

**Joint Report of the Cabinet Members for Children & Young People,
Education and Wellbeing & Healthy City**

Cabinet – 16 March 2017

FREE CHILDCARE FOR 3 AND 4 YEAR OLDS PILOT

Purpose:	To seek approval of the target areas for the Free Childcare Pilot
Policy Framework:	Childcare Act 2006 Healthy City Strategy/ Early Years Plan. Foundation Phase Policy
Consultation:	Access to Services, Finance, Legal, Education
Recommendation(s):	It is recommended that: 1) the proposals for the target areas for the first year of the Free Childcare Pilot as listed under Sections 2.9, 2.10 and 2.11 be approved.
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1. Introduction

- 1.1 The Welsh Government's (WG) "Taking Wales Forward" Programme identified free childcare as one of its main pledges for the next 5 years.
- 1.2 The childcare offer will provide working parents with 30 hours of government-funded childcare and early education for 3 and 4 year olds for 48 weeks of the year.
- 1.3 The new childcare offer will combine the successful minimum of 10 hours a week of Foundation Phase provision during term times, with additional childcare up to 20 hours. During the weeks of the year when the Foundation Phase is not provided, qualifying children will receive 30 hours of childcare, supporting working families with the costs of holiday care.

- 1.4 The government-funded childcare will be available:
- from the term following the child's third birthday and will continue until the child starts reception class in his/her primary school the September after their fourth birthday.
 - if all parents in the household work the equivalent of at least 16 hours at national living wage or national minimum wage, therefore earning at least £107 per week.
- 1.5 Swansea was selected as 1 of 6 Local Authorities to work with the Welsh Government to pilot the new Childcare offer prior to full national rollout in September 2020.
- 1.6 The Offer of 30 hours of free early education and childcare per week to 3 and 4 year olds will be piloted from September 2017 in specified locations within Swansea as well as Gwynedd, Anglesey, Flintshire, Blaenau Gwent and Rhondda Cynon Taf. Gwynedd and Anglesey will be working together on a joint project. Other early adopter areas will be added as the work to pilot the scheme continues.
- 1.7 Testing the offer will allow the Welsh Government and the Local Authority to make sure they learn what works and what doesn't, building on experience and evidence to deliver for all working parents in Wales.
- 1.8 Welsh Government expect the Offer to:
- be driven by parental choice
 - be flexible
 - provide an offer of provision through the medium of english and welsh
 - respond to geographical demands
 - provide high quality provision (e.g must be CSSIW registered, workforce etc)

2. The 2017/18 academic year Pilot

- 2.1 Across all 6 pilot LA areas Welsh Government propose to target 2,600 3 and 4 year olds during year 1. Swansea's proportional share of this overall target is 840 children however WG has recommended that Swansea approaches 1000 children based on an assumption of 80% take-up of the offer and likely eligibility levels.
- 2.2 There is approximately £9m available nationally for year 1 of the Pilot. Swansea is awaiting confirmation of its share which will reflect its target number of children. WG has indicated that at present the allocation will assume a 17 hour take-up of the childcare at between £4.75 and £5.00 per hour. Actual details to be confirmed and it should be noted that Welsh Government is awaiting the finalisation of a commissioned report which will provide further advice in relation to costings.

- 2.3 Swansea's Foundation Phase provision, which includes Nursery, is provided entirely through schools. This is clearly a challenge for the Free Childcare as in most areas of Swansea it will not be possible for children to receive both elements on one site. It is therefore vital that the pilot tests both extremes from the perspective of the child, the parents/carer and a range of providers.
- 2.4 It is important that the Pilot enables learning that can be applied to the future rollout. As such the following principles have been central to Swansea's proposals for the target areas for year 1:
1. Testing "all on one" sites – selecting wards with schools that provide the Foundation Phase as well as already registered CSSIW wrap around, after school and holiday childcare on site. This will be important as it will ascertain levels of take-up of on site provision and levels of demand.
 2. Testing areas where there are high levels of childcare providers/places to enable parental choice and low levels of school on site childcare. This will be important as it will ascertain the advantages and disadvantages of a multi-site package of provision.
- 2.5 Across the selection of areas there is also a need to ensure that:
- the welsh medium option is tested
 - provision provides opportunities for disabled children
 - the selected areas are likely to have sufficient levels of eligibility as set out in 1.4.
- 2.6 The learning from year 1 and from the results of the Childcare Sufficiency Assessment, which will be completed in April 2017, will support the process of determining priorities for the future model for childcare and Foundation Phase in Swansea. It will also identify clear gaps in provision and thus business opportunities to be highlighted.
- 2.7 Welsh Government has not issued any specific guidance to Pilot Local Authorities in relation to the selection of areas. However there is an expectation that we can reach the set target of children and test different offers so that there is learning that can be applied to the future rollout of the scheme locally and nationally.
- 2.8 Taking the above principles into consideration it is proposed that the following wards are selected for year 1 of the Pilot:
- 2.9 **Category 1:** All on one site. Wards with schools providing CSSIW Registered wrap-around, after school and holiday provision:

