

Cynulliad Cenedlaethol Cymru | National Assembly for Wales  
Y Pwyllgor Plant, Pobl Ifanc ac Addysg | Children, Young People and  
Education Committee  
Bil Cyllido Gofal Plant (Cymru) | Childcare Funding (Wales) Bill  
CCF 04  
Ymateb gan: PACEY Cymru  
Response from: PACEY Cymru

## **PACEY Cymru response to the Children, Young People and Education Committee consultation on the Childcare Funding (Wales) Bill- May 2018**

### **1. Background**

This is PACEY Cymru's response to the Children, Young People and Education Committee consultation. PACEY Cymru are grateful for the opportunity to put forward information for consideration under this consultation. This response is provided in relation to our area of expertise, which is from the perspective of the childcare and early years sector. PACEY Cymru are part of the Cwlwm consortium who have also submitted a joint consultation response which echoes many of the comments below.

PACEY Cymru have the following comments to make

#### **The general principles of the Childcare Funding (Wales) Bill and whether there is a need for legislation to deliver the Bill's stated policy objectives.**

- 1.1. PACEY Cymru agree that the Childcare Funding (Wales) Bill contributes to fulfilling the commitment to provide 30 hours a week of Welsh Government funded early education and Childcare for up to 48 weeks a year to parents in Wales who work and who have children aged 3 and 4.
- 1.2. We also agree with the principle of establishing a single national system to operate the payment system. This will avoid a situation where each Local Authority develops their own system (which could lead to 22 individual separate on-line systems for verifying eligibility).
- 1.3. There are advantages in using one consistent, national system for applications and to verify eligibility for both parents and carers and providers. It would mean that all parents, carers and providers across Wales have access to the same service, the same support, and that eligibility requirements are applied consistently.
- 1.4. Although we recognise the benefits of an on-line system to facilitate processing applications, there is also a need to provide support for individuals who are unable to use or access the on-line system for whatever reason. This could mean providing support for an individual to complete the on-line form.

1.5. We would also note the need to use clear language and terminology to ensure that parents, carers and providers understand the information they need to provide and any evidence they need to submit in support of their application.

1.6. PACEY Cymru feels strongly that the child should be central to the planning of any arrangements and this comes across strongly in the Bill.

**Any potential barriers to the implementation of the key provisions and whether the Bill takes account of them.**

2.1 PACEY Cymru are aware that understanding and accessing the range of childcare options available can be time consuming for parents and carers. At present, Local Authorities deliver and administer schemes such as Flying Start and Early (3 year old) Education in different ways which can be confusing for parents and carers.

2.2 The implementation of the key provisions of the Childcare Funding (Wales) Bill needs to ensure that the systems are clear and easy for parents and carers to understand.

2.3 We note the need to provide clear guidance and examples for parents, carers and providers with regards to the eligibility criteria for the childcare funding. Parents and carers on zero hours contracts will need specific advice to ensure that they keep the required evidence of their work hours.

2.4 We note the importance of continuing to monitor and evaluate the scheme in the early implementation areas as it is expanded to other Local Authority areas and the importance of continuing to engage with PACEY Cymru, Cwlwm partners and other representatives within the sector as the scheme develops and expands across Wales. This continued discussion will facilitate the provision of sufficient accessible, affordable childcare options in each area.

2.5 Consideration should be given to ensuring that there is sufficient choice of different types of childcare provision offered in each area where there is a need and ensuring that existing provision is not displaced. The need for childcare settings providing the Offer to be registered with Care Inspectorate Wales (CIW) is a positive criterion. It is a mark of quality and ensures that the children are being cared for by qualified staff in settings with comprehensive policies and procedures in place.

2.6 Although outside of the scope of this Bill we strongly believe that childcare accessibility needs to be considered in relation to the current issues facing registered childminders caring for related children. Current issues are

impacting on childcare sustainability and on well-being outcomes for children and research has shown this issue will grow as the Childcare Offer is expanded especially in rural and Welsh speaking areas and for children with additional needs. Issues around accessibility have arisen specifically in relation to childminding settings where childminders are caring, or will be caring for related children and parents are looking to access funding under the Childcare Offer to support the cost of this. The change of guidance in December 2017, linking to the Exceptions Order, states that a person who looks after a child under the age of twelve on domestic premises for reward does not act as a child minder if the person is a parent, or a relative of the child or is a foster parent for the child. The Exceptions Order goes on to define relative as '*a grandparent, brother, sister, uncle or aunt (whether of the full blood or the half blood or by marriage or civil partnership) or step parent.*' Though we understand the legalities of this we strongly believe that a change in the law, or interpretation of this, is needed to ensure childminders can deliver the Childcare Offer going forward to relatives who are not resident with them. The scope for those who could potentially be providing care for related children is huge and in some rural communities where a related childminder is the only option this would impact on access to funded childcare through the offer.

This is also likely to impact significantly on childminder's sustainability given that to make financial savings relatives will look to access the funded Childcare Offer in other childcare settings and a childminder may not be able to backfill the spaces created. This will also impact on local childcare sufficiency. The 'ban' on related children in Wales is unique to childminders; individuals working in or owning a nursery or pre-school are permitted to claim the entitlement for related children, including their own children, so there is not parity across the sector.

The Welsh Government has a focus on well-being across the social care, childcare and education sectors however the current position does not align to supporting children's well-being. Children who are settled and feel secure in a setting will have to move to an unfamiliar setting away from the childminder and from other children with whom they have grown close relationships and attachments.

