



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

Nurturing Children, Supporting Families

Welsh Assembly Government Policy Statement

Nurturing Children, Supporting Families:
our policy priorities for childcare

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Guidance

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Nurturing Children, Supporting Families

Audience	Voluntary organisations in the childcare sector; Chief Executives of local authorities; Local Health Boards and NHS Trusts; Directors of Local Authority Education and Social Services Departments including leads of children's services for looked-after children; Children and Young People's Partnerships (CYPPs); Early Years Development and Childcare Partnerships; Genesis Wales 2 Officers; Family Information Services; Children's Commissioner for Wales; Welsh Local Government Association (WLGA); Wales TUC Cymru; Social Partner contacts; county librarians; Equality and Human Rights Commission; Care Council for Wales, SkillsActive; Jobcentre Plus; community voluntary services; Assembly Members.
Overview	This document makes clear the Welsh Assembly Government's immediate priorities for childcare and longer-term ambitions. It sets out the actions that will be taken forward in the short, medium and longer term to ensure that all families are given the opportunity to experience high-quality, affordable, accessible childcare that meets their needs.
Action required	In taking forward the actions set out in this document we will look to strengthen our existing partnerships with local authorities and with the private and voluntary sectors. A report that details the progress on the actions outlined in this statement will be published bi-annually, the first to be available in autumn 2011.
Further information	Enquiries about this document should be directed to: Children and Families Programme Branch Tel: 029 2082 6875
Additional copies	This document can be accessed from the Welsh Assembly Government website at www.wales.gov.uk/educationandskills
Related documents	Childcare Act 2006 and explanatory notes; <i>The Childcare Act 2006 – Guidance to Local Authorities; Toolkit for conducting a Childcare Sufficiency Assessment; Stronger Partnerships for Better Outcomes: Guidance on Local Co-operation under the Children Act 2004</i> National Assembly for Wales Circular No: 35/2006; <i>Shared Planning for Better Outcomes: Planning Guidance and Regulations for Local Authorities and their Partners on Children and Young People's Plans; The Childcare Strategy for Wales: Childcare is for Children</i>

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Our vision and priorities

The Welsh Assembly Government has a powerful vision for our children and young people to ensure that their needs are met and their rights respected so that they reach their full potential.

Childcare and early years' services play a vital role in helping to deliver this vision by supporting children and their families. This is why they must be given priority.

Our commitment is to ensure that all relevant policy development is consistent and developed to help children, young people and families in Wales. The United Nations Convention on the Rights of the Child (UNCRC) 'Getting it Right' action plan is evidence of this, and giving children a flying start in life is a foundation stone without which the vision set out in the One Wales agreement cannot be fully achieved.

Childcare is for children was the Welsh Assembly Government's strategy published in 2005. The delivery of childcare must be child-centred, caring for, nurturing and supporting the learning, development and growth of children. High-quality, affordable and accessible childcare also plays a vital role in supporting and sustaining families, communities and the economy and in the current financial circumstances the part that childcare plays in addressing the challenges of tackling child poverty and building economic resilience is increasingly significant. Addressing poverty and inequality among children and young people is crucial to giving them the opportunity to make the most of their lives.

Our approach to childcare needs to be holistic with greater integration of policies and also greater integration of the approach to caring for children in the early years and their subsequent education. High-quality, affordable and accessible childcare contributes significantly to fulfilling our seven core aims for children and is also a necessity if we are to progress towards a more prosperous twenty-first century Wales.

Childcare is now rightfully given prominence within broader Welsh Assembly Government plans and strategies, such as on tackling child poverty, Welsh language and economic renewal, yet we must not forget that children are its principal consumers and beneficiaries. This document outlines our priorities from this distinct perspective.

Statement of intent

Nurturing Children, Supporting Families makes clear our immediate priorities for childcare and our longer-term ambitions. It sets out the actions that we will take forward in the short, medium and longer term to ensure that all families are given the opportunity to experience high-quality, affordable, accessible childcare that meets their needs.

In taking forward the actions set out in *Nurturing Children, Supporting Families* we will look to strengthen our existing partnerships with local authorities and with the private and voluntary sectors.

We will provide a bi-annual report which details the progress on the actions outlined in this statement, the first to be available in autumn 2011.

Childcare – nurturing children

Childcare continues to be a key feature of the Welsh Assembly Government's vision for a better Wales. We recognise the vital role that childcare plays in nurturing children, aiding and supporting their continued development and well-being. High-quality childcare supports the healthy development of children through playing, learning and growing – we want to ensure that children and young people are given every opportunity to experience its benefits. While the Children's National Service Framework is mainly about healthcare and social services, we recognise that quality childcare and antenatal care play a part in helping children and young people remain safe and healthy.

A substantial body of evidence demonstrates that high-quality childcare provision has positive effects on child development¹, particularly for disadvantaged children. The health and well-being of children is key to childcare and we recognise its importance. The early years are particularly important and there is consistent evidence that children experience more positive cognitive and behavioural outcomes if they attend high-quality pre-school provision. A research paper supporting the findings throughout the Policy Statement can be found in the Annex on page 25.

Children have a right to appropriate childcare provision that not only meets minimum requirements but also respects and promotes their rights under the UNCRC. *Getting it right 2009* the five-year rolling Action Plan for Wales sets out our key priorities and actions in response to the Concluding Observations of the UN Committee on the Rights of the Child 2008. We will continue to work towards the priorities of the action plan, including tackling poverty, delivering positive outcomes and improving opportunities for children and young people in Wales. Often the things that characterise excellent childcare are the relationships and interactions between children and their carers; the level of engagement with parents/carers and families or other agencies; and the respect shown for children.

Our commitment to childcare is reinforced in the Welsh Assembly Government's *Child Poverty Strategy for Wales* (Welsh Assembly Government, 2011) which includes a priority to promote accessible, affordable and high-quality childcare. This offers a dual benefit for employment and children's development, particularly in the early years. Children and young people are at the heart of the Welsh Assembly Government's strategic priorities and we continue to invest in initiatives such as Flying Start and the Foundation Phase in Wales.

