

Save the Children consultation response to the Childcare Funding (Wales) Bill

About Save the Children

Every child has the right to a future. Save the Children works in the UK and around the world to give children a healthy start in life, and the chance to learn and be safe. We do whatever it takes to get children the things they need – every day and in times of crisis. In Wales, our vision is that all children, especially children living in poverty can access formal high-quality, affordable early childhood education and care before they start school.

Introduction

Save the Children welcomes the opportunity to respond to the Children, Young People and Education Committee inquiry into the Childcare Funding (Wales) Bill.

The Bill relates to the childcare element of the Offer and is therefore concerned with the funding that will be provided in respect of the eligible children of working parents.

Our response will centre around the evidence that shows how crucial early childhood is for a child's development and the role it plays in shaping the kind of people we grow up to be. It is the time when our personality forms and we learn how to relate to other people. Our experiences in early childhood can set the course of our whole life. What's more, the way our children grow up and become adults determines the kind of society we will live in, and the future prosperity for all of us.

We recognise that the Welsh Government has a clear commitment to giving all children the best start in life including through a flexible, affordable and high-quality childcare system.

However, we note that the purpose of this Bill is to:

- Support the Welsh economy, by helping parents, particularly mothers, to return to work or increase the hours they work. This will both increase the size of the workforce, and improve the employability of parents, especially mothers.
- The Bill will also support a number of additional purposes, including increasing parent's employment choices, particularly those of mothers and improving the social wellbeing of children and parents, with improvements to the quality of family life and childhood experiences that come with an increased disposable income...

We are concerned that by stating on the face of the Bill that this only applies to the 'funding of childcare for children of working parents' it will deny equal access for all children, and particularly those from the most disadvantaged backgrounds, who would benefit from receiving high quality Early Childhood Education and Care (ECEC) provision.

General principle of the Bill

We know that children living in poverty in Wales are falling behind their peers in meeting key cognitive outcomes by the time they start school. By age five around a third of children living in poverty (30-35%) are already falling behind across a range of cognitive outcomes (i.e. vocabulary, problem solving, dexterity and coordination) compared with a fifth of those from better-off families (20-21%).

We also know that being behind in the early years also means it's more likely children will be behind throughout their education. Our analysis also shows that almost half of children who were in the lowest performing group at the beginning of primary school remain behind at ages 7, 11 and 14 on different measures of cognitive development.

Despite the prevalence of the link between poverty and early learning outcomes in Wales, no child's development during the crucial early years is pre-determined; every activity in early childhood is an opportunity for them to learn and develop. With the right support every child in Wales can start school with the level of development they need to succeed in life.

We can support children to meet key learning outcomes and overcome the impact of poverty through enabling access to high quality ECEC. Children need quality early education and care during this early period of their life to develop the foundations of their development and for future learning. It can play a key role in supporting children living in poverty by providing high quality early learning experiences and activities and through supporting families with employment and care, which in turn can support family incomes.

Whilst many of those children are living in households with at least one working parent, and there are benefits to increasing the earning potential of parents, particularly mothers we are concerned that this does not outweigh the need to protect the quality of family life and a child's development, attainment, and wellbeing.

The original modelling of the childcare offer developed by the Public Policy Institute for Wales (PPIW) '[Childcare policy options for Wales](#)'¹ shows that a universal offer would reduce child poverty more than an option with a work requirement. However, the analysis did not include any modelling of the impact of an increased universal provision on the attainment gap and future educational outcomes of children living in poverty. Save the Children are concerned that the 30 hours offer is for working parents only as there is limited evidence that this will benefit the poorest children, this does not represent an equitable offer for all children.

We would argue that there may be better ways of investing in ECEC, for example there is compelling evidence provided by the [Effective Provision of Pre-school Education \(EPPE\)](#)² report that suggests that a part-time (15 hours) entitlement for all two-four year olds would be more effective in addressing the attainment gap and future educational outcomes of children living in poverty. Whilst we acknowledge the benefits and achievements of the Flying Start Programme, our recent analysis³ revealed that on average 44% of children living in income deprivation in Wales are not eligible for Flying Start. This means that despite their clear need nearly half of all children living in poverty do not have access to this programme.

