


Early years inspection and regulation

Welcome to *Early years inspection and regulation*, providing information and guidance for inspectors of early years settings. To submit feedback or articles for the next edition, email EY-Childcare@ofsted.gov.uk by 16 November 2011.

- Ofsted helpline: 0300 123 1231
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Welcome from Patrick Leeson, Director, Education and Care



This edition contains information concerning essential updates to guidance documents but also a number of articles that we hope will be of interest to you.

In particular you may be interested in the government's vision for early years. It is heartening to see the importance placed on a child's early years in these documents. The linked series of documents referenced later in the update form the government's response to a number of recent reviews involving early years including the Tickell review of the Early Years Foundation Stage, the Frank Field report into child poverty and the Graham Allen report on early intervention. We are at the start of a project for early years to align our framework to this vision. We must continue to make sure that inspection and regulation brings about improvement for children in their early years and that we play our part in driving up quality.

As the project moves ahead we look forward to involving many of you in its work either directly or through regular updates.

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Part A. Revisions and additions to core inspection activity

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Revised and new *Compliance, Investigation and Enforcement (CIE) handbook* sections

We have revised several sections of the *CIE handbook*, now available on our website. These include:

- Ofsted's enforcement policy – section 1
- Powers, principles and making decisions – section 2
- Decision making – section 2b
- Category one concerns – section 3a
- Compliance and welfare requirements – section 5
- Suspension of registration – section 5a
- Taking emergency action – section 5c
- Unregistered services – section 5d
- Warning letters and cautions – section 5e
- Restriction of accommodation – section 5g
- Investigation section
- Appeals
- Legal advice
- Appearing as a witness
- Written consent process for social care.

We have also produced the following new supporting documents:

- Guidance on complaint and compliance outcome summary
- Guidance on provider response investigations.

The updates to the *CIE handbook* are primarily to bring clarity to the differences between

social care and early years processes and to take account of queries and findings from internal management reviews, serious case reviews, independent complaints adjudications and changes to regulations.

Although it is important that each section should be read afresh, the following sections have significantly changed and are worth noting.

| Section | Amendment |
|--|---|
| Section 2 – Powers, principles and decision making | <ul style="list-style-type: none"> ■ Escalating tariff now includes the formal warning letter. ■ Better social care examples and links to registration handbook and restriction of accommodation guidance. |
| Section 2a – Thresholds | <ul style="list-style-type: none"> ■ Entire section updated to reflect recommendations from an internal management review. ■ Inclusion of legal advice on restricting a person from entering the premises. ■ Definitions of interviews under caution; simple cautions. ■ Use of formal warning letter – no further action – EY1120; and warning letter – breach of conditions – EY1134. |
| Section 2b – Decision making | <ul style="list-style-type: none"> ■ Updated decision making table. Cleared by Executive Board |
| Section 3 – Category one concerns | <ul style="list-style-type: none"> ■ Clarity around referrals and the role of the local authority designated officer. ■ Clarity around joint visits in relation to planning and agreements with other investigating agencies. ■ Expectation around improved recording on investigation arrangements. |
| Section 4 – Investigation planning | <ul style="list-style-type: none"> ■ Significant changes to bring clarity to purpose and process of devising and reviewing the action plan. ■ Links to the provider initial response guidance. ■ Clarity around the responsibility of the registered person in investigations and our responsibility to involve them and the manager where appropriate. ■ Updated scenarios. |
| Section 5 – Compliance and welfare requirements | <ul style="list-style-type: none"> ■ Clarity about follow-up of welfare requirements notice and who delivers the interview under caution. |
| Section 5a – Suspension | <ul style="list-style-type: none"> ■ Clarity about when a suspension is lifted. |
| Section 5b – Cancellation | <ul style="list-style-type: none"> ■ The use of case reviews by CIE professional to extend the time period allowed to make |

