

## SOCIAL & HEALTH CARE OVERVIEW & SCRUTINY COMMITTEE

<b>Date of Meeting</b>	Tuesday, 21 <sup>st</sup> November 2017
<b>Report Subject</b>	Free Childcare Offer
<b>Cabinet Member</b>	Cabinet Member for Social Services Cabinet Member for Education
<b>Report Author</b>	Chief Officer (Social Services) Chief Officer (Education and Youth)
<b>Type of Report</b>	Operational

### EXECUTIVE SUMMARY

This report provides an update on the free Childcare offer and seeks agreement from members to extend the offer to other areas of Flintshire.

The aim of the 30 Hour Childcare Offer is to mitigate against the effects of poverty on outcomes for children and reduce inequalities. The provision of high-quality early education and childcare is central to the Welsh Government's 'Building a Brighter Future', the 10 Year Plan which sets out the Government's commitment to improve the life chances and outcomes of all children in Wales.

In the autumn of 2016 the Cabinet Secretary for Communities and Children sought bids from all 22 Local Authorities to become early adopters of a pilot funded child care scheme. Flintshire's bid to become an early implementer and to pilot the scheme was successful and was selected as one of seven authorities across Wales.

The offer is currently being piloted in three specific areas within Flintshire. We are working with Welsh Government to develop local models for the further full national roll out of the funded childcare offer.

The Childcare Offer undertakes, by the end of the current Welsh Assembly in 2021 to 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. This includes 9 weeks of up to 30 hours funded childcare within the school holiday period, with the aim of supporting families with quality, flexible and affordable care. It will also support economic regeneration and reduce pressures on family income and help parents to participate in work reducing a family's risk of poverty.

The Offer also supports the wellbeing of children through positive and rich childhood experiences.

The development and delivery of the Offer is a joint partnership between Early Years

and Family Support (Social Services) and Early Entitlement (Education and Youth).

The first children took up the offer on 4 September 2017, with 215 applications having been received. Flintshire have been successful in automating the application process enabling parents to register on line and self-select registered childcare providers from the registered 134 providers.

The original figure of 441 children will be increased to 748 children, is subject for approval by cabinet.

## RECOMMENDATIONS

1	Members to consider the progress made with the implementation of the Childcare offer and the proposed extension of the pilot to all areas within Flintshire.
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## REPORT DETAILS

<b>1.00</b>	<b>THE CHILDCARE OFFER FOR WALES</b>
1.01	The Childcare offer will, by the end of the current Welsh Assembly in 2021, aim to 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. This includes 9 weeks within the school holiday periods.
1.02	<p>The funded childcare offer will combine the successful Foundation Phase (Early Entitlement) provision during term times with additional childcare. During the weeks of the year when Early Entitlement is not provided, qualifying children can receive up to 30 hours of childcare, supporting working families with the costs of holiday care.</p> <p><b>Example:</b> Child's date of birth: 21 December 2014 – they will be 3 on 21 December 2017. This entitles the child to attend Foundation Phase education for a minimum of 10 hours per week, from the term after their 3<sup>rd</sup> birthday (January 2018 – July 2018).</p> <p>Providing the child's parent is a 'working parent' and satisfies the eligibility criteria the child can also receive up to a further 20 hours childcare during the term time, making a total of 30hrs. This may be at the same childcare setting or an alternative arrangement with up to 3 registered childcare settings. Settings have to be registered with the Care and Social Services Inspectorate Wales (CSSIW).</p>
1.03	The Welsh Government want the offer to be as clear and easy to access as possible, for parents and childcare providers. Flintshire has developed

