

Minding the future

The childcare barrier facing working parents

January 2022



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Equality and Social Justice Committee
Welsh Parliament
Cardiff Bay
CF99 1SN

Tel: **0300 200 6565**
Email: **SeneddEquality@senedd.wales**
Twitter: **[@SeneddEquality](https://twitter.com/SeneddEquality)**

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Minding the future

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January 2022



About the Committee

The Committee was established on 23 June 2021. Its remit can be found at:
www.senedd.wales/SeneddEquality

Current Committee membership:



**Committee Chair:
Jenny Rathbone MS**
Welsh Labour



Jane Dodds MS
Welsh Liberal Democrats



Altaf Hussain MS
Welsh Conservatives



Sarah Murphy MS
Welsh Labour



Ken Skates MS
Welsh Labour



Sioned Williams MS
Plaid Cymru

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Chair's foreword

Childcare and parental employment has been a political issue for a number of years, latterly in the context of the Childcare Offer, the Gender Equality Review and the Fifth Senedd's Equality, Local Government and Communities Committee's inquiry into parenting and work.

The COVID-19 pandemic resurrected long standing concerns about gender equality, childcare and employment discrimination. Mothers with young children have reported doing considerably more childcare and home-schooling than fathers, working fewer hours and losing earnings. Our inquiry into childcare and parental employment focuses on the barriers that insufficient childcare provision creates for parents, particularly women, seeking to re-enter and progress in the labour market, which is the main driver of the gender pay gap.

During the course of the inquiry we found the disparate features of the current provision, and the instability and lack of diversity in the workforce, add complexity for parents attempting to juggle childcare with paid work. The Welsh Government and Plaid Cymru have made a commitment to expand the Childcare Offer in their Co-operation Agreement, but simply expanding the current offer without addressing these issues will lead to further problems.

Our recommendations to the Welsh Government aim to improve awareness of the support available to parents, strengthen the workforce, and learn from the best practice of other nations. The Deputy Minister for Social Services has stated an aspiration to universal free childcare for all, and we believe that implementing the recommendations within this report will bring Wales closer to that goal.

I would like to thank all the parents, front-line workers, and stakeholders from within Wales and internationally who contributed to this work.

Jenny Rathbone MS
Chair of the Equality and Social Justice Committee

Recommendations

Recommendation 1. We recommend that the Welsh Government sets out in its response how it intends to work with local authorities and health boards to improve awareness and understanding of the childcare support available to new parents. Potential approaches could include:

- writing to new parents or promoting the support available when parents register the birth of their child;
- providing information to parents in sufficient time ahead of the end of maternity leave to help them to make informed decisions about childcare; and
- developing a “one-stop shop” information service to allow parents to search which provision their child is eligible for at any point in time. Page 20

Recommendation 2. We recommend that the Welsh Government sets out in its response its plans for addressing the gap in childcare between the end of maternity leave and eligibility for the Childcare Offer. This should include indicative timescales, and an evaluation of the financial and practical factors that would need to be taken into account in addressing this gap.Page 25

Recommendation 3. We recommend that the Welsh Government sets out in its response how it intends to address the eligibility criteria in the Childcare Offer to make it easier for parents employed in atypical hours, such as insecure work, shift work or on zero-hours contracts, to access provision.....Page 28

Recommendation 4. We recommend that the Welsh Government sets out in its response its plans to strengthen guidance and legislation to deliver greater and more consistent provision of community-focused schools across Wales.Page 30

Recommendation 5. We recommend that the Welsh Government sets out in its response its plans to place more Welsh-medium childcare on school sites, given that progression from Welsh-medium childcare to Welsh-medium primary education is higher when this occurs.Page 30

Recommendation 6. We recommend that the Welsh Government publishes a Children's Rights Impact Assessment (CRIA) and an Equality Impact Assessment (EIA) for the new, expanded childcare offer.

