

# Agenda – Children, Young People and Education Committee

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Meeting Venue:

Committee Room 3 – The Senedd

Meeting date: 24 May 2018

Meeting time: 09.15

For further information contact:

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## Private Pre-meeting

(09:15 – 09:30)

### 1 Introductions, apologies, substitutions and declarations of interest

(09:30)

### 2 Childcare Funding (Wales) Bill – evidence session 3

(09:30 – 10:30)

(Pages 1 – 41)

#### Cwllwm

Claire Protheroe, Direct Services Manager (Wales) – PACEY Cymru

Jane O’Toole, Chief Executive Officer – Clybiau Plant Cymru Kids Clubs

Jane Alexander, Chief Executive Officer – Wales Pre-school Providers  
Association

Angharad Starr, Project Manager – Mudiad Meithrin

Sandra Welsby, National Manager – National Days Nurseries Association  
(NDNA) Cymru

Attached Documents:

Research Brief

CYPE(5)-16-18 – Paper 1 – Cwllwm



Cynulliad  
Cenedlaethol  
Cymru

National  
Assembly for  
Wales

CYPE(5)-16-18 – Paper 2 – Mudiad Meithrin (Welsh Only)  
CYPE(5)-16-18 – Paper 2 – Mudiad Meithrin (Internal only)  
CYPE(5)-16-18 – Paper 3 – Clybiau Plant Cymru Kids' Club  
CYPE(5)-16-18 – Paper 4 – Wales Pre-school Providers Association  
CYPE(5)-16-18 – Paper 5 – PACEY Cymru  
CYPE(5)-16-18 – Paper 6 – National Days Nurseries Association (NDNA)  
Cymru

## **Break**

(10:30 – 10:45)

## **3 Childcare Funding (Wales) Bill – evidence session 4**

(10:45 – 11:30)

(Pages 42 – 47)

### **Chwarae Teg**

Cerys Furlong, Chief Executive

Attached Documents:

CYPE(5)-16-18 – Paper 7

## **4 Childcare Funding (Wales) Bill – evidence session 5**

(11:30 – 12:15)

(Pages 48 – 49)

### **HM Revenue & Customs**

Phil Mattacks, Tax Free Childcare Design Engagement & Rollout Team,  
Transformation

Attached Documents:

CYPE(5)-16-18 – Paper 8

## **5 Paper(s) to note**

### **5.1 Letter from the Cabinet Secretary for Education – School Uniform Grant**

(Pages 50 – 52)

Attached Documents:

CYPE(5)-16-18 – Paper to note 1

### **5.2 Letter to the Cabinet Secretary for Education – Educational Improvement Grant (EIG): Gypsy, Roma and Traveller, and Minority Ethnic learners**

(Pages 53 – 54)

Attached Documents:

CYPE(5)-16-18 – Paper to note 2

### **5.3 Letter from the Cabinet Secretary for Education – School Organisation Code**

(Pages 55 – 56)

Attached Documents:

CYPE(5)-16-18 – Paper to note 3

### **5.4 Letter to the Cabinet Secretary for Education – Welsh Government draft budget information**

(Pages 57 – 60)

Attached Documents:

CYPE(5)-16-18 – Paper to note 4

### **5.5 Letter from the Llywydd – Senedd@Delyn**

(Page 61)

Attached Documents:

CYPE(5)-16-18 – Paper to note 5

**6 Motion under Standing Order 17.42(ix) to resolve to exclude the public from the meeting for the remainder of the meeting.**

**7 Childcare Funding (Wales) Bill – consideration of the evidence**  
(12:15 – 12:25)

**8 Inquiry into Targeted Funding to Improve Educational Outcomes – consideration of the draft report**  
(12:25 – 13:25) (Pages 62 – 179)

Attached Documents:

CYPE(5)-16-18 – Paper 9

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**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.

Mudiad Meithrin yw'r prif ddarparwr a hwylusydd gofal ac addysg cyfrwng Cymraeg yn y sector wirfoddol drwy rwydwaith genedlaethol o Gylchoedd Meithrin, Cylchoedd Ti a Fi, gofal cofleidiol a meithrinfeydd dydd cyfrwng Cymraeg.

Ein prif nod yw rhoi cyfle i bob plentyn ifanc yng Nghymru fanteisio ar wasanaethau a phrofiadau blynyddoedd cynnar trwy gyfrwng y Gymraeg. Credwn hefyd ei bod yn bwysig sicrhau cyfle i bob plentyn elwa o brofiadau a gweithgareddau blynyddoedd cynnar o fewn y gymuned leol.

Cymdeithas wirfoddol genedlaethol o Gylchoedd Meithrin, Cylchoedd Ti a Fi, gofal cofleidiol a meithrinfeydd dydd Cymraeg yw Mudiad Meithrin.

Sefydlwyd Mudiad Meithrin ym 1971. Erbyn hyn, wedi tyfu'n aruthrol, mae tua 1000 o Gylchoedd Meithrin, Cylchoedd Ti a Fi, grwpiau 'Cymraeg i Blant' a meithrinfeydd dan faner Mudiad Meithrin. Mae'r rhain yn darparu profiadau blynyddoedd cynnar i oddeutu 22,000 o blant bob wythnos. Yn ogystal, mae'r Mudiad yn gweithio yn agos iawn gyda rhieni er mwyn darparu cymorth a chyngor i'w galluogi i ddatblygu a chefnogi gwaith y cylchoedd yn y cartref.

O ganlyniad, rydym yn gweithio gyda phlant a theuluoedd o amryw o gefndiroedd cymdeithasol-economaidd. Rydym yn cydweithio gyda chynllun Dechrau'n Deg i ddarparu cyfleoedd yn yr ardaloedd mwyaf difreintiedig, a gyda'r awdurdodau addysg lleol i gynnig llefydd addysg rhan amser i blant 3 oed yn eu cymuned leol.

Yn ogystal, rydym yn darparu hyfforddiant cyfrwng Cymraeg i ennill cymwysterau blynyddoedd cynnar. Gwneir hyn trwy gyd-weithio ag ysgolion uwchradd i ddarparu cyrsiau i ddisgyblion ysgol, a thrwy'r cynllun hyfforddi cenedlaethol ar draws 5 safle daearyddol. Darperir cyrsiau hyfforddi yn seiliedig ar ddysgu yn y gweithle gan rwydwaith o diwtoriaid, aseswyr a dilyswyr mewnol. Er mwyn cyflawni hyn, mae Mudiad Meithrin yn elusen gofrestredig sy'n cyflogi dros 200 o bobl, yn staff cenedlaethol a sirol ac mewn meithrinfeydd dydd, gyda 2000 o staff ychwanegol yn gweithio yn y cylchoedd ei hunain.

Cefnogir y cylchoedd gan rwydwaith cenedlaethol o staff proffesiynol sy'n eu cynghori ar amrediad o faterion er enghraifft hybu ymarfer da, hyfforddiant staff a chyswllt ag Awdurdodau Lleol.

**Egwyddorion cyffredinol y Bil Cyllido Gofal Plant (Cymru) ac a oes angen deddfwriaeth er mwyn cyflawni'r amcanion polisi a nodwyd yn y Bil.**

- 1.1. Cytunwn fod y Bil Cyllido Gofal Plant (Cymru) yn cyfrannu tuag at gyflawni'r ymrwymiad i ddarparu 30 awr yr wythnos o addysg gynnar a gofal plant a ariennir gan Lywodraeth Cymru i rieni sydd yn gweithio sydd â phlant tair a phedair oed yng Nghymru am hyd at 48 wythnos y flwyddyn.
- 1.2. Cytunwn hefyd gyda'r egwyddor o sefydlu un system genedlaethol ar gyfer gweithredu'r system taliadau. Mae hyn yn osgoi sefyllfa ble gellir gweld 22 system wahanol yn cael eu datblygu gan Awdurdodau Lleol, fyddai o bosib yn datblygu systemau dwyieithog ar-lein a gwirwyr cymhwysra gwahanol.
- 1.3. Gwelwn fanteision i ddefnyddio system gyson a chenedlaethol ar-lein ar gyfer ymgeisio am a gwirio cymhwysra ar gyfer cyllid gofal plant. Bydd hyn yn golygu y bydd pob rhiant a gwarchodwr yng Nghymru yn cael mynediad i'r un gwasanaeth, yr un gefnogaeth a bod y rheolau yn cael eu cymhwyso'n gyson i bawb.
- 1.4. Er hynny, nodwn yr angen i sicrhau cefnogaeth bwrpasol i'r sawl sydd yn methu defnyddio neu fanteisio ar system ar-lein am amryw o resymau gwahanol. Cyfeiriwn yn benodol at yr angen i alluogi unigolion i dderbyn cymorth i lenwi'r ffurflen ar-lein, a chynnig opsiwn o lenwi ffurflen papur ble mai dyma sydd ei hangen er mwyn galluogi'r unigolyn i'w cwblhau.
- 1.5. Nodwn hefyd yr angen i sicrhau defnyddio iaith glir ac osgoi jargon er mwyn sicrhau bod y rheini a'r gwarchodwyr yn deall yr hyn sydd angen iddynt ei nodi a'r dystiolaeth mae angen iddynt gasglu at ei gilydd.