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| | representation/objection. |
| Section 5c – Taking emergency action | <ul style="list-style-type: none"> ■ Links to updated serious incident briefing. |
| Section 5d – Unregistered services | <ul style="list-style-type: none"> ■ Clarity around enforcement notices and refusal of registration. ■ New annexes that provide links to definitions and exemptions. |
| Section 5e – Warning letters | <ul style="list-style-type: none"> ■ Additional text on when to use which warning. |
| Section 8 – Legal advice | <ul style="list-style-type: none"> ■ Updated to include new legal private firms. ■ Removal of references to Treasury solicitors. ■ Clarity on in-house team processes. |

Sections yet to be updated:

| |
|------------------------------------|
| Disqualification |
| Independent Safeguarding Authority |

A2 Revised children’s centre documents

We have revised the children’s centre documents.

These include:

- *The children’s centre evaluation schedule and grade descriptors*
- *Conducting children’s centres inspections*
- *Children’s centres report template with guidance*
- *Children’s centres report template*
- *Guidance on completing the children’s centre self-evaluation form*
- *The children’s centres evaluation form*
- *Framework for children’s centres inspections*
- *Inspection of your children’s centre*
- *Guidance for children’s centres inspections*
- *Children’s centres summary evidence form*
- *Children’s centres inspection evidence form.*

You can access all our children’s centre documents via the link below:

<http://www.ofsted.gov.uk/resources/results/children%20centre>.



A3 Revised early years and childcare documents

We have made revisions to a number of our early years and childcare guidance documents including:

- The exemption notification form
- Information for parents and carers using childcare services
- Numbers and ages of children that childminders may care for
- Standard conditions of registration; Early Years Register and/or Childcare Register
- Registration not required
- Early years registration and suitability handbook
- Registration not required
- Guidance for inspecting settings with no children on roll
- Guidance on writing complaint and compliance action summaries

You can access our guidance documents via the link below:

http://www.ofsted.gov.uk/search/apachesolr_search/early%20years%20and%20childcare

Update for inspectors of children’s centres

The revised evaluation schedule and *Conducting children’s centres inspections* are now published along with the relevant updates to all other documents for use in inspections from September 2012.

As a reminder, the key changes are:

- removal of references to the National Indicator Set and refocusing on the key performance indicators for children’s centres
- improving references to target groups and families in most need of intervention and support in centre reach areas
- combining two judgements in the sections ‘Quality of provision’ and ‘Leadership and management’ where inspectors identified overlap and repetition
- providing additional clarity in the grade descriptors
- providing additional guidance where local authorities, centre leaders and inspectors identified gaps.

In particular you will need to consider the additional guidance in paragraphs 64–69 of *Conducting children’s centres inspections*. These set out the data that we expect centres to provide.

In addition to the key performance measures reproduced in *Conducting children’s centres inspections*, the government is also trialling a series of performance measures for children’s centres to inform its intention to develop ‘payment by results’ for local authorities.

The participating authorities in the first wave of the trials are:

- Southampton
- Oxfordshire
- Oldham
- Gloucestershire
- Devon
- Croydon
- Blackpool
- Barnsley
- Barking and Dagenham.

The draft performance measures and frequently asked questions relating to them, produced by the Department for Education (DfE), appear at the end of this item.

In addition to these documents you may also be interested to read the draft document on the [core purpose of children’s centres](#) published by government. This: sets out what the government sees as the core purpose of children’s centres in terms of outcomes for children and families; explains the approaches that successful children’s centres adopt in delivering that core purpose; and sets out the principles that sector leaders have developed to underpin the core purpose.