	a simple electronic application form, similar to the school admissions process. The form automatically checks whether parents meet the eligibility criteria and whether they live in one of the pilot areas.
1.04	The scheme allows parents to choose the provider that best suit their circumstances subject to availability of places. Since May 2017, there have been several workshops with providers and childcare organisations to inform them of the offer and how it will be developed in Flintshire.
1.05	The Welsh Government are monitoring the availability and accessibility of childcare in different parts of Wales and seeing if it matches what parents need. They will reviewing the nature of childcare issues and barriers facing parents and providers and what can be done to overcome them. One of the issues that Flintshire has identified it will test through the pilot is working with Cheshire concerning cross-border take up.
1.06	The first year of the Offer is a pilot and will seek to test and learn from: <ul style="list-style-type: none"> <li>➤ How accessible and easy it is for parents to access the offer;</li> <li>➤ How accessible and easy it is for providers to provide the offer;</li> <li>➤ How the offer fits alongside Flying Start and the Early Years Foundation Phase (Early Entitlement).</li> </ul>
1.07	The pilot will also provide an opportunity to identify any issues that may surface for parents, local authorities and childcare settings as a result of providing and testing the offer and how these issues can be addressed.
1.08	In March the Cabinet Secretary published a statement on the offer detailing the eligible areas to be included in the Flintshire pilot and the rationale supporting the selection of the areas: <p>Flintshire initially tested the Childcare Offer in the three areas at Bagillt, Broughton and Buckley. Approval for a rollout across Flintshire will see maximisation of the grant and provide support for up to 748 children.</p> <p>Extending the Offer will test the areas of low and high employment, across travel to work routes, including travel outside Wales and through a mixture of maintained and non-maintained settings.</p> <p>The Offer will test the capacity and demand of childcare with how it fits with the Foundation Phase (Early Entitlement) and Welsh medium provision.</p> <p>Testing the Offer more widely will allow the Welsh Government to make sure they learn what works and what doesn't in the delivery of the Offer, in readiness for the rollout across the whole of Wales during the lifetime of this Assembly.</p>
1.09	Initially it was estimated that 441 children could be eligible to access the Offer. However, by extending the offer and depending upon take up it may be possible to offer places for up to 748 children for the financial year to 31 March 2018. Work continues with Welsh Government to anticipate and monitor demand and take up.
1.10	It is important to ascertain that there are enough providers and settings for 748 children, so a detailed piece of work is taking place in relation to the

	Childcare Sufficiency Assessment and working with settings to register as a new provider or update an existing CSSIW registration to accommodate 3 and 4 year olds, for childcare.
1.11	A Grant Offer letter was issued to the Authority to provide funding for a planning stage covering the period December 2016 – March 2017. Further grant letters have been received for the term 1 April 2017 to 31 March 2018 for administration; childcare; and Special Educational Needs.
1.12	A comprehensive project plan was developed which continues to be followed, reviewed and updated as the Offer in Flintshire evolves. Regular meetings with Welsh Government officials have helped shape the Offer and ensure that it meets the project objectives. All key milestones set by WG have been achieved ahead of schedule by the Flintshire team.
1.14	In consultation with the Early Implementer Local Authorities, the Welsh Government has developed and continues to update a core script which governs the development of the offer locally. The core script has also been used to develop a series of comprehensive Frequently Asked Questions (FAQ) from the perspective of the childcare provider and the parent. This script and the FAQ continue to evolve as the offer develops.
1.15	In June the Deputy Director for Childcare, Play and Early Years Division of the Welsh Government, indicated that the budget for the offer is in place for the next two years in the first instance. In September, the Deputy Director visited Flintshire to discuss the development of the Offer.
1.16	<p>In June the Cabinet Secretary published a statement on the offer, announcing the rate childcare providers would be paid at £4.50 per hour per child. This rate covers childcare only and does not include food, drink, off-site activities that incur an additional cost or transport. Providers will be able to charge an additional fee for these services if necessary. However, providers will not be allowed to charge more than £7.50 per day for any food and drinks provided.</p> <p>Parents paying for additional hours over the 30 hours available through the Offer and for food, transport and activities will also be able to use the Tax Free Childcare Scheme to help meet these costs.</p> <p>The scheme in Wales is not to be confused with the scheme in England which is different.</p>
1.17	<p>Periodically, during the time parents receive the offer, they will be required to reconfirm their eligibility for the offer. Parent eligibility checks will be carried out as follows:</p> <p>100% of parents will be asked to provide evidence of eligibility when making an application for the first time.</p> <p>100% of parents receiving the offer will be asked to re-confirm eligibility via a tick box at the beginning of each term.</p> <p>20% of parents receiving the offer will be asked to provide evidence of eligibility within each term.</p>