**Unrhyw rwystrau posibl rhag rhoi'r prif ddarpariaethau ar waith, ac a yw'r Bil yn ystyried y rhwystrau hynny.**

- 2.1 Nodwn fod mynediad at, a darpariaeth gofal plant yn gallu bod yn gymhleth i rieni ei ddeall. Yn gyfredol, ceir Awdurdodau Lleol yn darparu ac yn gweinyddu cynlluniau megis Dechrau'n Deg ac Addysg Gynnar (3 oed) mewn ffyrdd gwahanol, sydd yn gallu bod yn ddryslyd i rieni a gofalwyr. Wrth roi prif ddarpariaethau'r Bil Cyllido Gofal Plant (Cymru) ar waith, rhaid oes sicrhau bod y systemau a fabwysiedir yn dryloyw ac yn hawdd i rieni a gofalwyr eu deall.
- 2.2 Cynigwn yr angen i ddarparu canllawiau clir i rieni a darparwyr ar gyfer hyrwyddo'r elfen cymhwysra ar gyfer cyllid gofal plant. Rhagwelwn y bydd angen cefnogi rhieni a gofalwyr sydd ar gontractau dim oriau i sicrhau eu bod yn cadw tystiolaeth o'u horiau gwaith.

2.3 Nodwn bwysigrwydd parhau i werthuso a monitro'r broses o weithredu'r cynllun yn ardaloedd y gweithredwyr cynnar wrth ehangu'r cynllun i awdurdodau lleol eraill.

2.4 Yn atodol, nodwn bwysigrwydd parhau i drafod gyda'r sefydliadau ymbarél a chynrychiolwyr o'r sector nas-gynhelir wrth ddatblygu ac ehangu'r cynllun ledled Cymru, er mwyn sicrhau bod darpariaeth gofal plant digonol ar gael i rieni a gwarchodwyr, yn hygyrch yn fforddiadwy ac yn lleol ym mhob ardal o Gymru.

2.5 Dylai ystyriaeth o ddewis digonol o ddarpariaethau gofal plant sicrhau cyflenwad digonol o ddarpariaethau cyfrwng Cymraeg ledled Cymru.

2.6 Er nad yw'r cam lle mae darparwyr gofal plant yn cadarnhau cymhwysra'r plentyn o fewn cwmpas yr asesiad ar y Bil, nodwn y bydd rhaid sicrhau systemau hawlio a thalu clir ar gyfer darparwyr sydd yn cynnig llefydd gofal plant y cynnig 30 awr. Dylai'r systemau hyn ystyried a nodi amledd y taliadau i'r darparwyr.

2.7 Yn atodol, cyfeiriwn at yr angen am systemau clir, hawdd i'w ddeall, ac amserol er mwyn i ddarpariaethau fedru cadarnhau bod sawl sydd yn cael mynediad at y cynnig gofal plant yn parhau'n gymwys. Rhaid sicrhau bod y mecanwaith ar gyfer yr ailwiriadau ddim yn anfanteisio rhieni a gwarchodwyr, y plant na'r darparwyr wrth ei weithredu.

### **A oes unrhyw ganlyniadau anfwriadol o'r Bil?**

3.1 Fel prif ddarparwr gofal ac addysg cyfrwng Cymraeg yn y sector wirfoddol yng Nghymru, cytunwn fod sicrhau darpariaeth o ansawdd ar gyfer y blynyddoedd cynnar sy'n fforddiadwy ac yn hygyrch ac ar gael ar adegau pan fo'i hangen ar rieni yn hollbwysig.

3.2 Cytunwn hefyd bod cynnig help i rieni sy'n gweithio gyda chostau gofal plant yn cyfrannu at ddileu un o'r rhwystrau posibl rhag cael cyflogaeth, ac o ganlyniad yn cyfrannu tuag at hybu'r economi, ac effeithiau tlodi mewn gwaith a lleihau nifer y plant sydd yn byw mewn tlodi. Nodwn felly'r angen i sicrhau bod y systemau ar gyfer gweinyddu a gweithredu'r cynnig yn glir ac yn hawdd i'w ddehongli a'u dilyn gan rieni a gwarchodwyr yn ogystal â'r darparwyr.

3.3 Gan ystyried mai'r opsiwn a ffafriwyd gan Lywodraeth Cymru yw bod Cyllid a Thollau Ei Mawrhydi (CThEM) yn darparu ac yn gweithredu'r system ymgeisio a gwirio cymhwysra, a bod hyn yn seiliedig ar y system a ddefnyddir i weinyddu cynllun Lloegr, pwysleisiwn yr angen i sicrhau bod y system hon ar gael, ac yn weithredol, yn y Gymraeg a'r Saesneg yn gydamserol.

3.4 Os defnyddir system CThEM, yr opsiwn a ffafriwyd, ar gyfer cynnal gwiriadau'r cynllun, rhaid bydd sicrhau bod rhieni a gofalwyr yn ymwybodol o'r trefniadau lleol i geisio am y 10 awr o addysg gynnar y mae gan y plant yr hawl iddynt. Nodwn hefyd, bod darpariaeth oriau addysg gynnar yn wahanol ar draws y siroedd, a bydd angen darparu gwybodaeth glir i rieni am faint o oriau gofal plant sydd ar gael iddynt ym mhob awdurdod lleol.

3.5 Er nad yw'r cam gwirio cymhwysra gan y darparwyr ar gyfer y cyllid gofal plant yn rhan o'r asesiad ar y Bil, gwelwn fod hyn yn elfen hanfodol i sicrhau llwyddiant y cynnig 30 awr. Eto, rhaid i'r systemau ar gyfer gweinyddu a gweithredu'r cynnig yn glir ac yn hawdd i'w ddehongli a'u dilyn gan y darparwyr.

3.6 Rhaid hefyd bod yn ymwybodol am yr angen i'r system fedru gweithio yn ddwyieithog ar bob lefel. Nid yw'r iaith a ddewisir gan riant neu warchodwr ar gyfer cyflwyno cais yn arwyddocaol o iaith y ddarpariaeth y byddant yn dewis ei ddefnyddio.

#### **Goblygiadau ariannol y Bil (fel y nodir yn Rhan 2 o'r Memorandwm esboniadol).**

4.1 Nodwn bwysigrwydd trafod gyda'r sefydliadau ymbarél a chynrychiolwyr o'r sector nas-gynhelir wrth ddatblygu'r rheoliadau ar gyfer y trefniadau ar gyfer gweinyddu a gweithredu'r cynllun cyllido.

4.2 Cyfeiriwn at yr angen i sicrhau bod y system a ddefnyddir ar gyfer ymgeisio a gwirio cymhwysra ar gyfer y cynnig gofal plant yn medru derbyn ceisiadau yn y Gymraeg a darparu allbynnau yn Gymraeg ac / neu yn ddwyieithog yn unol â dewis y rhiant neu warchodwr sydd yn gwneud y cais.

4.3 Nodwn yr angen i sicrhau amserlen glir ar gyfer cymhwyso cais rhieni a gofalwyr i gyllido darpariaeth gofal plant o dan y cynllun, gyda therfyn amser cadarn yn cael ei nodi i hyd bob cais.

4.4 Gan gymryd mai system CThEM a ffafrir, sydd yn seiliedig ar ac a ddatblygir i ymateb i anghenion polisi Lloegr, a fydd hyn yn arwain at ddatblygu system Gymreig, a fydd yn medru ymateb i anghenion unigryw polisi Cymreig yn amserol yn y dyfodol?

