Next Steps for Early Learning and Childcare
Building on the 10-Year Strategy
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The 10-Year Childcare Strategy in 2004 set out the Government’s plans to make early learning and childcare in this country truly world class. It included an ambitious policy programme which was motivated by our wish to see every child develop to their full potential, help parents to work and allow them to make informed choices about their children’s care and family life.

In a time of global economic downturn, where parents face increased financial and emotional pressures, these priorities are as important as ever. We are determined to keep improving early learning and childcare because these are crucial long-term investments. We must continue to focus on meeting the standards on which our future prosperity depends: individuals, businesses and society more widely all benefit from ensuring that our children get the best start in life, that parents are supported into work and stay out of poverty, and that families are able to balance work and family life are vital for individuals and society.

And businesses benefit from family-friendly policies too.

We have come a long way in delivering on the agenda that we set ourselves in 2004. Thanks to hard work across the sector, parents now have access to more flexible, affordable and better quality early learning and childcare than ever before, and many more families are benefiting from new rights and services. It will take time for the children who have had these opportunities to demonstrate the long-term benefits, but there are already signs that changes could help promote the social mobility of future generations. The latest Foundation Stage Profile results show that 21,000 more children achieved a good level of development at age five than the previous year, representing an increase of four percent. The gap in outcomes between children in disadvantaged areas and in other areas has narrowed for the first time.
As we approach the half-way mark of the strategy, it is right to take stock of how we are doing and think about how to resolve delivery issues that remain. We have been listening to families and talking to people who work in early years and childcare, including a group of our key stakeholders chaired by Lisa Harker. People have raised new challenges and want to know more about the steps we will be taking next, for example on extending the entitlement to free early learning and childcare, and improving quality. Parents want more reliable services during the holidays, and improved financial support that is easier to understand. And they need better information in order to make the choices that are right for their families.

This document updates and builds on the 10-Year Strategy. It shows the progress we have made since 2004, and sets out new steps to address the challenges ahead. Alongside the recent New Opportunities White Paper it sets out some firm proposals. In other areas we have identified the case for action and need to develop plans through discussion and consultation. We want this to be just the beginning of a wider conversation with you – parents, people who work in the sector, providers, agencies, children and local government – about how we can meet these challenges.
Executive summary

In 2004 our 10-Year Childcare Strategy set out an ambitious vision to radically change early learning and childcare in this country. Five years on we want to take stock, and address new and future challenges.

There has been significant progress since 2004. Thanks to the hard work across the sector, early learning and childcare is more flexible, affordable and better quality than ever before. Many more families are benefiting from new rights and services - such as extended paid maternity and paternity leave, new Sure Start Children's Centres and better financial support. And the latest Foundation Stage Profile results prove that impact is starting to show in children's outcomes at age five. But some challenges remain.

Supporting families to support children

We want to build on the progress of the last few years by doing more to value and support parents but also friends and relatives who care. We will:

- ensure that Families Information Services, Sure Start Children’s Centres and Extended Schools take account of the needs of friends and relatives who care, as well as parents;
- undertake new research on how early years providers can best help families to support their child’s development;
- extend the right to request flexible working to parents - fathers and mothers - of all children aged 16 and under; and
- comprehensively assess policies on leave for parents, once the European Commission has considered proposals on maternity and paternity leave.

What’s on offer for 0-14s

Easy, regular access to good early learning and childcare provides invaluable development opportunities for children and support for parents seeking to balance work and family life. We are now announcing that we will:

- expect Local Authorities to develop action plans to fulfil their new duty to ensure that childcare for 0-14 year olds (and for older disabled children) meets and responds to families’ needs and support them to do this;
- offer free early learning and childcare places to the most disadvantaged two year olds in every Local Authority by September 2009, and extend this offer to all two year olds stage by stage;
- work to ensure that parents have the choice to stretch the free offer for two, three and four year olds over more than 38 weeks of the year, including holidays;
expect Local Authorities to put particular focus on options for 5-14s and work intensively with a small group of Local Authorities to identify best practice;

encourage all providers of care and activities for school aged children to register with Ofsted so that parents can access them using tax credit support; and

ask Jobcentre Plus to work more closely with schools to provide parents with better access to financial support and information.

Quality of early years provision
While the provision of early learning and childcare is paramount, the quality of places is even more important. To demonstrate the importance we attach to attracting, developing and retaining a high quality workforce, we will work with partners to:

- ensure that everyone working in early years provision has a full and relevant qualification of at least level three (equivalent to A-level) and consider making this a requirement from 2015;

- consider making it a legal requirement that every full daycare setting has a graduate from 2015;

- pilot a programme to attract top graduates into the workforce;

- develop career pathways and reward commitment and excellence across the workforce;

- promote a training and development framework and create an annual training expectation or ‘entitlement’ for practitioners, up to graduate level;

- explore creating an ‘Advanced Skills’ graduate professional role in disadvantaged areas to allow graduates to progress without moving into management;

- help the highest quality settings to share their good practice; and

- expand Every Child a Talker in the most disadvantaged areas.

Information for families, providers and Government
Information empowers families to make the right choices for them and demand good quality provision. Therefore, we will:

- set an expectation that all providers supply information on staff qualifications, price and vacancies to the Local Authority;

- create a single national price comparison website on childcare which allows parents to compare providers based on information about quality and price, and including views from parents;

- extend the current service provided by the national helpline number and develop a contact centre to advise parents on national childcare programmes; and

- create a Ready Reckoner which will enable advisors in Families Information Services, Children’s Centres, and Job Centre Plus to calculate more easily how much financial support a family should receive for childcare costs through tax credits.
Financial support and managing the market

No child or family should be prevented from accessing high quality childcare provision on the grounds of cost. To build on the progress of recent years, we will:

- pilot ways to access the childcare element of tax credits differently, linking payments more closely to outgoings and making early learning and childcare more affordable;

- pilot a more generous support system for families with disabled children and lower income parents living in London where costs are higher;

- help parents navigate the financial support available by piloting intensive forms of active guidance to help parents find their way through the system;

- set out clearer expectations of Local Authorities’ duty to actively manage the market, to ensure sufficiency, to reduce ‘market failure’ as far as possible and meet parents needs as effectively and efficiently as possible;

- explore options to achieve greater coordination, transparency and performance management capability through streamlining the funding of the free offer;

- use price and quality information to support Local Authorities’ market management activities; strengthen accountability, and help central government inform funding allocations; and

- explore the principles and practicalities of linking funding for the free entitlement more closely to the contributions individual providers make to outcomes.

Next steps

This document spells out next steps in our long-term vision to make early learning and childcare a truly world class and modern public service. It proposes a number of policies which we would like to explore further with families, the sector and other relevant stakeholders over the coming months. We want this to be the beginning of a conversation with you and we look forward to talking to you further as we enter this new phase of delivery.
1. Introduction

Building on the 10-Year Childcare Strategy

1.1 Since 1997 this Government has prioritised early learning and childcare, increasing investment seven fold, creating a universal free offer for three and four year olds and doubling the number of childcare places. The 10-Year Childcare Strategy in 2004 took this to the next level, setting out an ambitious policy programme for an early learning and childcare system that would deliver the best outcomes for children, families, and society as a whole. The principles stated in that strategy remain our key objectives today and are of particular importance in the context of the current global economic downturn:

- Promoting child outcomes: ensuring that every child has the best possible start in life;

- Supporting employment: responding to changing patterns of employment and ensuring that all parents can work, stay out of poverty and progress their careers; and

- Recognising family preferences: recognising families’ quite rightly expect to be in control of the choices they make in balancing work and family life.

1.2 Although there are some unanswered questions, the evidence is clear that early learning and childcare can play a crucial role in each of these areas. New brain research, together with major studies commissioned by this Government tracking large groups of children, have added to our knowledge. They reinforce the message that quality early learning and childcare services have a substantial influence on child outcomes. These services have the potential to narrow gaps between children from disadvantaged backgrounds and their peers and transform life chances. The latest research findings are summarised at the back of the document (Annex A).

1.3 Progress since the 10-Year Childcare Strategy has been significant. In many cases, we have not only delivered on major policy commitments but gone beyond them:

- almost 2.3 million children and their families can now use one of almost 3,000 Sure Start Children’s Centres providing access to early learning and childcare, maternity and child health services and support for parents – and we are on track to have a centre in every community by 2010;
● there is nearly universal take-up of the 12½ hours of free early learning and childcare on offer to three and four year olds every week for 38 weeks of the year; and we are already delivering 15 hours of flexible provision per week in 34 areas – on track for a universal extension in 2010;

● we are providing free early learning and childcare places for two year olds in the most disadvantaged communities – pilots announced in the Children’s Plan make places available for at least 20,000 children by 2011;

● the first ever Childcare Act in 2006 has given Local Authorities responsibility for ensuring enough childcare is available to meet the needs of parents locally;

● all children up to the age of five who use registered childcare can now benefit from a single, play-based framework for early learning and care through the Early Years Foundation Stage;

● we have introduced a specialist graduate qualification for early years practitioners and there are now nearly 5,000 Early Years Professionals either trained or in training; and

● we have allocated additional capital funding of £640 million over 2008-11 so that settings can improve the quality of their environment, offer more flexible provision and be accessible to all children including those with disabilities.
1.4 Also since 2004, many more families have benefited from direct support to help them balance work and family life:

- statutory maternity leave was extended to 12 months and pay from six months to nine months in 2007 – some 84 percent of mothers take all their entitlement to paid maternity leave\(^1\) and 93 percent of fathers take time off around the time of their child’s birth;\(^2\)

- the right to request flexible working has led to a more family-friendly culture in the workplace. Recent surveys show that 80-90 percent of requests to employers to work flexibly are ultimately agreed,\(^3\) although there is a differential between requests made by men and women where the approval rate for women is 12 percentage points higher;\(^4\) and

- changes to the childcare element of the Working Tax Credit currently give financial support to around 460,000 lower and middle income working families across the UK, 72 percent more than in 2004.

1.5 It will take time to see the full, long-term benefits of these policies for children. The 2008 Foundation Stage Profile results show that four percent more children achieved a good level of development at age five than in the previous year. And the lowest achievers as well as those from disadvantaged areas are starting to catch up; the gap between their achievement and their peers’ narrowed.

1.6 We recognise that there is still a lot more to do. Our long-term goal is that at least 90 percent of five year olds develop well across all areas of the Foundation Stage Profile by 2020. To achieve this central and local government and all parts of the sector will need to continue to work together to build a modern public service which is responsive to children’s and families’ needs.\(^5\)

A modern public service that supports families

1.7 As we said in the Children’s Plan, parents bring up children – not Government. But the public, private and voluntary sectors have a vital part to play in supporting parents to do the best for their child.

1.8 The evidence clearly shows that children benefit from specific types of early learning and childcare at different stages in their lives. Yet no single package of care suits every child and every family. Parents make decisions and trade-offs to balance work and family life, deciding which arrangements would best support the well-being of their children.

1.9 These choices can be complex. And the reality is that in their early years many children experience a mix of early learning and childcare, from nurseries, childminders,
playgroups, schools and from friends and family – particularly grandparents. How parents interact with their children has the greatest influence on outcomes. But each part of the package of care has a part to play.

1.10 The role of a modern public service in early learning and childcare is therefore to empower mothers and fathers. This is partly about helping parents to make informed choices about the packages of care that they use by equipping them with the right knowledge. But it also means providing parents with real options to choose from by easing pressures on their time and ensuring provision is available, affordable and flexible. This publication notes progress and opens up a wider discussion about future direction in relation to the challenges which lie ahead in each of these areas including: supporting families to support children, including leave for parents (Chapter 2); taking the free entitlement forward and making sure there is provision for all age groups (Chapter 3); making information to parents more comprehensive and easier to compare (Chapter 5); and giving simple and fair financial support to families (Chapter 6).

1.11 But public services must go beyond giving people options. Positive choices for all parents can only be realised by ensuring that the safest, best quality experiences are available to every child, whatever environment they are in. The chapters that follow also continue a dialogue on improving the quality of children’s experiences including: the role that early learning and childcare provision can play in supporting positive parenting (Chapter 2); creating a new level of excellence and professionalism across the workforce (Chapter 4); and providing information on quality to parents so they can make informed choices (Chapter 5).

1.12 The public, private and voluntary sectors are jointly responsible for delivering early learning and childcare. It is Government’s job – both central and local – to provide strategic leadership through effective market management and accountability (Chapters 5 and 6). But all parts of the sector have valuable expertise and, as such, must play a role in shaping services and setting future direction as well as delivering services. As the sector reaches a new era of maturity and the workforce professionalises, close partnership working between Government, professionals and all parts of the sector will be more vital than ever.

1.13 Parents are part of the partnership too, and have responsibilities. They have a vital role to play by demanding high quality early learning and childcare from their Local Authorities and providers, accessing the financial help available and helping Government inform its thinking on how to improve services even further.

1.14 It is therefore only through joint working and collaboration in every locality, drawing on the strengths of all providers and listening to and supporting parents and family and friends who care, that we will make our early learning and childcare truly world class.
2. Supporting families to support children

Executive Summary

Mothers and fathers want to be there when it counts and spend quality time with their children. It’s what children and parents do together in the home that is most important for giving them the best start in life. There have been significant improvements to this area in recent years – ranging from growing support through Children’s Centres to more flexible working and better maternity leave in the first year and the introduction of paternity leave. This chapter sets out plans to build on this by doing more to value and support parents as well as friends and relatives who care – especially grandparents whose role can sometimes be overlooked and undervalued. We also want to continue to reduce the pressures on parents’ time – family friendly employment practices are good for business as well as parents and children. We will:

- ensure that key services take account of the needs of friends and relatives who care, as well as parents;
- undertake new research on how early years providers can best help families to support their child’s development;
- promote the importance of all family services, and involve and support fathers;
- extend the right to request flexible working to parents – fathers and mothers – of all children aged 16 and under; and
- comprehensively assess policies on leave for parents, once the European Commission has considered proposals on maternity and paternity leave.

Vision

2.1 Recognising the complexities of modern family life, we want a system in which all families feel:

- that the important role friends and family, including grandparents, play in caring for children is valued and supported, alongside other early learning and childcare;
that Government and employers are helping to reduce pressures on their time and give them flexibility to make positive choices about the balance between work and family life; and

confident that they have the knowledge and skills to support and nurture their child’s wellbeing and development through consistent, responsive parenting and the creating of a home environment that supports learning.

Progress to date

Valuing and supporting care by family and friends

2.2 There is universal support available to all carers of young children through Sure Start Children’s Centres. Their role is not limited to working with mothers and fathers. These Centres provide a convenient single access point for parents, family and friends to many different services, with professionals forming teams to meet the needs of individual families and children.

2.3 The Government is committed to supporting friends and families who care for children with high levels of need. The 1999 Caring for Carers strategy set out a framework for supporting those carers who look after people with social care needs, such as disabled children.6 The 2008 strategy, Carers at the Heart of 21st Century Families and Communities, took this further with increased funding to enable these carers to take breaks away from their caring responsibilities as well as for training to support re-entry into the job market.

2.4 Aiming High for Disabled Children (2007) announced £370 million of funding to be spent between 2008 and 2011 to enable all disabled children to take short breaks, to help their development while allowing families some time to recharge their batteries. Local Authorities will have a statutory duty to provide a short breaks service. The Aiming High programme is also supporting all Local Authorities to involve parents of disabled children in making choices about care and services for their child.

Easing the pressure on mothers’ and fathers’ time

2.5 We have given mothers and fathers the chance for more time with their children in the earliest stage of their development. In 1997, there was no paternity or parental leave and only 18 weeks maternity leave and pay. Today, mothers have 12 months maternity leave and nine months maternity pay; fathers can take two weeks paid paternity leave; and parents have 13 weeks parental leave.

2.6 Many mothers and fathers of young children now benefit from more flexibility at work. The right to request flexible working for those with parental responsibilities for a child under the age of six (or 18 in case of a disabled child) was introduced in 2003. 14 million employees work flexibly (56 percent of employees), or have done so within the last 12 months, and 90 percent of workplaces in 2006 were offering one or more forms of flexible working (up from 85 percent in 2003).7 Although flexible working has increased considerably over the last few

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6 Caring for Carers, HMG, 1999
7 The Third Work-Life Balance Employee Survey, BERR, 2007
years, there remains a differential in take-up between men and women, and that is influenced by the workplace. A recent employee survey shows that 83 percent of women’s requests to work flexibly are agreed to, but that only 71 percent of men’s requests are accepted by their employers.8 The equivalent for employers however shows that overall 91 percent of requests to work flexibly were accepted.9

2.7 We know that working patterns and the role that parents play in childcare has changed significantly over recent years with more mothers working and fathers spending more time caring for their children.10 Increasingly men are sharing the caring of their young children. 87 percent of men think fathers should be very involved in looking after children and mothers are keen for this to happen as well.11 However, only two percent of men take primary caring responsibilities.12 Fathers are less likely than mothers to work flexibly when the option is available, although the number of fathers with young children working flexibly is increasing: in 2002, 11 percent of dads with babies worked flexi-time, and in 2005 it was 31 percent.13 Many fathers still perceive that requesting flexible working practices will be detrimental to their career progression.14

2.8 But we also know that family friendly policies benefit employers too. Benefits range from greater recruitment and retention rates, better health to higher productivity.15 More flexibility – such as part-time working – is particularly important in the current economic climate as, for example, it allows employers to retain staff that they otherwise would have had to make redundant.

Support for positive parenting

2.9 There is now much more support to help families feel confident about parenting, and develop their abilities to improve their children’s wellbeing, respond to their needs, and support their development.

