



## Draft Report of the Director of People

Cabinet – 15 March 2018

# Poverty Reduction Policy Development & Delivery Committee's exploration of the Childcare Offer for 3 and 4 year olds

<b>Purpose:</b>	To approve the recommendations to strengthen the Childcare Offer.
<b>Policy Framework:</b>	Childcare Act 2006 Healthy City Strategy/ Early Years Plan. Foundation Phase Policy
<b>Consultation:</b>	Access to Services, Finance, Legal, Education
<b>Recommendation(s):</b>	It is recommended that:  1) a letter is written to the Welsh Government to: i. Request flexibility to the eligibility criteria of the Offer ii. Seek assurance that the Offer will be long term  2) Through the Poverty Partnership Forum a co-ordinated approach is developed to employability so that parents of young children are prioritised in order to be in a position to benefit from the Childcare Offer.
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## 1. Introduction

- 1.1 The Welsh Government's Childcare Offer for 3 and 4 year olds and the Childcare Sufficiency Audit formed part of the Poverty Reduction Policy Development and Delivery Committee's (PDDC) Programme of Work for 2017/18. The purpose of this was to explore the Offer from the perspective of the Poverty Agenda.

1.2 A presentation on the Childcare Sufficiency Audit was provided at the meeting on 20 December 2017 to provide background information. This was followed by a presentation and discussion about the Childcare Offer for 3 and 4 year olds at the Committee's meeting on 24 January 2018.

## **2. Background**

2.1 The Welsh Government's (WG) "Taking Wales Forward" Programme identified free childcare as one of its main pledges for the next 5 years.

2.2 The childcare offer provides working parents with 30 hours of government-funded childcare and early education for 3 and 4 year olds for 48 weeks of the year.

2.3 The childcare offer combines 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.

2.4 The government-funded childcare is available:

- from the term following the child's third birthday and continues 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.

2.5 Swansea was selected as 1 of 7 Local Authorities to work with Welsh Government to pilot the new Childcare offer prior to full national rollout in September 2020.

2.6 The Offer of 30 hours of free early education and childcare per week to 3 and 4 year olds has been piloted in 7 wards across Swansea since July 2017 as well as Gwynedd, Anglesey, Flintshire, Blaenau Gwent, Caerphilly and Rhondda Cynon Taff. Gwynedd and Anglesey are working on a joint project. Other local authority areas will be added as the work to pilot the scheme continues.

2.7 Testing the offer is allowing Welsh Government and the Local Authority to ensure that lessons are learnt about what works/doesn't work, building on experience and evidence to deliver for all working parents in Wales.

2.8 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
- give high quality provision (e.g. must be CIW registered, workforce etc)

2.9 Welsh Government has committed to full rollout across Wales by the end of the current Assembly term in March 2020.

2.10 Across all 7 pilot LA areas Welsh Government has funding for 2,600 3 and 4 year olds during year 1. Swansea's proportional share of this is 258 children for the Autumn term.

### **3. Progress to date**

3.1 In Swansea the Childcare Pilot went live in July 2017 across 7 wards, approved in Cabinet in March 2017. The areas fall into 2 categories:

1. Testing "all on one" sites – selection of wards (Dunvant, Penclawdd, Llangyfelach and West Cross) with schools that provide the Foundation Phase as well as already registered CSSIW wrap around, after school and holiday childcare on site.
2. Testing wards with high levels of childcare providers/places in the wider community (via day nurseries, childminders, out of school childcare and playgroups etc.) and low levels of school onsite childcare. These areas are Morryston, Pontarddulais and Gorseinon.

3.2 In addition, the Cabinet Report identified a further 3 reserve wards should Welsh Government target at a local and/or national level require additional areas in order to be achieved. The Wards identified were Llansamlet, Penllergaer and Gowerton.

3.3 To date 170 applications have been received and 133 applications have been processed and confirmed as eligible to receive the Offer. 64 CSSIW registered childcare settings have signed up to the Offer. According to Welsh Government there has been a 66% take-up of the Offer in Swansea, which compares favourably to the national average of 59%.

3.4 There are no known issues about a lack of available childcare places.

3.5 No formal evaluation and customer feedback has been undertaken to date. Some positive outcomes resulting from the "Offer" include:

- Anecdotal evidence suggesting that there is less reliance on informal childcare amongst parents currently eligible for the "Offer"
- Some parents being in a position to increase the number of hours their child/ren attend formal childcare.
- Evidence of WG initiatives dovetailing e.g. Pace and the Childcare Offer.
- Eligible parents able to improve quality of living with the reduction of their childcare costs.

- 2 full day care settings in particular have reported that brand new children have accessed their settings.
- 3.6 The Pilot has been a good example of effective collaborative working across a number of Council departments and sections as well as with external stakeholders.
- 3.7 Learning from the Pilot to date includes:
- The difficulty in widely promoting the “Offer” due to it not being available across the whole of Swansea, which makes it difficult, especially advertising via social media.
  - The ever evolving nature of the “Offer”
  - Recognising the IT system as a “pilot”, as the system continually needs to respond to changing needs and demands.
  - Focusing the “pilot” on electoral wards rather than geographical areas/communities has been difficult in terms of promotion.
  - Difficulty in achieving firm conclusions about outcomes due to the small scale of the “pilot”.