School	Registered ASC	Registered Wrap Around	Registered Holiday Care	Number of estimated 4 year olds* and 3 year olds**	Comments
Dunvant	50	70	24	87	
Penclawdd	19	19	19	65	
Llangyfelach	50	50	50	110	
West Cross	127	131	84	125	Welsh Medium provision
TOTAL	246	270	177	387***	

2.10 **Category 2:** Wards with high levels of childcare providers/places across the private and voluntary sectors and low levels in schools:

Ward	Registered Places	Number of estimated 4 year olds* and 3 year olds**	Comments
Morrison	293	347	Large area
Pontarddulais	190	148	
Gorseinon	168	100	Welsh medium provision
Total	651	595***	

Overall total : 982 3 and 4 year olds

*This is an estimate only based on data drawn from the SIMs system assuming approximately 2,800 pupils per school year which is towards the top end on a range of 2,300 to 2,900. Firmer numbers may be available later in the current year and via a request to the Health Board.

**This is based on the estimated number of pupils per school year and factoring in an estimated apportionment to reflect September to March births only.

***This is the total number of children to be approached and therefore does not take into account households that do not meet the eligibility criteria or parents that do not opt to take-up the offer.

2.11 As there is a risk that take-up and eligibility levels will fall short of the target a further category of areas is being proposed as a reserve list. This will also serve the purpose of being able to respond to a request from Welsh Government to expand the offer to more children in Swansea.

2.12 Category 3: Reserve list of wards

Ward	Registered Places	Number of estimated 4 year olds* and 3 year olds**	Comments
Gowerton	87	110	Private provision only
Penlleger	202	72	Mix of school and private
Llansamlet	381	328	High levels of private provision
Total	591	510***	

3. Risks and Issues

- 3.1 That the estimated numbers of children are significantly different to the actuals which would risk exceeding the target number and available budget. *Mitigation: This has already been flagged up with WG as an issue and consequently the WG has requested that Swansea approaches a 1000 children with the expectation that take-up will be circa 80%.*
- 3.2 That the estimated numbers of children are significantly different to the actuals which would risk not achieving the target number and full expenditure of the available budget. *Mitigation: As above.*
- 3.3 That it is difficult to estimate the take-up which could result in Swansea not reaching the target number and full expenditure of the available budget. *Mitigation: same as 3.1 and 3.2.*
- 3.4 That providers and schools may not want to sign up to the scheme and its requirements. *Mitigation: The scheme is about parental choice and early dialogue with relevant schools and providers will be beneficial.*
- 3.5 That families not living in a year one pilot area will feel aggrieved. *Response: Close working with our Communications Department and Welsh Government to ensure that key clear and consistent messages can be issued in the press.*
- 3.6 That there is insufficient childcare in the right place, in the right language and at the right time to meet parental demand. *Response: This is the purpose of the Pilot and the learning from this as well as the results from the Childcare Sufficiency Assessment will feed into priorities for future development and identification of potential business opportunities.*
- 3.7 That parents choose the 20 hours childcare and decide not to take up the Foundation Phase offer. *Response: The pilot will be important for the future development of the scheme and early education in Swansea.*

4. Next Steps

- 4.1 There are a number of steps that need to be taken within a very short space of time. These include:
- 4.2 Awaiting confirmation from Welsh Government to the proposed target areas for the Pilot and financial allocations.
- 4.3 Establish the team to deliver the Offer in Swansea.
- 4.4 Engaging and involving key stakeholders such as schools and childcare providers from the target areas and beyond.
- 4.5 Engaging with parents / carers in the target areas.
- 4.6 Developing the Admissions process.
- 4.7 Agreeing and implementing a Communications Strategy.
- 4.8 Developing processes and systems for the running of the Pilot.
- 4.9 Start rolling out implementation in September 2017.

5. Equality and Engagement Implications

- 5.1 A full Equality Impact Assessment report has been drafted and is currently being quality assured by colleagues (please see background paper). However, early feedback indicates that the pilot will have a positive equality impact. Consultation and engagement (in an accessible way) will continue throughout the process and the EIA will be updated as and when required to demonstrate further developments.

6. Financial Implications

- 6.1 No formal documentation has been received from WG at this stage. The purpose of this Report is to seek approval to the proposed target areas in order to enable planning to continue and for pilot areas to be announced.
- 6.2 Funding for the administration of the Pilot as well as for payment to providers will be provided by Welsh Government. Further assurances will be sought from WG in relation to ensuring sufficient resources to cover the costs for providers for all children including children with additional needs.

7. Legal Implications

- 7.1 The Childcare Act 2006 places a duty on local authorities to secure as far as is reasonably practicable, sufficient childcare for working parents in their area. In addition the Education (Nursery Education and Early Years Development and Childcare Plans (Wales) (Amendment) Regulations

2005 place a duty for Local Authorities to provide a free part time, good quality education place the term following a child's third Birthday. This initiative will assist in meeting this duty.

No formal contractual documentation has been sent from WG at this stage. This will be scrutinised by legal when it is received.

Background Papers: EIA

Appendices: None