2.10 Sure Start Children’s Centres provide a range of universal services that include activities for children, parents, family and friends and support development as well as wellbeing. This can include childcare alongside easy access to health services, family support, advice and outreach services. The centres are also increasingly thinking about how they can better engage fathers, for example through using male outreach workers and holding fathers groups at convenient times. Mothers and fathers using the centres are now more likely to read to their children, encourage them to paint or draw and generally support learning at home.16

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8 Ibid.
9 The Third Work-Life Balance Employer Survey, BERR, 2007
10 Families in Britain: an evidence paper, Cabinet Office 2008
11 Figure from British Household Panel Survey data
14 Summary: PMSU/DCSF/ippr seminar on work-life balance, 11 June 2008
15 See for example Foresight Mental Capital and Wellbeing Project, The Government Office for Science, 2008; Babies and Bosses - reconciling work and family life, OECD
2.11 Bookstart provides free book packs to parents of babies and young children aged 0-3 years, together with advice on how to share books with young children to support positive parenting and to foster a love of books and reading.

Case study: Startpoint Northam Nursery – helping children and parents to read

Startpoint Northam Nursery invited parents to an informal introduction to the Bookstart Treasure Boxes as they dropped their children off. The nursery staff went through what was in the boxes, and talked about ways to explain to their children the difference between reading books and drawing books. By involving the local library, parents whose children hadn’t joined the library were able to join on the spot.

One child who received her Treasure Box was Maddison aged four. Her Mum Jo was delighted with it: “Simon explained the boxes in a brilliant way. The fact that he went through them encouraged me to make sure it was special. That afternoon I looked through the leaflet that’s in there for adults – it was really clear and very helpful. I hadn’t got round to joining Maddison to the library so I did it then, and now we go to the central library regularly. I’m not the greatest reader in the world and I had a horrendous experience at school – I didn’t want Maddison to feel that way. I think a lot of parents worry about reading to their child if they’re not great readers themselves, but the information in the box shows that you can tell the story just from the pictures.”

2.12 Extended services offered through schools support families to create a good environment for learning in the home, for example by offering parenting skills programmes and family learning sessions. We have also supported home learning through developing the skills and knowledge of both the parent and child at the same time, for example through activity under the Family Learning Impact Funding (FLIF) launched in April 2008, which builds on and further develops existing family learning provision. This includes Family Literacy, Language and Numeracy programmes which improve numeracy and literacy skills of parents and their children by working with them together. FLIF workstrands include introducing parents to Early Years Foundation Stage outcomes and approaches, and helping them to support their children’s learning.

Next steps

Valuing and supporting care by family and friends

2.13 In our research with parents, they told us that when we promoted the value of childcare for child development we sometimes seemed to downgrade the value of what they were doing as parents – which they did not see as ‘childcare’. We need to ensure that whenever we explain the developmental advantages of early learning and childcare outside the home we give full recognition to the value of parental care – which has the biggest impact on their child’s development – irrespective of whether the family uses childcare.
2.14 Each family has to find the package of care that most suits their needs and the needs of their children. No one solution suits everyone, and most mothers and fathers find that care provided by family and friends is a crucial part of the mix. This care can be more flexible and includes supplementing formal care on certain days, ad hoc babysitting, or responding to emergency needs. This care can also be the glue that sticks together other elements of a childcare package, such as picking children up from childcare and looking after them until their parents come home from work. Many children benefit from this type of care. A survey in 2007 found that 37 percent of 0-2 year olds had received this type of care in the past week.  

I’m quite fortunate that my parents step in when I need them, and they work around the shifts that I work. They’ll either take them back to theirs, or take them back to mine, but they have looked after them since they were born.  

Mother, Liverpool

2.15 Grandparents are especially highly valued and trusted carers of younger children. They provide more care than other friends or relatives – 28 percent of care for 0-2 year olds. Many grandparents say their caring roles give them a sense of satisfaction. But the role is challenging, too, and almost half tell us it makes life more stressful. Grandparents prefer not to be paid for care, except in specific circumstances, such as when they have given up work to care for the child. But grandparents’ employment does not seem to be linked to reduced levels of involvement in activities with their grandchildren.

2.16 Parent Know How services are available to anyone in a parenting capacity, whether this is a non-resident parent, grandparent, or those in positions of corporate responsibility. The programme ensures families have access to the information, advice and guidance they need to support parenting and is reaching families through a wide range of new technologies, including web services and social networking sites, instant messaging and text messaging. Parent Know How aims to extend its reach over 2009 and will target grandparents and other groups through its print channel.

Nursery has been a learning curve for me as well, as it’s given me the confidence to take part in all kinds of activities with Mollie. We can learn and play together, which is brilliant.  

Father, Bristol

2.17 We want to make sure that all parents and family and friends who care know about and benefit from the range of support services currently on offer, particularly for those who care for severely disabled children. Access to those services will increasingly be available close to home, in or through Sure Start Children’s Centres and Extended Schools. We also want to improve awareness of the important role that friends and families, including grandparents, play in providing childcare. This should help us to make sure that universal services become increasingly

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17 Childcare and Early Years Survey 2007: Parents’ use, views and experiences, DCSF, 2008
18 Ibid.
responsive to the needs of other carers as well as parents.

2.18 We will therefore work with stakeholders to ensure that:

- Families Information Services, as set out in Chapter 5, take account of the needs of family and friends who care, as well as parents; and

- Sure Start Children’s Centres and Extended Schools illustrate ways in which these services can support family and friends alongside their important work with parents.

Easing the pressure on mothers’ and fathers’ time

2.19 Mothers’ and fathers’ time is precious. Most have busy lives and many different interests and concerns to balance. They all want to be there when it counts most for their children’s wellbeing. We have made good progress in helping mothers and fathers meet this challenge. Rights to maternity and paternity leave have been extended to help promote good early attachment between infants and both their parents. And the right to flexible working allows both parents to make choices about the balance of family life.

2.20 But family friendly policies are not only beneficial for parents. As set out above, they also help employers by retaining experienced staff, reducing turnover and increasing productivity.

2.21 More than six million people already benefit from the right to request flexible working and the business benefits are well documented. Earlier this year we accepted Imelda Walsh’s recommendation to extend the right to request flexible working to everyone with parental responsibility for children aged 16 and under. We will therefore introduce this extended right to request flexible working to mothers and fathers of all children aged 16 and under in April 2009.

2.22 Both mothers and fathers have important roles to play in responsive parenting that helps young children to develop well. That is why Government has expanded maternity and paternity leave significantly since 1997 but some challenges remain. Children tend to have good outcomes when fathers have sustained involvement in early learning and childcare. We know that fathers are likely to be much more involved in childcare and early learning nine months later if they have established a relationship with their child by taking up their paternity leave entitlement.

2.23 The European Commission is currently considering proposals on maternity and paternity leave. Once this has been completed, we will comprehensively assess policies on leave for parents.

Support for positive parenting

2.24 In recent years we have learned more about what mothers, fathers, carers and other adults in parenting roles can do to support

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21 A review of how to extend the right to request flexible working to parents of older children, BERR, 2008
children’s wellbeing and development. And we know from our surveys that parents are even more eager to do this, although some lack confidence. They would like more help from those with whom they share the care of their children, as well as from other parents.

2.25 Through better information and advice to support parenting, mothers and fathers can be encouraged to feel more confident in bringing up their children. This is the aim of Parent Know How. Among other groups, it targets those not as well served by current sources of help as they could be – including parents of disabled children, fathers from all backgrounds and parents of teenage children. The Parent Know How programme announced £44 million of funding from 2008-11 to deliver these services.

2.26 Parents can also learn from practitioners, and sharing information with mothers and fathers enables them to contribute to children’s continuous learning and development. Sure Start Children’s Centres and childcare providers should regularly share information about children with both their mothers and fathers. This is encouraged by the Early Years Foundation Stage, which came into force in September 2008. At its heart is the principle of parents and practitioners working together, with providers expected to maintain a regular flow of information to and from parents about their child’s development.

2.27 A healthy child is a priority for all mothers and fathers. And children’s health and wellbeing needs are increasingly being met by the range of services offered by Sure Start Children’s Centres. We are well on our way to our target of 3,500 Sure Start Children’s Centres, making them a mainstream service for young children and their families. And these centres will be developed to provide integrated services to support the whole family and their needs. Alongside mainstream childcare, centres will also offer health and family support services as well as wider services to the community.

2.28 The launch of the first ever Child Health Strategy in 2009 will highlight the Government’s commitment to improving children’s health. Children’s Centres will play an increasingly important role in delivering the Child Health Promotion Programme that oversees the health and development of children and supports parents to protect and promote their child’s health. The Child Health Promotion Programme provides universal services including screening, health and development reviews, immunisations, health promotion and parenting support. The programme focuses on engaging with the whole family in dealing with a child’s health and wellbeing; for example, parents receive a personal child health record – the ‘Red Book’ – which provides a record of child development, growth, immunisations and the results of screening tests.

2.29 Children’s Centres are currently not recognised in legislation, and are just one way in which Local Authorities and their partners can choose to provide integrated early childhood services to meet their duties under the Childcare Act 2006. Following consultation in 2008, during which there was widespread support for the proposal, we plan to establish Sure Start Children’s Centres on a firm legal footing during the
current Parliamentary session. This will reinforce their status as a universal service and should help encourage use by all parents.

2.30 Children’s Centres will continue to help mothers and fathers with the skills and knowledge they need to support their child’s development. This will be especially important for those from disadvantaged backgrounds and children with particular challenges. Centres will deliver evidence-based parenting programmes which have been shown to have a lasting impact on parents’ behaviour and children’s outcomes.

2.31 We will also identify, through the National Network for Sure Start Children’s Centres Managers, a group of centres to work with us to identify and share best practice in delivering structured parent and toddler “stay and play” sessions, where practitioners model rich use of language and demonstrate positive interactions with young children, while engaging in enjoyable play-based learning activities with them. Parents can then use these approaches and activities with their child at home. Practitioners in Children’s Centres will build on learning from the Early Learning Partnerships Project, which showed that well-structured “stay and play” time helped to improve parent-child relationships. The project also found that mothers and fathers showed progress in organising their child’s environment to give them more opportunities to learn from day-to-day activities with their parents outside the home.

2.32 Mothers and fathers say that they would like more advice from early learning and childcare providers operating outside Children’s Centres too, for example in community and voluntary sector settings. They would also welcome the ability to share books, games, puzzles and educational toys. Because of their close relationships with parents, their knowledge of individual children, and their professional training, childcare workers are uniquely placed to help mothers and fathers understand why a good home learning environment is important and to support them in creating and developing it.

2.33 In the coming year, taking forward the commitment in the Children’s Plan, we are also looking in depth at outreach activities undertaken by a range of people within Sure Start Children’s Centres and beyond.23 From this study, we will distil the best current practice and the most effective approaches used to engage with, and address the needs of, families at greatest risk of social exclusion, setting out core principles and standards of practice for outreach work. We will use these standards to draw up training materials, and support the training of up to 5,000 outreach workers, to increase the effectiveness of support for the most disadvantaged families and the life chances of their children.

2.34 This will be built on the outreach services rolled out as part of the offer to two year olds – the wider programme is discussed in Chapter 3. Local Authorities will have dedicated funding for outreach and family support to engage with the most disadvantaged families, and provide support
that responds to their needs, to help them to provide a healthy environment for their child and achieve a positive family life.

2.35 It is important to engage with fathers as well as mothers in their parenting roles. Too often family services fail to recognise the role of fathers, to take on board their needs and actively engage with them as service users. The recently launched “Think Fathers” campaign is promoting the importance of all family services involving and supporting fathers and will provide guidance to the workforce in Children’s Centres and other services on how to better engage with fathers.

2.36 All these programmes support the strengthening of parenting, as opposed to dealing with parenting problems when they arise. It is important that these universal programmes are alongside more targeted support for vulnerable families. For example, the Family Nurse Partnership (FNP) programme was launched in 2007 with pilots across ten sites in England with an extra 20 sites to be added in 2008/09. The FNP offers a structured, intensive home visiting programme from early pregnancy until the child is two years old. It is conducted by specially trained nurses. The nurses build close, supportive relationships with families and guide parents so that they can adopt healthier lifestyles for themselves and their babies, provide good care for their babies and plan for their family’s future. Early findings look promising with high levels of enrolment as well as engagement of fathers.24

2.37 Family Intervention Projects are a key part of Government policy to support families at risk. A small minority of parents or families require intensive support to help them overcome complex problems such as drug and alcohol misuse, domestic violence, poor mental health and worklessness. A national network of Family Intervention Projects was launched in 2006 with 53 projects set up by 2007. From April 2009 all Local Authorities will receive funding to set up a Family Intervention Project. These projects aim to

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**Case study: Pen Green Centre – involving parents in their children’s learning**

At Pen Green Centre for Children and their Families, their approach of Involving Parents in their Children’s Learning challenges workers to reflect on their practice. The centre has developed a knowledge sharing approach where practitioners are in daily discussions with parents, and build on the insights that parents have about how their children learn at home to develop a challenging curriculum in the nursery.

One of the most important ways the centre engages with parents is through home visiting. Home visiting children before they start nursery, and two to three times across the nursery year, is a vital way of getting to know all children and families and is particularly important for those children living in challenging circumstances. Parents are usually more relaxed and confident in their own home. By working with parents in this way family workers gain valuable insights into the role of parents as first educators, children’s friendship networks and the ways in which children play, learn and develop at home.
provide a whole family approach to support vulnerable families. The underlying problems driving behaviour are assessed, with most of the support services provided to families in their own homes. There were positive results from the initial projects with a fall in the number of families who have engaged in four or more types of anti-social behaviour from 61 percent to seven percent. And the number of 5-15 year old children who were reported to have educational problems (i.e. truancy, exclusion and/or bad behaviour at school) declined from 37 percent to 21 percent.25

2.38 Local Authorities and their partners also have an overarching role to play in ensuring that parents are well supported and able to make the best possible contribution to their children’s development. This will be one of the aims of their parenting strategies. As Children’s Trusts set their priorities and focus their action plans on the activities most likely to improve outcomes for children, they will recognise the huge impact that parental engagement has on all those outcomes.

2.39 We are also embedding support for parents to create a good learning environment in the home into materials and training programmes that the National Strategies are developing for early years practitioners. We have already built this into the Every Child a Talker programme, and the programme on Social and Emotional Aspects of Development, and will continue to do so in other material.

2.40 We have commissioned a number of pilots to test out how the best providers work collaboratively with mothers and fathers in improving young children’s home learning environment. We plan to build on this work to spread good practice nationally.

2.41 We will therefore undertake qualitative research to find out which qualities and behaviours of providers are effective in supporting parents to enrich their home learning environment. This will build on the research that has already been carried out through the Parents as Partners in Early Learning and Early Learning Partnership Project by developing our knowledge on the characteristics and skills that enable providers to support parents most effectively in creating a good home learning environment. This will mean involving all early years providers, in a range of different maintained and Private, Voluntary and Independent sectors, who are particularly effective at engaging parents, and measuring the extent to which those efforts have enhanced the home environment, and supported the child’s development.

25 Family Intervention Projects: an evaluation of their design, set-up and early outcomes, DCSF, 2008
3. What’s on offer for 0–14s

Executive Summary

We know that use of regular, reliable and high quality early learning and childcare has benefits for children’s development and for parents. Disadvantaged and vulnerable families have the most to gain. So it is vital that places are available for all families who want them and that the places give families choice and flexibility to fit their circumstances. To achieve this we will:

- expect Local Authorities to develop action plans to fulfil their new duty to ensure that childcare for 0-14 year olds (and for older disabled children) meets and responds to families’ needs and we will support them to do this;

- offer free early learning and childcare places to the most disadvantaged two year olds in every Local Authority by September 2009, and extend this offer to all two year olds stage by stage; and

- work to ensure that parents have the choice to stretch the free offer for two, three and four year olds over more than 38 weeks of the year, including holidays.

We are taking new steps to unlock more after school provision, and in particular make holiday care accessible. We will:

- expect Local Authorities to put particular focus on options for 5-14s and work intensively with a small group of Local Authorities to identify best practice;

- encourage all providers of care and activities for school aged children to register with Ofsted so that families can access their services using tax credit support; and

- ask Jobcentre Plus to work more closely with schools to provide parents with better access to financial support and information.
Vision

3.1 Children’s experiences in their early years of life influence their well-being and skills for a lifetime. Access to high quality early learning and childcare can help to ensure that children develop well during this critical time. Childcare and activities outside school hours also bring personal, social and educational benefits for school aged children. Having options that meet their needs is vital to help families strike the right work-life balance for themselves and their children.

3.2 Our vision is that high quality early learning and childcare will be on offer to:

- allow all families to use regular and reliable packages of care for their children all year round, including an increased offer of free places in the early years;
- offer enough choice and flexibility to be accessible to families with a range of circumstances, preferences and working patterns; and
- be available to all families, whatever their children’s ages or particular needs.

3.3 Together, this will create an offer that ensures that all children, regardless of their background, have access to flexible and reliable childcare and enables parents to sustain employment, therefore reducing the risk of poverty.

Progress to date

Childcare for all who want it

3.4 To ensure that we continuously improve the availability of childcare locally, we have made this a specific responsibility of Local Authorities. Section 6 of the 2006 Childcare Act places a duty on Local Authorities to secure sufficient childcare for 0-14s to meet the needs of parents in their area to enable them to work or undertake learning or training leading to work. This does not necessarily mean providing childcare, but supporting the local market to deliver what is needed. The “sufficiency duty” came into force on 1 April 2008, and before then all Local Authorities were required to publish the first ever ‘childcare sufficiency assessments’. These will help authorities to identify gaps, and then consult on and plan how to support local providers to address them.

3.5 To give every child the best possible start in life we have worked hard with Local Authorities to build a universal early years and childcare system and to give all parents access to a core of free provision. All three and four year olds are now entitled to free early learning and childcare for a minimum of 12½ hours a week and since 2006 this has been available for 38 weeks of the year. 95 percent of children took up at least some of their free hours in 2008, showing that the vast majority of families value the experiences being provided for their children.26

3.6 In addition, we have worked with a number of authorities since 2006 to pilot an offer of
free early learning and childcare places for disadvantaged two year olds. The Children’s Plan announced an extension to these pilots to deliver 20,000 places across 63 Local Authorities by 2011.