¹ Effective Provision of Pre-school Education (EPPE) study, 2004

The Children and Families (Wales) Measure 2010 builds on the foundations of Cymorth and Flying Start to tackle child poverty and strengthen the existing childminding and day care legislation. The National Minimum Standards for childcare are being revised and will replace the existing six separate sets of minimum standards with effect from 1 April 2011. We continue to work closely with the Care and Social Services Inspectorate Wales (CSSIW) to ensure that the National Minimum Standards not only reflect the ethos of Welsh Assembly Government in relation to the care, nurturing and education of children but also work operationally to provide a consistent benchmark across the sector and across Wales.

The Welsh language is an essential part of the cultural identity and character of Wales. *A living language: A language for living* will reflect the vision of a Government determined to see the Welsh language thrive. A key area of the strategy is to work with local authorities to identify and advertise more Welsh-medium childcare opportunities with the aim that provision meets demand.

The recent Childcare and Early Years Survey² findings demonstrate that the majority of parents/carers choose childcare providers for child-related reasons, for example because a provider helped with a child's educational or social development, or because the child liked going there.

International research demonstrates the potential long-term benefits of investment in childcare, especially for disadvantaged groups. Early years provision can boost children's cognitive and social skills, which gives them a better foundation for success at school. It is this potential for educational success that is followed by increased success later on in life.

This is further supported in Wales by our investment in Flying Start. The recent Flying Start evaluation report has revealed some of the positive effects the programme is already having, with teachers reporting noticeable differences in children who have been part of the Flying Start programme. The children are better prepared for school, quicker to settle, better behaved and more confident at interacting with other children.

² Childcare and Early Years Survey Wales 2009, National Centre for Social Research

Childcare – supporting families

Childcare is much more than somewhere that a parent/carer can leave their child while they are at work. We appreciate the benefits that childcare can provide for children, but we also recognise the wider support that this provides for families. Both high-quality childcare provision and children's opportunities to develop play significant roles in supporting families to move out of poverty by reducing the negative impacts on children's life-chances.

The provision of childcare can enhance work-life balance and contribute to raising family income through increased levels of employment; in turn these can produce wider benefits for family life. Daycare Trust³ identifies benefits for the whole family, which include helping parents/carers feel less isolated and more confident in their parenting skills, as well as enabling parents/carers that wish to work, train or that have other family and caring responsibilities to have greater choices in balancing family life with other commitments.

The foundation of any economy is its working population, and education and skills at all levels are vital for economic growth and prosperity in Wales. They contribute powerfully to national competitiveness, business productivity and individual social mobility. Developing skills is central to making Wales a highly attractive place to live, invest, employ and grow. We will support and develop the childcare sector to take forward action with our partners to improve the accessibility, affordability and quality of childcare. This will be an integral part of our approach to supporting families and also a key part of the delivery of our Child Poverty Strategy for Wales⁴.

The UK Government is currently considering plans for twenty-first century welfare. This will potentially change the current benefit and tax credit systems. We will continue to work with the non-devolved UK administrations such as the Department for Work and Pensions (DWP) and Jobcentre Plus to deliver the best for families in Wales, recognising unemployed parents'/carers' need to access affordable, accessible and quality childcare provision, appropriate to the diverse requirements of both the parent/carer and labour market needs.

The Welsh Assembly Government has a clear intention to develop new models of integrated working to better support families, particularly those with children living in poverty. The recently developed Families First initiative is a major part of this commitment.

³ *The benefits of high-quality childcare: A guide for parents and carers*, The Daycare Trust, 2009

⁴ *Child Poverty Strategy for Wales*, Welsh Assembly Government, 2011

Families First places the family firmly at the centre of interventions, and aims to enable a flexible, bespoke and integrated approach to delivering the help families need. To achieve this, our focus on families must be unrelenting and rigorous.

Quality childcare

High-quality childcare can promote a child's development educationally, socially and emotionally, creating the opportunities for children to develop, be happy and healthy and to grow in a supportive environment.

There is no single measure of the quality of childcare provision, but a number of important drivers contribute to improving quality including:

- the skills and qualifications of staff
- the size of group and age range within each group
- a warm and nurturing environment
- high staff-to-child ratios
- suitable premises and catering for a diverse range of children.

Children should have access to materials and equipment that are developmentally appropriate for their age and allow for imaginative play. Through the provision of age appropriate activities high-quality childcare can support and stimulate a child's development and learning, contributing to good conditions for emotional, social and intellectual growth.

High-quality childcare plays a particularly important role in ensuring that children have a flying start in life, especially for disadvantaged children. Some important characteristics of early years childcare provision have been identified for enhancing children's development.

- Adult-child interaction that is responsive, affectionate and readily available.
- Well-trained staff who are committed to their work with children.
- Facilities that are safe and sanitary and accessible to parents/carers.
- Ratios and group sizes that allow staff to interact appropriately with children.
- Supervision that maintains consistency.
- Staff development that ensures continuity, stability and improving quality.
- A developmentally appropriate curriculum with educational content.

Our two strategic priorities in assuring the development of quality childcare provision across Wales are:

ensuring quality – developing a consistent approach to quality across the sector, in Welsh as well as English, for children of all ages

workforce development – upskill the current workforce and attract new entrants, as well as developing appropriate qualifications for the sector.

Ensuring quality

The Welsh Assembly Government will support arrangements which ensure that childcare provision enables children to reach their full potential and have their needs met, across the sector and age ranges. Parents/carers need to know that the place where they leave their child is safe and the people involved in his or her care offer a high-quality service.

In Wales, childminding and daycare for children under the age of eight and which operates for more than two hours a day, is regulated by the Care and Social Services Inspectorate Wales (CSSIW). Educational quality is inspected by Estyn. The non-maintained (i.e. private and voluntary sector) childcare provision which Estyn inspect will also be registered with CSSIW for delivery of childcare and education. Where there is an overlap both organisations will work together to try and reduce the burden of inspection on childcare providers and increasingly the two agencies are working in close collaboration in the drive towards better-quality childcare.