[Payment by results early draft measures \(to trial with local authorities\)](#)

| | Activity-based measures | More outcome-based measures |
|---------------------------------|---------------------------|---|
| 1. Contact with families | a. Percentage of families | b. Percentage of families with children |

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| | with children under five years who are 'registered' ¹ with children's centres in the local authority area. | under five years who are identified as being 'in greatest need' ² and have 'sustained contact' ³ with children's centres in the local authority area. |
| 2. Child development and school readiness | a. Percentage of families in the local authority area who receive a summary of their child's development at 24–36 months. | b. Percentage of families in the local authority area who have appropriate support where additional needs have been identified in the local authority area (for example, through a summary of their child's development at 24–36 months and/or health visitor check). |
| | | c. Early Years Foundation Stage assessments, with gap narrowing, in the local authority area. |
| | d. Take up of the two-year-old free entitlement across the local authority area. | |
| 3. Family health and well-being | | a. Breastfeeding prevalence (at 6–8 weeks after birth) ⁴ with gap narrowing, in the local authority area. |
| | b. Percentage of families, who are identified as being 'in greatest need', accessing antenatal support through children's centres in the local authority area. ⁵ | c. Incidence of low birth weight of full term live births, ⁶ with gap narrowing, in the local authority area. |
| | | d. Proportion of parents with post-natal depression in the local authority area (or parents' self-reported emotional well-being). |
| | e. Percentage of children, who are identified as being 'in greatest need', accessing evidence-based healthy eating/lifestyle support through children's centres in the local authority area. ⁷ | f. Prevalence of healthy weight at age 4–5 years, ⁸ with gap narrowing, in the local authority area. |
| | | g. (Explore measure of economic well-being.) |

¹ Term 'registered' to be agreed with trial areas.

² Term 'in greatest need' could be defined locally, but with some national guideline/benchmarks.

³ Term 'sustained contact' needs to be worked out with trial areas, for example, regular use of children's centre.

⁴ Also a possible measure in the draft Public Health Outcomes Framework.

⁵ Need to agree what 'antenatal support' means in this context, for example, appointments or something wider?

⁶ Also a possible measure in the draft Public Health Outcomes Framework.

⁷ Need to agree what 'healthy eating/lifestyle support' means in this context, for example, activities.

⁸ Also a possible measure in the draft Public Health Outcomes Framework.

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| 4. Parenting aspirations, self-esteem and skills | a. Percentage of families, who are identified as being 'in greatest need', completing evidence-based parenting programmes_(for example, Incredible Years) through children's centres in the local authority area. ⁹ | b. (Parents self-reported aspirations and self-esteem – if we can find a measure.) |
| | c. Percentage of families, who are identified as being 'in greatest need', receiving sustained outreach and family support_through children's centres in the local authority area. | |
| | | d. Levels of parental language/literacy/numeracy, with gap narrowing, in the local authority area. |
| 5. Cross-cutting | a. Percentage of outstanding/good Ofsted inspections of children's centres in the local authority area. | |
| | b. Levels of volunteering in children's centres in the local authority area. | |
| | c. Levels of parental satisfaction with children's centre services in the local authority area. | |

Sure Start Children's Centres and payment by results: frequently asked questions

Why is the government introducing payment by results for children's centres?

A number of payment by results schemes are being introduced across government. They are each part of the government's ambitions to improve public services and deliver improved value for the taxpayer. Government wants to increase the autonomy that Sure Start Children's Centres have but with this comes greater responsibility and accountability. The DfE's business plan commits to working with local authorities to explore the introduction of greater payments by results for children's centres.

The government wants to use payment by results to incentivise a focus on the proposed core purpose of children's centres: to improve child development and school readiness among young children and to reduce inequalities. This includes identifying, reaching and supporting the most disadvantaged families to improve their parenting aspirations and skills and to promote health and well-being.

Who will be paid by results?

We are not proposing to undertake payment by results directly with individual children's centres, although we expect trial by local authorities to explore this in their local areas. We are intending that payment by results is trialled at two levels:

- national – DfE to local authority

- local – local authority to individual children's centre providers.

We recognise that not all the measures we have been considering will be appropriate for local payment by results, and we want to use the trials to decide which measures will work best nationally and locally.

When will this happen?

We intend to begin trialling payment by results with a number of local authorities later in the year (approx 15–30), running until March 2013. We have invited applications from all local authorities in England (applications have been invited in two waves, with deadlines of 6 and 29 July). The trials will generate an evidence base from which Ministers can make decisions about how best to roll out payment by results more widely, from 2013–14.