Choice and flexibility

3.7 We are strongly committed to ensuring that the childcare that is on offer meets families’ needs and gives them choices, so that they can work and can balance this with family life. We are working to make this a reality in a number of ways:

- the sufficiency duty requires Local Authorities to be satisfied that the supply of childcare meets a number of key criteria – including flexibility, accessibility (including for disabled children) and affordability as well as quality;
- Sure Start Children’s Centres and extended services in schools – often provided by the Private, Voluntary and Independent (PVI) sector – offer local communities access to nearby provision and services at times that meet their needs;
- 34 pathfinder Local Authorities are currently testing ways of making free entitlement provision more flexible, so that it better reflects local demand; and
- we have allocated £640 million capital funding to all Local Authorities over 2008-11, to help settings make adjustments to increase flexibility, as well as to improve the quality of provision (for example, by creating easier access to outdoor play areas).

- The Code of Practice states that parents should not be required or expected to take up additional services in order to access a free place and Local Authorities should be enforcing this. We expect Local Authorities to work with providers to plan services in a way which is compatible with this and providers to help ensure parents have sufficient flexibility. By 2010, all Local Authorities will be required to secure sufficient provision to provide parents with a more flexible offer over a minimum of three days a week – they will be working closely with providers to ensure that a flexible offer is available for all parents who want it.

Childcare for all ages and all needs

3.8 The stock of registered childcare places for all ages has more than doubled since 1997, making childcare more available. Most of these places are being delivered by the PVI sector and their contribution is growing. For after-school provision alone, this sector supplied 57 percent more places in 2007 than in 2003.27

3.9 Most schools provide some activities for their pupils before and after the school day and in the holidays. And more than 15,000 are currently providing access to the full core offer of extended services, which includes provision – childcare for primary pupils and activities for secondary – from 8am-6pm and in the holidays.28 This number will continue to rise as all schools work towards meeting our commitment to offer extended services by 2010. Collaboration between schools and the PVI sector will be key to achieving this

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28 Extended Schools: Access to opportunities and services for all, DfES, 2005
goal and many strong partnerships have already been forged.

3.10 It is critical that childcare is accessible for all families, including those who have children with special educational needs (SEN) or disabilities. To fulfil this we have set out a strategy for improving the lives of disabled children and their families in Aiming High for Disabled Children and, in the Children’s Plan, designed a programme to ensure that more childcare places are accessible for children with SEN.

3.11 We have also placed duties on Local Authorities to identify, assess and arrange provision to meet the needs of children in their area with disabilities or SEN and required every setting to have an inclusion policy to show how it will meet all children’s needs, in line with delivery of the Early Years Foundation Stage. And we are using the capital funding available over 2008-11 to help settings become fully inclusive.

3.12 We have focused on improving the levels of take-up among groups who do not currently use early learning and childcare services, particularly low income and black and minority ethnic families, who are less likely to use high quality formal childcare.

Progress for families with disabled children

Childcare can help children with additional needs develop through contact with their peers which they may otherwise lack, facilitate their entry and inclusion in school, and reduce family stress through giving mothers and fathers a break from caring for their child fulltime and increasing their opportunities to work. We know that high quality childcare can have a positive impact on a child’s education and, ultimately, future life chances. It is therefore crucial that disabled children get these opportunities too.

The Government’s Aiming High for Disabled Children programme includes additional funding of £35 million for the period 2008-09 to 2010-11 to develop projects to improve access to childcare for disabled children and young people and to reduce attitudinal barriers. Ten pilot Local Authorities were chosen in consultation with key disabled children’s charities and started delivering in September 2008. Good practice will subsequently be rolled out more widely.

It is essential that extended services are developed to be accessible to disabled children and those with special educational needs. And special schools, as well as mainstream schools, will be expected to provide access to the core offer of extended services by 2010. The Council for Disabled Children has produced guidance that shares good practice in promoting access to, and participation in, extended services for disabled children and young people.

We will also be testing raising the maximum amounts of financial assistance through the Working Tax Credit system for families with a disabled or severely disabled child, as part of the Childcare Affordability Pilots. For more detail see Chapter 6 (6.21).
We have successfully run national advertising campaign to increase awareness of the benefits of childcare within communities that have not traditionally taken up provision. One campaign alone increased calls to the national helpline number from Pakistani and Bangladeshi families by 61 percent. We are also working with 12 Local Authorities to identify practical ways to increase take-up of childcare in black and minority ethnic communities and we will use this learning to develop a more strategic approach across the country.

We have also worked hard to make childcare more accessible for lower and middle income families. We have introduced a national indicator to ensure that every Local Authority knows how well it is doing in promoting the take-up of the childcare element of tax credits. Furthermore, we are also exploring ways of making the Working Tax Credit system more accessible. These will be discussed in Chapter 6.

Next Steps

Childcare for all who want it

(i) Strategic leadership at Local Authority level

The first childcare sufficiency assessments which have now been completed are a necessary first step towards Local Authorities fulfilling the sufficiency duty. They show much good practice but also some common and significant areas of inadequate supply, particularly during holiday periods.

(ii) New direction for the free offer – more places for two year olds

We will, stage by stage, extend free nursery places for two year olds for every parent who wants them in every part of the country, backed by high quality, affordable childcare for all.

Good childcare sufficiency assessments give Local Authorities a clearer picture than ever before of their task in filling gaps between supply and demand as a basis for planning. They also need a strong strategy in place to fill these gaps effectively and meet their statutory duty to secure sufficient childcare for working parents. To ensure this happens, we expect all Local Authorities to publish a sufficiency action plan at the same time as their second sufficiency assessment.

The free offer has dramatically increased the take-up of early learning and childcare provision. 92 percent of three year olds and 98 percent of four year olds accessed their free place in 2008. We want to build on this.
success by prioritising the children who will benefit most from a free offer. Therefore, the Prime Minister has set out our vision of a universal offer for all two year olds. As a first step, we will extend the two year old pilots to create a high quality national free offer which will reach 15 percent of the most disadvantaged two year olds in every Local Authority. This will reach around 23,000 children per year and cost around £57 million.

3.19 This new national offer will:

- provide ten hours of free care per week in the best quality settings - families will be able to progress seamlessly onto the 15 hour offer in the term after their child turns three;

- be available on a 38 weeks per year basis - but can be stretched over more weeks if this suits parents, and providers are open; and

- include funding for outreach and family support, building on the existing pilot.

3.20 Pilot Local Authorities are already delivering to the most disadvantaged families in their areas. We will test the impact of both ten and 15 hours of provision in different Local Authorities. Additional pilots will begin in April 2009, with a view to all Local Authorities delivering free places by September 2009. Local Authorities will receive funding to set up the offer in their area.

3.21 Evidence suggests that extending a level of free provision to the most disadvantaged two year olds is likely to have a greater positive impact on child outcomes than extending the number of free hours available to three and four year olds beyond the 15 hours per week they will receive by September 2010. Two year olds are the priority because research shows good quality part time early learning and childcare at this age brings particular gains in cognitive and early language development. And that children from disadvantaged backgrounds stand to gain most. Yet at the moment 65 percent of 1-2 year olds do not attend any early learning and childcare. And children in workless, low income or lone parent households are least likely of all to do so.

3.22 The offer to two year olds will continue to have a clear focus on families as well as children. Local Authorities will have dedicated funding for outreach and family support to bring the most disadvantaged families on board and support them to remain engaged. Outreach workers will offer these families support that is tailored to their needs, to help them to provide a positive learning environment for their child and achieve a stable and prosperous family life. Authorities will make sure that all participating families know how to access wider support services and Children’s Centres and other childcare providers will play a key signposting role.

3.23 This offer will also help to give parents more choice about employment and training, and more of an opportunity to maintain the link

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30 Childcare and Early Years Survey 2007: Parents’ use, views and experiences, DCSF, 2008

www.surestart.gov.uk/research/surveys/parentssurveys
to work by enabling them to take up opportunities that build their confidence and skills such as vocational courses. It will therefore also contribute to our wider objectives of reducing workless households, lifting more families out of poverty and increasing social mobility for adults and children.

3.24 Quality is vital, as set out in Chapter 4. We will work with stakeholders to identify the best measures to ensure that the two year old offer is of high quality. And we want all providers – including childminders – who demonstrate high quality, to be able to deliver the offer. This might mean, for example, providers which have:

- an Ofsted rating of good or outstanding;
- a graduate with Early Years Professional Status – or qualified teacher with relevant experience – involved in monitoring and improving practice;
- regular evaluation through a quality improvement process recognised and approved of by the Local Authority; and
- access to support from the Every Child a Talker programme, designed to strengthen children’s early language development.

3.25 In general, the sector is responding to the changing demands on families, giving them more choices. For example, the number of full day care providers has increased by 74 percent since 2001.31

3.26 But to realise our vision to give families enough choice and flexibility to meet their needs, the free offer has to become more flexible, so that they have more choices about when to take it up, not just how many hours they use. We are on track to extend the free entitlement for three and four year olds to 15 hours per week for 38 weeks a year by September 2010. To make sure that this achievement makes the most positive impact possible, the next task is to ensure that families can access this offer when they need it so their children can benefit.

3.27 Pathfinder authorities are working with their providers to test ways to ensure maximum flexibility, and allow parents to benefit from longer opening hours, while not compromising on the aim of improving children’s outcomes. Evidence from this group will inform the final shape of the 15 hour offer when it is fully rolled out in 2010.

3.28 The pathfinder authorities are currently testing models which meet the following criteria:

- Entitlement: 15 hours per week over a minimum of three days, a maximum of 13 hours if taking up only two days
- Hours in day: a minimum of two hour blocks and maximum of ten
- Providers: two maximum, unless there are exceptional circumstances

Choice and flexibility

(i) Flexibility in the free offer – over the week

The current pilot for two year olds

The new national offer will build on learning from the current pilot. Early findings signal that this has been successful in reaching disadvantaged families and settings and families are beginning to report on the benefits.

For children: settings reporting that children’s social skills, language development, behaviour and concentration have improved since they began receiving provision.

Parents report: better integration into the community through meeting other parents; some parents developing the confidence to go back to work, training or study; improved family relationships as a result of child’s improved behaviour; and greater access to a range of other services - particularly where children receive provision through Children’s Centres.

Settings report: enhanced sustainability through new children taking up spare capacity; broadened cultural mix within settings; improvements in the way staff work with families.

Professionals report: more effective multi-agency working across services, encouraging links and the sharing of information.

3.29 We know from pathfinders that the extended and flexible free offer has increased the number of hours taken up. This has the potential to positively affect the most disadvantaged groups. Pathfinders have also found that offering the full 15 hour offer over a minimum of three days has been popular, particularly when one parent works part-time or shift work, and so has their ‘days off’ on weekdays.32

3.30 But we recognise that not all providers will be able to deliver a more flexible offer. Sometimes there can be practical barriers, such as when community and volunteer groups share their premises with other services. We want variety, because we recognise that the best childcare market is a diverse one that offers mothers and fathers real choice. Where individual providers cannot offer longer hours or weekend provision, our group of pathfinder authorities, and providers themselves, are working collaboratively to offer greater flexibility. We will share this good practice to allow it to be a model for national roll-out.
(ii) Flexibility in the free offer – over the year

3.31 It is essential that families know when the free offer is available so they can make plans and manage holiday periods. We recognise that the free entitlement is generally expressed as a 38 week offer, which creates a distinction between ‘term’ and ‘holiday’ periods and can be hard to juggle around parents’ working patterns. It seems to be a particular problem for families accessing support through the Working Tax Credit system, because varying costs across the year make it difficult to budget.

I used to dread school holidays, ‘cause I used to think, ‘God, I’ve got seven weeks. How you gonna cover seven weeks holiday?’

Mother, Brighton

3.32 We will work with partners to ensure that all parents have the option to stretch the free offer over more than 38 weeks of the year, including holidays

- Parents, childcare providers and Local Authorities need to be aware that fewer free hours per week can be taken up over more than 38 weeks if providers are open.

Case study: Stretching the free offer over more than 38 weeks

A number of providers in Greenwich are open for 48–51 weeks a year. Greenwich Council has found that for some parents, fewer free hours per week over more than 38 weeks of the year helps to make childcare more affordable by keeping costs constant across ‘term’ and ‘holiday’ times.

They convert the entitlement into an offer of 570 hours (38 weeks x 15 hours) and advise providers that parents can access up to this maximum per year. Examples given to providers, or to parents seeking advice, describe the entitlement being available as:

- 11 hours per week over 51 weeks
- 12 hours per week over 47 weeks
- 13½ hours per week over 42 weeks

The Council is able to integrate this flexibility into their current systems. Other Local Authorities have made innovations to ensure that a wide variety of take-up patterns can be reconciled with funding for providers to deliver the free offer. Leeds City Council has created a provider input website which collects data from providers to support sufficiency, the annual census and funding cycles, among other work. The system allows providers to input termly count data and they are funded accordingly, up to the maximum grant allocation. Leeds governs this relationship through their delegated conditions, which all providers must sign up to in order to receive funding to deliver the free entitlement.
Every family should have the option of stretching their free hours across the year. There is significant capacity in the sector to do this already - the 2008 Early Years Census shows that 52 percent of PVI providers are open for more than 38 weeks of the year, but only 17 percent of these had any children accessing a stretched free offer.

We will discuss with Local Authorities how to make this a choice for more families in the future. And we will share good practice from those Local Authorities who already allow parents to transfer unused hours to holiday times between terms or in the summer.

Access to information is vital here – to enable all families to make informed choices about their childcare arrangements and have the best chance of balancing work and family life. Chapter 5 will discuss how information services are being brought together to meet this need.

3.34 In the longer-term, once the free offer to all two year olds is in place, we will look at enabling parents to choose whether to take up the full free hours on offer when their child is two, or transfer part of them to have more free hours at age three and four. For example, if parents choose not to take up some of the free offer when their child is two years old, they would be able to roll these hours over to boost the hours available when their child is three or four. This will support families to choose how they use their entitlement, to meet their needs and preferences but also safeguard child development. However, to support child development we will ensure that a minimum number of hours are non-transferable, in line with evidence which is clear about the benefits of some provision for two year olds.

Childcare for all ages

3.35 As part of securing ‘sufficient childcare’ Local Authorities are working to ensure a rich menu of options for school aged children and young people as well as younger 

(iii) Flexibility in the free offer – over ages two, three and four

3.33 There is clear evidence of the benefits of early learning and childcare for two year olds and their families. But we recognise that not all parents will want to take up the full free place when their child is young. The free offer needs to be flexible enough to support parents’ right to make this choice. Rather than miss out on their entitlement parents may want to use it later, for example to support a move back into employment when their child is a little older.
children. These will be provided both inside and outside school premises throughout the year, and may be run and managed by a range of providers.

3.36 The critical elements of a good offer to families with school-aged children are that children and young people have a safe place to go to, which is attractive to them and which their families can afford. ‘Childcare’ for school aged children and young people might be breakfast or after-school clubs, sports or activities like cookery or art, or simply a place to go and relax and socialise or do homework.

It’s just something to do instead of just sitting about.

Primary school pupil, Sunderland

3.37 A reliable menu of childcare and activities is important for both parents and young people. It also supports the Government’s desire to help parents back into training or employment including groups such as lone parents as recently outlined in the Welfare White Paper.33

3.38 Over 2008-2011, the Government will be providing £1.3 billion to support the development of extended services delivered through schools, building on the £840 million already invested since 2003 in setting up and embedding services. There has also been major investment in youth, play, sports and arts activities and there is a range of services provided by private and voluntary providers, childminders and holiday clubs to ensure families have more choice.

3.39 A particular area that needs to be addressed as a priority is provision over holidays – a significant gap in this area was highlighted in a number of the first childcare sufficiency assessments, which were completed by Local Authorities by April 2008.

3.40 The task now is threefold:

- ensure that local demand for childcare and activities is captured and acted upon everywhere;
- Local Authorities and schools cooperate more effectively to ensure access to provision; and
- families are presented with the full package that is on offer so they can make it work for them.

3.41 Local Authorities and schools must work in partnership and both have crucial roles in arranging and providing an offer for school-aged children:

(i) The role of Local Authorities

3.42 Local Authorities need to play a strong strategic leadership role in organising local childcare options for school aged children and they are under a duty to secure sufficient childcare across the 0-14 age range. We expect them to work with schools, both to assess local need and to secure provision. Children’s Trusts will be crucial here, as partnerships of service providers for children and young people locally, of which both Local Authorities and schools are a part.
Many of the building blocks are in place to offer excellent childcare and activities for school aged children. But what is on offer locally could sometimes be better brought together and clearly presented to families so that they can choose what suits them. Local Authorities need to take an overview of what is on offer inside and outside schools and to make sure that this is communicated to parents. The options on offer must be designed to draw on the financial help which is available. And families need to be made aware that such support is available and helped to access it.

So that all families have access to an offer for their school-aged children which meets their needs, including being regular, reliable and affordable, we will ask Local Authorities to ensure that the sufficiency action plans – which we expect them to publish by April 2011 – include a particular focus on 5-14s.

Within their action plan, Local Authorities will need to make clear how they are:

- helping to develop existing provision for 5-14s into regular and reliable childcare and activities, both by working with schools to ensure that they offer appropriate extended services to meet local demand and by managing provision elsewhere in the community;

- helping schools to offer out of school childcare and activities by putting in place sustainable charging regimes;

- exploring using funding for this age group strategically – including play, gifted and talented and youth funding;

- brigading together the full range of childcare and supervised activities on offer for 5-14s – both inside and outside of schools – and packaging this for families to easily understand and access through the Families Information Service;
• meeting families’ needs over holiday periods and deploying their sufficiency and access funding here as a priority; and

• encouraging all providers to register with Ofsted, which will make options for this age group more affordable by unlocking access to tax credit support.