Regarding the stated aim to support 'increasing parents employment choices, particularly those of mothers' we are concerned that there is a lack of analysis at a national level that limits our ability to compare take-up of childcare and patterns of childcare use. Detailed analysis of the Labour Force Survey figures looking at patterns of maternal employment rates and factors that affect it has not been recently conducted for Wales. Save the Children believes that in light of the 30 hours offer a clearer picture is vital. We believe that an up to- date, detailed analysis of the characteristics of female and maternal participation looking at issues of income, qualifications and labour market characteristics would be

¹ Childcare Policy Options for Wales, Public Policy Institute for Wales (PPIW) 2015 '[Childcare policy options for Wales](#)'

² Effective Provision of Pre-school Education (EPPE) <http://dera.ioe.ac.uk/8543/7/SSU-SF-2004-01.pdf>

³ Little Pieces, Big Picture, Save the Children, 2018 <https://www.savethechildren.org.uk/content/dam/global/reports/education-and-child-protection/stc-wales-childcare-report-2017.pdf>

helpful. This should inform the final decisions about eligibility for the 30 hours offer which currently only benefits working parents.

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

We fear that for too many children in Wales, particularly those living in poverty, access to high quality provision is still too often left to chance. Often services are not available to all families in every area of Wales and how far they are reaching all children living in poverty is questionable.

In Wales, the majority of three and four-year old children currently receive either part-time or full-time Foundation Phase early learning in schools via the maintained sector. This means that Wales does not have a diverse and established independent childcare sector which can help fill any gaps and provide additional childcare. The response from England to the new 30 hrs offer has shown that even in a childcare sector with a much larger proportion of private and voluntary childcare providers there are significant challenges with delivering the offer.

Furthermore, some of the services offering high quality provision are still failing to meet the needs of parents (both working and nonworking) at a time when they are facing new and increasing pressures from changes to the economy and the welfare system.

Analysis presented in '[Childcare Capacity in Wales Mapping childcare supply against potential demand](#)'⁴ estimates childcare capacity in Wales to deliver against the pilot offer and intended roll out across the whole of Wales by 2020 estimates that there are approximately 175,000 children up to the age of four living in Wales. Combined, there are just less than 80,000 formal childcare places, of which 45,000 are potentially full day places for children aged 0-4 years-old. Therefore, there are not enough places for all children to attend full time. Around two thirds of households with dependent children aged three or four are eligible to receive the new Childcare Offer. If all of those children who are eligible took up the offer, it would mean that just over 46,000 full time places would be required. This means, at current estimates, if all full-time places were devoted to providing the Childcare Offer, there would still not be enough places. The analysis also estimates the number of hours available to children in each area, if all wanted to attend a formal childcare setting. The average level of availability across the whole of Wales is two hours and 40 minutes per child. What is more, there appears to be higher childcare capacity levels in urban and affluent areas.

Of particular concern to Save the Children is that lower levels of availability are typically found in rural and disadvantaged areas. For example, there is typically less than one and a half hours of childcare available per child in both Mid-Wales and the South Wales. This analysis is particularly concerning if we consider the importance of high quality ECEC as part of the picture of reducing the attainment gap for the poorest children. If structural issues are affecting the availability of childcare in some of the most deprived areas of Wales, then the impact of this on the poorest children accessing high quality ECEC needs to be better understood and addressed.

Evidence on the current availability of Welsh-medium childcare suggests there remain gaps in provision in some parts of Wales and that there is variance in the ways demand for Welsh-medium provision is assessed. It is important to ensure sufficient capacity to deliver the offer through the Welsh language.

⁴ Childcare Capacity in Wales Mapping childcare supply against potential demand, CSSIW, Government Social Research, Welsh Government, WISERD. Social Research Number: 65/2017. [Childcare Capacity in Wales Mapping childcare supply against potential demand](#)

Whether there are any unintended consequences arising from the Bill

Our concern is that the Bill may mean we have a childcare system that is not able to fulfil its potential to help prevent children in poverty falling behind early and remaining behind throughout their education and further into their lives. The consequences of not enabling all children to benefit from quality early education and care for children's development and learning could be detrimental to the Government's clear commitment to give all children the best possible start in life.

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.

We believe that this Bill confers appropriate powers to Welsh Ministers to make subordinate legislation. However, we are concerned that by stating this 'funding is for childcare for the children of working parents' on the face of the Bill that Welsh Ministers will not have the ability to amend the eligibility criteria to provide funding for more children to benefit from this provision in the future, so we would like to see that removed.