effectively, including working with partners to share data about potentially eligible families
- demonstrating to providers how they can utilise income from different funding streams, to encourage them to view participation in the offer as financially worthwhile.

Targeting the offer

The experiences reported by local authorities related partly to implementing the eligibility rules for the offer set by the previous government. These required local authorities to use local data (e.g. on areas where deprivation was highest, on families in receipt of benefits) to identify eligible families. However, this approach was not always seen as helpful in identifying families in greatest need. Use of local knowledge and professionals' expertise was seen as a much more effective outreach strategy.

In some areas the task of identifying and recruiting eligible families was seen very much as a partnership effort between various professionals and agencies within a local authority. Children's centres in particular could play a key role in identifying and reaching families for the offer. The findings suggest that a particularly effective strategy for the offer needs to involve a comprehensive list of children before they turn two (e.g. birth data), complemented by information provided by professionals delivering a universal service (e.g. health visitors).

There were challenges in relation to reaching families linked to geography, as identifying eligible families in remote rural areas could prove difficult. Children in temporary accommodation were also more difficult to engage and strategies should be explored to reach them more effectively.

While one authority in the study advertised the programme to parents, others had not done so on the basis that places were limited and wide publicity was likely to generate demand they could not meet. As the offer is extended, local authorities will need to consider whether increased marketing or other forms of targeting are required, or whether there are advantages to continuing to focus on word of mouth and existing referral routes.

The Comprehensive Assessment Framework (CAF) was used in some authorities to identify families for the offer. CAF was also seen as effective in ensuring that children's and families' needs were identified and addressed, and the offer was linking to other relevant initiatives. While the use of CAF was becoming more common, some providers were uncomfortable with the information this required. Another challenge was ensuring that CAF was not simply used to secure an early years place, and that it remained open after the child was offered a place so that staff could continue to monitor and address the range of needs a family had.

The research identified inconsistencies in understanding how eligibility criteria should be checked. This suggests that local authorities should provide some clear guidelines on when and how professionals are allowed to use their own judgment when establishing a child's eligibility for the offer.

The findings indicated factors that **facilitated** the process of identifying and targeting the 'right' families, including:

- working with children's centres, who already work with local vulnerable families, and with health services, who have access to all young children
- using local knowledge and expertise to identify and target the most disadvantaged families
- having a clear system in place for referring families to the offer
- using CAF to make sure the 'right' families are targeted and offered the range of support they need.

Involving early years providers in the offer

The issues associated with identifying and engaging providers in the offer were influenced by the conditions of the local childcare market. In areas where childcare demand and childcare costs were high, it could prove difficult to sign up a sufficient number of providers, even for the relatively modest number of places supported by the current funding level. On the other hand, where childcare costs and demand for childcare were low, the offer provided an important source of funding and could play a key role in ensuring the sustainability of some providers.

Uncertainty over the number of places being funded in the future appears to have created challenges in terms of deciding how widely to advertise the programme to families and to providers, and planning for meeting programme requirements. It is possible that these challenges may start to be overcome now that future funding for the offer is clearer.

Some difficulties were also evident in relation to signing up providers meeting quality requirements; either those established locally or by the previous administration (i.e. an Ofsted rating of good or outstanding, or a satisfactory rating but with demonstrable capacity to improve it). There was limited use of settings that did not meet this quality criteria in the case study areas, typically as the last resort (i.e. if nothing else was available locally) and in some cases in response to parents' preferences. However, the research findings show that when the programme is scaled up, it could prove very challenging to find a sufficient number of settings that meet quality requirements.

Local authorities did not appear to be relying solely on Ofsted ratings to assess providers' quality, as these were not always seen as reliable. This was mainly because Ofsted inspections are carried out infrequently (i.e. every three years), while a quality assessment has a short shelf-life, typically around a year. The reliability of Ofsted ratings was also questioned by some respondents because of inconsistencies between these and results from quality assessment schemes used locally.

Local authorities were expected to monitor the impact of the offer. Case study authorities appeared to be at different stages in terms of their ability to robustly monitor the impact of the programme on parents and children. As the offer is scaled up, putting in place clear, effective monitoring systems will become even more important.

The research evidence highlights a number of factors that may **facilitate** the successful recruitment and support of high quality providers, including:

- making effective use of existing networks to introduce the offer to new providers
- encouraging providers to see quality assessments and the associated support as a benefit to their business
- providing additional training relevant to the offer, particularly around procedures new providers may be less familiar with (e.g. CAF, child protection)
- funding stability is likely to be key to encouraging sufficient providers to sign up to the scheme as it is scaled up.