3.46 Some Local Authorities are already taking a strategic approach to provision for 5-14s. This should be standard practice to help to meet the sufficiency duty for local families with school-aged children.

3.47 To support Local Authorities to strategically plan for this age group we will exemplify good practice through Childcare Regional

The voluntary part of the Childcare Register – enabling parents to claim financial support

Some childcare providers are not required by law to register with Ofsted, such as activity based provision (for example sports or drama clubs), providers caring for a child in the child’s own home (such as nannies), providers who offer short-term care (including some crèches) and providers only caring for children aged over eight years. However, they can choose to join the voluntary part of the Childcare Register.

This has benefits to families because:

• parents know that registered provision has met basic standards designed to safeguard children;

• eligible families can receive help with the cost of childcare through the working tax credit and employer-supported childcare schemes; and

• there will be more information available for parents to make arrangements which best suit their needs, because Local Authorities have a duty to provide parents with information about registered childcare in their area.

Registration with Ofsted also benefits providers, because:

• it allows a wider range of childcare providers to choose to register, giving some providers their first opportunity to demonstrate to parents, through registration, that they meet standards designed to safeguard children;

• providers can link with schools, as schools offering extended services are encouraged to work only with external providers who are registered with Ofsted; and

• providers have the chance to access support from their Local Authority, as Local Authorities have a duty to provide support for registered provision.
Network and Government Office channels. We will also work intensively with a small group of Local Authorities to identify effective models of strategic planning.

(ii) The role of 21st Century Schools

3.48 Schools will be a focal point for meeting their community’s needs and the access point for much childcare and activities provision. 21st Century Schools: A World-Class Education for Every Child, published in December 2008, highlighted this vital role that schools must play as a community resource and in encouraging all children and young people to develop the wider personal skills, characteristics and attitudes they need to succeed and make a positive contribution to society. Through rolling out the programme of extended services in schools we are on the way to achieving this.

3.49 By 2010 we expect all primary schools to be ensuring that their community has access to regular and reliable childcare – and all secondary schools to be securing access to supervised activities in a safe place – from 8am to 6pm. Exact opening hours should be determined by demand, and schools should work with Local Authorities to determine the shape of the offer and ensure that they are responding to local needs. To get this right, it is important that schools continue to consult and involve children, young people and parents at every stage in developing and providing services. Consultations led by schools should inform wider sufficiency assessments which are led by Local Authorities and there should be an ongoing dialogue between schools and Local Authorities about the availability of options for 5-14s.

3.50 We want to ensure that schools continue to improve what they offer to local families. They need to be strongly linked up with the private and voluntary sectors and with each other. Leadership and services will need to work across more than one school and there needs to be more co-location of wider children’s services on school sites. To help make this a reality, the Children’s Plan One Year On document, published in December 2008, announced a new capital fund of £200 million available to be used over 2009-11. This will support capital developments that make it easier for families to access services all on one site, including school sites.

3.51 Schools are recognising that fulfilling the role of a community resource can promote the achievement and development of their pupils. Case study evidence supports this – finding that participation in activities outside school hours can have a positive impact on children’s attendance, behaviour and motivation, which in turn leads to higher attainment.

3.52 The forthcoming White Paper on 21st Century Schools will develop an accountability framework and school improvement strategies for all schools underpinned by the new School Report Card. The School Report Card will be a mechanism to make sure that schools are recognised for and held appropriately to account, for their contribution towards the full range of outcomes for their pupils. In developing the School Report Card, we will consult on how they may take account of access to extended services and the impact on pupils’ achievement and wellbeing.
Parents sometimes tell us that they are not aware that extended services are available through schools. We will work with delivery partners to run a pilot in 2009-11 which will support secondary schools and their partners to join up extended services and make a safe, comprehensive, reliable offer to young people and their parents. This pilot will bring together local partners, including Local Authorities, schools, youth provision and Job Centre Plus to identify childcare barriers to employment for lone parents and to develop childcare places in response. The good practice that is developed through the pilot will be disseminated across all schools.

We recognise that schools need to be able to afford to deliver provision in a sustainable way, so that families can rely on it to be regular and reliable, and that sometimes this means they will need to charge for it.

Therefore, it is vital that all families get the financial support for provision which they are entitled to. To ensure this happens, we are currently exploring how schools working with partners can help parents to access Working Tax Credit support. We will share this information more widely. We will also ask Jobcentre Plus to work more closely with schools to provide parents with access to financial support and information. Not all schools are aware of the

Case study: Delaware Community Primary School – engaging with the community

Delaware serves a rural community in south east Cornwall. The combination of a thorough consultation, a practical approach to charging, vigorous promotion and a high quality of service provision has ensured good take-up and a sustainable future for their extended services.

To find out what people wanted and what they were prepared to pay, the extended schools coordinator and management committee consulted on three different levels – a broad community consultation carried out in conjunction with the Local Authority, a narrower community consultation within the local parish, plus a questionnaire-based consultation for the school community. They were also keen to ensure that they did not duplicate or undercut any services already available locally.

Based on this information, childcare facilities, including breakfast and after-school clubs, a variety of activities run by professional coaches and learning opportunities for parents and the wider community were developed. And weekly multi-agency support drop-in sessions using school facilities were set up, including ante- and post-natal groups. Having services on site has been a significant success, given the school’s rural setting.

Delaware carries out annual surveys to ensure that their extended services continue to meet community needs. They also participate in a community committee, joined by representatives of its out-of-hours kids’ club, pre-school, parent/carer groups, the local adult education institution, the parish, county and district councils, and the local development trust.
financial support that might be available and how parents can access it. But they are well placed to signpost parents to their local Families Information Service or Jobcentre Plus.

3.56 And we will work independently to encourage more providers of out of school activities to register with Ofsted. This is vital to ensuring that all families can afford the provision on offer, because only registered provision which meets Ofsted requirements for health and safety are accessible using tax credit support.

3.57 To ensure that extended services are within reach of all families, we are currently exploring in 18 pathfinder areas how best to use a £265 million extended schools subsidy. This will help schools to engage the most disadvantaged families in an affordable and meaningful offer to them, and to be proactive in achieving this. By 2010, this scheme should be giving the most economically disadvantaged children access to some free activities every week and helping to address the issue that children from these families are least likely to access extended services.

How will we improve what’s on offer in holidays?

Problems accessing and affording provision in holidays were apparent in many childcare sufficiency assessments for families with children of all ages. Local Authorities are currently working to better meet their community’s need in this area as part of their duty to secure sufficient childcare.

We will help them to fill this gap by:

- setting out the expectation that every family accessing the free offer for two, three and four year olds should have the option of stretching this across the year, and discussing with Local Authorities how to make this a reality;

- reminding Local Authorities that this is a priority area for the use of sufficiency and access funding;

- expecting Local Authorities to publish action plans to help them fulfil their duty to secure sufficient childcare for 0-14s that is responsive to families’ needs; and have a particular focus on meeting families’ needs in over holidays and packaging this so that families know what is on offer at this time;

- encouraging more holiday providers to register with Ofsted, so that parents can draw on tax credit support; and

- piloting providing families with financial support that is based on the cost of childcare as it is incurred, to test whether payment this way makes it easier for parents to budget (see 6.17).
4. Quality of early years provision

Executive Summary

Evidence shows that the quality of early learning and childcare is second only to parenting in determining child outcomes. The Early Years Foundation Stage gives us a framework for excellence but the impact it has will depend on the workforce who deliver it. The workforce are better qualified now than ever before but we must do more. The early years sector needs to be able to attract and keep the best people, and to create a culture of self-improvement if it is to provide truly world class provision. We will work with partners to:

- ensure that everyone working in early years provision has a full and relevant qualification of at least level three (equivalent to A-level), and consider making this a legal requirement from 2015;
- consider making it a legal requirement that every full daycare setting has a graduate from 2015;
- pilot a programme to attract top graduates into the workforce;
- develop career pathways and reward commitment and excellence across the workforce;
- promote a training and development framework and create an annual training expectation or ‘entitlement’ for practitioners up to graduate level;
- explore creating an ‘Advanced Skills’ graduate professional role in disadvantaged areas to allow graduates to progress without moving into management;
- help the highest quality settings to share their good practice; and
- expand Every Child a Talker in the most disadvantaged areas.
Vision

4.1 Evidence from long-term studies in the US and UK shows that in the early years the quality of early learning and childcare is second only to parenting in determining children’s outcomes – both short and long-term. It is particularly important for those from disadvantaged backgrounds, who may get less support at home, and can help to narrow gaps in achievement with effects still visible up to age ten.\textsuperscript{34}

4.2 Our vision of high quality is highly-skilled practitioners delivering excellent play-based learning adapted to the development needs of each individual child. As recently outlined in the 2020 Children and Young People’s Workforce Strategy (December 2008), this requires a first rate workforce that is professionalised at all levels and has the skills to engage positively with parents as well as children. Achieving this vision means, a strong framework for early learning and:

- attracting the most talented people to work with children and lead practice;
- retaining and developing the workforce, building on their existing skills and experience with a focus on career progression and leadership; and
- establishing a culture of development and self-improvement, where practitioners value learning, share good practice with others and develop strong relationships with parents.

Progress to date

A framework for play-based learning

4.3 The Early Years Foundation Stage (EYFS) is a play-based framework for learning, development and care which every child from birth to five attending any registered early years provision has access. While it came into legal force in September 2008, work to ensure that the requirements could be smoothly implemented has been underway since the framework was published in March 2007.

4.4 The introduction of a single framework for learning, development and care means that parents can be clearer about what they can expect. This includes standards on children’s safety and welfare, learning based on play and settings which work with parents, respecting their expertise as well as providing them with relevant information, to meet the individual needs of children.

Attracting the best people

4.5 The 10-Year Childcare Strategy and the Children’s Plan set out our ambition to create a graduate-led workforce in which all those working with our youngest children have level three qualifications as a minimum.

4.6 We have developed and are rolling out a new status for graduate level professionals working in early years – Early Years Professional Status (EYPS). All candidates awarded EYPS must meet a set of 39 national professional standards, covering birth to five year old child development and good professional practice. EYPS can be achieved

Next Steps for Early Learning and Childcare

via a number of different training routes. These include a four month validation pathway for experienced graduate professionals and a 15 month extended professional development pathway through which candidates with relevant level five qualifications can also ‘top up’ to a full degree. EYPS and Qualified Teacher Status (QTS) are based on a different set of skills, knowledge and practice experience – two distinct but equally valuable roles.

4.7 There are now just over 2,500 people who have attained EYPS and a further 2,400 are in training. If we can carry on expanding at this rate, and retain these new professionals in PVI full daycare settings, we will be well on the way to meeting our 2015 target of at least one graduate in these settings.

My youngest son, Elliot, who currently attends the nursery, was quite shy, but gained loads of confidence since he started attending. He has made so many friends and has really improved his communication skills, now he'll speak to anyone, no matter what their age.

Mother, Bristol

The Early Years Foundation Stage (EYFS)

EYFS launched in September 2008, is a new framework which sets the standards for learning and care for children aged birth to five, giving all early years settings a clear structure for supporting children’s early learning and development through play. All registered childcare providers and maintained and independent schools are required to implement the EYFS. Parents can be sure their children will benefit from a richness of experience, regardless of the type of setting they choose.

The EYFS:

- emphasises meeting children’s individual needs;
- supports children’s progress at the pace that is right for them; and
- does not prescribe a particular approach or philosophy.

In delivering EYFS, practitioners are expected to:

- identify children’s needs, abilities and interests;
- provide a diverse range of high quality, play-based, child-centred activities that engage and support them in their development; and
- work closely with parents – children’s first and most important educators.
Case study: Liz Scarlett, Westwards Nursery, Loughborough: Why did I become an Early Years Professional?

“I was a little reluctant to begin with as it seemed like a lot of work,” but Liz changed her mind when she began the course to gain EYP Status – she found “interacting with other practitioners extremely stimulating ... I learnt about how other providers tackle similar problems in imaginative ways. Working with a team of like-minded people stimulates us to discuss new initiatives to be implemented within our setting with the ultimate aim of improving outcomes for children.”

“The experience of doing the course has helped me see that the way I do things really helps the children. It also helps to improve your setting as you can reflect on practice throughout the nursery and make changes that help both the children and staff.”

Like other EYP candidates Liz accessed the free training and assessment course, in her case via the Open University and via Leicestershire Local Authority. Westwards Nursery received £5,000 pa (rising to £6,000 in 2009), through the Graduate Leader Fund, while Liz trained and as a retention reward.

4.8 The Graduate Leader Fund (£305 million over the three years 2008-11) was introduced to support providers in developing, attracting and retaining Early Years Professionals. Building on the investment made through the Transformation Fund from 2006, it provides PVI providers of full daycare with ongoing funding via Local Authorities to meet the additional costs to them of employing a graduate. So, as well as supporting some up-skilling, it should help PVI providers to bring EYPs pay much more in line with that of graduate level pay in other sectors.

4.9 In addition to supporting the employment of more graduates, we have improved qualification levels overall. We have made it a requirement that all supervisors must be qualified at level three or higher, and that all childminders who deliver the free entitlement must be registered with a graduate-led support network. In 2003, 57 percent of staff working in full day care had a relevant level three qualification; by 2007 this figure was 72 percent.\(^{35}\) Other parts of the early years and childcare workforce have seen similar improvements.

4.10 We have also made it clear that all qualifications must be full and relevant to working with young children. The Children’s Workforce Development Council (CWDC) has led work to review qualifications held on the existing Early Years and Playwork Qualifications Database and mapped them against seven key criteria which list the competences which managers and other staff need to meet in order to work with children. Qualifications are measured against these strict criteria to ensure they are full and relevant to the delivery of the Early Years Foundation Stage, and those that meet the criteria will be included on the new Qualifications List for those delivering the EYFS.

Building skills and careers

4.11 Local Authorities play a crucial role in driving up quality. This is underlined by the new duty placed on them and their partners under the Childcare Act 2006 to improve outcomes for all young children and to reduce inequalities between them. In order to meet this duty, particularly in terms of closing the achievement gap, they will need to ensure early learning and care is of the highest quality.

4.12 To support the drive on quality at a local level, around £800 million, (including the Graduate Leader Fund) has been made available over the period 2008-11. We have also worked with Local Authorities to develop the new Early Years Consultant role to help all settings evaluate their own practice, set goals for self improvement and have in place plans for staff development.

4.13 The Government is also funding the National Strategies to provide an extensive programme of support and challenge to Local Authorities and settings. All Local Authorities receive support but it is targeted towards those that need it most. For example, Making a Big Difference is a programme supporting those Local Authorities with the greatest challenges, particularly in narrowing the gaps in achievement between disadvantaged children and the rest. In the past year the Authorities involved have as a group out-performed others in narrowing the gaps as well as improving performance overall.

4.14 The National Strategies have provided extensive training since March 2007 to embed EYFS and have also developed programmes to support the continuing professional development of the workforce, such as Communications Language and Literacy Development, Every Child a Talker.
(see paragraph 4.31), and Social and Emotional Aspects of Development.

Leading and spreading excellence

4.15 Excellent practice is already being spread through the system. To boost this we have introduced a programme of buddying between professionals and 0-7 partnerships in a number of Local Authorities to encourage the development of approaches and models for shared learning across early years settings and schools. As well as improving professional skills this will help smooth the transition for children from pre-school provision into school. Learning from these programmes will be disseminated widely.

4.16 The Centre for Excellence and Outcomes in Children and Young People’s Services (C4EO) has also been set up to provide high level support for spreading best practice. In its first two years C4EO will focus on Early Years to identify ‘what works’, and offer support to Local Authorities and their Children’s Trust partners.

Next steps

Attracting the best people

4.17 The early years workforce is made up of capable and dedicated practitioners, but the PVI sector has typically been viewed as a low pay sector with high turnover of staff, and relatively low levels of formal qualifications. Careers in the early years are often not viewed as having the same value or status as careers in other parts of the children’s workforce. This needs to change. We need to carry on attracting talented people and leaders into the workforce and improve the perception of working in childcare and early years so that it is seen as a more attractive long-term career.

4.18 There is long-term evidence\(^{36}\) in the UK and US that having a graduate as the pedagogical leader of a group of skilled practitioners has a strong influence on quality and therefore on children’s success. As already outlined, we are taking steps to increase graduate leadership of settings, but despite good progress there is still a long way to go in order to make our commitment to have a graduate in every full day care setting by 2015 a reality. We remain fully committed to the 2015 target and we are now considering requiring all full daycare settings to have a graduate by this date.

4.19 We accept that some PVI providers may find it hard to manage this transition. High quality childcare is not going to help children and is not sustainable if it is not also affordable. The Graduate Leader Fund is designed to make the transition manageable, but PVI providers report that more needs to be done to ensure it is being deployed effectively.

4.20 We will work with Local Authorities and providers to find the best way of using available funding to meet the 2015 challenge, and spread best practice. This will include using the Graduate Leader Fund to better effect to reward excellence and commitment and to help retain high quality staff.

\(^{36}\) A key source of analysis for the impact of pre-school provision on child development in the UK is the Effective Provision of Pre-School Education Project (EPPE), a major longitudinal research project funded by the Department for Children, Schools and Families. Other sources of evidence overseas and in the UK are referenced in the Evidence Annex A of this document.
4.21 We want to raise standards for the whole workforce – not just practice leaders. The £440 million Outcomes, Quality and Inclusion block of the Sure Start, Early Years and Childcare Grant is available to improve the quality of early learning and childcare, particularly through professional practice and support development of all practitioners, from childminders to staff in group settings. We will work with Local Authorities to prioritise training activity to ensure that everyone working in the early years sector is able to achieve a full and relevant qualification of at least level three. We are also now considering making a level three qualification a minimum requirement from 2015.

