



EDUCATION FOR LIFE SCRUTINY COMMITTEE – 24TH APRIL 2018

SUBJECT: IMPLEMENTATION OF THE CHILDCARE OFFER FOR WALES

REPORT BY: KERI COLE, CHIEF EDUCATION OFFICER

1. PURPOSE OF REPORT

- 1.1 This report presents an update of the first six months of implementation of the Childcare Offer in the first of the wellbeing community areas and plan towards full roll out across the borough from April 2018.

2. SUMMARY

- 2.1 The Welsh Government recognises that childcare is one of the biggest challenges facing working families in Wales and developing an enhanced childcare offer was 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 manifesto in 2016 launched a new Childcare Offer for working parents of 3 and 4 year olds in part time Foundation Phase education. 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 in part time Foundation Phase provision, for 48 weeks per year by the end of their term in Government 2020/21.
- 2.3 Caerphilly joined the Early Implementers for the Childcare Offer phase 1 in March 2017 with implementation of the first funded childcare places in September 2017.
- 2.4 Mid Valleys East was the first area to begin the Childcare Offer which was rolled around to include Lower Sirhowy Valley and Caerphilly Basin in January 2018 and will not also include the final two areas at the start of the summer term 2018.
- 2.5 In the first term 98 applications were received for 95 approved eligible places with 79 children from families taking up the funded provision. At 26th March 2018, 510 applications have been received in total with 468 approved and confirmed as eligible with the costs rising from £17,759.25 per month in September to £78,583.50 per month in February 2018. This funding is paid direct to the childcare sector which is primarily voluntary sector organisations to offset the costs of childcare to working families.
- 2.6 The Childcare Offer video clip has helped families to understand the process for applying for Childcare Offer funding and has been viewed many times on social media. It is used in conjunction with other leaflets and marketing materials to ensure as many eligible parents are reached as possible.
- 2.7 In Newline April 2018 a family explained the impact of the Childcare Offer on their personal circumstances.

3. LINKS TO STRATEGY

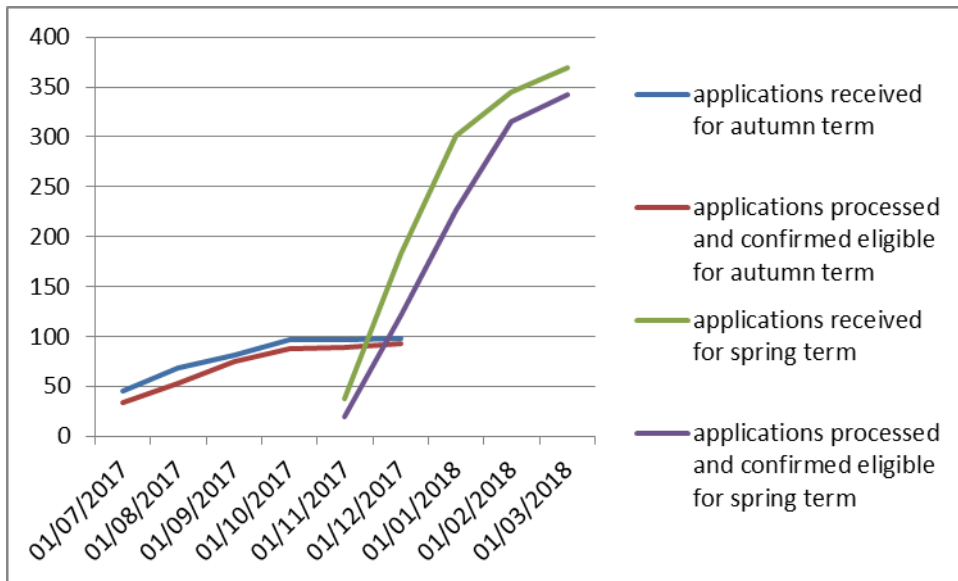
3.1 The Childcare Offer contributes to the following Well-being Goals within the Well-being of Future Generations Act (Wales) 2016:

- *A prosperous Wales* – the Childcare Offer will support working families across the borough, to increase their disposable household income through the funded childcare places 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* – the Childcare 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 the 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 the Offer 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 is providing 10 hours of funded early education and up to 20 hours of funded childcare per week for working parents of 3 and 4 year olds in part time Foundation Phase provision, plus up to 9 weeks of childcare in the school holidays per academic year by the end of their term in Government 2020/21.
- 4.2 The eligibility criteria for the Childcare Offer is that parents in the household must be earning the equivalent of 16 hours per week minimum wage or more. In dual parent households both parents must be earning the equivalent of 16 hours each or more.
- 4.3 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 20 hours per week but especially during the additional holiday provision required. To date 126 childcare providers have signed up to deliver the Childcare Offer and all display the Window Sticker to promote their offer to parents as well as promoting through their social media pages.

4.4 The number of applications has increased significantly during the first and second term of implementation increasing from 70 children accessing funded places in September 2017 to 316 children in February 2018. All places are funded at £4.50 per hour as a universal rate set across Wales for phase 1. The cost of places in September was £17,759.25 which increased to £78,583.50 in February 2018 bringing substantial funding into the childcare sector and impacting family household incomes.



4.5 During term 1 the data has been analysed and returned to Welsh Government. Of the 79 children in placements,

- 1 child had Additional Learning Needs
- 62 parents found it somewhat difficult or very difficult to afford childcare
- 8 parents wished to access Welsh medium childcare provision
- 1 wanted bilingual provision
- 11 were from Flying Start areas
- 72 were accessing their Foundation Phase place in school 8 of which were in Welsh medium Primary school
- 7 had no main school for Foundation Phase provision
- The highest percentage of the declared main parents earnings' was £10,400-£15,599
- Only 2.8% of parents earned more than £52,000
- 16 families were single parents.