We also recognise that there are particular challenges in providing childcare for older children, not least in offering the types of activities that older children would like to take part in. Recent research indicates that the most common reason given for not using out-of-school care when it was available was that children didn't like it (36%)⁵. While legislation, National Minimum Standards and workforce strategies contribute to establish a strong baseline, the Welsh Assembly Government recognises that it is not appropriate to regulate, as formal childcare, every type of childcare provision, or provision that happens to provide an element of childcare within its

⁵ Childcare and Early Years Survey Wales 2009, National Centre for Social Research

remit. We are interested in developing arrangements that offer the choice of approval to providers who are not eligible for compulsory registration – to extend parent/carer choice to wider categories of provision with reassurance that their children are cared for in safe and suitable provision, providing assurance in a way that is proportionate. We are also keen to ensure that parents/carers are fully informed about which settings are regulated and know which questions to ask when choosing childcare.

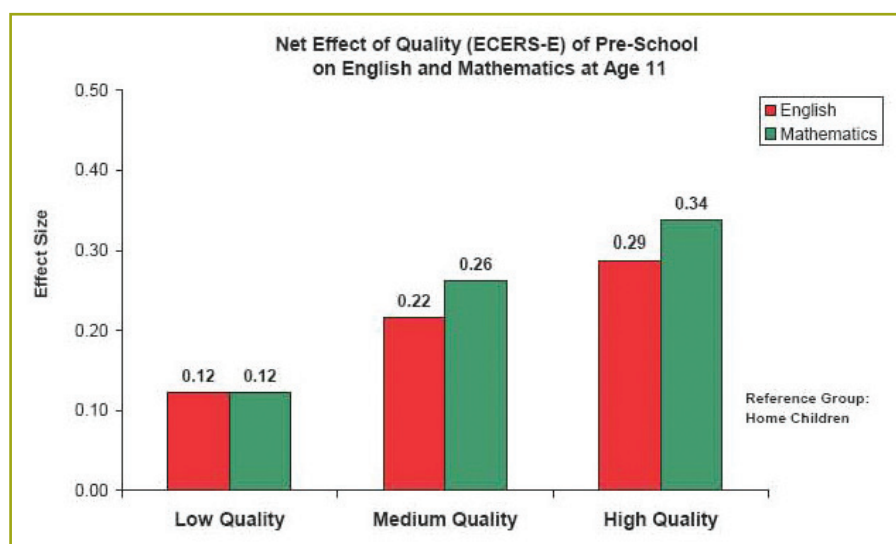
Whether childcare provision is regulated or not the welfare and safeguarding of children is paramount. Guidance on the safeguarding and protection of children has been clearly established in Safeguarding Children: Working Together Under the Children Act 2004. This sets out the roles and responsibilities of local agencies to safeguard and promote the welfare of children, and applies to all services provided to children, regardless of whether such provision is subject to regulation.

Workforce development

The childcare sector has expanded and developed in recent years, experiencing a great deal of change in terms of regulation and implementation of new policy and programmes including the development of Integrated Children's Centres, community focused schools, Foundation Phase and Flying Start. In order for the sector to continue to meet the requirements and demands of children and their families a flexible, high-quality and professional workforce is required, that has the right skills and qualifications.

The Effective Provision of Pre-school Education (EPPE) study found that where settings view educational and social development as complementary and of equal importance, children make better all-round progress. Settings which have staff with higher qualifications, including some trained teachers, show higher quality and the children make more progress. The EPPE study (3–11) provides evidence of a clear advantage of attending pre-school in terms of outcomes in English and mathematics at age 11. Children gained most benefit from having attended high-quality pre-school provision, but medium-quality provision also led to better mathematics and social/behavioural outcomes in Year 6, whilst children who had attended low-quality pre-school did no better in mathematics and English than those who had not attended a pre-school.

Figure 1: The impact of quality of pre-school on attainments in English and mathematics at Year 6



While the EPPE study did not consider bilingual or Welsh-medium childcare provision, the benefits of immersion programmes and early introduction of an additional language are well documented.

A pressing priority within the 0–5 age group is that more focus needs to be placed on additional childcare opportunities, so that childcare in Welsh is readily available to parents/carers within easy reach of their homes or workplaces. We recognise the need to meet demand and this key area is detailed in the Welsh Language Strategy.

The establishment of early intervention programmes such as Flying Start, which is targeted at the 0–3 age group, in the most deprived communities in Wales and the Foundation Phase for 3 to 7-year-olds demonstrate our continued commitment to providing services that will positively impact on children.

Flying Start has high-quality childcare as the ‘centrepiece’ of services to improve outcomes for children in areas of significant deprivation. Evidence suggests that Flying Start provision has contributed to an increase in the registered places available for 2-year-olds and increased localised demands particularly in provision for 3-year-olds. Further, Flying Start has had a positive impact on the quality of childcare provision in Flying Start settings, and sometimes more widely⁶. What is notable about the Flying Start programme is that training, development and support has gone beyond accredited childcare qualifications, moving towards continued professional development.

⁶ *Quality Childcare in Wales – Understanding the Influence of the Flying Start Programme: June 2010*

Our Foundation Phase is exceptionally popular with widespread support from the education profession, parents/carers and most importantly children. The Foundation Phase is a holistic developmental curriculum based on the needs of the individual child to meet their stage of development which places greater emphasis on experiential learning and use of the outdoors, with high staff-to-child ratios⁷. Almost 3,700 additional classroom assistants have joined the Foundation Phase workforce since September 2008 and local authority projections indicate that this will increase to 4,800 during the 2010/11 school year.

Higher qualifications are recognised as a key driver of quality in childcare settings and the Flying Start Framework sets higher standards for workforce qualifications than the National Minimum Standards.

It is essential that qualifications meet the needs of learners, employers and children to support the development of the sector workforce. UK-wide Vocational Qualifications Reform has rationalised the number of qualifications on offer to make the system easier to understand from the perspective of learners and employers. This Qualifications and Credit framework (QCF) has introduced a unit- and credit-based system, which will replace existing National Vocational Qualifications (NVQs). The Children's Care Learning and Development qualification for playwork and childcare, builds upon the strengths of previous qualifications. New childcare qualifications and playwork qualifications on the QCF provide greater flexibility across the sector enabling the transfer of credits between qualifications to avoid having to repeat learning, creating increased opportunities for development and progression, offering greater flexibility to learners and employers.