**Priodoldeb y pwerau yn y Bil i Weinidogion Cymru wneud is-ddeddfwriaeth (fel y noder yn Mhennod 5 rhan 1 o'r memorandwm Esboniadol).**

- 5.1. Cytunwn bod y pwerau yn y Bil i weinidogion Cymru wneud is-ddeddfwriaeth (fel y noder ym Mhennod 5 rhan 1 o'r memorandwm Esboniadol) yn briodol.
- 5.2. Eto, nodwn bwysigrwydd parhau i drafod gyda'r sefydliadau ymbarél a chynrychiolwyr eraill o'r sector nas-gynhelir wrth ddatblygu'r rheoliadau ar gyfer gweinyddu a thaliadau'r cynllun 30 awr.

By virtue of paragraph(s) vi of Standing Order 17.42

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## **Clybiau Plant Cymru Kids' Clubs**

Clybiau Plant Cymru Kids' Clubs exists to help communities in Wales by promoting, developing and supporting quality, affordable, accessible Out of School Childcare Clubs.

The objects for which the Charity is established are to:

- a) Promote the care and education of children in Out of School Childcare Clubs and to promote the provision of facilities for the play, recreation and other leisure time occupations of such children in the interest of social welfare with the objects of improving their conditions of life.
- b) Advance the education and training of persons providing such care and educational and recreational facilities.
- c) Conduct research into all aspects of the care, education and recreation of such children and to publish the useful results of such research.

Clybiau Plant Cymru Kids' Clubs is a voluntary organisation established on 01 October 2001 and is both a Company Limited by Guarantee and a Registered Charity. The organisation has an elected Board of Trustees and operates on a regional basis with offices in Colwyn Bay, (North Wales); Cross Hands, (West Wales) and Cardiff, (South East Wales).

Clybiau Plant Cymru Kids' Clubs consideration of the consultation on the Childcare Funding (Wales) Bill by the Children and Young People and Education Committee, National Assembly for 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.**

Clybiau Plant Cymru Kids' Clubs agrees that there is a need for legislation to deliver the Bill's stated policy objectives. We know that the cost of childcare is a significant barrier to parents returning to work, and providing government funded childcare for 3-4 year olds will support parents to return to work/increase working hours/improve employment choices as well as boosting household finances tackling 'in work poverty' and the poverty of workless households.

The Bill will ensure a standardised approach across Wales for delivering 'the Offer', ensuring people across Wales face the same process/eligibility criteria, regardless of the local authority in which they live, creating a uniform approach

The Bill provides a legal framework to better enable processes to run smoothly and to make responsibilities clear (e.g. under what situations fines could be payable, by whom and how much). It also proposes HMRC to facilitate the collection and consideration of data to determine eligibility of parents to access the Offer and impose sanctions, which will offer a national and consistent approach. Replicating delivery of a national application and eligibility checking system from a similar system that has been running in England for the last 3 years seems prudent.

### **Potential barriers to the implementation of the key provisions and whether the Bill takes account of them.**

There are potential barriers to the implementation of key provisions. Whilst the Bill gives Welsh Ministers the power to provide funding for childcare for qualifying children of working parents, there is no guarantee that sufficient childcare will be available for all those wanting to take up this offer.

- a) In many counties, there is a lack of Care Inspectorate Wales (CIW) registered childcare, particularly during school holidays. There are many reasons for this:

- i. 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);
  - ii. difficulties in retaining staff (due to low wages, need for qualifications, insufficient hours available in the case of Out of School Clubs,)
  - iii. lack of registerable venues.
  - iv. many head teachers/caretakers not wanting Holiday Clubs on school sites during school holidays.
- b) 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, this does mean that supporting CIW *registered places* should be a priority; 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. These competing clubs/schemes not only impact on the sustainability of registered provision, but also prevent new development (as these are viewed as unfeasible) additionally they impact 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.
- c) There are huge variations in the support provided to childcare settings in each local authority. Many settings, especially those managed by voluntary committees, require significant levels of support to remain sustainable and to meet the standards required of registered provision. It is also essential to have experienced support staff working on the ground to support new developments and CIW registration. For this reason, funding for Umbrella Organisations such as Clybiau Plant Cymru Kids' Clubs, Wales Preschool Providers Association, PACEY and Mudiad Meithrin is essential, and longer term funding to enable more proactive support and strategies to be put into place would be hugely valuable to the sector and support the implementation of Bills such as this.
- d) As well as there being an insufficient number of registered provisions in certain areas, there are also issues surrounding the number of registered Welsh Language provisions (especially during school holidays) and also specialist provisions for children with additional needs, which may limit parents' ability to access the childcare they need
- e) The Offer being further rolled out across Wales from the autumn coincides with #TalkChildcare phase 2, to engage childcare providers with The Offer. Whilst Clybiau Plant Cymru Kids' Clubs is promoting the initiative to childcare providers (there is a need to ensure settings are registered for children from 3 years old and support them to extend into holiday and wrap around care), we believe there is still a lack of awareness amongst childcare providers, even within local authority areas which have been 'Early Implementers' of the initiative. There is significant effort required to prepare and support settings to provide adequate care for the roll out and ensure they are not put off by lack of knowledge/misunderstanding e.g. that they could potentially make losses by providing the Offer.

## Unintended consequences arising from the Bill

There are potentially both positive and negative consequences:

- a) 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. We know 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, with many families citing cost of childcare as the main barrier against use.
- b) 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.
- c) Parents accessing The Offer, will not be restricted to taking their holidays during the school holiday period. Many parents currently have to stagger their annual leave, taking turns in having time off to manage childcare during school holidays, resulting in fewer opportunities for the whole family to have time off together. Access to funded places during school holidays will mean that childcare needs no longer dictate when annual leave is booked.
- d) On a less positive note, demand for Government funded childcare places for 3-4 year olds, may result in fewer older children being able to access places, especially if priority is given to families in receipt of funding. Admissions policies for instance may very well prioritise families utilising care every day (which they are more likely to do if their childcare is being paid for). Also the provider may view The Offer as more attractive as the rate may be seen as more lucrative than their normal rate.
- e) Parents may end up taking up employment short term while their child has access to the 30 hours funding, and then dropping hours or leaving employment once they are no longer eligible, as suddenly having to pay for childcare (even though it will be for reduced hours once full time school starts) may no longer be within their budget.
- f) Childcare providers may take this opportunity to increase fees for parents outside of the offer, to cover any shortfall on places funded by the Childcare Offer. Additionally, if there is a surge in demand for childcare places, but insufficient supply, this may also lead to an increase in fees for childcare outside of the scope of The Offer.

## Financial Implications of the Bill

The experience of the local authority checking eligibility and making payments has been a very positive one. However Clybiau Plant Cymru Kids' Clubs agrees that the HMRC led option is potentially the best option overall:

- with systems already being in place that will be familiar to a number of parents (e.g. Tax Free Childcare);
- the option already having been tried and tested in England over the last 3 years;
- a national body to accept and assess applications offering more consistency;
- a fully bilingual service;
- the ability for eligibility to be checked in real time against other data sources means eligibility checking will be quicker and more accurate.

It is however, important to continue discussing with CWLWM partners, and with other representatives from the non-maintained sector, as the regulations for the administrative and payment elements of the childcare funding are being developed.

Funding for places being paid directly to the childcare provider (rather than the parent) should limit the opportunities for fraud. However, it is essential that parents are informed up front about any sanctions that may apply e.g. should they provide false or misleading information or should they fail to inform the relevant body about changes to circumstances within required timescales. They

should also be informed that random spot checks will be made on parents re-confirming their eligibility termly (further evidence being sought in respect of continued eligibility).

Careful consideration needs to be given regarding the levying of sanctions: should these sanctions be uniform or be proportional to household income to the 'crime'? It must be made very clear to parents at the start.

Some providers see the Offer as more lucrative than Foundation Phase funding and are considering only offering places under the offer in the future.

Claiming repayment/pursuing fines can be time consuming with large cost implications.

### **The appropriateness of the powers of the Bill for Welsh Ministers to make subordinate legislation.**

This will provide opportunities for the Childcare Offer to be operated in a flexible way and more responsive/tailored to the 'Welsh' experience. It allows it to be more readily adapted, which will be essential following full roll out and the independent evaluations of the scheme that will be periodically carried out.