1.18	<p>As the £4.50 childcare rate provided by Welsh Government is higher than the rate received by providers of Early Entitlement Education from Councils, a risk has been identified that parents may be encouraged to take the full childcare hours and not take up their early education hours. An advisory group has been established by the Welsh Government to monitor this issue. Flintshire will also carefully monitor any trends or patterns in changes to Early Entitlement Education uptake.</p> <p>In some areas, schools are meeting the childcare demand by parents. However, this does require schools to register with CSSIW. Support is provided by Family Information Service. All Flintshire schools have been issued with guidance. Parent choice is a factor and this choice may impact on schools. This will be monitored carefully to investigate how the maintained sector can service the choice made by parents.</p>
1.19	<p>In August Welsh Government announced more funding to support the roll out of the Offer and to encourage childcare providers to access business support to help them be more sustainable. Business Wales will begin offering proactive support to childcare sector businesses later this Autumn. It is hoped this support may encourage providers to expand to meet the demand for childcare during school holidays.</p>
1.20	<p>The Offer is designed to be inclusive and so children with Special Educational Needs (SEN)/Additional Learning Needs (ALN) will be supported to access their place. Where specialist provision is required, ALN funding has been issued in a separate offer letter to Early Implementer Local Authorities, who will administer this element of funding, working closely with the chosen childcare provider to meet the needs of the child.</p>
1.21	<p>Online systems and procedures have been developed to allow parents to check their eligibility for the offer and apply for the offer online.</p> <p>The online system will also assist in the Welsh Government's requirement for Flintshire to sufficiently store and manage data collection to enable the monitoring and evaluation of the performance and impact of the offer locally.</p> <p>Further, the online system will also assist in the completion of relevant reports to government, the advisory group and wider partners on a weekly, monthly and termly basis as required.</p> <p>The online system has been viewed by the Welsh Government and they are satisfied Flintshire has a cost effective and suitable data collection system in place, which is also compliant with data protection requirements.</p>
1.22	<p>The Flintshire Childcare Offer Advisory Group meet regularly to develop the offer and provide guidance and direction to the project team. The advisory group representation consists of individuals from Flying Start, Family Information Service, Early Entitlement, childcare development and childcare umbrella organisations e.g. Mudiad Meithrin, National Day Nurseries Association, PACEY (Childminders) and Wales Pre-School Providers Association.</p>

1.23	The next steps of the scheme include enhancing the online system, checking parent eligibility via email notification on a termly basis and developing online provider claim forms to assist in the timely payment of registered childcare offer approved providers.
1.24	Also we will further roll out the offer and maximise the take up of the Offer by continuing to publicise and promote the offer in a variety of ways, including the physical distribution of posters, presentations to schools, community and town councils, childcare providers and through the use of social media and the Public Service Board.
1.25	Workshops will be held to update providers on the development of the Offer locally. Providers will be introduced to the Childcare Offer Claim Form and be supported with systems. The next phase of the Welsh Government's #TalkChildcare campaign will not only help inform the Childcare Offer, but work with the sector to help it grow and to thrive across Wales. A new survey for Childcare providers is available on our webpages:  <a href="http://gov.wales/topics/people-and-communities/people/children-and-young-people/childcare/talk-childcare/?lang=en&amp;sdha">http://gov.wales/topics/people-and-communities/people/children-and-young-people/childcare/talk-childcare/?lang=en&amp;sdha</a>
1.26	We will work with Welsh Government and Arad Research who will monitor and evaluate the Offer from September 2017 and provide the required monitoring information to enable the production of reports.