Policy position

We are committed to raising the status of the childcare profession and developing options to support quality provision across the childcare sector, in Welsh as well as English, for children of all ages.

⁷ The Welsh Assembly Government is committed to rolling out the Foundation Phase on the basis of 1:8 adult to child ratio for 3 to 5-year-olds and with 1:15 for 5 to 7-year-olds.

Statement of intent/Next steps

- In 2011, we will implement a National Quality Assurance Framework which provides a coherent approach to quality to ensure that sector specific or local authority Quality Assurance Schemes meet the expectations of Welsh Assembly Government and allow an appropriate degree of flexibility while promoting consistency. We will use the UNCRC, the Foundation Phase seven Areas of Learning and tackling child poverty as some of the building blocks.
- Parents/carers and childcare providers need clear information around the definitions of quality childcare. We will continue to work closely with the Care and Social Service Inspectorate Wales (CSSIW) to provide new information for parents/carers.
- In support of *Our Healthy Future*, and to improve the health and well-being of children in their early years, we will work with the health department and key partners to expand the Healthy Schools programme to pre-school settings.
- By April 2012, we will develop and introduce a 'progress and development' framework for childcare providers to help in the development of 0 to 3-year-olds, recognising opportunities for children to progress and develop in pre-Foundation Phase childcare, supporting transition into the Foundation Phase and the framework will be utilised for Flying Start.
- We have identified workforce being key to quality childcare. We will work with Care Council for Wales and Skills Active and the Early Years and Childcare Workforce Development Network to map and review the suitability of new qualifications to ensure that the childcare sector is well supported by appropriate qualifications at the right level and content.
- While arrangements for a robust qualifications framework are developed, more needs to be done to recognise the role of the childcare sector and raising the status of its profession. We will look to ways of attracting a wider range of entrants into the sector, particularly through work-based learning programmes and working with the sector to develop an apprenticeship route for playwork.
- Apprenticeships help to inspire success in an individual and bring huge benefits to the workplace. The Welsh Assembly Government currently offers a number of initiatives to encourage employers to recruit more apprentices, we aim to attract 500 apprenticeships into the childcare and play sector during the next year.

- To help develop Welsh-medium provision as set out in *A living language: A language for living*, a strategy for the Welsh language, we will work with local authorities to identify and advertise more Welsh-medium childcare opportunities with the aim that provision meets the demand.
- Through our investment in training in Flying Start and Foundation Phase we will broaden the skills level across the sector encouraging partners to learn from and allowing the sector to benefit from this training.
- We will support the design of an Extended Childcare Diploma to meet the needs of learners wanting a two-year full-time course that gives both 'occupational competence' and access to higher education. In order to give sufficient time to design a larger qualification we will extend existing full-time childcare qualifications beyond January 2011.
- We will assess the demand and supply for higher-level qualifications, aiming to gradually work towards 70 per cent of practitioners holding qualifications above Level 3 and we will promote and encourage practitioners to work towards a graduate level qualification.
- Ensuring quality and workforce development will be key components as we develop and work with key partners on options for assuring and licensing childcare provision that is not regulated, including care for older children.
- We will work with local authorities and key partners to explore creating more professional development and learning networks, recognising the benefits these bring for the childcare sector, in particular some childminders who because they work in isolation do not get access to continuous professional development support.

Affordable childcare

The Welsh Assembly Government is currently facing the most difficult financial backdrop since the advent of devolution. Our vision is for families to have access to the childcare they need at a price they can afford, but we recognise that there are significant challenges ahead.

The childcare market in Wales is delivered through a variety of means: informal childcare provided by the family, more formalised childcare settings delivered by the maintained sector, and provision from the private, voluntary and independent sectors. The Foundation Phase, a holistic developmental curriculum based on the individual child's needs and stage of development, offers a minimum of 10 hours of free part-time early years education for all 3 and 4-year-olds in Wales. A key priority is to ensure that provision across the sectors is complementary and creates a more joined-up and affordable service across Wales.

Financial subsidy to support families is available from a number of different sources. Many working parents/carers can get help with their childcare costs through tax credits⁸. Lone parents/carers who are looking to train or enter work may also be able to get help with childcare costs through Jobcentre Plus.

Our two strategic priorities in assuring the development of affordable childcare provision across Wales are:

joining-up programmes – ensuring that any investment in childcare support is across programmes, delivered in a coherent way to maximise the investment available, fits with the wider strategic objectives, and addresses local demand and supply issues

supporting Childcare Enterprise – both in terms of commercial enterprise and social enterprise, and in considering what support packages can be developed.

Joining-up programmes

This is a particular challenge given the wide range of interested parties and associated programmes that have been developed. The duty to provide appropriate and affordable childcare to enable parents/carers either to work or to undertake training which will

⁸ What you can get depends on your income and your childcare costs. Call the Tax Credits Helpline on 0845 300 3900 to find out more.

assist them in finding employment, wherever practicable rests with local authorities. The challenge is for local authorities to identify and build effective links to include:

- regeneration and community programmes
- economic development
- planning departments
- Communities First
- community focused schools
- adult and community learning.

Jobcentre Plus also offers various initiatives in Wales aimed at supporting families and reducing workless households, which includes addressing childcare needs. Childcare Partnership Managers work to join up service delivery and focus on taking forward the childcare and child poverty agenda for Jobcentre Plus, working closely with local authorities across Wales around formal childcare sufficiency.

Families First funding from April 2012 will be based on the Families First principles, including the imperative that services for families are planned and delivered on an integrated basis. The six current Families First pioneers are organised on a consortium model with each consortium comprising three local authorities. The consortia are taking forward activities that respond to the need for greater internal and external collaborative efforts. Join-up between the pioneers and, for example, the current Integrated Family Support Team pioneers is important in the effective delivery of a continuum of support for families.

An emphasis has been placed on opportunities for the consortia, and local authorities across Wales, to share in the learning uncovered during the pioneer phase (until April 2012); an Action Learning contract is in place to help analyse and disseminate early lessons from the Families First initiative.