Early years providers' experience of the offer

In terms of providers' sustainability and capacity, the impact of the offer varied. The offer appeared to have contributed to the sustainability of providers operating in very disadvantaged areas, with low demand for childcare and low fees. It had a limited impact on providers for whom the offer was not particularly attractive for financial reasons (i.e. the funding was not seen to be in line with local rates and/or not sufficient to cover the cost of supporting vulnerable children). However, it did help to fill some of their places, and its role may increase in significance if high unemployment and financial difficulties result in a decline in demand for childcare from working parents. The impact on providers' capacity was limited mainly due to the uncertainty over funding for the offer, which tended to come at rather short notice, and therefore discouraged some providers from embarking in potentially costly expansion plans.

There is some evidence that the offer may have encouraged providers to operate more flexibly. Providers in the case studies were willing to be flexible in a range of ways, primarily to ensure children got the most out of their place, but in some cases they also demonstrated willingness to be flexible to meet parents' needs. However, their flexibility had limits and these were largely related to sustainability issues, and the fact that a part-time and term time offer had to fit with services that were typically operating longer sessions and were open all year round.

The impact of the offer on quality improvement appears to have been limited. This was probably partly because case study authorities were aiming to recruit providers at the higher end of the quality spectrum, and made limited use of providers considered to be below an acceptable standard of quality. The limited impact on quality was also due to the fact that providers were already engaged in local quality improvement schemes offered (and indeed in some case made compulsory) by authorities, regardless of whether they were engaged in this particular programme. Providers interviewed for the study were generally positive about the support provided by the local authority, although they identified some gaps around training on specific issues, frequency of support visits, information on and resources for children with disabilities and with special needs.

The profile of the children receiving the offer meant working with children and parents with a range of sometimes complex needs. While this was not new to some providers (particularly children's centres and those that had traditionally catered for very disadvantaged communities), for others this represented a steep learning curve.

The research findings illustrate how some of the above **challenges could be overcome**, particularly when the programme is expanded:

- While working with vulnerable children presented considerable challenges, it also provided opportunities in the form of staff development and training (usually provided by the local authority), and more effective cross-agency working.
- Flexibility in the way funding was used could attract providers, that may otherwise be discouraged from taking part in the offer due to financial reasons. The ability to spread the offer hours throughout the year was attractive to services that were open all year round. Access to additional funding was important to cover the 'loss' some providers made due to the offer's low hourly rates (compared with local rates), and to cover the costs of the additional support some of the children needed.
- The announcement of the level of funding for the offer until 2015 should enable local authorities to develop better delivery plans. These may in turn encourage providers to expand their capacity, if funding levels are guaranteed (by the local authority) for a number of years.
- Local authorities working closely with providers to identify a range of flexible and creative solutions in terms of how and when early education is provided, so that it can meet the needs of providers, children and their parents.

Discussion and implications

Identifying and reaching the 'right' families

The findings on targeting families for the offer show a tension between being consistent in developing and applying eligibility criteria and outreach strategies, and using local 'intelligence' and professionals' knowledge of local families to ensure that the offer is provided to children who most need it. There were mixed views on criteria based on receipt of certain benefits¹, which were established by the former administration. On one hand, these criteria provided an easy way of 'standardising' the initial targeting process, on the other, they were not always seen as appropriate to identify the right families.

Authorities had also set their own secondary eligibility criteria linked to local priorities and in some cases these were developed in consultation with multi-agency steering groups. Going forward, this would seem an effective way of ensuring that local priorities, as seen from the perspective of a range of family support agencies, are developed, monitored and refined when necessary. Multi-agency groups could also ensure that any flexibility allowed to minimise bureaucracy and maximise the use of local knowledge did not result in 'mis-targeting' and the exclusion of certain groups (e.g. families who are not already engaged with local services).

¹ According to rules established by the previous government, in order to be eligible for the offer families had to be in receipt of out of work benefits, extra working Tax Credit relating to disability or Child Tax Credit at a rate higher than the family element.

Increasing sustainable provision

In deprived areas with low demand for childcare and low childcare costs, the offer has supported the financial viability of some providers (particularly children's centres). In these areas the current funding arrangements would appear adequate to support the planned expansion in the number of places.

However, it is likely that in childcare markets with high demand for childcare and high costs different funding arrangements would be required, as the current funding formula was not seen as financially viable to support the kind of expansion planned for 2013. The task of making the offer more attractive in these areas is likely to be facilitated if authorities are given more flexibility in using funding, for example, in deciding the amount of early education eligible families should be entitled to. The evidence suggests that when authorities were able to use funding creatively to make the offer more financially attractive, this was done in ways that helped to sustain the quality of provision (e.g. providing staff training, specialist support, home learning resources) and its flexibility (e.g. funding for provision during holidays). However, unless central funding is adjusted to take into account higher than average childcare costs in some areas², this may mean that in these areas the funding will cover fewer places and less provision compared with less expensive parts of the country.