We are aware of situations where this change in position has meant families with long term private childcare arrangements with childminders are having now to make a choice as to whether to continue with their current private childcare arrangement, and the financial cost of this, or move children to a setting where they can access the funding greatly disrupting continuity of care. This can be particularly detrimental if the child has a disability or special educational need.

The previous guidance provided by Welsh Government that PACEY Cymru shared and held up as an example of Wales leading the way in order to support childcare sustainability and a proportionate approach was that a grandparent or other relative could deliver the funded Childcare Offer if the care was provided wholly or mainly outside of the child's home and believe this is the position that should be followed or legislated for.

2.7 Although the step where childcare providers verify the eligibility of a child to access the funding is outside the scope of this Bill, we note the need to ensure that the process for providers to claim and receive payments is clear and easy to use.

2.8 We also note the need to ensure that the process of re-confirming eligibility for funding is easy to understand and provides answers in a timely manner. The systems employed for re-confirming eligibility should not disadvantage parents, carers or providers.

#### **Are there any unintended consequences arising from the Bill?**

3.1 PACEY Cymru agree that providing support to parents and carers who work with the cost of childcare contributes towards eliminating one of the possible barriers to employment. In turn, this contributes to strengthening the economy and decreasing the number of children who live in poverty. We note the need to ensure that the administrative processes for delivering the scheme are clear and easy to understand.

3.2 In considering the Welsh Government's preferred option for verifying eligibility is to appoint HMRC to deliver and operate the application and verification system, and that this is based on the system developed to administer the current scheme in England, we note the need to ensure that the system is available in both Welsh and English (please also refer to 1.5).

3.3 Should the preferred option of using HMRC to administer the eligibility checks be chosen, parents and carers also need to be made aware of the local arrangements for applying for the 10 hours of early education funding to which all children are entitled.

3.4 As the provision of the early education entitlement varies from area to area, clear information will need to be provided to parents, carers and providers about how many childcare hours they are entitled to in each Local Authority area and that they have a choice regarding elements of provision such as language. Again although outside of the scope of this Bill, PACEY Cymru strongly believe that more prescriptive guidance in relation to the balance between the childcare and Early Years Education elements of the offer needs to be considered to support consistency of access and parental choice for children, parents and carers and parity of opportunity for

childcare, non-maintained settings and maintained schools and settings in Wales.

3.5 Whilst the step where childcare providers verify the eligibility of a child to access the funding is outside the scope of this Bill, we see this as an essential aspect of ensuring the success of the Childcare Offer. We note the need to ensure that the administrative process for delivering this aspect of the scheme are clear and easy to understand by the providers.

3.6 We note the need to ensure that the system is available in both Welsh and English.

3.7 In receiving government funding for childcare places for 3-4 year olds, childcare providers not currently running to capacity (due perhaps to rurality or deprivation), may become more sustainable and therefore more reliable for families (and more reliable employers). The Offer also provides significant opportunity for successful providers to extend further to meet demand.

#### **The financial implications of the Bill (as set out in Part 2 of the Explanatory Memorandum).**

4.1 PACEY Cymru would like to note the importance of continuing to discuss with us, Cwlwm partners and with other representatives from the sector as the regulations for the administrative and payment elements of the childcare funding are developed to draw on our experience and expertise.

4.2 We stress the importance of implementing a clear timetable for verifying claims made by parents and carers, with a maximum timescale noted in the regulations.

4.3 PACEY Cymru believe that over time further consideration should be given to developing a Wales-specific system to respond to the requirements of Welsh policy in future if tax raising powers and systems grow in Wales.

4.4 As previously noted in points 2.7 and 2.8, we note the need to ensure that the process for providers to claim and receive payments is clear and easy to use, and ensures that providers receive the payments in a timely manner.

**The appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum).**

- 5.1. We agree that the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Chapter 5 of Part 1 of the Explanatory Memorandum) are appropriate.
- 5.2. Again, we note the importance of continuing to discuss with PACEY Cymru, Cwlwm partners and with other representatives from the sector as the regulations for the administrative and payment elements of the childcare funding are developed.

### **About PACEY Cymru**

PACEY is the Professional Association for Childcare and Early Years. Formed in 1977, we are a charity dedicated to supporting childcare professionals to deliver high quality care and early learning for children. We provide expert support, training and resources to childcare professionals across England and Wales and offer advice and peer support through our nationwide network of PACEY local groups. We represent the views and experiences of practitioners to government, regulators and decision makers and champion their vital role in helping children get the best start in life.

PACEY Cymru supports members and people working in childcare in Wales to provide the best possible standards of care for children. We work with the Welsh Government, local authorities and agencies to ensure families across Wales have access to affordable, quality childcare.

PACEY Cymru is supported by funding by the Welsh Government. We're one of five leading childcare organisations working together through the Welsh Government-funded consortium Cwlwm (Childcare Wales Learning and Working Mutually).

Cwlwm is made up of five organisations with Mudiad Meithrin as the lead organisation. The five 'Cwlwm' organisations are Clybiau Plant Cymru Kids' Clubs, Mudiad Meithrin, National Day Nurseries Association (NDNA Cymru), PACEY Cymru and Wales Pre-School Providers Association (Wales PPA) which brings together the five leading childcare organisations in Wales to deliver a bilingual integrated service that will ensure the best possible outcomes for children and families across Wales.