4.22 We want to build on the progress that has been made to recruit more ambitious young people into the workforce. Since 2002 Teach First has successfully recruited top graduates to work in disadvantaged schools for two years prior to pursuing a career in business. In the current economic climate there may be an opportunity to attract able people who might otherwise not choose childcare as a career. We will explore how we can attract top graduates into the early years sector, drawing on the lessons learnt from the Teach First programme in schools.

4.23 Some young people going on to study psychology and other subjects relevant to childcare already work in the childcare and early years sector before their university course. Many of these degrees also involve a sandwich placement. Increasing the numbers involved in childcare before and during their undergraduate study could help increase the numbers of qualified staff, and also encourage more graduates to return to the sector after completing their degrees. We will work with partners to develop a more
joined-up approach to attracting undergraduates into the sector during their gap and/or sandwich year.

4.24 As well as pursuing the new developments set out above, we will continue to work with partners to develop the Early Childhood Studies degree courses that are already available. A number of pilots are already underway which combine these degrees with EYPS in different ways. Initial feedback from the pilots has highlighted the important role of mentoring within the programmes. Expanding and building on these pilots drawing on feedback, effectively creating additional EYPS training pathways, should enable us to increase graduate entry to the profession and create a new cadre of Early Years Professionals ready to take leading roles in the sector.

4.25 This is a time of rapid change and development in the early years, with implications for training and development and professional roles. But early years workers do not have a professional body able to feed into thinking about professional standards, training and development. There is therefore no national voice for the workforce in these debates. The Government will consider, with partners, whether a representative body for early years workers would add real value to the sector and, if so, how we might encourage the creation of such a body. We would need to consider what form a national body might take, which workers it should cover, and what roles it might take on in the short and longer term.

Building skills and careers

4.26 Once the best people are in post in the early years they need to see a clear career path with professional development to help them progress.

(i) Progression for non-graduates

4.27 As set out in 4.6, in developing Early Years Professional Status we have, through the CWDC, created a number of training pathways that enable people with varying skills, qualifications and experience to work towards this graduate level professional

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**Case study: Early Childhood Studies Degree with EYPS pilot, Sheffield Hallam University**

Sheffield Hallam is one of four Universities running a pilot combining an Early Childhood Studies honours degree course with EYPS. Candidates were entering the third year of their Early Childhood Studies (ECS) degree at the start of the two year pilot, which began in September 2008. The pilot trials an integrated approach which builds in reflective learning as well as an increased role for mentors. Enhanced work placements within the early years sector, which focus more on leadership and influencing practice than standard ECS degree programme placements and involve research, also play an important role in the pilot, with three such placements spread over years three and four of the pilot. The third year also includes a new elective module ‘Introduction to EYPS’ which sits alongside the existing ECS ‘Leadership and Management’ and ‘Research Project’ modules. The fourth year is structured in a similar way to the existing full pathway to EYPS and includes two postgraduate modules, ‘Observing Young Learners’ and ‘The Early Years Curriculum’.
status and we are supporting this through the GLF.

4.28 And as noted earlier, we will work with Local Authorities to use the Outcomes, Quality and Inclusion funding to deliver long-term improvements to the qualification and skills of the whole workforce. Our focus is to ensure that by 2015 new recruits to the sector have achieved a minimum of a full and relevant level three qualification, and that the existing workforce are clearly on track to do so. But the funding should also support the whole workforce to undertake continuous professional development (CPD) activity, as well as fund Early Years Consultants to advise on quality and training issues in all settings.

4.29 To reward the commitment of people who wish to progress in the sector and to foster a culture of development we want to create a more consistent continuous professional development framework, and we will talk to partners about how to use the substantial investment in training and development, including flagship national programmes.

4.30 This framework would set out what members of the workforce not yet at graduate level could expect in terms of accredited training at each stage in their career – a CPD ‘entitlement’ or expectation. As more people reach the minimum standard, we will be able to use existing funds to support an annual expectation or ‘entitlement’ of professional development for the entire workforce.

4.31 We also want to develop the most promising national programmes that support high quality staff development and collaborative learning on key areas of child development. An example is the Every Child a Talker (ECAT) programme which supports training activity to improve practitioners and parents understanding of how children learn to communicate. Early communication skills are essential for further development, especially learning to read. There is evidence that young children from disadvantaged

Case study: Wokingham – The initial implementation of Every Child a Talker

Wokingham Local Authority and its early years providers have made a very positive start to Every Child a Talker (ECAT). An Early Language Consultant has been appointed and the Local Authority has identified twenty settings to participate using a range of information such as Ofsted reports, and Foundation Stage profile outcomes. Lead practitioners have been given supply cover and with the support of their managers have attended their first cluster meeting and subsequent training sessions (covering a professionally accredited course “ICAN Early Talk”). The training and support has been very well received, and feedback indicates that the training has helped to build confidence. Practitioners in the 20 settings are now conducting their parent interviews and child assessments. Meanwhile the consultant has established and strengthened contact with health visitors, speech therapists, parenting groups, amongst others. The Local Authority is planning further ICAN training for the lead practitioners and the inclusion of ECAT messages in parenting courses and Children’s Centre groups.
backgrounds have a much less rich language environment than others, and that it is hard to make up ground later on. Foundation Stage Profile results (our measure of children’s achievement at age five) show that, comparing the lowest performing children and their peers, the greatest gaps in achievement come in the communication, language and literacy scales.

4.32 We are already committed to having 20 lead practitioners trained in the Every Child a Talker programme in every Local Authority by 2010. We will now intensify the Every Child a Talker programme in Local Authorities with children needing the most support in communication skills by increasing the number of settings with a trained lead practitioner from 20 to 30 from 2009.

(ii) Progression for graduates

4.33 The CPD framework we propose above will be extended to graduates, building on the development currently funded via GLF.

4.34 To reward experience and commitment to the sector we want to develop opportunities for Early Years Professionals to progress as practice leaders and leading professionals – rather than into management roles. In the long-term, as Early Years Professionals gain experience, we will explore creating a role for an ‘Advanced Skills’ graduate professional in providing specialist support and spreading best practice. They would work, for example demonstrating excellent practice across a number of settings, working with higher education institutions on training students, taking on leadership and mentoring roles, or specialising in special needs, language or numeracy skills.

4.35 We want to talk to partners about how to build on the talents of experienced graduates with advanced skills, and we will work with Local Authorities to support progression for graduates through the existing Graduate Leader Fund.

4.36 Some Early Years Professionals may also want to progress into other roles within the children’s workforce, such as primary school teachers. To ensure that Early Years Professional Status can be part of a range of career paths, we will explore how the training and experience that Early Years Professionals build over time can be formally recognised, for example through credits for other qualifications. We will work with partners in the sector to secure this status and recognition.

Leading and spreading excellence

4.37 A workforce with opportunities for progression and development will also create a dynamic environment of leadership and improvement within childcare settings.

4.38 Ofsted inspections show an increasing number of high quality providers, but also that “The quality of provision varies considerably by region” and “Provision is generally of poorer quality in the most disadvantaged areas.”

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4.39 The new Ofsted framework puts more emphasis on self-evaluation. Providers will be responsible for driving up the quality of their services through continuous professional development and embedding a culture of self-improvement. The Ofsted Self Evaluation Form (SEF) is part of the quality improvement process that is designed to enable settings to continuously identify for themselves how they can improve the quality of what they offer.

4.40 Using a number of questions the SEF helps managers and staff to consider how best to create, maintain and improve their setting, so that it meets the highest standard and offers the best experience for young children. Many settings choose to discuss the results of their self evaluation with their local Early Years Consultants and to incorporate them into any quality assurance scheme of which they are a member.

4.41 We expect that all early learning and childcare settings should aspire to offer ever higher quality provision. We will continue to work with Ofsted to build a culture of continuous self-improvement as the new inspection framework beds down. We will explore how to further encourage all settings to continuously improve the standard of their provision. Among other elements, we will look at the support and challenge provided by Local Authorities, and how providers can communicate with parents about the improvements they are making in response to inspection reports. We will also help parents to demand quality and make informed choices by ensuring that they have access to reliable and up-to-date information about the quality of provision (see Chapter 5 for a full discussion on information).

4.42 Evidence from the evaluation of Sure Start Children’s Centres shows that sharing best practice and information on outcomes through a collaborative learning approach can have a substantial impact on delivering quality childcare. At a national level we are supporting this through the C4EO programme, but high performing settings have a role to play too in leading the spread of best practice, and we want to encourage them to work collaboratively with others.

4.43 The principles of sector-led improvement lie behind 0-7 partnerships, buddying development programmes and investment in EYPS. They are aimed at supporting wider learning networks among Early Years Professionals and early years teachers to help share experiences and encourage learning between professionals in different settings as well as identifying ways of smoothing the transition for children from pre-school provision into school.

4.44 We will work with partners to continue to strengthen the contribution leading providers make to overall quality improvement. We will do this by building on the development work to harness the expertise of effective lead practitioners, with the aim of securing rapid quality improvement in the PVI sector and addressing the needs of children who face disadvantage of some type. We will also encourage training providers to identify the settings which are best placed to offer high quality placements to childcare students and ensure that they achieve recognition for their work and are involved in CPD as well as initial training.
Executive Summary

Information empowers families to make the right choices for them and demand good quality provision. The flow of consistent and reliable information between childcare providers and parents is critical for creating momentum in the market and accountability so that provision is affordable, available, high quality and sustainable. Since 2004 we have worked with Local Authorities to improve the quality and accessibility of local advice and information about childcare to parents, including support offered through Families Information Services and developing a national helpline. Now we want to build on this progress so that information becomes more transparent to parents and local and central government. We will:

- set an expectation that all providers supply information on staff qualifications, price and vacancies to the Local Authority;
- create a single national price comparison website on childcare which allows parents to compare providers against information about quality and price, and including views from parents;
- extend the current service provided by the national helpline number and develop a contact centre to advise parents on national childcare programmes;
- streamline Government helpline numbers related to childcare wherever possible to ensure that there is a single point of entry for all telephone enquiries; and
- introduce a Ready Reckoner which will enable advisors to more easily calculate how much financial support a family should receive for childcare costs through tax credits.
Vision

5.1 Information is crucial if all families are to have enough knowledge to be able to make informed choices and access early learning and childcare that allows them to balance work and family life. Information also has a vital part to play in driving quality through supporting a well functioning market and bringing accountability to Government.

5.2 Our vision is for a comprehensive system that collects accurate and current information relating to types of provision, quality, vacancies and financial support. How we collect, store and disseminate that information will be key to our vision and will require a shift in what information is needed in order to bring greater transparency to the childcare market. We are determined to make it as easy as possible for mothers and fathers to understand their options and access good quality childcare for their children, which in turn will make it easier for them to make arrangements for combining work and family life. Therefore, information is crucial to promote awareness and take-up of early learning and childcare, but will also help to drive up expectations about quality.

5.3 This information then needs to be disseminated in a coherent way to ensure that:

- Local Authorities, through their Families Information Services, offer tailored and targeted support to all parents in a way that best suits their needs; and

- Government and its agencies have access to information which is clear, accurate and up to date, supporting them to lead the system strategically and efficiently.

Progress to date

5.4 We have worked with Local Authorities to improve the quality and accessibility of local advice and information about childcare. The sufficiency duty on Local Authorities makes it particularly important that advice and information about childcare is available to parents. Section 12 of the 2006 Childcare Act also places a clear duty on Local Authorities to provide such information, advice and assistance on childcare and other local services to parents and others with caring responsibilities for children and young people up to the age of 20.

5.5 These changes in the law have led to there being a much clearer set of responsibilities on Local Authorities to provide high quality information and brokerage support for parents enabling them to access good quality childcare.

5.6 Local Authorities usually deliver this duty through FISs and steps have been taken to strengthen these services. The expectation is that FISs will provide comprehensive, accurate and up to date information that is easy to access. Parents will have a choice of locations to access this information and it should come in different media and formats. Information will be delivered in a way that
allows parents to exercise choice and become informed consumers of local services. To this end, Local Authorities are required to work with families who may find it difficult to take advantage of services.

5.7 We are supporting Local Authorities in implementing and meeting the Section 12 duty, and improving and expanding their provision of information and advice in a number of ways. We have already delivered on a number of key objectives. In particular, we have:

- commissioned an evaluation of FISs delivery which has given us a better baseline of current performance;

- issued a practice toolkit that supports Local Authorities’ strategic planning for their information services;

- commissioned Opportunity Links to deliver the FIS development project during 2008-09 to improve the capability of every Local Authority in England to deliver on their duty under Section 12;

- commissioned the National Association of Families Information Services to develop new Families First standards for quality; and

- developed the Parent Know How Information System to improve Local Authorities’ capacity to make comprehensive information about local services readily available.

5.8 In August 2007 the Government took the first step towards establishing a national helpline number for childcare. The line was set up to respond to parents’ queries about the Affordable Childcare Campaign. The helpline received over 60,000 calls in 14 months driven by national marketing campaigns including a joint promotion with HMRC to six million households via the Child Benefit letters. The system links to the FISs, who advise on local availability and provision of childcare. This helpline has brought some coherence to a complex arena but it does not yet give a one stop information hub for parents who may have to go to two or more information sources to feel able to receive information and make an informed choice.

Next Steps

Collecting better information

5.9 Local government already collects some information on childcare, including the types of care, quality and inspection results, and requirements in the Childcare Act have strengthened the information they are required to provide to parents. But the collection of information is still patchy especially so for many aspects of provision which are not covered by legislation. This includes information on prices of services, vacancies and staff qualification levels and information on provision for disabled children, which is a particular concern. This lack of data makes it difficult for Local Authorities to accurately assess providers’ performance relative to one another, or to provide comprehensive information to parents. And it makes it hard for central government to evaluate Local Authorities’ efforts to manage their local markets.
5.10 We need to improve the collection of information so as to strengthen Local Authorities’ ability to give accurate information to parents. This will also allow them to manage their local childcare markets in order to achieve value for money and efficiency, and will bring greater accountability. This will be explored further in Chapter 6.

5.11 We are already responding to the need to improve availability of information to parents through the Information System for Parents and Providers (ISPP) project. This will significantly enhance parents’ access to information by pulling together, accessible in one place, a far wider range of parenting information – including childcare information – than is currently available. We are working with Local Authorities to ensure that when it is launched in September 2009 the ISPP makes a step change in accessibility and range of quality data available to parents. However, to make this a success, we rely on providers to work in partnership with Local Authorities to ensure information on childcare provision is timely and of high quality.

5.12 Many providers already supply data on staff qualifications, price and vacancies to the Local Authority. However, this is not happening consistently and a lack of data prevents parents from having enough information to have real choice. We therefore expect all providers to supply regular and high quality information on staff qualifications, price, vacancies and opening hours to their Local Authority. We will work with Local Authorities and providers to help them do this on a consistent basis.

5.13 At the end of 2009 we will review progress made. Should this information not be forthcoming from providers we will consider making it compulsory to supply this information.

Making information accessible to parents and easier to compare

5.14 Despite a new national helpline and improvements to FISs in recent years, many parents still find that information about quality, price, financial support and flexibility is not easily accessible. The Childcare and Early Years Survey 2007 highlighted that 39 percent of parents wanted more information on costs of childcare and 24 percent wanted more information on quality. The Affordable Childcare Campaign research showed that 30 percent of parents did not know where to go to get help when choosing childcare. Parents report having to liaise with multiple agencies – FISs, HMRC, childcare providers – to get all the information on which to base a decision. This can be a complicated and time consuming process and parents are unclear as to what information could be available to them.

I was told one thing by the people at Sure Start but the nurseries tell me another, it can be really confusing, not to say frustrating

Parent, Birmingham

5.15 We want to ensure that the support is there so that even the most vulnerable families can navigate their way through a complex childcare market. Bringing data together on a single database, as described above will
bring greater transparency and strengthen the ability FISs have to help with enquiries and provide consistent information. In order to support FISs to develop as information brokerage services and enable more parents to access the information they need we will consider taking steps to develop the new database into a national information hub.

5.16 With better information available on quality, qualifications, prices and vacancies, we will develop and start to roll out a single national price comparison website on childcare by early 2010. To make this a reality we intend to build on and work with the ISPP as much as possible. We want parents to be able to compare providers against a set of detailed criteria, based on information about quality, price and opening hours, and including views from parents.

- Our aspiration is that this will increase efficiency, with a better supply of information from providers, which should reduce the time needed for Local Authorities to quality assure childcare information. And as it should operate more quickly than its predecessor, it will require less FIS time.

- Information will also be more up to date. Key partners will be committed to updating their data more frequently than at present.

- We are also working to streamline the collection and use of data on the Foundation Stage Profile. Providers and Local Authorities should be able to use this data easily to help them understand the needs of children in their setting or area, and provide the right support. Government should also be able to use it at a national level.

A childcare price comparison website – a vision for how it may work

Lisa lives in Birmingham and has a two year old son Jack. She is thinking of going back to work but wants to be reassured that there is quality childcare for Jack near to her office, where she would feel happy leaving him for the day. Lisa’s friends work closer to home so couldn’t give any personal recommendations about settings. She has received information about childcare options from her local Families Information Service and now wants to find out more about each setting. She has recently been told about a Childcare Comparison Website which works in a similar way to price comparison websites that she has used before e.g. to find a suitable tax free ISA (www.fsa.gov.uk/tables). By typing in her postcode, Lisa can immediately see what childcare is available in her area and where there are current vacancies. She is then able to select a number of settings, including childminders, and compare prices, opening times and staff qualifications. She can also access Ofsted inspection reports and can read about other parents’ experiences on a message board. In this way Lisa is able to compare the quality of the settings and see how much she will have to pay per hour. The website will allow her to compare providers close to her work but also in other areas, so she can make an informed decision that best suits the needs of her family. At all times, Lisa will be able to get help and advice from her Families Information Service including information on financial support that she may be entitled to.
5.17 We will be streamlining helpline numbers. In particular, we will:

- extend the current service provided by the national helpline number and develop a contact centre that will be able to advise parents on national childcare programmes. Parents will then be put through to their FISs for local information. This national advice centre will also be able to give information on financial support and parents will be able to access further specialised advice such as childcare to support learning;

- streamline Government helpline numbers for childcare wherever possible to ensure that there is a single point of entry for all telephone enquiries. We will link the national helpline number to other numbers, such as the HMRC helpline, so that parents can get all the relevant information at the right time in order to be able to take decisions; and

- continue with national marketing to promote the helpline number and the role of the FISs. We will continue to raise awareness of the benefits of good quality childcare for children as well as giving advice that will help parents enter and remain in the labour market. In addition we are trialling some innovative marketing models with a number of Local Authorities to test different ways of driving take up of childcare.

