

## **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.