Supporting childcare enterprise

Supporting enterprises at all levels are vital for economic growth and prosperity in Wales and contribute powerfully to national competitiveness, business productivity and individual social mobility. We recognise that childcare businesses may need support both in their establishment and throughout their development.

The childcare sector is uniquely placed – the provision of childcare enables parents/carers to work and as a business offers employment opportunities within its own right. High-quality, affordable childcare is pivotal to support parents/carers to take up work-related activity and training; and as an employer more than 18,000 people currently work in the registered childcare sector in Wales, with an additional 4,500 people training to work in the sector. The childcare sector represents 2.6 percent of all businesses in Wales with 2,400 businesses employing staff alongside 2,000 self-employed registered childminders⁹. As such, childcare is essential in supporting Wales out of the recession and tackling economic inactivity.

We understand the need to support all types of childcare settings and provide assistance such as business planning, financial management, understanding business demand and attracting the right entrants into the childcare sector.

Economic Renewal: a new direction sets out the role devolved government can play in providing the best conditions and framework to enable the private sector to grow and flourish. Within the policy we recognise the need to support and develop the childcare sector to take forward action with our partners to improve the accessibility, affordability and quality of childcare.

We continue to offer business start-up advice, and the National Childcare and Play Organisations provide a vital role working in partnership with new businesses, engaging in joining up programmes and supporting businesses via collaborative partnership working.

Policy position

We want to ensure that parents/carers in Wales, particularly the most disadvantaged families, are aware of the financial support and childcare programmes available to them and are supported to access them.

⁹ The Early Years and Childcare Workforce in Wales: 2010, Care Council for Wales

Statement of intent/Next steps

- In discussion with DWP, Jobcentre Plus and Family Information Services we will increase awareness and take-up of available financial support for childcare, ensuring that this engages families most in need.
- We will develop and introduce a scheme to enable childcare that is not regulated, including provision for older children to become eligible for the childcare element of Working Tax Credits.
- We will work with local authorities to ensure they have demonstrated effective joint working and links across departments and programmes to invest in childcare.
- We will conduct a survey of affordability in Wales, which will inform our options to further support childcare affordability. We will draw on the findings of this survey to pursue greater options for parents/carers to access affordable childcare.
- We will work with key stakeholders to develop options that support the development of Social Enterprise and Cooperative childcare provision in Wales.
- We recognise that mechanisms currently available do not provide for significant support towards both private sector childcare provision and issues of sustainability. We will work with key stakeholders to develop options to improve this.
- It is vital that childcare businesses are recognised as a key enabler for people to work or train and more support is needed for businesses in the childcare sector. We will explore further ways of supporting childcare enterprises and make further use of avenues of funding such as the sector priorities fund.
- We will promote a 50 per cent increase in the awareness and take-up of Welsh Assembly Government projects contributing towards strategic Leadership and Management we will target programmes such as the Enhancing Leadership and Management Skills programme (ELMS), the Sector Leadership Fund and the Workforce Development Programme.
- We will explore access to Foundation Phase provision and (where applicable) Flying Start provision to be consistent with parents'/carers' wider childcare needs. We will look at options to offer Flying Start and Foundation Phase more flexibly addressing the appropriate balance between a parent's/carer's and child's use of the provision.

Accessible childcare

We know that there are some significant challenges if we are going to provide the right type of childcare, in the right place. We know that across Wales there is a need to:

- extend childcare provision across all age ranges
- improve the geographical spread of childcare to meet parental demand and community patterns
- diversify the sector to improve the quality of the workforce and the provision available
- improve the provision of childcare linked to parents'/carers' work patterns¹⁰.

Local authorities should be aware of key groups who miss out despite the need for assistance in accessing childcare, including groups with the requirements for specialist childcare for disabled children and those with special needs. Locality and transport are also issues that may have an effect on provision and families who live in rural communities may face difficulties accessing the childcare that they need. There may be additional challenges when seeking to access appropriate provision delivered through the medium of Welsh.

We are continuing to address the changing situation facing families, not least by actively considering what our various programmes do and ensuring that investment is having the desired effects. Key to tackling child poverty is the greater development of policy and seamless services providing support to families. We have built on existing foundations and have developed a new and far broader approach to family support.

Our four strategic priorities in assuring the development of accessible childcare provision across Wales are:

- **sufficiency of provision** – ensuring that enough childcare provision is secured in every locality to allow all children to access good-quality provision, and to enable parents to work, in line with the Welsh Assembly Government's Child Poverty Strategy
- **infrastructure development** – developing settings in the right area linked to wider initiatives which support the eradication of child poverty, such as regeneration and community projects to ensure longer term sustainability of settings

¹⁰ Childcare Sufficiency Assessments completed April 2009

- **diversifying the sector** – changing patterns of provision to meet parental need and looking at more flexible packages of childcare
- **improving information** – ensuring that parents have the right information about childcare options, the financial help available to them and the benefits to both the child and parent of good childcare.

Sufficiency of provision and infrastructure development

These two priorities are very closely linked and it is vital that if we are to support sufficiency, then childcare provision must be developed and extended appropriately. The first strategic objective in the new Child Poverty Strategy to reduce workless households recognises both the importance of high-quality, affordable childcare in improving outcomes for children, and childcare as a key enabler to work. It also recognises unemployed parents'/carers' need to access childcare provision, appropriate to the diverse requirements of both the parent/carer and labour market needs.

The needs of children and families are extremely important to us and we have placed a duty on local authorities to undertake a formal Childcare Sufficiency Audit, to assess current demand for childcare in their area and how future supply will meet this demand¹¹. To support local authorities in this duty the Welsh Assembly Government has developed a toolkit for completing sufficiency assessments.

Childcare Sufficiency Assessments should consider groups of parents/carers who find it difficult to access affordable childcare. Local authorities need to be aware of those that are missing out on childcare provision, including 'families facing high cost barriers' such as children with special needs or disabilities, and consider what additional assistance can be given to them. In line with the strategic objectives of our Welsh-medium education strategy¹², access to Welsh-medium childcare provision must also be increased.