5.18 Information about financial support for childcare through the tax credit system can be an obstacle to accessing support. Some parents tell us that it is not clear enough to understand just how much they are receiving for childcare and it is not joined up enough with other aspects of financial help for childcare such as childcare vouchers.

5.19 Through the Childcare Affordability Pilots 2009, we will pilot in five London Boroughs an intensive brokerage package for parents. This will work with individual families to help them arrange and secure childcare as well as putting in place a financial package that will allow them to enter and remain in the labour market.
5.20 We will work to make financial support simpler for all parents who want to access it by producing a Ready Reckoner in partnership with HMRC. This tool will be in place from April 2009 and will allow advisers to calculate more easily how much financial support a family should receive for childcare costs as part of the wider tax credit award. The Ready Reckoner will be available to all advisers in FISs, Children’s Centres, and Job Centre Plus. It will be accompanied by a set of scenarios to help families to understand how their award will be affected if their circumstances change.

Ensuring accountability

5.21 To make all this happen, we need to ensure that local partners are sufficiently accountable for collecting and providing the relevant information.

5.22 Whilst Local Authorities are at different stages in the development and delivery of Section 12, and attach varying degrees of importance to their FISs, there is an unacceptable level of variation in the quality of the services they provide. The brokerage support offered to the most disadvantaged families is a particular concern. A high quality service of this type can make the difference to a family between entering the labour market or not.

5.23 We will work with local partners to strengthen accountability for collection

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**Case study: Kingston Families Information Service – excellence in provision**

When a parent first contacts the Families Information Services (FISs), their query is logged and the FISs give advice over the phone about how to find childcare. Vacancy lists and packs are sent to the parents who are asked to call back if they find it difficult to secure suitable childcare.

If a parent fails to find childcare then the brokerage service comes into play. Families using the service will be contacted by a “Childcare Access Officer” who will work with them to secure the right type of childcare to meet their needs. Referrals can also be made directly to the brokerage service from inclusion workers, schools, social workers and Family Liaison Officers if they have identified a need for childcare for the families they are working with.

The Childcare Access Officer contacts providers and will accompany parents and children to settings if that is helpful. They will work closely with Childcare Development Advisers in the Borough to ensure that the widest possible range of provision is available for parents. Once suitable childcare is found, they will arrange the terms and conditions between parents and providers and advise parents about how to get help with costs. In some cases, the Childcare Access Officer can accompany the family on their first day in the setting to ensure that everything runs smoothly.

If the Childcare Access Officer cannot find appropriate childcare, the reasons are recorded, analysed and fed into the Borough’s wider childcare planning strategy.
and dissemination of information. We will achieve this by:

- reasserting to all Local Authorities the importance of meeting the information duty under Section 12, and impress upon them the need to take a more strategic view of the information service as a whole;

- ensuring Childcare Regional Networks will work with Local Authorities to meet their information duty and implement best practice;

- continuing our support for National Association of Families Information Services (NAFIS) as they develop and roll out revised quality standards for FISs. NAFIS will recruit pathfinder Local Authorities to test the quality standards from early 2009 before they are launched in April 2009. We will, as part of this work, develop and share models of effective performance monitoring and management of the provision of information to parents; and

- considering with Ofsted, Government Offices and the Audit Commission how performance improvement systems at Local Authority level can improve and drive up the quality of information to parents.

5.24 In 2009 we will carry out a national survey to measure parents’ confidence in services, including on access to information about childcare. We will repeat this annual survey for two years after that. The results will inform our longer term ambition of developing indicators based on local information for inclusion in the national indicator set.

I want warm, friendly advice without pressure... good quality advice in a relaxing environment

Parent, London
Executive Summary

No child or family should be prevented from accessing high quality childcare provision on the grounds of cost - even in these tough economic times. This means offering simple, fair financial support to families, and a childcare market which delivers quality and value for money. Financial support has greatly improved through Working Tax Credits and Employer Supported Childcare schemes and we want to continue to test ways to make it even better. But we also want to help Local Authorities to better manage their local childcare markets to strike the right balance between affordability, availability, sustainability and efficiency. We will:

- pilot ways to access the childcare element of tax credits differently, linking payments more closely to outgoings and making early learning and childcare more affordable;
- pilot a more generous support system for families with disabled children and lower income parents living in London where costs are higher;
- help parents navigate the financial support available by piloting intensive forms of active guidance to help parents find their way through the system;
- set out clearer expectations of Local Authorities’ duty to actively manage the market, to ensure sufficiency, to reduce ‘market failure’ as far as possible and meet parents needs as effectively and efficiently as possible;
- explore options to achieve greater coordination, transparency and performance management capability through streamlining the funding of the free offer;
- use price and quality information to support Local Authorities’ market management activities; strengthen accountability, and help central government inform funding allocations; and
- explore the principles and practicalities of linking funding for the free entitlement more closely to the contributions individual providers make to outcomes.
Vision

6.1 Our vision is of an early learning and childcare system that ensures parents are not prevented from accessing high quality childcare provision, or the type of childcare they favour, on the grounds of cost. We want a system where parents are empowered to make real choices which support their preferences about the balance between work and family life.

6.2 Market forces alone are unlikely to be sufficient to guarantee this for everyone. The childcare market is complex and relatively immature compared to other countries. Achieving this vision therefore means:

- offering simple, and fair financial support to families, which makes childcare more affordable. We will continue to do this through a balance of supply side payments made direct to providers and helping parents with costs of childcare through demand side subsidies; and

- ensuring the childcare market operates efficiently and delivers quality and value for money. This means Government setting clearer expectations of the need for Local Authorities to manage their childcare markets in a way that achieves sufficiency (including availability, affordability, accessibility and sustainability) and delivers the best possible value for money.

Progress to date

6.3 We have provided support to parents in order to overcome the limitations of the market. There is some support for all, through the free entitlement for three and four year olds, and more support for those who need it most.

6.4 Demand side financial support has been strengthened further since 2004. Changes to the Working Tax Credit system mean that many more lower and middle income working families are now benefiting from financial support for childcare – currently around 460,000 in total across the UK (an increase of 72 percent since 2004).

6.5 The amount families are able to claim has increased significantly both in total and as a proportion of childcare costs. Since the 2004 Strategy, families have seen a rise in the limits to up to £300 a week for two or more children, or £175 for one child, and an increase in the maximum proportion of costs that can be claimed from 70 percent to 80 percent. Since April 2004, the average amount of support being claimed through the childcare element has risen from £43.67 per week to £68.00 per week in December 2008.

Getting help for childcare through tax credits has been a massive help. Without it, I don’t think I could have made our finances balance, and I would certainly not have been able to afford the childcare. Now, Charlie has fun at his childminder’s, playing with other children all day and I have been able to go back to work

Lone parent, Manchester

6.6 On the supply side, we are currently committing a total of £4.6 billion through the Sure Start Early Years and Childcare Grant
(£1.3 billion in 2008-9, rising to over £1.8 billion in 2010-11) and the funding for three and four year old provision (£3.3 billion in 2008-9, rising to £3.5 billion in 2010-11).

6.7 We have delivered a series of extensions to the free entitlement set out in the 10-Year Strategy as outlined in Chapter 3. It was extended to include three year olds in April 2004. From 2006, the minimum free entitlement for all three and four year olds was extended from 33 to 38 weeks of the year, with an additional £82 million factored into the Dedicated Schools Grant (DSG) to support this increase. £590 million additional funding will support the increase to 15 hours per week and greater flexibility which will be available to all three and four year olds by September 2010.

6.8 More parents find childcare more affordable than before. Between 2004 and 2007, the proportion of parents who thought that childcare affordability in their area was very good or fairly good increased. 38

6.9 Employer Supported Childcare (ESC) is a popular scheme that offers substantial tax and national insurance savings for both employees and employers when an employer signs up to offer childcare support. This is most often through vouchers. ESC does not only provide financial help with the costs of childcare. It also has wider benefits for all involved, including improved staff retention, reduced absenteeism and a more motivated workforce.

6.10 The Government has also committed £75 million for 2008-11 to fund free childcare for 50,000 workless parents to enable them to access training leading to work. The Free Childcare for Training and Learning for Work Programme will begin in April 2009 in all Local Authorities and will be delivered through the Learning and Skills Council. The programme will be linked to the Integrated Employment and Skills strategy, which aims to build a more integrated system to help more workless and low skilled people into sustainable employment and progression.

6.11 Childcare costs vary nationally and are significantly higher in some areas. Since 2005, a joint initiative by the Government and the London Development Agency, the London Childcare Affordability Pilots (CAP), has offered parents more affordable and flexible places. An estimated 8,500 children and their families have benefited from this programme.

6.12 We have also taken steps to ensure there is sufficient provision everywhere. To improve the way the childcare market is managed, from April 2008, Local Authorities have had a new duty to secure sufficient childcare to meet the needs of working families.

6.13 More generally, to improve outcomes for all children and young people, Children’s Trusts are bringing together the organisations responsible for services for children, young people and families in a local partnership which is underpinned by the Children Act 2004 duty to cooperate. We have also improved accountability through the use of Joint Area Reviews and Annual Performance Assessments of Children’s Services as a way of promoting local flexibility whilst
The Childcare Act 2006 is the first ever Act exclusively concerned with early learning and childcare. Measures in the Act formalise the important strategic role Local Authorities play through a set of duties.

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<td>To secure prescribed early years provision free of charge and delivery You need to secure free provision for all three and four year olds whose parents want it, for at least 12½ hours per week for 38 weeks per year You will have to deliver an extended offer - of 15 hours per week for 38 weeks and greater flexibility for families to access this – to 25 percent of the most disadvantaged children in your area by September 2009. By September 2010 this will need to be in place for all children</td>
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monitoring and assessing local performance across a range of services for children.  

Next steps

Making financial support for childcare simpler, more easily accessible, and childcare more affordable

6.14 The childcare element of the Working Tax Credit supports working families on low to moderate incomes to meet the costs of good quality childcare that is appropriate to their needs. Levels of support adjust rapidly where families’ circumstances change, which is particularly important when childcare costs rise or income falls. The Government is committed to retaining this responsiveness and will continue to base entitlement on current year income.

6.15 A HMT/HMRC discussion paper, published in 2008, explored options for simplification, to make sure that parents are aware of and take up the support to which they are entitled. The evidence gathered in the context of that paper suggests that some parents may find it hard to work out their annual childcare costs in advance and budget average payments accordingly. Similarly, others may struggle to work out the amount they are entitled to.

6.16 As announced in the previous chapter, to help families more easily identify how much childcare support they are entitled to, we will improve information and signposting on financial support, and introduce a Ready Reckoner tool from April 2009 to help advisers calculate what parents are entitled to receive for childcare costs through the Working Tax Credit system.

6.17 But we want to go further to make access to financial support simpler. We propose to run a pilot in the South East to provide some of the most vulnerable parents with financial support at the time when their childcare costs are incurred, rather than paying them average amounts based on total costs for the year (covering up to 80 percent of costs, up to the existing Working Tax Credit limits). The pilot will test whether this method of payment makes it easier for parents to budget and deal with changing childcare costs during the year, for example during holiday periods, and whether it helps to be in more regular contact with HMRC about their childcare costs.

6.18 The journey back into the labour market is a complex one for many families. Often, public services can feel siloed and parents struggle to link up the different bits of provision and navigate the benefit system. However, emerging evidence from the first round of CAP in London suggests that guiding parents through the system has helped take-up and employment.

6.19 As outlined in paragraph 5.19, we propose to explore ways of making access to support easier through testing ways of giving families intensive help and guidance through the benefit system. For around 500 families, five London Boroughs will pilot intensive

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39 The new local performance system now being introduced following the 2006 Local Government White Paper - based on statutory local area agreements and a new monitoring and inspection framework called Comprehensive Area Assessment - is designed to strengthen this framework further.

forms of active guidance to help parents navigate their way through the benefit system, aiming to increase the take-up of childcare and enable more parents to move back into training or employment.

6.20 We have reduced financial barriers to the take-up of childcare, mainly through the childcare element of the Working Tax Credit, but outside the free entitlement - we expect parents to contribute at least 20 percent of the costs of their childcare. The existing limits for the Working Tax Credit childcare element are set at £175 per week for families with one child, and £300 per week for families with two or more children. Very few families claim the 80 percent support for costs that reach or exceed these limits. However, we recognise that for some groups the costs of childcare can be higher than average, for example, families with a disabled or severely disabled child in childcare, or families living in London. We do not want any child to be prevented from accessing childcare and early learning because of these additional cost barriers.

6.21 To further explore the issue of affordability for families who face higher than average costs, we propose to test a more generous level of support in London. We will do this jointly with the London Development Agency through the revised Childcare Affordability Pilots 2009:

- We will pay around 500 families in five London Boroughs 100 percent of their childcare costs up to a higher limit through the childcare element of tax credits. At the same time, we will raise the limits for these families to £215 per week for families with one child and £350 per week for families with two or more children; and

- For families with a disabled or severely disabled child across London we will continue to pay 80 percent of their costs through the tax credits childcare element, but we will raise the maximum limits for all eligible low income families in London with a disabled child to £215 per week, and for families with a severely disabled child even further to £300 per week. These limits will be further increased if childcare costs are claimed for more than one child.
The Employer Support Childcare salary sacrifice scheme is very popular with employers and parents. However, recent amendments to the Sex Discrimination Act (1975), which were required to bring the UK into line with the EU Equal Treatment Directive, have meant that all non-cash benefits received by a mother before she begins her maternity leave must be maintained throughout the entire maternity leave period. This also includes childcare vouchers. As mothers cannot sacrifice their pay during this period, employers have to pay for the vouchers.

Childcare vouchers save employers £130 million per annum in National Insurance Contribution savings while the costs of the policy change are likely to be considerably smaller. There are other benefits such as improved staff retention, access to a wider recruitment pool, reduced absenteeism and a more motivated workforce. These savings and benefits have contributed to the success of the scheme and employers considering withdrawing childcare vouchers will take this into consideration. However, we recognise the concerns employers have expressed to us about these changes and we will explore how we can address them.

It is vital that Local Authorities manage their early learning and childcare market effectively to ensure parents and children get the best provision possible and resources are used effectively. However, there are also wider benefits to the local economy and community. For example, the estimated size of the paid early years workforce alone is around 360,000 nationally and therefore provides an important source of employment.

New initiatives – for example the two year old offer, Free Childcare for Training and Learning for Work and CAP – will boost demand for places. This will mean that supply will need to grow. Depending on their local circumstances, Local Authorities may need to think about stimulating the market and increasing the workforce accordingly as part of their planning to deliver these places.

The duty on Local Authorities to secure sufficient childcare for parents and the associated market management responsibilities is new. Consequently, there is as yet little robust and systematic understanding of what good and effective market management means.

For example, our knowledge of how best to incentivise and fund quality is still relatively incomplete. Reward providers on the basis of their impact on children’s outcomes would enable us to drive up value for money and support innovation – but it is not straightforward. At the same time, we are at a relatively early stage of monitoring and managing efficiency and value for money in the childcare market more widely.

While the sector has developed significantly in recent years, early learning and childcare constitutes a relatively new and immature market compared to other markets (e.g. employment services or health) or compared to childcare markets in other countries. It is a complex and mixed market in which around half the hours are publicly funded and half privately.

Reviewing Government funding and strengthening market management
There are two dimensions of funding and strategic management of the early learning and childcare market that ensure parents – who often contribute significantly to the costs of care – have access to affordable and sufficient provision: the Government’s role in setting and monitoring the overall policy framework; and Local Authorities’ role in managing their local childcare markets. Challenges remain at both of these levels which we will endeavour to address.

Stakeholders have told us that there is a strong case for improving and simplifying funding, performance management and accountability. Government’s role has therefore at least three elements: ensuring funding streams are simple and sufficient; supporting Local Authorities in their market management function; and ensuring that there is sufficient accountability both for provision of services and the efficient use of resources.

For historical reasons, early years and childcare funding is complex. Supply side funding is at present split between three central budgets: the Dedicated Schools Grant; the Standards Fund; and the Sure Start, Early Years and Childcare Grant.

The current review of school funding will look at options for how greater coherence, transparency and coordination of funding for early years and childcare might be achieved. A consultation on the new funding formula and associated proposals will be published in early 2010 and could lead to changes from 2011-12.

Government also has a role in supporting Local Authorities in their ability to monitor and manage their markets. This includes the free entitlement funding but also the wider early learning and childcare market. We will therefore through national and regional support mechanisms use the type of comparable price and quality information outlined in the previous chapter to help Local Authorities in their market management function. At the same time, the introduction of a single early years funding formula in every Local Authority from 2010 will mean there is more transparency about the way that the free entitlement is funded locally.

Greater transparency should enable Local Authorities to set competitive and efficient rates of funding for the free entitlement and ensure value for money. It will also support Government to hold Local Authorities accountable for their market management activities and help inform levels of central funding allocations to early learning and childcare (see 6.42). Government Offices will have a particular challenge role where differential levels of funding between Local Authorities seem on the face of it difficult to justify.

