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| Report to: | Communities Scrutiny Committee |
| Date of Meeting: | 6th September 2018 |
| Lead Member: | Lead Member for Education, Children and Young People |
| Report Author: | Principal Manager: Intervention, Prevention, Health and Wellbeing |
| Title: | Implementation of the Welsh Government's Free Childcare Offer in Denbighshire |

1. What is the report about?

In 2017 the Welsh Government (WG) pledged to offer 30 hours a week of government-funded early education and childcare to eligible working parents of three and four year olds, for 48 weeks of the year by September 2020.

The aim of the Childcare Offer is to allow eligible parents to have more employment choices, increase their disposable income to help counteract poverty for those in low-paid jobs and ensure that quality early education and childcare is provided to promote child development and school readiness.

The Welsh Government have confirmed that Denbighshire County Council can begin to deliver the Childcare Offer to families from April 2019 and have agreed to work with the Council with the aim of making the offer available across the county at the same time, rather than on a phased ward by ward approach.

2. What is the reason for making this report?

To seek Scrutiny's views on the proposed implementation of the Welsh Government's Free Childcare Offer in Denbighshire from April 2019.

3. What are the Recommendations?

- 3.1 Members scrutinise and endorse the plans in place for full roll out of the Childcare Offer in Denbighshire on the basis of the current agreement with the Welsh Government.
- 3.2 Members endorse the proposed cross-county delivery plan with Flintshire County Council.
- 3.3 Members agree to further scrutinise a contingency plan for a priority wards roll out if, for any reason, funding for a full authority is not confirmed by the Welsh Government.

4. Report details

Background

The Childcare Offer for Wales provides government-funded childcare that includes Early Entitlement and Foundation Phase Nursery Provision for up to 48 weeks of the year. Children will be eligible to access the offer from the beginning of the term following their third birthday until the September following their fourth birthday.

Eligible children will be entitled to up to 20 free hours of childcare during term time in addition to the 10 hours already provided by the Foundation Phase. During the school holidays, when there is no early education, the offer will provide 30 hours a week of childcare for up to nine weeks.

Parents are able to choose any registered childcare setting that suits their personal and family circumstance, whether inside or outside of county, in agreement with the provider and the local authority. The childcare does not have to be delivered by the same provider as the Foundation Phase nursery education, so children can attend up to 2 registered childcare settings in addition to their nursery education setting in any given day.

The Childcare Offer is not means tested and will be available to all working parents who reside permanently in Wales and earn the equivalent of at least 16 hours at national living wage or national minimum wage. If part of a couple, both parents must be working and meet this requirement. An upper income cap for working parents is set at £100,000, each.

More information is available on the Denbighshire County Council website¹.

Delivery of the Childcare Offer in Denbighshire

The Welsh Government model for delivering the Childcare Offer in Wales builds on the experience and expertise of the 7 Early Implementer Local Authorities (EILAs) who have already developed operational systems to administer the Childcare Offer. The Welsh Government refers to these as 'Delivery Authorities' with responsibility for processing applications from parents, determining eligibility and informing them of the outcome. They will also process and make payments to childcare providers for delivering the offer.

Denbighshire County Council will work in partnership with Flintshire County Council who will act as our Delivery Authority. Flintshire's Joint Education & Youth and Social & Health Scrutiny Committee endorsed the proposal to act as the Delivery Authority for both Denbighshire and Wrexham on the 24th May 2018².

Denbighshire will have the role of 'Engagement Authority' with responsibility for promoting the offer to parents and childcare providers within the County, training staff to deal with enquiries on the Offer and providing Flintshire with information they require to process applications and administer the offer. Denbighshire will receive specific grant funding to deliver this function.