#### **4. Expansion**

- 4.1 A Welsh Government letter on 30 October 2017 invited the Council to extend the Offer to reserve areas of Llansamlet, Penllergaer and Gowerton.
- 4.2 The Offer will be available to all areas across Wales by the end of the current WG term. An implementation plan will be developed once further details are known about WG full rollout plans.
- 4.3 Expansion will adopt a geographical approach. Phase 2 areas were identified following an analysis of the pilot area and the need to link surrounding Wards to reflect whole communities. The Phase 2 Areas approved by Cabinet on 14<sup>th</sup> December are: Penderry; Kingsbridge; Upper Loughor; Lower Loughor; Penyrheol; and Cockett.
- 4.4 Implementation of Phase 2 commenced on 22 January 2018.

#### **5. PDDC Key Discussion Points**

- 5.1 The importance of taking an holistic view was highlighted by Members as the Childcare Offer is only one part of a wider continuum for supporting people to move on into employment.
- 5.2 It was acknowledged that the Offer would bring resource into the economy through supporting providers to maintain their businesses and continue to offer local jobs.
- 5.3 It was acknowledged that the Offer would also benefit families via either enabling parents/carers to move into employment, increase their working

hours and/or improve family finances particularly for those in low paid employment where there is in-work poverty.

- 5.4 Whilst a focus of the Scheme was to increase the numbers of parents/carers in employment Members felt that there was an important link with early intervention as children are benefitting from developmental activities at an early age. There was some concern however that not all those children benefitting from Flying Start would be eligible.
- 5.5 The eligibility criteria of the Offer was raised as a concern as it was felt by Members that young children who could benefit the most may not be eligible due to the working circumstances of their parents/carers.
- 5.6 Whilst Members were aware that Welsh Government has pledged that the Offer will be available to all eligible 3 and 4 year olds by the end of the Assembly term, members were concerned that families were missing out in Wards that had not yet been approved by Welsh Government.
- 5.7 There was concern re the future sustainability of the Offer and Members stressed the importance that families, communities and businesses had assurance that it long term so that they could plan with confidence.
- 5.8 Members wanted assurance that the Offer was known to all eligible families as it rolled out. Whilst letters are sent to families and the Offer is promoted through social media and schools, childcare providers and Health Visitors in eligible wards, it was felt that there would be greater opportunity to promote the Offer through Swansea wide campaigns when it was fully rolled out.
- 5.9 Members asked whether there was a risk around sufficiency of childcare places for the Offer. Whilst gaps were cited in the Childcare Sufficiency Audit, Officers confirmed that there is no evidence to date of a lack of provision for the Offer. The work would continue with Umbrella Childcare Organisations to support and develop the Sector. In addition Childcare grants to sustain/expand provision will continue to be offered and schools encouraged to register informal childcare giving more choice for families.
- 5.10 In terms of knowing whether or not the Offer is benefitting families Officers explained that whilst positive anecdotal feedback has been received it was too early in the process and the Pilot was too small to provide definitive evidence. Questionnaires will go to local families to capture feedback and impact. Welsh Government have commissioned an evaluation, which will formally report in autumn 2018.

## **6. Conclusion**

- 6.1 The Committee identified a number of new actions to support:
- 6.2 As this is a national Welsh Government initiative, it was felt that it would be beneficial to write to the Cabinet Secretary to:

- i. Request flexibility to the eligibility criteria of the Offer so that more families and their children living in poverty could benefit including as a minimum parents/carers on an employment pathway.
  - ii. Seek assurance that the Offer will be long term so that families and businesses and communities could plan on a longer term basis.
- 6.3 Work with partners at local level through the Poverty Forum in areas of deprivation to develop local plans for the co-ordination and promotion of employability opportunities/support, prioritising families with pre-school aged children so that when their children turn three they can move into employment, benefitting from the Childcare Offer.

## **7. Equality and Engagement Implications**

- 7.1 A full Equality Impact Assessment report was drafted at the beginning of the pilot and continues to be updated - please see background paper). Consultation and engagement (in an accessible way) continues throughout the process and the EIA will continue to demonstrate further developments.

## **8. Financial Implications**

- 8.1 Funding from WG has been received for the Pilot as separate elements i) funding for the administration of the Pilot ii) funding to fully cover the payment to providers for the 20 hours childcare iii) funding in relation to supporting children with additional learning needs.
- 8.2 There are no additional financial implications within the recommendations of this Report.

## **9. Legal Implications**

- 9.1 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.
- 9.2 No formal contractual documentation has been sent from Welsh Government at this stage. This will be scrutinised by the legal department when it is received.

**Background Papers:** EIA

**Appendices:** None