Which results/measures will be included?

Final decisions on the measures used for national payment by results (DfE to local authority) will be made following the trials. It is for local authorities to decide which measures to use for local payment of providers by results.

A basket of possible measures for use in the trials has been developed and tested with children's centre leaders and local authority early years' officers. These measures reflect the proposed core purpose of Sure Start Children's Centres: to improve child development and school readiness among young children and to reduce inequalities. This includes identifying, reaching and supporting the most disadvantaged families to improve their parenting aspirations and skills and to promote health and well-being.

Isn't there a risk that local authorities/ providers only focus on things that can be counted/measured at the expense of longer term preventative work?

We recognise the challenges inherent in this type of work – whilst payment by results has a strong theoretical basis, it has not been widely used in children's services to date. We want, therefore, to take development forward in partnership with local authorities and the early years sector, using the trials to develop workable approaches that encourage improvement of outcomes for families in greatest need. Overcoming data and measurement challenges will be a key focus.

How much reward will local authorities get?

In the short term:

Initially there will be development funding for trial local authorities, to be determined based on the size and range of proposals received (this will be in addition to Early Intervention Grant funding allocations for 2011–12 and 2012–13). We intend to begin trialling payment by results on a relatively small basis, as a proportion of total funding. Evidence from other sectors suggests that small rewards (less than 5% of total funding) may be sufficient to bring about behaviour change by providers.

In the longer term:

Decisions have not yet been made on funding for 2013–14 onwards. We will use the learning from the trials to inform ministerial decisions.

What are local authorities expected to do with the reward money? How much reward will local authorities be expected to pass onto their children's centre providers?

This will be explored through the trials. National reward funding will give local authorities the

opportunity to reward the most successful providers through local payment by results, and also to provide support to services that need to improve.

How will payment by results encourage local authorities to involve the VCS more?

It will be important that payment by results supports greater involvement of organisations with a track record of supporting families in children's centres, including smaller voluntary sector providers. We intend to begin trialling payment by results on a relatively small basis, as a proportion of total funding, being aware of the balance of risk for smaller organisations. We will ensure the trial areas are representative, including areas with a higher proportion of centres commissioned to VCS providers. The trials will be able to consider whether local payment by results is easier to operate where children's centres are commissioned and a contract is in place.

Who's running the trials and how will the governance work?

The Children's Improvement Board has agreed to oversee the work. It is a consortium of ADCS, the Local Government Group, SOLACE (the local authority Chief Executives' organisation) and the DfE. It is leading the arrangements for the development of a sector-led model of improvement support and challenge for children's services, as well as providing governance for its operation. The Children's Improvement Board has asked Serco and C4EO to support the payment by results trial local authorities on its behalf. There will be opportunities for stakeholders to be involved in the governance arrangements of the trials – further details will be provided soon.

How will trial areas be selected/what will be the criteria?

We would like to see innovative proposals that will help to develop workable models that can be adopted by other areas. It is not necessary, at this stage, for all trial areas to have highly developed systems for evidencing outcomes for children's centres. Our intention is that the arrangements are trialled in a range of local authorities that are geographically and demographically diverse. We will consider applications from groups of local authorities where this offers the potential to maximise learning and efficiencies through partnership working.

The decision on the selection and funding of trial areas will be taken by Ministers in the DfE later in the summer, based on advice from the Children's Improvement Board to ensure that an appropriate range of local authorities are selected.

What will happen to local authorities who don't get rewarded (because they don't improve outcomes) – is there a risk that disadvantaged areas will be penalised?

The Children's Improvement Board is leading the arrangements for the development of a sector-led model of improvement support and challenge for children's services (see above). This should provide opportunities for local authorities that need help to be supported.

What are the links to other payment by results schemes? The Department of Health (DH) may be introducing a Health Premium/DWP is paying welfare providers by results. Isn't there a risk of double payments?