¹ <https://www.denbighshire.gov.uk/en/resident/community-and-living/childcare-and-parenting/30-hours-childcare-offer-for-3-and-4-year-olds/30-hours-childcare-for-3-and-4-year-olds.aspx>

² <http://committeemeetings.flintshire.gov.uk/ieListDocuments.aspx?CId=474&MId=4224&Ver=4&LLL=0>

The Welsh Government have agreed to work with Denbighshire to prepare to implement the Childcare Offer to all eligible parents across the county from April 2019. However this is subject to confirmation of funding, assurance we have communicated the offer across the authority and confirmation from Flintshire County Council that they are able to deliver their role as 'delivery authority' to this timescale.

5. How does the decision contribute to the Corporate Priorities?

The Offer will support our corporate priority to work with people and communities to build independence and resilience. The Childcare Offer is an incentive for families to work resulting in families having more disposable income and helping counteract poverty for those in low-paid jobs. There is evidence from early evaluations of the Offer in other authority's that parents have returned to work or increased working hours as a result of the Offer. Financially the Offer can make a real difference to a family, with estimated value of more than £5,000 a year per child.

The Offer also supports the Council's priority to support young people, specifically by delivering support for parents to give their children the best start and helping young people to develop practical 'life skills' and behaviours that contribute to good health and well-being. A key aim of Childcare Offer to supporting families with quality, flexible childcare that supports the wellbeing of their children by promoting child development and school readiness.

This is also an opportunity to contribute to our aim to make sure that we give young people the best start in life, by working with our partners, schools and businesses to make this happen. The Childcare Offer will also support economic regeneration by helping to sustain and remodel the childcare sector in Denbighshire creating opportunity for job creation, improvement in quality and choice for parents.

6. What will it cost and how will it affect other services?

The Welsh Government have confirmed that the costs of implementing and delivery of the Childcare Offer in Denbighshire will be fully funded from a specific revenue grant. Denbighshire will operate in partnership with Flintshire who will act as our delivery authority, as such Flintshire will be responsible for assessing the eligibility of parents and payment of childcare settings from the Welsh Government grant.

In addition to the cost of paying service providers, revenue costs will be incurred in relation to the administrative duties that Denbighshire's officers will need to fulfil to implement the Childcare Offer in Denbighshire. The Welsh Government have confirmed that these costs will also be fully funded via a specific grant. The Childcare Offer initiative will not result in the need for the Council to fund costs for which it does not have budget provision.

7. What are the main conclusions of the Well-being Impact Assessment?

A local impact assessment is not required as this is a national programme being implemented by the Welsh Government.

8. What consultations have been carried out with Scrutiny and others?

This is a Welsh Government initiative and have been consulted on nationally through their ‘#Talk Childcare’ campaign³. This consultation highlighted that the significant issues for families were; the cost of childcare being a barrier to returning to work, concerns regarding children attending a number of different settings in one day and the flexibility and accessibility of settings in terms of location, opening times, Welsh language and provision for children with Additional Learning Needs.

We have also consulted locally with the following groups on our approach to implementing the Offer in Denbighshire; the Children, Young People and Families Partnership, the Childcare Forum, the Chairs of Clusters for School and the childcare providers and partner organisation’s annual Childcare Conference. These consultations have mainly resulted in questions regarding the implications and practical delivery of the Childcare Offer which have informed our planning and reinforced our view that a full authority roll out across Denbighshire is the fairest and most equitable approach for our communities.

9. Chief Finance Officer Statement

The report is clear that the costs of implementing and delivering the Childcare Offer in Denbighshire will be fully funded from a specific Welsh Government revenue grant and that administrative and training costs will be also be funded by Welsh Government. On that basis the approach recommended within this report is fully supported.

10. What risks are there and is there anything we can do to reduce them?

Please see attached risk register for a summary (Appendix 4).

11. Power to make the Decision

Section 7.2.3 of the Council’s Constitution states that Scrutiny can “consider any matter which affects the Council’s area or its inhabitants”.

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³ <https://gov.wales/topics/people-and-communities/people/children-and-young-people/childcare/talk-childcare/talkchildcare-campaign/?lang=en>