## **Wales Pre-school Providers Association's Response to the Children, Young People and Education Committee's inquiry into the general principles of the Childcare Funding (Wales) Bill**

### **Background**

Wales Pre-school Providers Association (Wales PPA) is the largest provider of membership services to the Early Years, Childcare and Play sector in Wales. Wales PPA wants to support all preschool children, their families and Early Years' Providers to give every child across Wales the best start in life

We provide our comments below:

### **1.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 Wales PPA agrees that the general principles of the Childcare Funding (Wales) Bill will facilitate the Welsh Government's commitment to provide 30 hours a week of Welsh government funded early education and childcare for up to 48 weeks a year to working parents of 3 to 4 years olds in Wales.

1.2 Wales PPA agrees that a single national payment system using consistent eligibility criteria is preferable to the requirement of Local Authorities to each develop their own system, which could both be costly and result in inconsistencies in how parents and their families are supported across Wales to access the 30 hours Childcare Offer.

1.3 We support the benefit of using an online system. We believe that the development of robust, clear, standardised finance and administration processes for the offer are needed to make this offer viable

1.4 It should be acknowledged that access to online services varies throughout Wales and that there will be individuals who either cannot access online systems or who may need support to do so that they are not excluded from the benefits.

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

2.1 Wales PPA believes, that for this offer to be achievable and successful

- That the needs of the child need to be kept at the centre of all decisions about the offer. Due regard to this should be achieved through the Rights of Children and Young Persons (Wales) Measure 2011.
- That parents should have a choice on what type and how much childcare is appropriate for their child. This should not be prescribed for them.

- That sufficient funding will be needed to provide support for children who have additional needs so they and their families have equality of opportunity to access the offer.

2.2 Wales PPA knows that the current offer of a minimum of 10 hours of funded Early Years entitlement (Foundation Phase nursery) provision is not always clear to parents. Clear guidance using accessible language and explanations will be needed so that parents and carers understand that the funded Foundation Phase Nursery places form a part of the offer but will be accessed in a different way and not via the online system for the other childcare offer hours.

2.3 To prevent barriers to accessing the 30 hours childcare offer, the development of models of childcare that provide flexibility, parental choice and accessibility for 3/4-year olds will be essential to meet capacity.

2.4 The online service needs to use clear, concise, accessible language and be available in English and Welsh

2.5 There will be a range of different scenarios for working parents, e.g. self-employed, contractors, term time workers. The online service needs to be comprehensive so that it covers different scenarios and for parents to complete it easily to assess their eligibility. Access to one to one support via e-mail or phone may be needed

2.6 One possible barrier to the implementation of the 30 hours Childcare Offer is the risk of a lack of take up of the offer. This could happen for many reasons; a lack of parent's understanding of eligibility, a lack of capacity within existing childcare settings to expand their provision to meet demand or location of childcare provision. Whilst day care nurseries are generally open all year round, some of the sessional early years providers only currently operate during term time and therefore some communities will need to develop holiday care or extend services to meet the demand that may arise from this offer. The Early Implementer Authorities will be able to give an indication of how this can be managed with support from stakeholders including the providers and their membership umbrella organisations.

2.7 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

### **3. Whether there are any unintended consequences arising from the Bill**

3.1 Wales PPA 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 A positive effect of this Bill to enable a consistent, streamlined accessible service will be to facilitate childcare providers may result in increased services and impact positively on sustainability in the sector as providers can reach capacity or expand services.

3.3 Alongside the need to expand provision to provide more childcare places is the requirement for more early years and childcare practitioners working in the sector. This means that the implementation of the Early Years and Childcare workforce plan will be vital with the appropriate qualifications being readily available and the Childcare Inspectorate Wales (CIW) having the capacity to register or vary registrations if demand is high.

3.4 Should the preferred option of using HMRC to administer the eligibility checks be chosen it should be available in English and Welsh

3.5 As previously mentioned under 2.1 Parents and carers need to be made aware of the local arrangements for applying for the 10 hours (or more where applicable) of funded Foundation Phase nursery provision to which all children are entitled.

3.6 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. If choice of language cannot be met then plans need to be in place to increase capacity.

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

4.1 A risk in the HMRC option could arise if policy in England and Wales should differ in the future and this should be planned for so that services are not disrupted,

4.2 it is important that the processes that are developed facilitate a timely turnaround of approval and payment so that families are not disadvantaged.

4.3 Using the HMRC option should enable some economies to be made at the set-up stage as a similar system is in place already for England. It would be essential that any technical issues currently experienced would be resolved before Wales commissions HMRC if that is to be the preferred option.

**5.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 Wales PPA will welcome continuing discussions with all stakeholders so that we. Along with Cwlwm partners can represent and support the non-maintained sector, as the regulations for the administrative and payment elements of the childcare funding are developed.



**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, Cwllwm 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.

## **National Day Nurseries Association's Response to the Children, Young People and Education Committee's inquiry into the general principles of the Childcare Funding (Wales) Bill.**

### **Background**

National Day Nurseries Association (NDNA) is the nationally-recognised charity representing nurseries throughout the United Kingdom. NDNA supports the delivery of high-quality, affordable and accessible childcare. It is a strategic partner to government in the achievement of early years and childcare strategy, working across England, Scotland and Wales.

NDNA Cymru is the office for Wales, based in Ruthin, Denbighshire. NDNA Cymru is a member of the Cwlwm partnership.

NDNA Cymru provides the following comments below:

#### **1. 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 NDNA Cymru agrees that the Childcare Funding (Wales) Bill will support the Welsh Government's commitment to provide 30 hours a week of Welsh Government funded early education and childcare for up to 48 weeks per year to working parents of 3 and 4 year old aged children in Wales.

1.2 NDNA Cymru also agrees with the principles of establishing a single national system to operate the payment system, using consistent eligibility criteria. This will avoid the situation whereby each local authority develops their own system, which could lead to 22 different ways of verifying eligibility potentially resulting in inconsistencies for parents and childcare providers.

1.3 NDNA Cymru supports the benefits of using an online system to process applications. This process must use clear language in both Welsh and English, and be standardised in terms of finance and administrative procedures to ensure that parents, carers and childcare providers understand the information they need to

provide. NDNA Cymru also wish to ensure that support is available to those who are unable to access an online system.

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

2.1 NDNA Cymru are aware that the offer of funded early education (Foundation Phase) administered by local authorities currently differs across Wales and this is confusing for both parents and carers. Clear language and guidance will be needed for parents and carers to understand that the minimum 10 hours of funded early education forms part of the Childcare Offer.

2.2 NDNA Cymru are aware that to support working parents and carers there is a need for them to have a choice of childcare available to them and this should not be prescribed. Any registered childcare should be appropriate for the child.

2.3 NDNA Cymru understands that the 30 hours Childcare Offer available to working parents needs to be promoted effectively to avoid a lack of take up of the offer. This could be due to a lack of capacity of childcare places within a particular area, or not being able to expand current childcare provision to meet demand, lack of parents' understanding of eligibility.

2.4 NDNA Cymru are aware of the current sustainability problems for day nurseries in Wales due to various reasons including where childcare provision has been set up in a school or community building within the locality of a day nursery which has impacted on the day nursery's sustainability and occupancy levels, thus impacting on employment and the economy. NDNA recommends that before any expansion is planned, consultation should be undertaken with day nurseries, thus enabling the use of existing spare capacity in nurseries to be utilised. Partnership working between nurseries and schools should be encouraged. NDNA suggest an occupancy rate of at least 80% to remain sustainable.

2.5 NDNA Cymru recognise to prevent barriers to accessing the 30 hours Childcare Offer, the development of flexible childcare, supporting parental choice and accessibility are key to its' success. Day nurseries offer flexible childcare all year



round including breakfast, holiday and after school clubs. NDNA recommends that there is choice of childcare provision available to parents; however any expansion or development of childcare provision must not displace existing provision.

2.6 NDNA Cymru notes the need to ensure that the process for payment to childcare providers to claim and receive payments is clear and easy to use in a timely manner.

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

3.1 NDNA Cymru agree that providing support to working parents and carers with the cost of childcare supports the economy and contributes towards eliminating one of the barriers to employment. In turn, this contributes to decreasing the number of children who live in poverty in Wales. We note the need to ensure that the administrative processes for delivering the scheme are clear and easy to understand. Areas for the Welsh Government to consider are access to the Childcare Offer for foster carers and parents whom are registered carers.

3.2 As mentioned previously in 1.3, should the preferred option of using HMRC to administer the eligibility checks this process must use clear language in Welsh and English.

3.3 NDNA Cymru are aware that a positive effect of this Bill can support the sustainability of the childcare sector as the number of childcare places may be increased, enabling providers occupancy levels to increase or expand their provision and support more children with child development.