At present, Local Authorities have little financial incentive for achieving targets and innovating services. And while Local Authorities should not be solely driven by financial incentives, a greater focus on value for money may be desirable particular in the current fiscal environment.
Government funding for early learning and childcare

The Dedicated Schools Grant, the grant to fund schools as well as related expenditure, currently includes funding to Local Authorities to fund the free entitlement for three and four year olds for 12½ hours per week for 38 weeks per year. Around £4 billion was spent by Local Authorities on provision for under fives in 2007-08.41

The Standards Fund, the mechanism for distributing standards-based grants, includes funding of £590 million over 2008-11 to support the extension of the free entitlement from 12½ to 15 hours, delivered more flexibly. We will mainstream this additional funding from 2011. It also includes funding to embed the sustainability of extended schools.

The Sure Start, Early Years and Childcare Grant (SSEYCG) is a ringfenced early years-focused grant. It currently provides revenue funding for programmes, including for Children’s Centres, Aiming High for Disabled Children, the Graduate Leader Fund and for pilots, such as two year olds. It also has a capital funding block – including funding for settings to improve the quality of the environment, offer more flexible provision and be accessible for all children, including those with disabilities. The SSEYCG totals more than £4 billion for the years 2008-11.

Government has significantly increased Local Authorities’ flexibility over the use of their mainstream resources by moving over £4 billion of grants into the new non-ringfenced Area Based Grant, which Local Authorities can choose to target at the area of most need locally including early learning and childcare services.

6.36 We recognise that this is a particularly challenging area which needs further joint work between Government and Local Authorities. As part of the London Childcare Affordability Pilots we will pilot a model that allows for funding to be conditional on results in a number of London Boroughs. This will pay them a proportion of funding upfront, and the rest once they have achieved a target outcome related to bringing parents back to employment and taking up subsidised childcare places. Such a model will allow Boroughs greater discretion around the types and numbers of places they offer, for example flexible, part-time, full daycare, in line with their own assessment of what will best support parents in their areas back into work.

6.37 A significant weakness of the free entitlement funding system has been the inconsistent funding allocation between the maintained and PVI sector. Traditionally, funding has been allocated using different formulae. This has hampered the creation of a level playing field.

6.38 The Government is requiring each Local Authority to develop a single local formula for funding the free entitlement for all

41 Departmental Report, DCSF, 2008, Table 8.5
settings – whether maintained or PVI – from 2010. This will involve each Local Authority developing a formula with common principles for all providers, with transparent explanations for any differences between providers, and a common methodology for counting the number of funded places in each setting. We are undertaking a formula development project with 12 pilot Local Authorities, which are accelerating progress towards the single formula in 2009-10. The Government is working with Local Authorities to ensure that the single formulae lead to fairer and more transparent funding arrangements for all providers.

We are also considering, as part of creating a level playing field, how best to ensure that schools have the same power as PVIs to charge for early years provision which is not already funded by the Local Authority.

The Childcare Act already requires Local Authorities to assess the sufficiency of childcare in their areas and to secure sufficient childcare for working families. In order to help all Local Authorities produce effective sufficiency assessments, the Government is building in greater constructive challenge for those authorities that have struggled the most, and is helping to build authorities’ capacity and capability, working through the Government Offices and the Childcare Regional Networks; the forthcoming Commissioning Support Programme; and Regional Improvement and Efficiency Partnerships. The Government and Local Authorities will also consider how best to keep the demand and supply side data in sufficiency assessments up to date.

DCSF guidance on securing sufficiency set an expectation that Local Authorities should facilitate and support their local childcare markets to secure continuous improvements in the efficiency with which they meet the needs of parents. Local Authorities are, however, unsure about the strength of this expectation or how best to meet it. We will therefore consider ways to clarify and strengthen the sufficiency duty on Local Authorities with a view to ensuring that they actively manage the market (including the free offer) to deliver accessible, affordable and high quality provision for parents, sustainability for providers and an efficient use of the resources available to them.

There are currently important limitations in the extent to which the funding for the free entitlement is used at the local level to incentivise value for money. Most of these limitations revolve around difficulties in assessing providers’ contributions to children’s learning outcomes. Recognising those very real difficulties, we will explore with Local Authorities the principles and practicalities of linking funding for the free entitlement more closely to the contributions providers make to children’s development outcomes. Some Local Authorities do something close to this already and we will work with them to explore good practice.

**Childminders**

6.45 Over the last decade, childminders have received support through networks designed to assure the quality of childcare they provide, increase parental confidence and allow them to offer a more reliable service. To provide the free entitlement, registered childminders should be members of an accredited childminding network. Local Authorities typically set up and operate childminder networks following a single generic model.

6.46 It is unclear whether this single network model is the best organisational arrangement to provide institutional support to childminders, enable them to secure access to the free offer and ensure a level playing field across different types of providers.

6.47 Furthermore, anecdotal evidence suggests that places on childminder networks are unavailable in certain areas, which restricts childminders with appropriate qualifications from delivering the free offer.

6.48 And so we will work with stakeholders, such as the National Childminding Association, on developing new networking approaches and models for childminders to access free entitlement and other funding, to enhance their professional development and the quality of their provision.

**Sure Start Children’s Centres**

6.49 Children’s Centres play a pivotal role in ensuring that high quality early learning and childcare is available in the most deprived areas. Currently, those centres serving the 30 percent most disadvantaged areas are required to provide full day care from 8am-6pm, five days a week, 48 weeks a year. Provision is intended to be self-financing with costs largely recovered by charging fees to parents. However, we need to ensure, particularly in the current economic climate, that such provision is sustainable especially in areas of high deprivation where children have the most to gain from high quality provision but where parental demand and ability to pay is more limited.

6.50 To address this, we intend to undertake a detailed qualitative analysis of childcare in Children’s Centres, including that provided by Local Authorities and by the PVI sector, to get a better understanding of sustainability of provision in different local areas. We will consider:

- the role of childcare in Children’s Centres alongside the issue of sustainable provision to ensure that access is protected for those children who stand to benefit most;
- how we can better support Local Authorities to secure sufficient efficiently run provision, encourage centres to collaborate with other local providers and seek to improve financial management across authorities and Children’s Centres; and
- how we can improve incentives available to the PVI sector to take on delivery of childcare wherever possible to guarantee that quality provision remains available and that value for money is assured.
7. What next?

7.1 There is no doubt that we have come a long way in delivering on the agenda that we set ourselves in the 10-Year Childcare Strategy in 2004. Thanks to hard work across the sector, parents now have access to more flexible, affordable and better quality early learning and childcare than ever before, and many more families are benefiting from new rights and services. This is starting to make a real difference on the ground. But challenges remain.

7.2 This document sets out our response to these challenges and outlines the immediate next steps on early learning and childcare policy which will be implemented over the coming months and years. They are ambitious, especially given the fiscal and economic circumstances, but we believe that early learning and childcare are paramount for child development and social mobility and constitute a vital long-term investment in the wellbeing of our society.

7.3 But the document does not stop there. It also spells out our long-term vision to make early learning and childcare a truly world class and modern public service by proposing a number of policies which we would like to explore further with parents, the sector and other relevant stakeholders over the coming months. Some of these proposals are far-reaching and will have implications for how early learning and childcare services are delivered in this country. We therefore strongly believe that we will only succeed if we continue to work in partnership with our stakeholders.

7.4 Already this document has benefited greatly from discussions with a broad range of stakeholders including providers, parents, academics and local government. In particular, the key stakeholder group chaired by Lisa Harker during 2007/08 has provided vital input and inspiration and their report will be published alongside this strategy. We will continue to listen.

7.5 Over the coming months we will therefore provide a number of opportunities to explore the next steps more fully with stakeholders. As part of this, we will hold three regional events to seek the views of parents, providers and local government on specific themes, such as delivering quality and supporting grandparents who care.

7.6 We will also explore how to establish a more consistent and regular mechanism for consulting providers of early learning and childcare in all parts of the sector – public, private and voluntary – about key policy and delivery changes, both in following up the new ideas in the document and in taking forward some of the substantive changes,
already in train. This will be vital to ensure future decisions are built on intelligent dialogue and debate which is informed by the views and expertise across the whole sector.

7.7 More generally, we invite views on proposals outlined here, or other issues we have not been able to cover in this document from stakeholders and in particular parents to help us inform our thinking. So please email your views to nextsteps.childcare@dcsf.gsi.gov.uk.

7.8 We want this document be the beginning of a wider conversation rather than the final word on early learning and childcare policies.

Improving child development and outcomes

Importance of the early years

8.1 Pregnancy and the early years are an important time for child development. Behaviours are established and risks experienced before children even get to school that will influence their life chances. The home environment, family life and parenting are all important factors in determining positive outcomes later on in a child’s life. A range of factors, such as household poverty and poor maternal health, can drive inequalities in outcomes in the early years. Early intervention can help to break intergenerational cycles of disadvantage and reduce the risk of social exclusion later on in life.

8.2 A growing body of evidence also points to the importance of early years for the development of the brain. Critical aspects of brain development occur before and soon after birth, and many fundamental aspects of the architecture of the brain are established well before a child enters school. A child’s early experiences will determine whether their developing brain provides a strong or a weak foundation for all future learning, behaviour and health. Early development of cognitive, social and physical abilities not only affects their school readiness, but also has the potential to affect their long-term achievement, through their school lives and into adulthood.

8.3 The importance of early years for brain development and setting off on the right path to lead to successful future outcomes means that this period of a child’s life can be one of great opportunity, or of great vulnerability. For example, harsh parenting styles and low levels of stimulation are strongly associated with negative outcomes later in life, and neglect in early childhood can alter the physical and functional development of the brain. However, positive care and experiences can develop the resilience and protective factors in children that will dramatically improve their chances of going on to lead fulfilling lives.

43 The Timing and Quality of Early Experiences Combine to Shape Brain Architecture, National Scientific Council on the Developing Child, 2008
45 Feinstein, L., Duckworth, K., Development in the Early Years: Its Importance for School Performance and Adult Outcomes, 2006
46 Reaching Out: An Action Plan on Social Exclusion, HMG publication, 2006
Early learning and childcare for three and four year olds

8.4 A substantial body of evidence shows that some access to formal childcare has positive effects on child development, particularly for disadvantaged children and when childcare is of high quality. Group care has clear benefits for all children when they are three and four years old, with high quality pre-school related to better cognitive and social development.

8.5 The free entitlement has a strong positive effect on take-up of formal childcare. Over 1.1 million three and four year olds were benefiting from the free offer in January 2008. This includes 92 percent of the population of three year olds and 98 percent of four year olds. Not all of these children are in childcare for the full 12½ hours of the entitlement each week, although four year olds are more likely to be than three year olds.

8.6 The evidence suggests that full-time attendance does not lead to greater benefits than part-time attendance. Instead, it is the duration of attendance in months, rather than hours per week, that is found to be important. Children from the Effective Provision of Pre-School education study (EPPE) sample who attended a medium number of sessions were found to have improved social and cognitive development compared to children who had attended a low number of sessions. However, children attending the maximum range of overall sessions reported more anti-social or worried behaviour. US evidence finds that longer hours in pre-school lead to higher achievement but also that attendance beyond 15-30 hours a week leads to a greater risk of more aggressive and disobedient behaviour.

Early learning and childcare for children under three

8.7 Evidence of the impact of pre-school on very young children is more mixed. Evidence from EPPE finds that the duration of attendance in months is important for outcomes at the end of Key Stage 1, illustrating that access to formal care before the age of three is beneficial. The benefits to cognitive outcomes are greater for children starting in pre-school between two and two and a half, compared with over three year olds but the research finds no additional benefits to starting before age two. A wider review of the evidence concludes that children under the age of three who are not disadvantaged in their home environment do not see strong benefits.

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47 The main source of analysis for the impact of pre-school provision on child development in the UK is the Effective Provision of Pre-School Education Project (EPPE), a major longitudinal research project funded by DCSF.
50 Sammons, P. et al, EPPE Technical Papers 8a/8b/12, 2003
52 Sammons, P. et al, EPPE Technical Paper 8a, Measuring the Impact of Pre-School on Children's Cognitive Progress over the Pre-School Period, 2002
53 Melhuish, E., A Literature Review of the Impact of Early Years Provision on Young Children, with Emphasis Given to Children from Disadvantaged Backgrounds, Prepared for the NAO, 2004
8.8 US evidence finds that high quality childcare that is targeted at the most disadvantaged one and two year olds produces cognitive gains with no adverse behaviour effects. However, an early start in formal care needs to be of high quality to mitigate the possibility of anti-social behaviour. The National Institute of Child Health and Development (NICHD) study in the US found that children who entered care earlier had more behavioural problems but could not pin down an age at which entry into childcare would not pose this risk. In the UK, an early start in formal care before age two has been found to lead to increased behaviour problems for a small group of children when they were three and five, although the effect had disappeared by age ten. Insecurely attached infants do benefit from high quality childcare at this stage, possibly because childcare can provide a stable and consistent environment that makes children feel safe but allows them to experience missing their parents and look forward to the reunion with them.

8.9 Secure adult-child attachment in the first twenty-four months of a child’s life is correlated with improved social and cognitive development, with children’s attachments forming strongly in the first six months. 84 percent of mothers take all of their entitlement to paid maternity leave, and 93 percent of fathers take time off around their child’s birth. Children who are securely attached to their parents are more socially competent and get along better with their peers. In addition, evidence on child health outcomes strongly supports mothers’ breastfeeding in the first six months of life.

8.10 Evidence is clear that both parents should spend some time at home with their children. A key predictor of fathers’ involvement in a child’s learning, important to a range of child outcomes, is early involvement in their lives. At different points throughout school, a significant relationship has been found between positive father engagement and educational achievement.

Care for school age children

8.11 School age children and their families can benefit from out of school care. While there is little comprehensive UK evidence on the effect of different forms of care on school age children, some studies report benefits from out of school care. In one qualitative study, over half of respondents stated that

54 Waldfogel, J., Social Mobility, Life Chances and the Early Years, 2005
56 Lalli, G., The Effects of Day Care on Children’s Emotional, Cognitive and Social Development, 2006
58 Maternity Rights and Mothers Employment Decisions 2008; Maternity and paternity rights survey, 2005
61 The Impact of Out of School Care: a qualitative study examining the views of children, families and playworkers, Brunel University, DfES Research Report 446, 2003
out of school care contributed to children’s self-confidence and social skills, although some parents believed it made no difference. Over a third also reported positive labour market impacts, most of which would not have occurred without the club.

8.12 A review of US evidence\textsuperscript{62} looks at the effects of parental employment, self-care and out of school care on school age children. The effect of parental employment on health, cognitive and social outcomes for school age children may differ from early years. Generally few effects are found, although it is possible that parental employment has beneficial effects on cognitive outcomes for some groups of children but not others.

8.13 Children may spend some time in self-care if schools do not cover the hours that parents are working for. Observational studies suggest that children are more likely to get into trouble and to experience behavioural problems if they are left on their own. Results for the cognitive effects of self-care are less consistent. Alternatively, children may attend centres and organised activities after school. Observational studies of after-school programmes suggest that school age children attending these programmes tend to have better behavioural outcomes, although it may be that children who participate in these programmes have different characteristics from those who do not.

8.14 Evaluations of school-based programmes are often encouraging, as schools in the US that expand their after-school programmes have seen increases in the test scores of their pupils across a range of subjects. In the UK, evaluation of the Full Service Extended Schools Initiative (FSES)\textsuperscript{63} finds this approach impacts positively on pupils’ attainment, as well as other outcomes including engagement with learning, family stability and life chances. However, positive outcomes for pupils did not always translate directly into school performance data.

Quality

8.15 Quality of childcare in the pre-school years is increasingly being recognised as key to driving improvements in child development. Studies find significant links between higher quality pre-school and better child outcomes. For young children, quality will be determined by the sensitivity and responsiveness of care to their individual needs. Context, environment and workforce are recognised as the crucial elements for quality formal care. They include aspects such as staff qualifications, staff to child ratios, a safe and stimulating physical environment, sustained shared thinking and warm responsive relationships between adults and children. Process aspects of the quality of care, such as interactions with others and responsiveness of care, are harder to measure while structural characteristics, such as staff to child ratios and staff qualifications, are more tangible.

\textsuperscript{62} Waldfogel, J.,\textit{ What Children Need}, 2006
\textsuperscript{64} Sammons, P. et al,\textit{ Influences on Children’s Cognitive and Social Development in Year 6}, 2008
8.16 The latest EPPE results\textsuperscript{64} at age eleven find outcomes improve the most for children who attended high quality pre-school. In contrast, by this age there is no difference in outcomes for English and Maths between children who attended low quality pre-school and children who had not attended pre-school. These findings are consistent with other major longitudinal research including the NICHD and Childcare Quality and Outcomes (CQO) studies in the US.

8.17 Staff qualifications are a key driver of quality in an early years setting. Recent studies draw attention to the positive impact of having a graduate leading the practice. This is both direct - through the graduate's contact with the child - and indirect - through transferring best practice to other professionals. A new graduate level track, Early Years Professional Status, has been introduced as the early years equivalent of Qualified Teacher Status. The EPPE pre-school data is not recent enough to look at the impact of Early Years Professionals. However, it does find that having trained teachers working with children is linked specifically with better outcomes in pre-school reading and social development at age five.\textsuperscript{65} Staff with a Level five qualification have also been found to have an indirect effect through positively influencing the behaviour of all staff. Other UK and international research\textsuperscript{66} supports these findings.

**Tackling disadvantage**

8.18 High quality pre-school is particularly beneficial for children who are more disadvantaged, especially if disadvantaged children attend provision that caters for a mixture of children from socio-economic backgrounds. A review of studies finds that family characteristics and the quality of childcare experienced can move together, so children from low-income families tend to have the lowest quality care.\textsuperscript{67} While higher quality pre-school benefits all children, the difference between attending a high quality or high effectiveness pre-school and attending a low quality or low effectiveness pre-school is larger for children who come from more disadvantaged backgrounds than for children who come from less disadvantaged backgrounds.\textsuperscript{68}

8.19 As Chart 8.1 highlights, the overall size of the pre-school effect is similar across all three socio-economic groups. The advantage for the lowest socio-economic group is that pre-school experience helps them to move above the minimum expected reading and writing levels at Key Stage 1. This helps these children start Key Stage 2 at a level at which they can access the Key Stage 2 curriculum.

