



CABINET – 15TH MARCH 2017

SUBJECT: CHILDCARE OFFER EARLY IMPLEMENTATION PROPOSAL

REPORT BY: KERI COLE, CHIEF EDUCATION OFFICER

1. PURPOSE OF REPORT

- 1.1 The Welsh Government manifesto in 2016 launched a new childcare offer of 30 hours of childcare and early education for up to 48 weeks of the year for working parents of 3 and 4 year olds. Following more detailed information on the initial pilot local authority areas planned for September 2017, Caerphilly has been approached as an additional area to join this initial early implementation of the offer. This report will lay out the proposal for Caerphilly borough's early implementation offer, the planned target area and rationale as well as request approval from Cabinet members for this area to be part of this WG early implementation of the scheme.

2. SUMMARY

- 2.1 Welsh Government recognises that childcare is one of the biggest challenges facing working families in Wales and developing an enhanced childcare offer is a top priority. Supporting families with quality, flexible and affordable childcare supports economic regeneration, can reduce pressures on family income and help parents to participate in work, thus reducing a family's risk of poverty. It also supports the wellbeing of children through positive and rich childcare experiences.
- 2.2 The Welsh Government intends to provide 30 hours of funded early education and childcare per week for working parents of 3 and 4 year olds, for up to 48 weeks per year by the end of their term in Government 2020/21.
- 2.3 Caerphilly has recently been invited to join the Early Implementers for the Childcare offer to begin implementation in September 2017.
- 2.4 Mid Valleys East has been selected as the community planning area to identify the school catchment areas to be part of the early implementers. This area has sufficient existing childcare provision, a significant number of working families who would be eligible to take up this childcare offer, 17 primary schools in both English and Welsh offering Foundation Phase Nursery provision, 4 non-maintained childcare settings offering Foundation Phase early education places (3 Welsh medium and 1 English medium) as well as 7 Flying Start catchment areas which could support those who are suffering disadvantage to take up employment opportunities if childcare costs were then removed as a barrier. Mid Valleys East would also give the mixture of rural and town centre economies and so would test transport / travel issues connecting childcare provision to the local Foundation Phase provision.
- 2.5 Subject to Cabinet approval of the area, the proposal will then be presented to the Cabinet Secretary for formal approval for Caerphilly to become an Early Implementer.

3. LINKS TO STRATEGY

3.1 This childcare offer pilot contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2015:

- *A prosperous Wales* – this childcare offer will support working families in the pilot areas, to increase their disposable household income by not having to fund 30 hours of childcare in order to enable them to work. The offer aims to remove childcare as a barrier to gaining employment for those who are not currently working, as well as support parents to be able to increase their working hours if wished thereby improving the household income.
- *A resilient Wales* – this offer aims to support community based childcare provision to become sustainable businesses embedded in their local environment, as well as improve the quality of provision. The offer will support local jobs and improve the childcare market, thereby increasing the availability and flexibility of childcare offered locally for families.
- *A healthier Wales* – childcare settings offer healthy snacks through the healthy snack award scheme and are supported to be part of the Healthy and Sustainable Pre School Scheme locally known as HEY (Healthy Early Years) which assures parents of the settings' commitment to children's health.
- *A more equal Wales* – part of this childcare offer is to encourage and support parents living in poverty to access employment without the barrier of affordable childcare. Employment will reduce the risk of children growing up in poverty and a potential gap in attainment.
- *A Wales of cohesive communities* – children will be accessing local childcare provision whose ethos is embedded in community based delivery and access to community resources. This pilot will seek to connect community based childcare provision with their local schools to ensure cohesion of services for families and consistent support for the young children accessing the offer.
- *A Wales of vibrant culture and thriving Welsh language* – under the national minimum standards for regulated childcare, settings are required to support children's understanding of the Welsh language and culture. In addition there will be sufficient places developed and offered through Welsh medium providers to meet parental demand.
- *A globally responsible Wales* – wellbeing of children and families will be monitored as part of this pilot to ensure that the impact of longer formal childcare provision and any potential transition between different providers is not detrimental to the wellbeing of the children.

4. THE REPORT

- 4.1 Welsh Government recognises that childcare is one of the biggest challenges facing working families in Wales and developing an enhanced childcare offer is a top priority. Supporting families with quality, flexible and affordable childcare supports economic regeneration, can reduce pressures on family income and help parents to participate in work, thus reducing a family's risk of poverty. It also supports the wellbeing of children through positive and rich childcare experiences.
- 4.2 The Welsh Government intends to provide up to 30 hours of funded early education and childcare per week for working parents of 3 and 4 year olds in part time Foundation Phase provision, for up to 48 weeks per year by the end of their term in Government 2020/21.
- 4.3 The initial criteria for the offer will be for parents working more than 16 hours per week earning minimum wage. In dual parent households both parents must be working a minimum of 16 hours each.
- 4.4 The up to 30 hour early education and childcare offer is made up the current 10 hour Foundation Phase plus up to an additional 20 hour childcare offer which may wrap around the education to support working parents.