It will be crucial to explore the potential to join up with other payment by results schemes being developed across government, through the trials. We would like to see links made where appropriate including to community budgets, welfare reforms, the Early Implementer Health Visiting Sites, and the proposed Health Premium.

Is this about introducing new types of investment into children's centres, for example through social impact bonds?

Although social impact bonds are sometimes linked to payment by results, the current trials for children's centres will just focus on payment by results. Social impact bonds are being trialled across government and we will of course be looking at the efficiency of them. However, there are currently no plans to have specific children's centre social impact bonds. Individual local authorities may of course decide to pursue social impact bonds that involve children's centres and the DfE would be very interested in such proposals.

Why has DfE chosen children's centres for payment by results, and not the whole Early Intervention Grant?

Ministers have made clear their commitment to retaining a network of children's centres, accessible to all but focussed on supporting families in greatest need. The focus on children's centres and payment by results reflects the high priority that Ministers place on children's centres as hubs of early intervention, and their desire to reward improvements in reaching and supporting young children and families in greatest need.

Ministers have not ruled out exploring payment by results for other areas of early intervention and children's services more widely. The trials do not need to be restricted to children's centres alone.

Why aren't schools also being paid by results? It's not fair to single out children's centres.

Ministers have made clear their commitment to retaining a network of children's centres, accessible to all but focussed on supporting families in greatest need. The focus on children's centres and payment by results reflects the high priority that Ministers place on children's centres as hubs of early intervention, and their desire to reward improvements in reaching and supporting young children and families in greatest need.

Payment by results will improve information to communities and commissioners about the impact of children's centres, and in the longer term may support the case for investment in children's centres.

Per pupil funding already applies to schools, which makes their funding responsive to the number of pupils they attract. If a school is providing a poor standard of education it will not attract the number of pupils that it needs.

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Part B. Supplementary information from Ofsted



B1 Early years frameworks project

We have received approval from Executive Board to start a project to revise the early years frameworks for registration, inspection and enforcement. This will result in revisions to our guidance for inspectors and providers to take account of the changes to the Early Years Foundation Stage and accompanying regulations alongside our cost saving proposals.

As a result we will make only minimal changes to our existing guidance documents, such as *Conducting early years inspections*, the *CIE handbook*, the registration handbook, factsheets, and leaflets over the coming year. We will only amend guidance when it is absolutely necessary – such as in response to legislative change, complaint adjudications, tribunal decisions, serious case reviews and internal management reviews.

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B2 Use of mobile phones in settings

We have had concerns raised with us regarding inspectors giving guidance about the use of mobile phones and cameras in settings that is not in line with [our published guidance](#). It is for childcare settings to decide on their policy for use of mobile phones and cameras. Inspectors should only comment where they observe inappropriate use or where use for personal calls takes staff away from caring for children.

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B3

Childcare safety issue – electrical socket covers

Some inspectors are continuing to make judgements about risks to children when inspecting childcare settings where the provider has decided not to use electrical socket covers on exposed sockets.

Our position on the use of electrical socket covers has not changed. We neither encourage nor discourage the responsible use of socket covers as part of a risk-assessed approach to electrical safety. In line with the relevant requirements for registration, it is up to each individual registered provider to demonstrate to us that the environment is safe for children and meets legal requirements. It is for the provider to decide, as part of the risk assessment they carry out at their premises, how best to protect children from any dangers associated with electric sockets and appliances.

Inspectors should not set actions or make recommendations in relation to the use of socket covers and should not refer specifically to these in their reports. If a provider is unsure whether or not to use socket covers and asks our advice, we should refer them to the Royal Society for the Prevention of Accidents (ROSPA) and Child Accident Protection Trust websites for information to help them make a decision about the use of socket covers and the type of sockets considered as 'safe'.

Part C. Other material



C1

Government's vision for children in their early years and their families

The government has set out its vision for the services that should be on offer for parents, children and families in the foundation years. This phrase 'foundation years' represents a new approach to children from birth to five, recognising the importance of a child's early years as a crucial foundation to future health and well-being including their success as learners. It is a co-production between the DfE, the DH and early years sector professionals.