<b>2.00</b>	<b>RESOURCE IMPLICATIONS</b>
2.01	There are no immediate financial implications for Flintshire County Council resulting from the 'the Offer' this is a fully grant funded programme by the Welsh Government. The grant is administered by the local authority as the accountable body.  Should in the future Welsh Government decide to end the scheme there may be some redundancy costs.
2.02	The Welsh Government has provided a budget for the administration of the offer locally for 2016/17 and 2017/18. This is a separate grant to the payments to settings.

<b>3.00</b>	<b>CONSULTATIONS REQUIRED / CARRIED OUT</b>
3.01	Locally, the Childcare Sufficiency Assessment has been undertaken as well as a provider event which was held on the 4 May 2017 and 13 September. Further consultations will be conducted as the offer develops.
3.02	A detailed consultation exercise called <b>#talkchildcare</b> was undertaken nationally by the Welsh Government. Engagement through the consultation resulted in 3768 responses from parents online; 180 queries and comments;

	2000 parents spoken to at roadshows; 262 providers involved; 64 parents participated in focus groups; 6250 responses in total. Initial findings of the consultation have been published by the Welsh Government.
3.03	Phase two of the <b>#talkchildcare</b> consultation commenced October 2017. The focus of this phase of the consultation will be on the views of providers. It will build on consultation already undertaken with providers. The main themes will include Business Support and sustainability of the sector in relation to the delivery of the offer.

<b>4.00</b>	<b>RISK MANAGEMENT</b>
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4.01	<p>Risks to the project</p> <ul style="list-style-type: none"> <li>• Not having sufficient registered childcare settings to provide places for 748 children, enabling parental choice. In mitigation there is a phased approach to the implementation - early indications are that Flintshire will have sufficient quality childcare, however, due to the tight timeframes and school summer holidays it may be that schools will want to offer education and childcare but will not be able to offer places initially or will need to work through a different model of delivery.</li> <li>• Not signing up enough parents to achieve the target number of children signed up for childcare through the Offer. In mitigation, childcare places filled already are being monitored closely on a weekly basis. Reserve eligible areas have been identified, which the offer can be extended to in Flintshire if required and if approved by the Welsh Government.</li> <li>• As the Offer includes up to 30 hours of childcare during school holidays, holiday provision has been identified (using data from the childcare sufficiently assessment) as an area that requires further development. In mitigation, providers are being encouraged to extend provision during the school holidays to meet potential demand with assistance from the Flintshire Childcare Development Officer.</li> </ul>
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<b>5.00</b>	<b>APPENDICES</b>
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5.01	<p>Appendix 1: 3-4 Year Childcare Offer - Provider FAQ.  Appendix 2: 3-4 Year Childcare Offer - Parent FAQ.  Appendix 3: 3-4 Year Childcare Offer - Parent Poster.</p>
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<b>6.00</b>	<b>LIST OF ACCESSIBLE BACKGROUND DOCUMENTS</b>
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6.01	None.
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## 7.00 GLOSSARY OF TERMS

7.01 **The Childcare Offer**<sup>1</sup>: 30 hours of funded childcare and education for 3 and 4 year olds, in working families for 48 weeks a year.

**Working parents**: both parents are working (or the sole parent is working in a lone parent family), with each parent earning, on average, a weekly minimum equivalent to 16 hours at national minimum wage (NMW) or national living wage (NLW). Some of this is still to be defined as the work develops.

**Foundation Phase**: the statutory curriculum for all 3 to 7 year olds in Wales, in both maintained and non-maintained settings.

**CSSIW**: Care and Social Services Inspectorate Wales.

**Childcare Sufficiency Assessments**: A report that brings together a range of different data and information to develop a picture of the current childcare market and to identify whether there are any gaps in supply.