- 4.5 Within Caerphilly borough we offer Foundation Phase places in both maintained (school nursery) and non-maintained childcare (private, voluntary sector) providers. We anticipate that more childcare will be needed across the borough to offer the additional up to 20 hours childcare offer per week but especially the additional holiday provision required.
- 4.6 Following submission of initial expressions of interest by Local Authorities in September 2016, Carl Sargeant, Cabinet Secretary for Children and Communities, announced five Early Implementer Local Authority areas for the pilot on 8th November 2016:
- Blaenau Gwent
 - Rhondda Cynon Taf
 - Swansea
 - Anglesey and Gwynedd as a joint proposal
 - Flintshire
- 4.7 Caerphilly was next on the list for proposals submitted in 2016 to be part of the early implementers and has recently been approached to be part of this early implementer phase in September 2017. This would benefit families living in the area of Caerphilly chosen to be part of the initial phase as well as enable us to be part of shaping the learning from the early implementer areas, increasing the ability to be ready for roll out across the borough by 2021.
- 4.8 The Caerphilly proposal was to early implement in one of the five community planning areas to enable better planning within the Wellbeing Assessment and Plan. The area for targeting would be Mid Valleys East at the top of the Islwyn valley area (Appendix 1). This area has high levels of childcare provision based on Childcare Sufficiency Assessment who would be able to offer the places needed or undertake variations with CSSIW to increase their offers to be able to meet the demands of working parents in the area. There is a high proportion of working parents based on demographic data. However, there are also areas of disadvantage including Flying Start areas, a number of Welsh medium provision to be able to offer the support in either Welsh or English as well as support for childcare setting ALNCo. This area will enable Welsh Government to test multiple aspects of the offer and its practical implications for local authorities, schools, childcare settings, families and children.
- 4.9 According to initial estimates based on current registered childcare places in the area, there are 409 places with an additional day nursery being developed. The places are shared across childminders, day nurseries, wraparound, clwb meithrin, after school clubs, clwb carco, sessional playgroups, and cylchoedd meithrin (Appendix 2).
- 4.10 There are 17 primary schools in the area, including 2 Welsh medium primary schools, 4 specialist resource bases of which 3 are in English medium primary schools and 1 is in a Welsh medium primary school. In addition there are 3 Welsh medium Cylchoedd offering Foundation Phase Early Education places and 1 English medium non-maintained setting. In this area there are 7 lower super output areas which are Flying Start catchment areas. This project will work in conjunction with the variety of ESF and Welsh Government funded projects to support families who wish to gain employment and therefore may become eligible for this childcare offer.
- 4.11 The total number of children based on live birth data who could be eligible for Nursery 1 and Nursery 2 in 2016 was 710. Welsh Government has estimated that approximately half of the children will be eligible which would equate to 355 children. However demographic data shows the number of working families is higher so this may increase to an upper limit of 76.33% which would equate to 542 children. In addition it is anticipated that approx. 80% of working families will take up the entitlement, therefore initial estimates of children using the offer equates to between 284 and 434. Therefore based on the estimates there should be sufficient places to offer childcare wraparound during school term time. However, we do expect to work with families to identify the currently unknown needs during school holidays, which may require an increase in provision currently available.