The purpose of the Childcare Sufficiency Assessment is to help local authorities gauge the childcare market and generate an overall picture of parent's/carer's use of and demand for childcare in their

¹¹ Childcare Act 2006

¹² *Welsh-medium Education Strategy*, Welsh Assembly Government, April 2010

local area. Through assessing the supply and demand in the local area, local authorities are able to identify gaps in childcare provision and to plan how to address them. It is vital that local authorities use this intelligence in planning new and extending existing provision, including Flying Start and Foundation Phase.

Diversifying the sector

The recent Early Years and Childcare Survey carried out by the National Centre for Social Research¹³ indicates that working parents/carers use relatively large amounts of childcare and that this sometimes requires complex packages of care to cover parent's/carers' working hours.

The challenge is to balance the childcare needs of parents/carers in order to enable them to work or train with the needs of children accessing care that is appropriate and beneficial to their needs. We are aware of particular difficulties in accessing care for older children during school holidays with 25 per cent of parents/carers reporting problems in finding holiday care that was flexible enough to meet their needs¹⁴.

The evidence review carried out to support the Child Poverty Strategy for Wales suggested that one of the key policy actions necessary to support child poverty objectives is to improve childcare provision, including before-and-after school childcare, and to increase school holiday provision.

Improving information

The Welsh Assembly Government attaches considerable importance to the needs of children and their families. We want to guarantee access to beneficial information so that all parents/carers receive essential advice and assistance. The Childcare Act 2006 requires local authorities to provide an information service for parents/carers and prospective parents/carers. In Wales the majority of information services are provided by Family Information Services.

Family Information Services in Wales provide expert advice and information on childcare and free part-time early years education places in their area. Family Information Services are also able to direct parents/carers to information about other local services to help

¹³ Childcare and Early Years Survey Wales 2009, National Centre for Social Research

¹⁴ Childcare and Early Years Survey Wales 2009, National Centre for Social Research

them select the most appropriate local services for their children. Information about other local services would include education, health care, training advice, leisure services, parenting support as well as national initiatives such as Flying Start, Foundation Phase, Tax Credits and careers in the Early Years sector.

Recent evidence from the National Centre for Social Research¹⁵ indicates that there is an increasing awareness of Family Information Services among one-fifth of families (21%). However, not all parents/carers feel they have access to good information and parents/carers from the most disadvantaged groups in society in particular may struggle to find the information that they need.

We have a sharp focus on information to parents/carers and families and continue to analyse the relative efficacy of different communication methods. Early engagement with the Families First pioneers supports the principle that effective information to parents/carers requires a degree of segmentation and taking different approaches. We see both the Family Information Service network and Youth Information Services as an important link between the Government and the public and continue to work to raise the profile of their services in Wales.

Policy position

Childcare for disabled children is critical to enable their parents/carers to access employment and training and help reduce child poverty. The accessibility of childcare delivered in the Welsh language is another important barrier we also wish to tackle. We are committed to addressing the changing situation facing families in Wales, to create the conditions that support the development of childcare and ensure that families in Wales have the information that they need to access the services they require.

Statement of intent/Next steps

- Our four strategic priorities for accessible childcare will require all stakeholders in the sector to develop options to grow and develop existing childcare provision for older children, including holiday and out-of-school childcare.

¹⁵ Childcare and Early Years Survey Wales 2009, National Centre for Social Research

- We will monitor local authorities to assess how effectively they are discharging their duties under the Childcare Act. We will explore how we commission and evaluate the effective use of the Childcare Sufficiency Assessments and how the assessments inform decision making and provide a full extent of information for parents/carers.
- Linking to sufficiency we will be assessing the availability, affordability and accessibility of the provision of childcare involving the use of the Welsh language as well as childcare that is suitable for disabled children.
- We will work closely with partners to ensure that the Families Information Services support the aims of our Families First initiative and families have easy access to the full range of information that they need from the most appropriate source. We will consider how we can raise awareness and use of the Families Information Services and explore the links between other information services, such as CLIC and the Youth Information Services, to ensure that resources are maximised and targeted effectively.
- Local authorities will need to demonstrate how it effectively distributes its grant funding for the Childcare element of community focused schools in 2011, in line with the gaps identified in the Childcare Sufficiency Assessments and the priorities detailed in this statement.
- We will explore how childcare provision is considered in relation to new housing, regeneration projects and transportation issues.

Conclusions

While the centrality of childcare to a range of public policy initiatives has been clear for many years, on occasions it has seemed as if it is presented as something that fills a gap or overcomes a barrier, rather than being an opportunity for children which is of value in itself. By prioritising quality, affordability and accessibility in taking forward policy on childcare in Wales, we intend to ensure that the opportunities are maximised so that children are nurtured and families are supported.

The prospects for childcare to make a significant difference to the lives of children in Wales are encouraging – whether for them directly as individuals, or more indirectly through improving their family circumstances, revitalising their communities and growing the economy. Those working in this sector will play a key role in making this intention a reality and their contribution to our children and our country's future should be recognised. Government, locally and nationally, must engage with the sector to provide leadership as well as support. We will also listen and remain focused on the fact that it is the child that comes first in childcare.

The Welsh Assembly Government is committed to leading the way in promoting high-quality, affordable and accessible childcare. The leadership we show and the actions we will take to develop childcare provision in Wales need to be complemented by strong leadership from within the childcare sector, advocating for children, championing families and strengthening providers. Together in partnership we can make a difference.

Annex: Evidence paper

Nurturing children

Summary: A substantial body of evidence shows that some access to formal childcare has positive effects on child development, particularly for disadvantaged children and when childcare is of high quality. While the research on pre-school education (3+ years) is consistently positive, the evidence on the overall effects of childcare (0–3 years) is unclear.

Young children

Evidence of the impact of childcare on very young children is mixed. The Effective Provision of Pre-school Education (EPPE) Study found that access to formal care before the age of three is beneficial. The benefits to cognitive outcomes are greater for children starting in pre-school between two and two and a half, but the research finds no additional benefits to starting before age two. A wider review of the evidence (Melhuish, 2004) concludes that children under the age of three who are not disadvantaged do not see strong benefits; this is because they tend to be experiencing a better home learning environment. However, for disadvantaged children high quality childcare produces benefits for cognitive, language and social development.