3.4 As well as the need to expand provision to provide more childcare places there is a need to attract the right people into the early years and childcare sector, it is therefore vital that the Welsh Government's Childcare, Play and Early Years Workforce Plan is implemented effectively, with proper investment.

3.5 As mentioned previously in 2.1 clear language and guidance will be needed for parents and carers regarding the minimum 10 hours of funded early education form which part of the Childcare Offer.

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

4.1 NDNA Cymru is aware that a similar system is set up in England with HMRC, at the beginning of this process there have been some technical issues during the implementation stage. NDNA Cymru recommend that the Welsh Government ensure that these issues are resolved before they commission HMRC and lessons must be learned from the implementation in England, if this is their chosen option. Any systems that are implemented must not create additional administrative burdens to parents and providers.

4.2 It is important to implement a clear timetable for verifying claims made by parents and carers with a maximum timescale of approval and payment to ensure that parents and carers are not disadvantaged.

4.3 As mentioned previously in 2.6 we note the need to ensure the process for payments to childcare providers to claim and receive payments is clear and easy to use in a timely manner, to support the cash flow for small businesses without any additional administrative burdens to providers.

**5. 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 NDNA Cymru welcome the continuation of discussions with all stakeholders so that we along with Cwlwm partners can represent and support the non-maintained sector as the regulations for the administrative and payment elements of the funding are developed.

# Agenda Item 3

CYPE(5)-16-18 - Paper 7

## **Chwarae Teg response to Children, Young People and Education Committee Call for Evidence:**

### **Childcare Funding (Wales) Bill**

**May 2018**

#### **Introduction**

Chwarae Teg's vision is a fairer Wales where women achieve and prosper. To achieve this vision we must address the causes of the economic inequality many women still experience. Childcare continues to be raised as a key challenge for women, as it is still most commonly women who take on the primary caring role in a household. Ensuring an effective childcare system is in place is therefore an important part of the solution to continued gender inequality in Wales.

We are pleased to respond to the above Call for Evidence. In our detailed response below we have outlined our views on the terms of reference and some general comments on the continued roll-out of the new Childcare Offer, which this Bill will support.

#### **Key messages**

1. We agree that there is a need for legislation to enable the creation of a simple system for eligibility checking for the new childcare offer. To leave the development of different processes in different local authorities is not an acceptable solution as it would give rise to confusion and additional burden on parents.
2. Of the four options outlined by the Welsh Government we agree that to enable the HMRC to administer the eligibility checks seems the most effective. However, we would urge the Welsh Government to learn from the previous challenges the HMRC has encountered in administering checks for the English childcare offer and ensure robust measures are in place to monitor the service and ensure no parents miss out on their entitlement.
3. We remain of the view that until the pilots have been effectively evaluated, the Welsh Government should remain open to changes to the offer, including the eligibility criteria. While the Bill itself does not seem to tie the Welsh Government's hands in terms of the eligibility criteria for the new offer, the Explanatory Memorandum suggests that the criteria are "set in stone".
4. While we are pleased to see that an equality impact assessment has been carried out on this Bill, we do not feel that it applies a critical analysis to the likely impact of the Bill.

## Detailed Response

### 1. Eligibility criteria

- 1.1. To support effective roll-out of the new Childcare Offer Welsh Government have opted to adopt a pilot approach, evaluation of which is ongoing with an initial report likely in the Autumn of 2018. While pilots are being evaluated it's important that the option of amending the Offer, including the eligibility criteria is kept open.
- 1.2. While the Bill does not seem to be prescriptive as to the eligibility criteria, the Explanatory Memorandum sets out the currently proposed eligibility criteria in a way that suggests these will be adhered to regardless of the evaluation findings.
- 1.3. The new Offer has clear aims, including improving the employment of parents, particularly mothers. Should evaluation of the pilots determine that the Offer as currently designed is not delivering on these aims it's important that Welsh Government are bold enough to make changes.
- 1.4. While an increase in the amount of childcare available for 3 and 4 year olds may support those working part-time to increase their hours, we remain of the view that the support will come too late to support many mothers back into work following parental leave, potentially limiting the impact of the new Offer.
- 1.5. The Bill makes provision for Ministers to make regulations setting out the detail of who is a "qualifying parent". These regulations should not be finalised until further evaluation of the pilots is complete and this continuous learning from the pilots and further roll-out should be reflected in future regulations.
- 1.6. The Explanatory Memorandum does note that the use of regulations will permit a timely and flexible response to ensure the legislation does not become outdated. This is an important commitment and regulations should be amended to change the overarching eligibility for the offer in the future if this is shown to be necessary.
- 1.7. At present it is unclear whether the Welsh Childcare Offer will include a "grace period" as the English model does. The grace period means that should a parent become ineligible for the extended entitlement their child continues to be funded for a time. The Explanatory Memorandum outlines the eligibility criteria for the Welsh Offer in some detail but there is no reference to a grace period. We would recommend that such a measure is included in future regulations.
- 1.8. The Explanatory Memorandum also sets out a "cap" at which parents would no longer be eligible – "if at least one parent in a household earns £100,000 or more a year that family will not be eligible". We agree that there should be an upper threshold for eligibility but question whether the currently stated threshold is the best option, as a situation could arise where a household has two earners of almost £100,000 per year remaining eligible. It might be considered whether a lower threshold or household income measure might enable resources to be used to broaden the scheme to lower-income parents with younger children.

2. Consultation and engagement
  - 2.1. The Explanatory Memorandum points to “significant engagement with parents” through the #TalkChildcare campaign. However there is little detail on who responded and a sense that the momentum behind this campaign has waned. It’s vital that further development of the Offer, through the pilot approach, is informed by parent’s experiences.
  - 2.2. While a large number of parents responded to the online survey, only 64 were spoken to in-depth to inform the report *The Childcare Offer for Wales*.<sup>1</sup>
  - 2.3. There should be a renewed effort to promote the #TalkChildcare campaign to ensure there is ongoing consultation and engagement with those who are likely to access and benefit from the new Offer.
  - 2.4. Evaluation of the pilots should also consider how successful the consultation process has been to determine whether development of the Offer has been informed by the views of a diverse range of parents from across Wales.
3. Childcare Stakeholder Reference Group
  - 3.1. The Explanatory Memorandum also mentions a Childcare Offer Stakeholder Reference Group. It is unclear however who is represented on this group.
  - 3.2. Childcare must be considered from a number of angles. While it’s an important element of early years education, it also provides a vital service that enables parents, particularly women, to balance work and care.
  - 3.3. This Stakeholder Reference Group should include representatives that bring both of these perspectives as well as those engaged in the delivery of childcare and early years education.
  - 3.4. Without further detail of membership of this group it’s not possible to determine whether this group can provide comprehensive assessment and analysis of the new Offer.

### **Terms of Reference:**

1. The general principles of the Bill and whether there is a need for legislation to deliver the Bill’s stated policy objectives
  - 1.1. We agree that legislation is necessary in this instance. Without legislation each local authority (LA) would need to develop their own eligibility checking process, giving rise to potential confusion and removing the ability to coordinate a pan-Wales communications plan to ensure parents are aware of the process.
  - 1.2. Different approaches across LA’s is already a potential challenge for the success of the Childcare Offer. While some LAs support the delivery of the Foundation Phase in a non-maintained setting, this is not the case in all areas. As a result some parents will still face the challenge of moving children between two providers during the day. This has the potential to limit the impact of the new Offer in terms of supporting more women into work or to increase their hours.