- 4.12 Eligible families would live in the Mid Valleys East area which will reflect the catchment areas for most of the schools listed in this area. However, subject to numbers this may not reflect the wider catchment areas of two of the three Welsh medium primary schools, which primarily serve the Lower Sirhowy Valley region. We would anticipate this area coming into the early implementers if Welsh Government extend numbers required in the Local Authority. For the purposes of the early implementer offer, it will be child and family led to enable family needs to be identified and applications will need to be checked and processed according to their specific family circumstances.
- 4.13 This offer would be developed in partnership with Welsh Government and the other Early Implementers in the true sense of the meaning so that challenges can be overcome as they arise and learning can be documented throughout so that as the offer is increased to wider areas, the learning is carried forward and improves implementation. Consistency will be achieved through this partnership model with Welsh Government across the Early Implementers including communications, marketing, support for children with ALN and application / administrative documents. The aspects for testing of this offer are included in Appendix 4.
- 4.14 The initial expression of interest is attached in Appendix 3. The initial scoping work has identified that although there is likely to be sufficient places, there will be additional development officer work to ensure settings meet the quality standards required, as well as administrative and IT support as required to process applications, check eligibility and process payments to childcare providers. As such, Welsh Government has recognised the need for additional infrastructure staff to resource this offer and will support the local authority with a separate grant for this purpose of additional staffing time required including some contribution towards strategic coordination, due to the initial intensity of meetings and preparatory work required to develop the pilot offer ready for September implementation and monitoring following implementation. This infrastructure grant funding will be separate and in addition to the delivery of the 20hour childcare placements grant.
- 4.15 Due to time constraints the Welsh Government will seek the Cabinet Secretary's approval in principle for Caerphilly to join the Early Implementers prior to this report seeking Cabinet member approval.
- 4.16 If the community planning area proposed for Caerphilly is formally approved by Cabinet members, Welsh Government will then request formal approval by the Cabinet Secretary for Communities and Children to be included in the Early Implementers announcement. Subject to all approvals being granted consultation and engagement with schools, childcare providers and families will then begin in April using Welsh Government standard communications and marketing materials.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 This proposal contributes to the Well-being Goals as set out in Links to Strategy above. It is consistent with the five ways of working as defined within the sustainable development principle in the Act. The long term strategy is to reduce the in-work poverty faced by families due to childcare costs, as well as encourage parents to gain employment by removing the barrier of childcare costs. Prevention of poverty through increasing opportunity to access employment will support children's long term outcomes. In addition quality childcare provision will positively impact on children's development and may contribute positively to long term attainment outcomes for children through increased access to quality learning opportunities.
- 5.2 During the course of this offer it is anticipated that the funding may primarily benefit those already working and using formal childcare provision, but in doing so aims to encourage other families in the long term to take up employment support programmes and gain access to employment opportunities. It will also create a stable and more sustainable childcare sector with the potential to create further local employment opportunities.

- 5.3 Working in collaboration with employment support programmes, childcare providers, schools and training providers, this pilot project will also provide support for those wishing to train for jobs in the childcare sector, as well as create sustainable businesses for the longer term. If all providers and the local authority officers work in collaboration with families and stakeholders, the offer can be developed in a holistic, bespoke but sustainable way to ensure that providers and families are able to make a workable solution for delivery.
- 5.4 Integration of maintained and non-maintained provision to enable a flexible offer for parents will be critical to the success of the childcare offer through increasing take up as well as potentially having a greater beneficial impact for children. Much of the Foundation Phase offer in Caerphilly borough is currently through maintained school nurseries and so this needs to be carefully considered to ensure that children continue to access their Foundation Phase entitlement as well as being able to access wraparound provision to meet parental working hours' requirements within reason.
- 5.5 Involvement and active participation of all stakeholders will be critical to ensure the learning from and during the pilot phase enables dissemination across the Early Implementers and wider regionally prior to roll out of the offer across Wales.

6. EQUALITIES IMPLICATIONS

- 6.1 As a Welsh Government pilot, the team have considered the potential equalities implications. During this initial pilot phase the early implementers will need to identify any barriers and work with Welsh Government to ensure that parental choices and needs of families are considered and met on an individual basis including but not limited to:
- Welsh medium provision
 - Support for children with ALN
 - Working families who may access childcare provision outside of the initial area set
 - The full aspects to be tested during this pilot are listed in Appendix 4.
- 6.2 The learning from the pilots across Wales will inform the full equality impact assessment, which will be completed prior to policy decisions and full roll out of the offer.

7. FINANCIAL IMPLICATIONS

- 7.1 There are no implications to core CCBC budgets, as this pilot will be fully funded by Welsh Government grants for infrastructure staff as well as delivery costs through the submission of bids for the funding required.

8. PERSONNEL IMPLICATIONS

- 8.1 There will be the need to employ additional staff as there is insufficient delivery officer and administrative time within the existing early years team to give this the focus for development, implementation, monitoring and evaluation required to shape future delivery of the offer. The staff required will need to have the relevant skills in early years to understand the legal implications of childcare regulations as well as financial regulations which will be reflected in the recruitment process.

9. CONSULTATIONS

- 9.1 All responses from consultations have been incorporated in the report.

10. RECOMMENDATIONS

- 10.1 The recommendation is for the proposed community planning area of Mid Valleys East to be approved by the Cabinet members and enable Caerphilly's proposal to be considered to become included in the Welsh Government Early Implementers offer.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 Being a part of the Early Implementers would be beneficial to working families within Caerphilly borough as well as enable both development and learning to be part of future roll out.

12. STATUTORY POWER

- 12.1 Childcare Act 2006 (Local Authority Assessment) (Wales) Regulations 2016.

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Appendices:

- Appendix 1 Map of community planning areas identifying Mid Valleys East
Appendix 2 Data for establishing the rationale for Mid Valleys East
Appendix 3 Initial expression of interest submitted to Welsh Government identifying rationale for testing during the pilot phase
Appendix 4 Childcare offer – what needs to be tested?
Appendix 5 Welsh Government Childcare Offer Core script