4.6 A family was happy to write an article on the impact of the Childcare Offer on their family circumstances to promote the scheme to other families through Newline. The video clip has been used to promote the Offer. We are aiming to have an online application process in place by September 2018 intake.

https://youtu.be/mMkM_hc5xAq

4.7 During this initial implementation it has been critical to work in partnership across departments in Caerphilly Council including Council Tax, procurement, information governance, admissions, Statutory ALN team, Communications, IT, legal, translation team and printing. Council Tax links have allowed us to confirm families' home addresses and situations as well as supported lone parents to access the single person's allowance which they had not realised they were entitled to apply for.

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 initial implementation 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 initiative, the team have considered the potential equalities implications. During this initial 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
- 6.2 The learning from the Early Implementers across Wales will inform the full equality impact assessment.
- 6.3 In Caerphilly parents have been supported to have their choice of childcare provision to meet their and their child's needs, including support for the setting to become inclusive and support a child with additional learning needs, wider support to the sector to develop inclusive practice, access to all Welsh medium provision in the borough and working with the sector to develop flexible hours of work to meet the needs of shift workers, longer hours, etc.

7. FINANCIAL IMPLICATIONS

- 7.1 The Childcare Offer is funded by Welsh Government grants for infrastructure staff, SEN grant and childcare places grant. There has been recognition that the infrastructure element of the grant does not fully cover the administrative commitment and time taken to develop and implement full delivery. The financial arrangements are being considered by Welsh Government.
- 7.2 Core funded posts have supported the initial development and implementation of the Childcare Offer with a contribution from the infrastructure element of the grant of 1 day per week for 2 managers in 2017-18. In 2018-19 this contribution from the grant is unlikely to be available as the Administrator and Development Officer posts are occupied for the full financial year. In 2017-18 the 2 officers commenced their roles part way through the year. The time commitment of senior core funded managers will continue to be required in 2018/19.

8. PERSONNEL IMPLICATIONS

- 8.1 Two staff are employed on fixed term contracts under the annual Childcare Offer infrastructure grant – Administrator and Development Officer. There is a recognised need for additional capacity in the team but the current grant does not provide sufficiently to fund this.
- 8.2 In 2017-18 there was the ability within the Childcare Offer infrastructure grant to make a contribution of 1 day per week to 2 manager posts but with a full year's costs for the Administrator and Development Officers this is unlikely to continue in 2018-19 without an increase in funding from Welsh Government. Senior management time commitment will continue to be required and, therefore, this will need to be met out of the core budget if the grant is insufficient.

9. CONSULTATIONS

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

10. RECOMMENDATIONS

- 10.1 The recommendation is to note the contents of the report and the implementation to date.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To note the contents of the report and the implementation to date.

12.0 STATUTORY POWER

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

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Appendices:

Appendix 1 Newslin Article

Appendix 1 – Newsline Article

Childcare Offer saves family a small fortune!

Raylene Roper and her family are enjoying financial savings as a result of the Welsh Governments Childcare Offer for Wales.

Raylene who lives in Pontllanfraith, first heard about the offer, which is being piloted in 7 Local Authorities, on a Twitter post. She contacted Caerphilly Council immediately to check their eligibility for the 20 hours of funded childcare during term time and was pleasantly surprised that just a few weeks later she was already making huge savings.

The offer is designed to help working parents with children aged 3 or 4 pay for the cost of childcare up to 20 hours per week in term time and up to 30 hours during school holidays.

Raylene and her husband Chris, both work fulltime and Sam, who is now 4, has attended Jelly Totz Childcare since he was 8 months old, which has been a substantial cost for the family. As a result of the offer they now save up to £248 per month in addition to the savings from their employers childcare voucher scheme.

Raylene commented, “We were absolutely thrilled to hear about this offer. It makes a huge difference to us as a family and the process was easy and mostly done by email. I can’t fault Caerphilly Council they have been great.”

The scheme is currently being piloted in Caerphilly Basin (including: Aber Valley, Bedwas, Trethomas and Machen, Llanbradach, Morgan Jones, Penyrheol, St James and St Martins wards). The Lower Sirhowy Valley (including: Abercarn, Crosskeys, Risca and Ynysddu wards) and the Mid Valley’s East (including: Argoed, Blackwood, Cefn Fforest, Crumlin, Newbridge, Pengam, Penmaen and Pontllanfraith wards.)

From the term following their child’s 3rd birthday, parents can apply for the funding which they will receive in addition to the 10 hours already provided by the part-time Foundation Phase as well as 30 hours of childcare during the school holidays.

Cllr. Philippa Marsden, Cabinet Member responsible for Education and Achievement commented, “It is great to hear Raylene talk about how her family are benefitting from the offer. Working with Welsh Government we have tried to make this process as simple as possible for parents to apply.”

She continued, “The offer is flexible in that families living in the selected areas during the pilot phase of the scheme are able to choose any registered childcare setting that suits their circumstance, whether inside or outside of county in agreement with the provider and the Local Authority. The childcare does not have to be delivered by the same provider as the Foundation Phase provision.”

To access the online eligibility checker please visit the following link:
<http://www.caerphilly.gov.uk/childcareoffer>

For more information about the scheme and what childcare is available please contact the Family Information Service on 01443 863232.