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<sup>1</sup> Welsh Government Social Research *The Childcare Offer for Wales* 2017

- 1.3. The only benefit to not passing legislation would be that parents can engage with a single institution – the LA – to access to both elements of the 30 hours (10 hours early years education and 20 hours childcare). However, we do not feel the benefits of this approach out-weigh the impact of having multiple eligibility checking processes in place across Wales.
2. Any potential barriers to the implementation of the key provisions and whether the Bill takes account of them
  - 2.1. The preferred option for administering the eligibility checks is to utilise HMRC, which already administers the English offer and Tax-free Childcare. On balance we agree that this is probably the best of the four options outlined in Part 2 of the Explanatory Memorandum.
  - 2.2. However, consideration should be given to the reported problems with the HMRC administered system in England, summarised in a House of Commons Briefing Paper from January 2018 and widely reported in the media.<sup>2</sup> Parents encountered a variety of issues trying to secure a code to prove their eligibility to providers.
  - 2.3. Questions to relevant Ministers in Parliament have suggested that improvements have been made, however it was also stated that it is not possible to provide a definitive number of applications not completed due to technical issues as the service allows parents to part complete, save and return later.<sup>3</sup>
  - 2.4. The Regulatory Impact Assessment (RIA) for the Bill does note the performance issues as a risk. It is one that will need to be closely monitored, particularly as additional challenges could arise from a UK-wide institution administering a devolved service, which while similar to the English scheme has a number of key differences.
  - 2.5. In light of challenges with HMRC’s administration with English and UK schemes, we would urge Welsh Government to put in place robust assessment and monitoring measures to ensure that no parents miss out on their entitlement.
3. Whether there are any unintended consequences arising from the Bill
  - 3.1. Given the limited details in the Bill itself we do not foresee any unintended consequences arising from the Bill. The detail of forthcoming regulations however will need to be closely assessed to ensure that the Offer delivers on its aims and is agile enough to adapt should changes be required to eligibility criteria and processes.
4. The financial implications of the Bill (as set out in Part 2 of the Explanatory Memorandum)

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<sup>2</sup> House of Commons Library Service *Briefing Paper Number 8051 Childcare: “30 hours” of free childcare – eligibility, access codes and charges (England) 2018* / <https://www.moneysavingexpert.com/news/family/2017/05/government-childcare-website--dogged-by-technical-issues-continues-to-cause-problems-for-parents> Accessed 14.05.2018 / <https://www.mirror.co.uk/money/parents-no-access-childcare-services-10483991> Accessed 14.05.18

<sup>3</sup> House of Commons Library Service *Briefing Paper 8051*

- 4.1. The Explanatory Memorandum includes a detailed consideration of four options to administer the eligibility checking process, including the likely costs. We welcome the inclusion of the cost of the application burden on parents. Often the unpaid work done by women in particular is not considered and given it's likely that more women will access this service than men, this inclusion is a welcome step in the right direction.
- 4.2. The RIA states that re-checks of eligibility will need to be carried out termly. Steps will need to be taken to ensure the minimum burden is placed on parents, which is another strength of Option two. However, steps will also need to be taken to ensure that there is no risk to a child losing a place at a provider if there are any delays in re-checks, particularly if these delays are caused by the re-checking system.
- 4.3. A telephone helpline is noted to support those who are unable to process applications online. It's not clear from the Explanatory Memorandum whether this will be a Freephone line and therefore whether there is a cost implication. It's our view that this helpline must be Freephone as often those accessing the service in this way will be doing so as a result of additional accessibility needs.
- 4.4. The RIA is unclear as to whether Option two (HMRC) has the same risk as Option three and Option four in terms of requiring a two-strand application process with engagement with the LA needed to access the early years element of the Offer. Despite this risk we still believe Option two to be the better of the four outlined in the RIA.
- 4.5. In Option two the cost of the application burden is calculated on the assumption that parents will have an existing government gateway profile. We would question whether there is evidence that the majority of eligible parents in Wales would have such a profile and if not, the cost listed here should potentially be amended.
- 4.6. The RIA does not note whether there will be a central point with clear information related to the Offer. A lack of information on available childcare is often cited by parents as an issue. We would therefore recommend that a central information point is created that includes:
  - Clear information on who is eligible for the Offer
  - Instructions on how to access eligibility checks
  - Detail of the two elements of the Offer (i.e. 10 hours early years education and 20 hours of childcare) and how LA's need to be contacted in relation to the early years portion
  - A list of registered providers able to offer both elements of the offer.

The cost implications of the development of this may need to be considered.

- 4.7. Part Two of the Explanatory Memorandum also references the equality impact assessment (EqIA) carried out on the Bill. While we are pleased to see that an EqIA has been carried out we do not feel that it applies a critical analysis to the likely impact of the Bill. Most notably, there is no recognition of the potential positive impact of the Bill, which will support a significant

increase in the amount of childcare that working women can access, despite a key aim of the new Offer being to increase the number of women in work.

## **Conclusion**

Childcare is an essential part of the solution to gender inequality. We agree that in this instance legislation is necessary to ensure that the process for checking eligibility is as straightforward as possible.

With the new Offer still being piloted and yet to be evaluated, it's important that Welsh Government remain open to making changes to the Offer if necessary, including to the overarching eligibility criteria. While the Bill does not tie Welsh Government's hands in this regard, it's important that future regulations maintain the necessary flexibility to deliver changes.



# Agenda Item 4

CYPE(5)-16-18 - Paper 8

## **Evidence for the Children, Young People and Education Committee of the Welsh Assembly on the Welsh Government Childcare Funding (Wales) Bill**

I am the Legislation lead in HMRC for 'Tax-Free Childcare' (TFC). I also acted as a technical adviser to the Department for Education (DfE) when they drafted their legislation for '30 Hours Free Childcare for Qualifying Children of Working Parents' (30 hours – a similar childcare scheme in England). HMRC provides eligibility checking for the DfE in England for their 30 hours offer. Parents apply through a single portal for both TFC and 30 hours.

I worked closely with Welsh policy officials and lawyers when they were drafting the legislation that the Welsh Assembly is now considering. The legislation will allow the Welsh Government to create a childcare scheme, similar to 30 hours, for Welsh parents. It also provides the vires necessary for HMRC to be able to deliver the eligibility checking on behalf of the Welsh Government.

I will address why the legislation is needed, the regulation making powers being sought and the use of those powers. I will not address anything linked to the funding of the scheme.

New legislation is needed for the following reasons.

- It creates certainty over who is entitled to support with childcare, and at what level, by allowing for detailed eligibility rules to be set out in regulations.
- It provides for clear penalties to protect the scheme from carelessness and abuse.
- It provides for parents to have clearly defined rights of review and appeal over scheme decisions.
- It provides for necessary data to be accessed so that eligibility decisions can be made quickly and accurately.

The legislation for 30 hours for Wales differs from the legislation underpinning 30 hours in England in that it does not give HMRC any 'functions' in administering the scheme. By 'functions' I mean powers and duties formally given to the Commissioners for Revenue and Customs as defined in section 51(2) of the Commissioners for Revenue and Customs Act 2005. This is because giving legal functions to HMRC would mean HM Treasury would need to provide consent for the eligibility regulations which will underpin the scheme.

Instead, assuming the Welsh Government choose HMRC to provide eligibility checking, HMRC can do this as agents of the Welsh Government. This is provided for under section 83 of Government of Wales Act 2006 and section 15(3) of Commissioners for Revenue and Customs Act 2005. The services likely to be wanted are the collecting of applications, the determination of whether they are valid, considering and issuing any necessary penalties to protect the scheme and defending any appealable decisions made.

However, HMRC not taking on formal functions means that the Welsh Government will need legal access to the data HMRC will use to determine eligibility in relation to the Welsh scheme. This is because the data gateways currently relied on by HMRC when supplying services to DfE in relation to 30 hours will not work when HMRC is acting as an agent. They depend on HMRC having formal functions. This applies even where HMRC uses data which it already possesses e.g. taxation information. The Bill provides for regulations creating the necessary data gateways. These regulations will be subject to consent from UK Government Ministers whose Departments provide information.

To enable HMRC to administer the scheme and provide flexibility in doing this in my view this Bill strikes a reasonable balance between the information set out on the face of the Bill and that which will be set out in regulations. This is particularly so because the Welsh Government can describe in reasonable detail what the scheme will look like when delivered.

The Bill seeks regulation making powers to

- set out detailed eligibility rules;
- allow those that abuse or fail to take reasonable care in using the scheme to be suitably penalised;
- create rights of review and appeal over decisions taken over eligibility or penalties; and
- create the necessary data gateways for the scheme to function.

In my view all of these things are necessary to create a clear, workable and fair scheme.

In using these powers the Welsh Ministers may want to consider bringing forward two or more separate sets of regulations. This is because the regulations creating data gateways need consent from UK ministers. Therefore, any eligibility regulations that are part of the gateway regulations would need consent from UK ministers.

Regulation making powers will also allow the introduction of statutory guidance for Welsh local authorities that such authorities are required to take into account in administering the scheme in their areas. This fits with the Welsh Government adopting a similar structure to that used in 30 hours, where HMRC determine whether parents are eligible and pass that information to local authorities that then pay childcare providers for the childcare. Statutory Guidance enables the relationship with local authorities to be established, formalised and published.