It is important to note that there is some evidence that early childcare can cause negative effects. The National Institute of Child Health and Development (NICHD) study in the US found that children who entered childcare earlier had more behavioural problems but could not pin down an age at which entry into childcare would not pose this risk (NICHD, 2006). Further analysis from the NICHD also showed that the quantity of non-maternal care is associated with problematic child behaviour, particularly antisocial and aggressive behaviour at 4 to 5 years of age (Belsky et al, 2007). These effects were partially mediated by quality of childcare, time spent in group care and maternal sensitivity, but quantity of childcare had a clear independent effect and quality of care had no separate main effect (Belsky et al, 2007). This finding is similar to that found in EPPE where high levels of group care before the age of three (and particularly before the age of two) were associated with higher levels of anti-social behaviour at age three.

Other studies have shown that cortisol levels are raised in very young children when they are in stressful situations. Cortisol is the hormone we secrete when faced with threat, leading to 'fight or flight'. One

study has shown that toddlers (aged between 11 and 20 months) in child care had significantly raised levels of cortisol (Ahnert et al, 2004). Even after the children had adapted to day care without their parents for three months, their cortisol levels were indicative of chronic, mild stress. Large rises in cortisol levels have been shown to cause physiological problems including memory deficits and immune system suppression. It is not clear whether the small rises shown in this study might also have a physiological effect.

Many studies have found that an early start in formal childcare needs to be of high quality to mitigate the possibility of behavioural problems. Evidence from the USA and the UK (NICHD, 2005; Sylva, Melhuish, Sammons, Siraj-Blatchford, and Taggart, 2004) suggests that good quality childcare can be beneficial for potentially vulnerable children. The Families, Children and Child Care (FCCC) longitudinal study found that quality of care and specifically caregiver emotional responsiveness and sensitivity provided by grandparents and nannies was higher than that observed in centre care (Leach et al, 2008) which suggests that it may particularly be centre-based care that is relevant to the development of behaviour problems, and not home-based care in a familiar setting.

The FCCC Study also found that children who had experienced substantially more childcare from 19 to 36 months (an average of 35 hours or more per week) were reported by mothers to be more confident about expressing themselves, joined in activities and had more sympathy for peers. This was the case particularly if they had spent more time in a nursery or at home with a nanny with a trend in the same direction for more time with a childminder. Thus, the experience of being with non-family adults and with other children either in a small home-based group or in a nursery appears to have facilitated the development of social skills.

Pre-school children

For provision for three year olds and upwards the evidence is consistent that pre-school provision is beneficial to educational and social development for the whole population. The primary source of UK evidence relating to the influence of quality childcare on young children comes from the Effective Provision of Pre-school Education (EPPE) study. The EPPE Study followed a cohort of 3,000 English three year olds as they entered primary school and up to age seven. The study was designed to investigate the long term impact of

pre-school education and the study took into account the home environment and pre-school settings attended by the child. It also included a comparison group of children that had none or minimal pre-school experience. It is the first large-scale multi-level modelling study to show convincingly that individual pre-school centres have lasting effects on children's development.

The results suggest that, overall, attending a pre-school rather than none has a positive impact. In addition, experiencing a longer duration, higher quality and more effective pre-school centre has significant benefits in preparing young children for a better start to school. The study concludes that attendance in pre-school settings has the following impacts.

- Pre-school experience enhances all-round cognitive and social development in children.
- Children with no (or limited) pre-school experience had poor cognitive attainment, sociability and concentration when they start school. These differences show even when differences between child, family and home environment characteristics are controlled for.
- Full time attendance led to no better gains for children than part-time provision.
- Disadvantaged children benefit significantly from good quality pre-school experiences, especially where they are with a mixture of children from different social backgrounds.

The EPPE study is longitudinal and therefore presents a number of important findings by the end of Year 6 (children aged 11) and provides evidence of a clear advantage of attending pre-school in terms of outcomes at age 11. The findings support the case for provision of good quality early years education in English and mathematics, children who attended a pre-school still had higher attainment than those that didn't, even when controlling background characteristics. Other key findings included:

- Children gained most benefit from having attended high-quality pre-school provision, but medium quality provision also led to better mathematics and social/behavioural outcomes in Year 6.
- Children who had attended low-quality pre-school did no better in mathematics and English than those who had not attended a pre-school.

- Children who had not attended pre-school continued to show poorer pro-social behaviour compared to those who had gone to pre-school.
- Although having attended any pre-school versus none shows positive benefits for a range of educational outcomes in Year 6, the impact is carried mainly by the pre-school quality and effectiveness effects.
- It should be noted that although attending pre-school and the quality of the setting has a significant influence on children's later outcomes, the influence of the early Home Learning Environment is twice as strong as the influence of pre-school quality on English attainment. Mother's highest qualification (degree versus none) is twice as strong as the influence of pre-school quality for mathematics.
- For all outcomes, having attended a high quality preschool is of particular benefit for boys, children with special educational needs (SEN) and disadvantaged children. While higher-quality pre-school benefits all children, the benefits are greater for these groups.

The findings of the EPPE study, notably those relating to the short-term impacts and the quality of provision, are reinforced by studies from around the world.

Poor quality childcare may produce deficits in language development. There is some evidence that some forms of childcare, particularly group care, may elevate slightly the risk for developing antisocial behaviour (Melhuish, 2004).

Research demonstrates that the following characteristics of early years provision are most important for enhancing children's development.

- Adult-child interaction that is responsive, affectionate and readily available.
- Well-trained staff who are committed to their work with children.
- Facilities that are safe and sanitary and accessible to parents/carers.
- Ratios and group sizes that allow staff to interact appropriately with children.

- Supervision that maintains consistency.
- Staff development that ensures continuity, stability and improving quality.
- A developmentally appropriate curriculum with educational content.

The EPPE study found that where settings view educational and social development as complementary and of equal importance, children make better all round progress. Settings which have staff with higher qualifications, including some trained teachers, show higher quality and the children make more progress. The EPPE study also found that the most effective types of provision are integrated centres and nursery schools.

