

## Children Young People and Education Committee

### Estyn response to consultation on the Childcare Funding (Wales) Bill

#### Terms of reference

To consider:

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;

Estyn does not have a view on the technical aspects of the Bill or on the need for legislation. However, the policy objectives as stated in the Explanatory Memorandum do not make clear the importance of providing high quality education and affordable childcare and the impact that this will have on the future life chances of children in Wales. There appears to be a missed opportunity to stress the importance of good quality early childhood experiences and the positive impact that these have on child development.

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

Estyn does not have a view on the barriers to the implementation of the key provisions.

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

Estyn does not have a view on the technical aspects of the Bill, but we would like to highlight possible unintended consequences of the Offer.

The Childcare Offer is based on the premise that parents will access the full 30 hours a week through a combination of childcare and foundation phase education. In simple terms, the Offer could be taken up by parents as 10 hours of foundation phase with a top up of 20 hours of childcare. If parents decide not to take up the foundation phase education provision they will only be entitled to 20 hours of childcare (not the full 30 hours).

Funding for the foundation phase is determined at a local level and local authorities fund at different rates. If local authorities maintain funding for education in settings at the current rate, the childcare element of the Offer will be funded at a higher rate

than the education element in many local authorities. Although the childcare element of the Offer will be funded at a consistent rate across Wales, the education element will not.

Estyn encounters an increasing number of settings funded for education that request some form of additional fee from parents to ensure that their provision is sustainable. As the childcare element of the Offer is funded at a higher rate we are concerned that settings may decide to offer the childcare part of the Offer only. This could have an impact on parental choice as there could be fewer settings offering funded education.

Estyn is concerned that some parents may decide to accept 20 hours of childcare, but not take up the additional entitlement to funded education. Where education and care are provided on different sites, parents may find it logistically difficult to transfer their child during the day. If a setting does not offer education, some parents may prefer to pay for additional care in one setting so that their child has continuity of provision. Where children do not receive their entitlement to good quality funded education there could be an adverse impact on child development.

Estyn is concerned that schools have not had enough opportunities to engage fully in dialogue about the Offer. The explanatory memorandum (4.2) refers to significant engagement with parents, providers and local authorities, but does not refer to engagement with schools. As more children receive their funded education in schools than settings, schools will be a vital partner in the Offer and need to consider how best they can link with existing childcare providers or provide childcare themselves to support the implementation of the Offer. These important links should aid school transition and help schools and settings to share important information to support children and families, for example if children have additional needs.

Estyn has noted that in a number of schools built under the 21<sup>st</sup> century schools programme there has been additional accommodation planned to facilitate wrap around care. This is not true for all schools built under this programme. This additional accommodation would allow schools to engage with the Offer and to provide both education and care on their premises. This may be done through a co-location arrangement with a childcare provider and schools would not necessarily take on the childcare role, but could facilitate it through a separate arrangement.

There is a shortage of childcare settings operating through the medium of Welsh. Parents may therefore choose to access the childcare element in an English-medium setting. They may also choose to access education in an English-medium setting to avoid the need for children to travel between sites. Estyn is concerned that this could affect the number of children taking up a place at a Welsh-medium school or setting that provides funded education. Parents may decide not to transfer to Welsh-medium education at a later date.

Section 10 of the explanatory memorandum outlines the arrangements to carry out a post implementation review. It does not make clear if the quality of the provision is to be reviewed or the impact that the Offer will have on early childhood experiences for children in Wales.

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

Estyn does not have views on the financial implications of the Bill

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.

Estyn does not have a view on the technical aspects of the Bill

6. It would be helpful to the Committee if respondents could identify how the Bill could be amended to improve any aspects which they identify as inadequate.