# Agenda Item 5.1

Kirsty Williams AM  
Ysgrifennydd y Cabinet dros Addysg  
Cabinet Secretary for Education



Llywodraeth Cymru  
Welsh Government

Our ref MA-P/KW/1398/18

Lynne Neagle AM  
Chair of Children, Young People and Education Committee  
National Assembly for Wales  
Cardiff Bay  
Cardiff  
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11 May 2018

Dear Lynne

Thank you for your letter dated 13 April outlining your and the Committee's concerns around the ending of the School Uniform Grant.

I can reassure you that in making these challenging decisions, I have an unwavering focus on how we can collectively improve the support for disadvantaged learners and help them achieve their potential. That is why I have made clear my intention to introduce an improved scheme from September 2018, which is more flexible and relevant to the needs of disadvantaged learners. My officials are currently discussing the detail of the proposed new fund with local government and I expect to make an announcement during the coming weeks.

Your letter raised a number of specific questions which I have addressed below:

- **Whether the Welsh Government expects local authorities to continue operating a school uniform grant scheme**

In closing the School Uniform Grant, it will now be a matter for individual authorities to determine whether they wish to continue to provide school uniform support, and if so, what form that support takes. Some authorities operate broader discretionary schemes for example up to Year 11, and a number of authorities have confirmed that they will continue the Year 7 school uniform grant scheme or run similar schemes in 2018-19.

- **Whether the £700,000 annual funding has been moved to the local government Revenue Support Grant (RSG) or to central reserves (i.e. is it simply being cut?)**

The School Uniform Grant budget contributed to the prioritisation of funding to local government to support front line services such as schools. In respect of the process, a

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[Correspondence.Kirsty.Williams@gov.wales](mailto:Correspondence.Kirsty.Williams@gov.wales)

Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

reduction was made to hypothecated local government grants within the Education Main Expenditure Group (MEG), which included £700,000 for the School Uniform Grant. The funding was initially transferred to central reserves, and then, together with additional funding provided from reserves, allocated to the RSG to maintain the Welsh Government contribution to core local government education spend at 2017-18 levels. For presentational purposes, this would have shown as a reduction to the Education MEG, specifically the School Governance BEL, in the tables published for Draft Budget 2018-19.

- **That a Child Rights Impact Assessment (CRIA) and Equality Impact Assessment was undertaken by the Welsh Government before deciding to end the School Uniform Grant, and how those assessments influenced the Welsh Government's decision.**

The Welsh Government has been mindful during our budget process of the requirements on Welsh Ministers to have due regard to the UN Convention on the Rights of the Child. As I set out in my letter to CYPE of 17 April 2018, a strategic integrated impact assessment was undertaken and published along with the Draft Budget. <http://gov.wales/funding/budget/draft-budget-2018-19/?lang=en> We suggested that Authorities would also wish to undertake assessments in the context of their own budget setting processes. Whilst school uniform policy is appropriately the responsibility of school governing bodies, Welsh Government guidance is clear that costs considerations should be a priority for schools in setting their uniform and appearance policies.

- **Whether the Welsh Government expects local authorities to provide financial support from their RSG allocations to eligible families for purchasing school uniforms**

In closing the School Uniform Grant, it will now be a matter for individual authorities to determine whether they wish to continue to provide school uniform support, and if so, what form that support takes. However, school governing bodies are required to take account of Welsh Government guidance in reaching decisions on the management of their schools. Our guidance on school uniforms expects governing bodies to give high priority to the cost considerations and to consult fully with parents and pupils on any proposals to change or determine a school uniform.

No school uniform should be so expensive as to leave pupils or their families feeling unable to apply for admission or attend a particular school and our guidance provides advice on how to keep the cost of school uniform to a minimum.

- **Whether this constitutes a grant transfer (and, if so, why it is not documented as such in the 2018-19 Local Government Settlement)**

This does not constitute a grant transfer as the Budget information released with the Provisional Local Government Settlement shows.

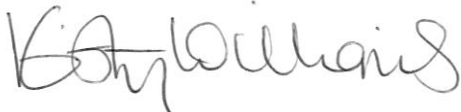
The Cabinet Secretary for Local Government and Public Services wrote to the Communities, Equality and Local Government Committee in November to explain the process.

- **If the £700,000 funding for helping eligible families purchase school uniforms is now contained within the RSG, what mechanism exists to demonstrate the movement of the funding and subsequent monitoring of its use for this purpose**

I refer to the letter issued by the Cabinet Secretary for Local Government and Public Services to the Communities, Equality and Local Government Committee in November, which shows the movement from the original planning assumptions to the Draft Budget position. Local Government understands the change in position from planning assumptions to Draft and Final Budget and Settlement, and the improvement must be expected to benefit all schools as Authorities draw on this improved Settlement in setting their budgets for schools.

I hope this information is helpful in addressing your and the Committee's concerns and in better understanding the process.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kirsty Williams', written in a cursive style.

**Kirsty Williams AC/AM**

Ysgrifennydd y Cabinet dros Addysg  
Cabinet Secretary for Education

Cc Mark Drakeford AM, Cabinet Secretary for Finance

Kirsty Williams AM  
Cabinet Secretary for Education  
Welsh Government

14 May 2018

Dear Kirsty,

## Education Improvement Grant (EIG): Gypsy, Roma and Traveller, and Minority Ethnic learners

Thank you for your letter of 17 April 2018 providing responses to the Committee's questions relating to funding arrangements for Gypsy, Roma and Traveller, and Minority Ethnic, learners.

In light of the information you have provided, the Committee wishes to register its disappointment that your letter appears to confirm that:

- the £13.1 million within the EIG for supporting Gypsy, Roma and Traveller, and Minority Ethnic, learners has been removed, transferred to the Welsh Government's central reserves, and made available via the RSG for schools with no requirement for it to be spent on Gypsy, Roma and Traveller, and Minority Ethnic, learners specifically;
- barring the £7.5 million allocated for transitional support in 2018-19, local authorities will be expected to fund support for Gypsy, Roma and Traveller, and Minority Ethnic, learners from local government resources with no additional or commensurate incoming transfer; and
- the one-off transitional support for 2018-19 will predominantly focus on urban authorities, based on a Welsh Government (rather than local-authority led) assessment of need – we remain concerned that other local authority areas with smaller concentrations of these groups of learners may continue to struggle.

The Committee remains particularly concerned about the above points given the findings of its [inquiry into the Education Improvement Grant: Gypsy, Roma and Traveller, and Minority Ethnic Children](#) and what the Committee believes is a departure from your initial positive response to the resulting [report](#).

As you are aware from our draft budget report and subsequent correspondence, we also remain concerned about the transparency with which information about budget

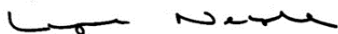


decisions is presented publicly. We will write separately to both the Finance Committee and the Welsh Government shortly to register our general concerns about the transparency with which information of this kind is presented. We will outline our preferred approach for future draft budgets to help enable committees to undertake constructive financial scrutiny and fulfil effectively their core function of holding the Welsh Government to account for its budget plans and subsequent expenditure.

In the meantime, and in relation to the EIG and funding arrangements for Gypsy, Roma and Traveller, and Minority Ethnic, learners specifically, we note that confusion is likely to arise from:

- your statement in your letter of 17 April that the £7.5 million transitional support in 2018-19 is “additional” - *the Committee struggles to understand how this can be “additional”, as opposed to replacement funding/transitional compensation (by our calculations, there is an overall £5.6 million “loss” once the removal of the £13.1 million from the EIG has been considered alongside the allocation of £7.5 million transitional support); and*
- your confirmation that the £13.1 million has not been transferred into the RSG - *the Committee believes this blurs the distinction you drew during scrutiny of the draft budget between the £2 million “reduction” to the EIG in 2018-19 and the “removal” over two years of £22.2 million to be “made available” in the RSG (£13.1 million in 2018-19), making scrutiny and understanding of decisions of this nature even more difficult for Members, local government and the wider public alike.*

Yours sincerely



**Lynne Neagle AM**  
**Chair**

Cc.

Mark Drakeford AM, Cabinet Secretary for Finance

John Griffiths AM, Chair, Equalities, Local Government and Communities Committee



Ein cyf/Our ref: MA-P-KW-1698-18

Lynne Neagle  
Chair of the Children, Young People and Education Committee

15 May 2017

Dear Lynne

Thank you for your letter of 4 May seeking the Children, Young People and Education Committee's input in shaping the School Organisation Code before it is laid before the Assembly.