School-age children

There is little comprehensive UK evidence on the effect of different forms of care on school-age children, but some studies report benefits from out of school care. In one qualitative study (DfES, 2003), over half of respondents stated that out of school care contributed to children's self-confidence and social skills, although some parents believed it made no difference.

Evaluations of school-based programmes are often encouraging. Much of the evidence is US based but in the UK, the evaluation of the Full Service Extended Schools Initiative (DfES, 2007) found that after-school programmes impact positively on pupils' attainment, as well as other outcomes including engagement with learning, family stability and life chances. However, positive outcomes for pupils did not always translate directly into school performance data.

Supporting families

Drawing together the evidence of the benefits that childcare can provide, it is likely that provision of childcare can enhance parental work life balance and contribute to increased family income through increased levels of employment – and these in turn can produce wider benefits for family life, although there is limited empirical evidence that demonstrates this link.

The economic case for childcare is well established. In conjunction with maternity leave and other employment provisions relating to family responsibilities, paid childcare can assist in increasing the size of the female labour force and also help sustain its long-term productivity. It conserves human capital by helping women maintain career continuity, and helping them and/or their employers avoid the cost of retraining when mothers only return to the labour market after a long break (Joshi and Davies, 1993).

Lack of affordable childcare (where childcare costs are high relative to wages) may constrain a mother's employment decisions, both in terms of her decision of whether to work but also for how many hours she works if she does. A number of empirical studies have confirmed this negative relationship between childcare costs and maternal employment (see Blau and Robins 1989; Connelly 1990). Research undertaken with economically inactive adults of working age in Wales found that 69 per cent agreed that 'There are no jobs for someone like me that pay enough for childcare'. The research also found that concerns about finding jobs that pay a decent wage were more important than almost any other aspect of their childcare arrangement (for example accessibility and quality).

Both female labour market participation and child-care have seen big changes over the last generation, although it is not clear which changed first. Employment rates of women with dependent children have been rising, from 61 per cent in 1997 to 64 per cent in 2008. The lone parent employment rate has risen from 45 percent in 1997 to 56 percent in 2008¹⁶.

UK and international evidence suggests that integrated policies that include childcare are likely to have positive impacts on the employment rates of parents. However, lowering childcare costs on their own will have only modest effects on employment. Studies find that the price elasticity of demand of employment relative to the price of childcare is low – it requires a relatively large change in the price of childcare to bring about a sizeable change in parental employment. One UK study (Francesconi, 2007) found that the large financial changes brought about by the introduction of Working Family Tax Credit led to a five percent increase in employment for lone parents, and a 35 per cent increase use of formal childcare. The reduction in childcare prices brought about by major reform in Sweden (Lundin et al 2007) seems to have had little effect on

¹⁶ All figures are taken from Labour Force Survey 07/08 and cover England, Wales and Scotland.

parents' labour supply, although the extensive childcare policies already in place may have dulled the impact of the reform. Both studies suggest that it takes a substantial change in the price of childcare to bring about a change in employment rates.

It should also be noted that although many studies identify childcare as an important influencing factor affecting the labour market participation of mothers/parents, it is not the only one (D'Souza et al, 2008). Other factors often include caring by choice, job concerns, health problems as well as parents who felt they were facing too many constraints.

A few studies have examined the long term benefits of providing high quality childcare as a form of intervention for disadvantaged families. Generally, these studies show substantial benefits and long term benefits. The level of savings for the use of pre-school provision as a form of intervention with disadvantaged populations is still up for debate. However, the consistency of positive cost-benefit results from the available studies does indicate that there are long-term savings to be made with such populations. However it should be noted that the applicability of these savings to the general population is doubtful as much of the benefit in these studies of disadvantaged populations derives from reductions of negative outcomes e.g. crime, remedial education, unemployment, where the incidence of these negative outcomes is dramatically less in the general population and therefore the scope for savings is less (Melhuish, 2004).

One study explores the mechanisms linking maternal employment to children's outcomes and found a number of factors that minimise the effect of mothers' labour market participation on their children (Gregg et al, 2003). The research found that overall the children of working mothers receive no less active parental interaction than the children of non-working mothers because fathers are significantly more involved in child rearing in households where mothers return to work early. These results suggest that this more equal division of parenting has strong beneficial effects on later child outcomes.

The additional income generated by the mother's earnings is a second factor that helps to offset any negative effects associated with maternal employment. The study also found that the type of childcare used by the family is a crucial determinant of the impact of maternal employment. It is only the children of mothers who work full time before 18 months and whose non-parental care consists

solely of care by a friend, relative or neighbour who experience significant detrimental effects of maternal employment. The use of paid childcare protects children from these negative effects and attendance at a centre-based provider may actually lead to better cognitive outcomes than if the child were at home with a non-working mother.

In terms of the benefits of childcare to lone parent families, there is evidence to suggest that increased employment and use of childcare can lead to enhanced wellbeing for parent and child. One study examines the impact of Working Families Tax Credit (WFTC) on lone parents, also considered whether the reforms impacted on mothers' mental health and child well-being (Gregg et al, 2007). Prior to the reforms, lone mothers had been identified as a group with below average levels of mental well-being. In principle, the package of reforms should improve this in a number of ways, including a boost to employment (which may also increase social interaction), better financial circumstances and improved access to childcare, so reducing the strain on those already in work. However, the move into employment may be associated with an increase in stress as women attempt to juggle work and childcare commitments, often with little outside support. The analysis identified improvements in lone mothers' mental health and life satisfaction following the reforms. Adolescent children in lone parent families typically report lower self-esteem, more unhappiness, lower quality relationships with the mother and a number of worse or risky behaviours. This study identified a marked narrowing of these gaps since the introduction of WFTC. The magnitude of these changes are quite large, half of the gap in self-esteem and unhappiness scores and in truancy, smoking and planning to leave school at age 16 are eliminated after the policy reforms. This strongly suggests that the increases in incomes and employment associated with the reforms have influenced the quality of life of children in lone parent families.

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