Childminders are entitled to provide the two year olds offer provided that they are part of a local childminding network, however, their engagement with the offer was limited. While in some cases this reflected parental choice, the research shows that there is room for increasing their involvement, as they could play an important role in supporting future expansion. Like group settings, childminders were affected by the financial issues mentioned above and flexibility in how authorities use funding could also make the offer more attractive to childminders. In addition, their participation in the programme could be encouraged by providing support for quality improvement, the achievement of relevant qualifications and facilitating participation in local childminding networks.

An appropriate package of care and support

There was a widespread commitment to the idea that the offer was more than just early education and it required providing a range of support to ensure that children fully benefit from the programme. However, it was also evident that childcare providers' engagement with family support varied considerably. Predictably children's centres were typically more engaged in supporting families' diverse needs. Some were able to provide a seamless package of care with settings involved in identifying the range of needs families had and ensuring these needs were adequately met, typically with services provided within the centre. At the other end of the spectrum, there were providers with very limited experience of working with children and families with complex needs, as they had traditionally catered for affluent families. However, even in these cases, providers reported supporting parents' involvement in children's learning and being able to signpost families to relevant services (e.g. local children's centres, Child and Adolescent Mental Health Services, speech and language therapists).

Going forward, the success of this aspect of the offer is very likely to depend on the availability of children's centres, which played a key role in providing and co-ordinating family support in the case study authorities. It will also be important to offer training and

² In London funding for the offer (£6 an hour) is already higher than funding for the rest of the country (£4.85 an hour).

support to providers with limited experience of catering for vulnerable children, to ensure they will have the capacity and the confidence to increase their in take from the offer, or indeed take part in the programme for the first time.

Some authorities made engagement with family support a condition for providing an early education place. While there was no evidence that this 'stick' was widely used, it is questionable whether this approach is in the best interests of the child.

Improving the quality of provision

Some authorities experienced difficulties in signing up sufficient providers that met quality requirements. When the programme is scaled up, it could prove very challenging to find enough settings of sufficiently high quality. A related challenge as the programme is extended will be what approach DfE and local authorities take to defining quality provision, and how this is monitored and enforced. As we have seen Ofsted ratings were not considered sufficient and authorities were relying on a range of quality assurance schemes. The latter will all vary to some extent in the criteria they focus on and in how far their approach to monitoring and ensuring quality is evidence based.

As the offer is scaled up, the DfE may wish to consider how much variation in approaches across local authorities they feel is acceptable. Should there, for example, be a list of 'approved' quality schemes? Or should local authorities be required to follow national guidelines (such as the quality assurance principles developed by the National Quality Improvement Network) summarising what an appropriate quality scheme should cover and how this should be monitored?

Flexible provision

Based on interviews with local authority staff and childcare providers, it would appear that many parents involved in the programme did not have the same requirements as working parents (e.g. need for care early in the morning and late afternoon and in some cases at the weekend). Issues of flexibility therefore mainly centred around the need to fit a sessional and term-time offer with services that were typically operating longer sessions and all year round. As discussed above, flexibility about the use of funding for the offer could help deal with some of these issues, with, for example, funding spread over a longer period to avoid holiday interruptions.

However, what was also evident from the research findings is the amount of effort that may be required to find arrangements that suit families, are in the best interests of children and are financially viable for providers. The level of discussion and negotiation to achieve this balance between different interests should not be underestimated; in many cases this balance will not just happen or be regulated by the 'invisible hand' of the market. When the offer is scaled up, some local authorities may have to invest considerable time and resources in ensuring that the needs of different groups can be met.

Evaluating the impact of the offer

While all case study authorities had made some attempt to monitor the impact of the offer on children, families and providers, approaches for doing this varied from very informal methods to sophisticated electronic tracking, following two year olds through the remainder of the Early Years Foundation Stage (EYFS). There was a genuine interest, both among local authorities and providers, in evaluating the impact of the offer. However, in many cases there was a lack of expertise for doing this in an effective way, which resulted in the collection of data that lacked robustness and

consistency and was therefore of limited use. DfE could consider providing an evaluation framework and support for self-evaluation to enable authorities to collect robust and consistent data, which could be analysed within as well as across different areas.

Additional Information

The full report can be accessed at <http://www.education.gov.uk/publications/>

Further information about this research can be obtained from
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This research report was commissioned before the new UK Government took office on 11 May 2010. As a result the content may not reflect current Government policy and may make reference to the Department for Children, Schools and Families (DCSF) which has now been replaced by the Department for Education (DFE).

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