As you are aware the School Standards and Organisation (Wales) Act 2013 requires the Welsh Ministers to issue a School Organisation Code. Before issuing or revising the Code they must consult with local authorities, school governing bodies, her majesty's Chief Inspector of Education and Training in Wales and any other person they consider appropriate.

I announced my intention to consult on revisions to the School Organisation Code in Plenary in November 2016. Subsequently on 30 June 2017 I issued a written statement advising Assembly Members of the launch of a 14 week consultation on the draft Code. I encouraged Assembly Members to respond and to urge parents, teachers and communities in their constituencies to do so also. The consultation ended on 30 September 2017.

We are currently in the process of analysing consultation responses, a summary of which will be published before summer recess. The Code must then be updated to reflect consultation responses before being laid before the National Assembly for Wales for 40 days, which does not include any time during which the Assembly is dissolved or is in recess for more than four days. The Code may then come into force unless the Assembly resolves not to approve it. If no such resolution is made before the end of that period the Welsh Minister must issue the revised Code in the form of the draft. We expect the Code to be published in the autumn and to come into force before the end of the year.

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[Correspondence.Kirsty.Williams@gov.wales](mailto:Correspondence.Kirsty.Williams@gov.wales)

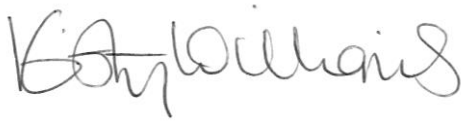
Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.



I will forward you the draft Code for the Committee to have sight of before it is laid before the Assembly.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kirsty Williams'.

**Kirsty Williams AC/AM**

Ysgrifennydd y Cabinet dros Addysg  
Cabinet Secretary for Education

Mark Drakeford AM  
Cabinet Secretary for Finance

Kirsty Williams AM  
Cabinet Secretary for Education

Vaughan Gething AM  
Cabinet Secretary for Health and Social Services

15 May 2018

Dear Cabinet Secretaries,

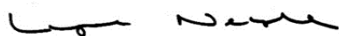
## Welsh Government draft budget information

On 2 May 2018 the Children, Young People and Education (CYPE) Committee considered its strategic forward work plan. As part of discussions, we considered the Committee's approach to scrutiny of future Welsh Government draft budgets, reflecting on our experience to date.

To help the Committee undertake effective and constructive financial scrutiny, we wanted to give early notice of some of the improvements we believe should be made to enable us to carry out effectively our core role of holding the Government to account on its budget plans and subsequent expenditure. Our recommended areas for improvement are summarised in the annex to this letter.

A copy of this letter will be shared with the Finance Committee to aid its overarching scrutiny of the budget process and procedure.

Yours sincerely



**Lynne Neagle AM**  
Chair



## 01. Transparency of budgetary information

The Committee's report on the Welsh Government draft budget 2018-19 highlighted a series of concerns in relation to the presentation of information in the Welsh Government's draft budget.

Members were concerned, for example, that:

- the recalculating of baseline budget data could throw into doubt the credibility of the way in which the Welsh Government presents its budget;
- the Welsh Government should be more forthright in its headline announcements about the actual changes in funding provided (which was relevant in the 2018-19 draft budget round to school funding in particular); and
- the allocation of resources for children and young people should be presented more clearly in the draft budget documentation so that their affordability, their delivery of value for money, and the extent to which they are being prioritised can be scrutinised.

In recent weeks, discussions have taken place in Plenary about arrangements for the School Uniform Grant. During these discussions, the Cabinet Secretary for Education pointed to the fact that information relating to the School Uniform Grant was contained in published draft budget documentation:

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"if you go back to the budget consultation papers that were published by the Government in October and subsequently at the final budget, you will see in your committee papers and in those budget papers, on the grant tables, this decision, and I'm surprised (...) that this was not raised"

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The Committee would like to take this opportunity to point out:

- the only reference to the School Uniform Grant in the draft budget information was a sentence within an explanation of other changes to the same Budget Action that "funding of £0.700m has also been removed for the School Uniform Grant". No further information was provided to clarify that this represented 100 per cent of the Grant.



- the ending of the Grant was not evident from the budget tables, since it was one part of the School Governance BEL and there was no breakdown in the table of the £1.088m reduction overall to that BEL; and
- in answering a question posed as part of the Committee's draft budget scrutiny by Mark Reckless AM on the reasons why the School Governance BEL had fallen from £1.124m to £36,000, no reference was made to the cessation of the School Uniform Grant (16 November 2017).

Given the vast amount of detail published as part of the draft budget, and the small window of committee time available for scrutiny, the Committee is disappointed at the implication that this would have been easily identified during the scrutiny process. We believe it is incumbent on Cabinet Secretaries to highlight when such budget cuts, including cessation of grants, are being made.

In light of the above, the Committee requests that, in the 2019-20 draft budget and in subsequent financial years, a **transparent narrative explanation (as well as numeric depiction)** is provided of:

- reductions/removal or increases/addition of specific areas of the draft budget compared to previous financial years (e.g. grants being reduced or ceasing to exist altogether/being introduced or increased);
- what proportion this change to the overall amount previously allocated represents (e.g. taking the School Uniform Grant as an example, being clear that this meant the whole Grant was being removed); and
- where this change is being made in the draft budget, and whether money will be returned to/taken from central reserves or allocated to/from other budget lines.

## 02. Child Rights Impact Assessment (CRIA)

In the Committee's [report on the Welsh Government draft budget 2018-19](#), Members noted concerns about the lack of a CRIA in relation to its content. The report:

- recognised the Welsh Government's work on integrated impact assessments of the budget, but questioned whether it was sufficient in meeting the duties placed on Welsh Ministers to uphold children and young people's rights.



- queried whether aligning integrated impact assessments with the goals of the Wellbeing of Future Generations Act alone was sufficient for ensuring that due regard was paid to the rights of children, especially as the Act does not include an explicit legal duty of due regard to the UNCRC.

As a consequence, the Committee recommended that the Welsh Government:

- undertake a CRIA on its draft budget as a matter of course; and
- present more clearly in draft budget documentation how resources for children and young people are being allocated.

The Committee would like to take this opportunity to reiterate its concern that, without a CRIA, resources to support the rights of children and young people may at best be difficult to identify and, at worst, the absence of a CRIA could lead to the Welsh Government paying inadequate attention to the rights of children and young people in important financial decisions. The ending of the School Uniform Grant is a case in point. There was no mention of this in the Strategic Integrated Impact Assessment for the 2018-19 draft budget and no evidence that it had been considered at all as part of the impact assessment process. The Committee therefore believes that the production of a CRIA would ensure such issues are considered in detail and help address the difficulties encountered in seeking to understand the consequences of financial decisions.

As such, the Committee requests that a standalone and detailed **CRIA is undertaken to inform the Welsh Government's 2019-20 draft budget** (and in subsequent financial years). We believe its content should be published as a standalone document rather than being summarised in an integrated assessment, and should be shared with the Committee to inform its scrutiny.



**Elin Jones AC, Llywydd**

Cynulliad Cenedlaethol Cymru

**Elin Jones AM, Presiding Officer**

National Assembly for Wales

Committee Chairs  
National Assembly for Wales  
Cardiff Bay  
CF99 1NA

Your ref:  
Our ref: EJ/LPR

15 May 2018

Dear Committee Chair

I write to you about our plans to reschedule the postponed Senedd Delyn event for the week commencing 25 June 2018.

As part of our programme we will host a series of activity to promote the Assembly's work, the Welsh Youth Parliament and mark the Centenary of the Women's Suffrage Movement. This will be complemented by outreach and education sessions with schools, colleges, youth groups, community groups, businesses and charities in the area. We will also have a presence at Mold Market during the week.

During previous Senedd@ initiatives, committees have held formal meetings and informal engagement sessions in community locations, to encourage people to participate in their work. Senedd Delyn provides an opportunity to raise your Committee's profile, and directly engage with local stakeholders and citizens. I appreciate that on this occasion there is limited notice to make arrangements but if you would like to get involved we are happy to assist. I intend on ensuring that greater notice is provided on upcoming Senedd@ programmes in future to allow as much opportunity to co-ordinate activity.

Thank you in advance for your co-operation.

Yours sincerely



Elin Jones AM  
Llywydd

# Agenda Item 8

By virtue of paragraph(s) vi of Standing Order 17.42

Document is Restricted