The vision is presented as a series of [linked documents on the DfE website](#):

- *Supporting families in the foundation years* describes the system needed to make the government's vision a reality and explains the role of commissioners, leaders and practitioners across the range of services for families in these years.
- *Families in the foundation years* sets out the offer to parents from pregnancy to age five.
- A parent-friendly website with resources to help mothers and fathers care for

children is available at www.foundationyears.org.uk.

- *Foundation years evidence pack* setting out the evidence underpinning the government vision and explores the key factors in promoting children's health and development during the foundation years.

It provides the government's response to the following reviews:

- *The Foundation years: preventing poor children becoming poor adults* (the report of the independent review on poverty and life chances by the Rt Hon Frank Field MP)
- *Early intervention: the next steps* (an independent report to Her Majesty's Government) and *Early intervention: smart investment, massive savings* (the second independent report to Her Majesty's Government by Graham Allen MP)
- *The early years: foundations for life, health and learning* (an independent report on the Early Years Foundation Stage to Her Majesty's Government by Dame Clare Tickell).

Supporting families in the foundation years was launched at a seminar on 19 July 2011 by Sarah Teather. Patrick Leeson and Liz Elsom attended the event on behalf of Ofsted. It summarises the government's vision for the foundation years. It sets out the important areas where there is a consensus of opinion and evidence and sets out what the government intends to do to improve those areas and where there needs to be further work done. The five main areas seen as most important are:

- a focus on child development including health, a reformed Early Years Foundation Stage and an extended free entitlement to early education
- parents and families at the heart of services including more flexible family leave, relationship support, parents having more say in the running of children's centres and easy access to Ofsted reports on childcare
- the importance of intervening early, including helping professionals to use all interactions with families to identify additional needs and offer further help; the introduction of a mandatory requirement on early years providers to give parents a written summary of their child's progress at age two to three; encouraging evidence-based parenting programmes; and establishing a new core purpose for children's centres
- a highly qualified and motivated workforce including a review of how to strengthen qualifications and career pathways for those supporting families in the foundation years led by Professor Nutbrown; continued investment in graduate level training in early years; making the early years professional part of the remit of the new Teaching Agency; and supporting the sector in developing system leadership
- a new relationship between central government, commissioners and providers that frees professionals to do what they believe is best.

Implementation of the vision has started with consultations on two documents:

- *The Early Years Foundation Stage* (due to close on 30 September 2011)
- *Sure Start Children's Centre core purpose* (due to close 31 August 2011).

Ofsted has already made its response to the core purpose and we will make a formal response to the consultation on *The Early Years Foundation Stage* before it closes on 30

September. We have incorporated the views of those of you who contributed comments and thank you for doing so.

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Children's Workforce Development Council (CWDC) qualifications audit tool: an article from the CWDC

A workforce tool to help early years

The [Early Years Workforce Qualifications Audit Tool](#) is an online database providing real-time access to workforce data for childcare settings, childminders and local authorities. Developed in 2009, the audit tool provides an up to date picture of the qualifications and training details of the early years workforce across England.

Childcare settings and childminders from all 152 local authorities in England have entered their details into the audit tool. There are currently more than 7,300 registered early years settings and more than 50,000 individual practitioners registered on the audit tool, with more settings and childminders registering daily.

The audit tool generates reports for childcare settings, childminders and local authorities about the qualifications of staff. Childcare settings and childminders may use these reports to provide further evidence about the qualifications of their staff as part of their Ofsted inspection.

How does the audit tool work?

The audit tool is a free and easily accessible data collection tool, which childcare settings and childminders can use to enter their individual practitioner details and download synthesised reports on their workforce. These reports help inform workforce planning and provide assurance to managers on the make-up of their workforce skills and qualifications.

Individual setting data is also aggregated for local authorities to enable them to build the workforce picture in their area. Local authorities can use this data to help prioritise funding and training within their area.

Inspectors can find [Ofsted's guidance on qualifications, including the audit tool](#), on our website.