

**Consultation on the Childcare Funding (Wales) Bill by The Children Young
People and Education Committee, National Assembly for Wales**

About Cwlwm

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.

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. Cwlwm organisations 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, and providing an option of completing the application on paper where required.

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.

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

2.1 Cwlwm organisations 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. In many counties, there is a lack of Care Inspectorate Wales (CIW) registered childcare, particularly during school holidays. There are many reasons for this: lack of qualified staff (and lack of availability and funding for training, specifically in Playwork with the change to qualification requirements coming in by 2021); difficulties in retaining staff (due to low wages, need for qualifications, insufficient hours available in the case of Out of School Clubs, and early years sessional care); lack of registerable venues; many headteachers/caretakers not wanting Holiday Clubs on school sites during school holidays, as well as availability of community buildings for extending childcare services.

2.5 In addition, we note the importance of continuing to engage with Cwlwm organisations and other representatives of the non-maintained 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.

- 2.6 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. However, there are certain schemes/clubs that are detrimental to the aim of developing and sustaining registered childcare, particularly prevalent during school holidays. These include Holiday Activity Clubs (e.g. multi sports clubs that offer a range of activities and arts and crafts but view themselves as exempt from registration) and School Holiday Enrichment Programme (SHEP) Clubs. Whilst there is value to the SHEP Program's aims and achievements, if the clubs continue to be rolled out with an untargeted approach, families will continue to use them as a 'cheap childcare' option, impacting on the sustainability of local registered Out of School Childcare Clubs and day nurseries. These competing clubs/schemes not only impact on the sustainability of registered provision, but also prevent new development (as these are viewed as unfeasible due to the competition from these alternative clubs) and impacts on the morale of the owners/staff at existing Out of School Childcare Clubs, who struggle to see the value in remaining registered and having to meet the National Minimum Standards when other local, unregistered clubs do not.
- 2.7 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.
- 2.8 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.
- 2.9 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 Cwlwm organisations 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.
- 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 30 hour 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.
- 3.8 We are aware that parents struggle with childcare fees and we have noticed over the past several years that holiday clubs have opened for fewer and fewer weeks of the year due to the lack of demand relating to cost. The Offer – in making childcare more affordable – will boost demand, which should result in providers re-instating holiday care for up to 13 weeks of the year, offering more reliability and continuity for families across Wales.

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

4.1 As Cwlwm brings together the five leading childcare organisations in Wales, we note the importance of continuing to discuss with us and with other representative from the non-maintained sector as the regulations for the administrative and payment elements of the childcare funding are developed.

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 With regard to the fact that the preferred option is to use HMRC to administer and verify claims made to the scheme, and that this has been and is developed to meet the needs of policy requirements for England, will this eventually lead to developing a Wales-specific system to respond to the requirements of Welsh policy in future?

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 Cwlwm partner organisations and with other representatives from the non-maintained sector as the regulations for the administrative and payment elements of the childcare funding are developed.