\textsuperscript{65} Sylva, K. et al, The Effective Provision of Pre-School Education Project: Findings from the Pre-School Period, 2003
\textsuperscript{67} Melhuish, E., A Literature Review of the Impact of Early Years Provision on Young Children, with Emphasis Given to Children from Disadvantaged Backgrounds, Prepared for the NAO, 2004
\textsuperscript{68} Sammons, P. et al, Influences on Children’s Cognitive and Social Development in Year 6, 2008
\textsuperscript{69} Sylva, K. et al, The Effective Provision of Pre-School Education Project: Findings from Pre-School to End of Key Stage 1, 2004
High quality pre-school can reduce the risk of developing learning difficulties from one in three to one in five, suggesting that pre-school can be a particularly effective intervention for the reduction of Special Educational Needs, especially for the most disadvantaged and vulnerable children. There is also evidence to suggest that high quality childcare can be particularly effective in increasing life chances for disadvantaged children when coupled with additional family support, such as support through Children’s Centres.

The latest national evaluation of Sure Start Local Programmes (now Children’s Centres) reveals a variety of beneficial effects on social development and in parenting skills. Children in SSLP areas showed more positive social behaviour and greater independence, and parents showed less risk of negative parenting and provided a better home learning environment as well as using more services designed to support child and family development.

Earlier findings indicated that the most disadvantaged families in SSLP areas were doing less well, while somewhat more advantaged families benefited. The latest results show no evidence of the adverse effects previously detected – meaning that outcomes are improving for the most disadvantaged groups in these areas.

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70 Sammons, P. et al, Adapted from EPPE Technical Paper 11, Continuing Effects of Pre-school Education at Age 7 Years, 2004
72 SSLPs have matured in their functioning since the previous study, so families in this study were exposed to more evolved and better developed programmes throughout the entire lives of the children. This may explain the difference in results.
73 Sylva, K. et al, The Effective Provision of Pre-School Education Project: Findings from Pre-School to End of Key Stage 1, 2004
Impact of the home learning environment and parental employment

8.23 Central to child outcomes is a good overall package of care, and the key to this is a good HLE. For all children, the quality of the HLE is one of the most important factors in determining child outcomes, more important for cognitive and social development than parental occupation, education or income. What parents do is more important than who they are. The effect of the HLE occurs across the whole population, and shows low correlation with parents’ socioeconomic status and education.

8.24 Latest EPPE results from Year 6 find that early years HLE is still one of the most important predictors of later attainment in English and Maths, as well as self-regulation. Good home learning experiences can also counter the disadvantage from not attending a pre-school, or vice versa.

8.25 Parenting programmes can help boost the home learning environment, and evidence shows that there is a positive and significant relationship between parent’s skills in literacy and numeracy and their child’s cognitive development, both for younger and older children. Evidence from the US finds that children who are exposed to more words in their interactions with parents in early childhood will develop bigger vocabularies and score better on reading tests at school entry. For children from disadvantaged backgrounds, two-generation programmes that provide direct support for both parents and children can have positive impacts on both.

8.26 Although the evidence is not unanimous, several studies in the US find that maternal employment, particularly full-time, early in the first year of a child’s life has adverse effects on health, cognitive and social outcomes. The negative effects on children’s cognitive development may occur as a result of receiving poorer quality care away from the home or less sensitive care at home when parents are not at work. In terms of social development, children whose mothers worked full-time during their first year may have more behavioural problems, particularly externalising problems. However, some evidence from the UK suggests that any negative impacts from mothers working full-time on children’s cognitive development are small and often insignificant, and that part-time work is not harmful. The evidence is ambiguous as to the actual age at which no negative effect is found. There is much evidence showing that at least one parent should be at home for at least the first six months.

74 Melhuish, E. et al, Preschool Influences on Mathematics Achievement, 2008
75 Sammons, P. et al, Influences on Children’s Cognitive and Social Development in Year 6, 2008
76 Coulon, A., Meschi, E., and Vignoles, A., Parents’ Basic Skills and Their Children’s Test Scores, NRDC, research report, 2008
77 Waldfogel, J., What Children Need, 2006
79 Gregg, P., Washbrook, E., Propper, C. and Burgess, S., The Effects of a Mother’s Return to Work Decision on Child Development in the UK, 2005
8.27 After the first year US evidence suggests employment has a neutral or even positive effect on child outcomes, although other studies have found some negative effects. This is more likely to be the case when children spend long hours in low quality childcare while their parents are at work. Other factors, such as the hours worked by parents, can also have a significant impact through affecting the quality of parent-child interactions.

8.28 If maternal employment also raises family income this can have a positive impact on cognitive outcomes. Research carried out by the Department for Work and Pensions finds that changing income levels can positively affect child development. Doubling the income of a low-income family from £10,000 to £20,000 related to two and a half months improved progress in cognitive development at age three, with a smaller but still beneficial impact for the average family. Studies in the US find that, for families living under the poverty level, work-based grants for parents boost the achievement of some young children, particularly in the later pre-school years.

Parental employment

Family numbers

8.29 There are over two million couple families and over 500,000 lone parent families with at least one child under the age of 5. The majority of these families only have one child in this age group – over 80 percent of lone parent families and over 75 percent of couple families.

Chart 8.2: Number of families with at least one child under the age of 5

![Chart 8.2: Number of families with at least one child under the age of 5](image)

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81 Figures are taken from Labour Force Survey 07/08 and cover England, Scotland and Wales.
82 All figures in this section are taken from Labour Force Survey 07/08 and cover England, Wales and Scotland
Mother’s employment and family structure

8.30 Both female labour market participation and child-care policies have seen big changes over the last generation, although it is not clear which changed first. Employment rates of women with dependent children have been rising, from 61 percent in 1997 to 64 percent in 2008. The lone parent employment rate has risen from 45 percent in 1997 to 56 percent in 2008.82

8.31 Employment rates of mothers vary depending on whether they are single or in a couple, and on the age of their children. Couple mothers are much more likely to work than lone parents. Mothers are more likely to work as their children get older.

8.32 For couple families with at least one child under the age of five, nearly 90 percent of the head of couple families are employed. Looking at the partners in these families, around 60 percent are employed and a third are inactive, and may or may not want to work.

8.33 Around a third of lone parents with at least one child under five are in work, while over half are classified as inactive, and may or may not want to work. Just over half of lone parent families with older children, with at least one child under 16, are in employment and around 40 percent are classed as inactive.

8.34 The cost of and need for childcare is likely to be greatest before children start at school and parental attitudes towards using childcare and returning to work will vary with the age of their child. 62 percent of mothers in a couple whose youngest child is under five are in employment, compared to 82 percent of mothers whose youngest child is between 12 and 15. The same is true for lone parents, although across the ages the employment rate of lone parents is consistently below that of mothers in a couple.

8.35 Working women with children are more likely to be working part-time than other women. 59 percent of mothers in couples...
work part-time and 41 percent work full-time. By contrast, only 32 percent of employed women without dependent children under 16 work part-time, while 68 percent work full-time. Lone mothers fall somewhere in the middle, with 55 percent working part-time and 45 percent full-time. The main reason lone parents give for working part-time is that they do not want a full-time job because they are looking after their children. Only a small number say that they are working part-time because they cannot find a full-time job.

### Attachment to the labour market

**8.36** Sustained periods out of employment increase the barriers for women to return to employment, or to return at the same level. As well as the strong impact on female participation once they become mothers, having children can have an indirect impact on mother’s wages, for example through time spent away from the labour market. Many mothers do not remain permanently in work following a return after childbirth. Ten years after birth, only 17 percent have returned to work permanently.\(^{83}\)

### Barriers to work

**8.37** UK and international evidence suggests that integrated policies that include childcare are likely to have positive impacts on the employment rates of parents. However, lowering childcare costs on their own will have only modest effects on employment. Studies find that the price elasticity of demand of employment relative to the price of childcare is low – it requires a relatively large change in the price of childcare to bring about a sizeable change in parental employment. A comprehensive UK study\(^{84}\) found that the large financial changes

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\(^{84}\) Francesconi, M. and van der Klaauw, W., The Socioeconomic Consequences of In-Work Benefit Reform for British Lone Mothers, The Journal of Human Resources, 42(1), 2007

brought about by the introduction of Working Family Tax Credit led to a five percent increase in employment, and a 35 percent increase in formal childcare. The reduction in childcare prices brought about by major reform in Sweden seems to have had little or no effect on parents’ labour supply, although the extensive childcare policies already in place may have dulled the impact of the reform.85 Both studies suggest that it takes a substantial change in the price of childcare to bring about a change in employment rates.

8.38 Parents who do not use childcare or enter employment state a variety of reasons for this. Responses to the 2007 Parents Survey86 give some indication of the relative importance of different pressures on decisions to work and use childcare. Reasons for not using childcare linked to affordability are consistently given by around 15 percent of the population but do not come out on top. Families not on low incomes were just as likely to cite affordability as a barrier to using childcare as families on low incomes (defined as household incomes less than £20,000 per year).

8.39 The most common reasons given for not using childcare reveal a strong preference among parents to look after children themselves, either out of a sense of duty that it is the right thing to do or because they want to. When parents who had not used any childcare in the last year were asked why, nearly 80 percent answered this was because they would rather look after their children themselves or rarely need to be away from them.

8.40 When asked about more general reasons for not working, 14 percent explicitly responded that the job they would like to do is too demanding to combine with children. The most common answers were ‘I would not earn enough money to make it worthwhile’ and ‘I cannot find the kind of work I want with suitable hours’, both of which may or may not be related to having children or needing childcare.

8.41 Research carried out by Department for Work and Pensions87 also uncovers a variety of barriers to labour market participation. Although childcare is identified as an important influencing factor affecting the labour market participation of mothers/parents, it is not the only one. Other factors identified in the analysis include caring by choice, job concerns, health problems as well as parents who felt they were facing too many constraints.

8.42 Furthermore, not all parents are active in the labour market before having children. Out of the two thirds of lone parents with a child aged four or under not currently in employment, a quarter of these parents have never had a job. For partners in couple families, around a third are not currently employed and a fifth of this group never have been.88 For these groups, it will often be more than having children and needing to arrange childcare that is holding them back from the labour market.

86 Childcare and Early Years Survey 2007: Parents’ Use, Views and Experiences, DCSF, 2008
88 Figures are taken from Labour Force Survey 07/08 and cover England, Scotland and Wales
Family preferences and packages of care

Family preferences

8.43 Parents should have a choice about how they balance work and family responsibilities alongside their individual preferences. Having a say in who does the caring is positively related to a mother’s mental well-being. A mother’s well-being is then directly related to good child development through improved attachment.

8.44 Fathers’ preferences also need to be remembered. As well as being beneficial for child outcomes, 87 percent of men think fathers should be very involved in looking after children and mothers are keen for this to happen as well. However, only 2 percent of men take primary caring responsibilities.

8.45 Fathers are less likely than mothers to work flexibly when the option is available, possibly because of perceived or actual social and cultural barriers in the workplace. Many fathers perceive that requesting flexible working practices will be detrimental to their career progression. However, the number of fathers with young children working flexibly is increasing: in 2002, 11 percent of dads with babies worked flexi-time, and in 2005 it was 31 percent.

Parental leave entitlements

8.46 Not all families benefit from parental leave entitlements. Unsurprisingly, fathers on low incomes are least likely to receive full pay during paternity leave and are least able to afford the full period of statutory paternity leave. The most significant barrier to taking up leave is financial. The duration of paternity leave is associated with income considerations and employer provisions. Mothers are more likely to take longer periods of maternity leave when they are in a dual income professional family or have higher levels of family income. There is also a link between maternity and paternity leave – mothers are found to take longer if fathers take at least two weeks.

Packages of care

8.47 Families need a variety of packages of care to support their diverse lifestyles. The package of care needs to respond to each family’s needs, without compromising on the objectives of child development and parental employment. The key to good child outcomes is the package of care experienced by the child and will include the home learning environment, informal care through friends and family as well as formal childcare settings. The key for supporting employment is a package of care the family is able to put in place, one that is simple and affordable for families with children of different ages or atypical working patterns.

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89 Figure from British Household Panel Survey data
90 Johnes, G., Career Interruptions and Labour Market Outcomes, 2006
91 Summary: PMSU/DCSF/ippr Seminar on Work-Life Balance, 11th June 2008
93 Dad’s and their babies: a household analysis, EOC, 2006
94 Ibid.
95 Childcare and Early Years Provision: A Study of Parents’ Use, Views and Experiences, DCSF, 2008
NatCen have analysed the childcare packages used by parents in the Parents Survey 2007. ‘No childcare’ was the most common option for children between zero and two, and five and fourteen, particularly for workless households, large families, low-income groups and lone parents. There are also a significant minority of dual working families in the survey who use no childcare, presumably through working shift patterns. Another common option for all age groups, with the exception of three and four year olds, is ‘informal care only’. Grandparents account for the majority of informal care although for school age children other people such as other relatives, friends and older siblings play an important role.

The free entitlement offer has a noticeable effect on the packages of care chosen for children aged three and four. For this age group, ‘centre based care only’ is the most common package, for 43 percent of families. Use of settings other than reception classes and day nurseries matched the free entitlement offer of 12½ hours a week.

While the most common ‘packages’ of care reported by families only consisted of one type of childcare, a sizeable minority are using more than one type in a week. For example, around 40 percent of three and four year olds are using more than one type of childcare, the most common being a combination of centre based care and informal care. Potentially half of three and

Data for this graph is from: Dex S. and Ward K., Parental Care and Employment in Early Childhood, 2007
four year olds and a substantial minority of one and two year olds are using wrap-around care at some point in the week. Six percent of 5-11 year olds used a combination of out of school and informal care. A third of these children had three or more providers, often an active decision taken by parents to give their child a balance in terms of play and care, and people and environments.

Analysis by family type, instead of by age of individual child, shows that the package of care constructed is strongly driven by the age of the individual child rather than the wider family situation. For example, families with a three or four year old tend to use centre based care for their three or four year old irrespective of the ages of other children in the household.

Grandparents

Grandparenting in the UK is complicated and diverse. Contact between grandparents and grandchildren varies greatly and will depend on geographical proximity, demographic factors and lineage, particularly the relationship between mother and grandmother. For example, 61 percent of grandparents see their grandchildren at least once a week while at the other end of the scale ten percent see their grandchildren less frequently than each school holiday. Nearly half of families rely on grandparents to provide care for their children at some point, and this is particularly prevalent among low-income families and lone parents.

The evidence on receiving a large amount of care from grandparents is mixed. Grandparent care at nine months has been associated with parental reports of behaviour problems at age three, particularly for boys and lone parent families. However, it has also been associated with higher vocabulary scores at age three, particularly for disadvantaged children. Where there has been substantial care from a relative (usually grandparent) before the age of three, children showed less anti-social and more co-operative behaviour. The use of grandparents as a source of informal childcare may also have an impact on employment as many grandparents are still active in the labour market – 30 percent of grandparents are currently in employment and ten percent are below the age of 60.

The evidence on increasing the rights of grandparents is also mixed. The Families, Children and Childcare study reveals that parents find it easier to trust someone who is caring for ‘love’ rather than for ‘money’. There may be implications to offering grandparents some kind of financial reward, as well as resistance from grandparents who prefer not to be paid for care, except in specific circumstances, or who would prefer not to look after their grandchildren at all. On the legal side, some US studies have shown that pursuing legal rights has led to negative outcomes for families.

97 Figures from ‘Summary of PMSU/DCSF/ippr seminar on grandparents’ 9th June 2008
98 Sylva, K. et al, Findings from Pre-School to End of Key Stage 1, 2004
## Annex B: Early years stakeholder group

<table>
<thead>
<tr>
<th>Member</th>
<th>Role, organisation and background</th>
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</thead>
<tbody>
<tr>
<td>Liz Bayram</td>
<td>Chief Executive, National Childminding Association</td>
</tr>
<tr>
<td>Yasmin Bevan</td>
<td>Headteacher, Denbigh High School, Luton. Currently on secondment to DCSF</td>
</tr>
<tr>
<td>Andrew Cozens</td>
<td>Strategic Adviser on Children, Adults and Health Services, IDeA</td>
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<tr>
<td>Mary Crowley</td>
<td>National Academy for Parenting Practitioners</td>
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<tr>
<td>Bernadette Duffy</td>
<td>Head, Thomas Coram Children’s Centre, Camden</td>
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<tr>
<td>Duncan Fisher</td>
<td>Chief Executive, The Fatherhood Institute</td>
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<tr>
<td>Lynda Fisher</td>
<td>Strategic Director – Children, Families and Learning, Portsmouth City Council</td>
</tr>
<tr>
<td>Phil Gretton</td>
<td>Former headteacher of Our Lady Star of the Sea school, Sefton</td>
</tr>
<tr>
<td>Lisa Harker</td>
<td>(Chair) freelance policy adviser and Co-Director, IPPR</td>
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<tr>
<td>John Harris</td>
<td>Director – Children, Schools and Families, Hertfordshire County Council</td>
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<td>Anne Longfield</td>
<td>Chief Executive, 4 Children</td>
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<tr>
<td>Sarah Steel</td>
<td>Managing Director, The Old Station Nursery</td>
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<tr>
<td>Rita Sutton</td>
<td>Director of Operations, Pre-School Learning Alliance</td>
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<tr>
<td>Sally Threlfall</td>
<td>Head of Early Years, Leeds City Council</td>
</tr>
<tr>
<td>Caroline Waters</td>
<td>Director – People and Policy, BT</td>
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