- The CRIA must demonstrate how the concerns of the Children's Commissioner about the Children's Rights Impact Assessment for the Childcare Funding (Wales) Act 2019 have been taken account of and addressed.
- The EIA is required to ensure that equality is mainstreamed into the development of childcare expansion, and to enable stakeholders and the Committee to scrutinise the extent to which this has been achieved.
- Both the CRIA and the EIA should be completed and published as soon as possible and as a minimum at least one month before the new, expanded childcare offer goes live. Page 32

Recommendation 7. We recommend that the Welsh Government sets out in its response its plans to work with local authorities to ensure that Family Information Services provide resources in community languages other than, and in addition to, English and Welsh..... Page 37

Recommendation 8. We recommend that in order to address widespread concerns around the lack of ethnic diversity in the sector, the Welsh Government sets out in its response its plans for:

- their new race disparity unit to build an evidence base around the level of ethnic minority representation in the childcare workforce; and
- the development of an action plan, including ambitious targets, for increasing the number of ethnic minority staff in the sector. Page 38

Recommendation 9. We recommend that the Welsh Government sets out in its response a plan which requires all childcare providers to undertake cultural and diversity awareness training, such as that being developed by Cwlwm, and to ensure that it becomes part of continuous professional development within the sector..... Page 38

Recommendation 10. We recommend that the Welsh Government sets out in its response its plans to develop and strengthen the childcare provision for children with additional learning needs, including increasing the amount of funding available through the Childcare Offer for Wales Additional Support Grant to improve provision for children with disabilities and/or additional or complex needs. Page 42

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Recommendation 11. We recommend that the Welsh Government sets out in its response how it will ensure sufficient funding is available in the expansion of the childcare offer under the Co-operation Agreement to allow two year olds with additional or complex needs to fully access provision.....Page 42

Recommendation 12. We recommend that the Welsh Government sets out in its response its plans to ensure the long-term capacity plan for the Welsh-medium sector, which the Welsh Government will explore as part of the Co-operation Agreement, is undertaken alongside work for the English-medium sector. This should reflect the impact that staff shortages are having on both the English-medium and Welsh-medium sector.....Page 44

Recommendation 13. We recommend that the Welsh Government sets out in its response its plans for a review of the promotion of careers in the Welsh-medium childcare and early years sector, and how further education and work-based learning can be used to ensure that it has sufficient staff.Page 44

Recommendation 14. We recommend that Welsh Government sets out in its response its plan to deliver a sufficient increase in the hourly payment to providers under the Childcare Offer to enable an increase in staff pay, and a timeframe by which all childcare workers will be paid the Real Living Wage, learning from the Scottish Government’s incorporation of this into their childcare expansion plans.....Page 49

Recommendation 15. We recommend that the Welsh Government sets out in its response its plan to ensure their upcoming workforce plan is developed with social partners, and includes a focus on improving working conditions in the sector as well as developing the workforce.Page 49

Recommendation 16. We recommend that the Welsh Government sets out in its response its plan to ensure that the upcoming childcare recruitment campaign by Social Care Wales reaches and attracts groups such as ethnic minorities and Welsh speakers who are under-represented in the childcare workforce.Page 49

Recommendation 17. We recommend that the Welsh Government sets out in its response its plan to deliver universal wrap-around care, including after-school clubs that can accommodate all those who want to benefit from them.Page 53

Recommendation 18. We recommend that the Welsh Government sets out in its response its plans to undertake the full consultation on the Exceptions Order that it committed to in 2019 in order to address concerns around the negative impact it has had on registered providers and on the safeguarding of children.Page 54

Conclusions

Conclusion 1. We welcome the commitment in the Co-operation Agreement to expand the existing Childcare Offer to two year olds, but are of the view that increasing the offer **beyond** the current 20 hours per week will enable more parents to return to work, and therefore further reduce inequalities.....Page 24

Conclusion 2. We conclude that the Welsh Government should use their planned expansion of the Childcare Offer as an opportunity to review and reduce the eligibility of each parent earning up to £100,000 per year.Page 28

1. Background

1. This report sets out the Equality and Social Justice Committee’s work into childcare and parental employment in the Autumn of 2021. Information on the background to this inquiry can be viewed on the [inquiry homepage](#)¹.

Evidence gathering

2. The Committee gathered evidence from stakeholders, including organisations campaigning on childcare, childcare providers, the Children’s Commissioner for Wales, and the Wales Equality and Human Rights Commission. This evidence was scrutinised during formal Committee meetings and at a roundtable discussion between stakeholders and Members. Views of parents and front-line workers were gathered by the Senedd’s Citizen Engagement team during a series of focus groups and one-to-one discussions.

3. Examples of childcare provision from outside Wales were provided by the Swedish Gender Equality Agency and the Scottish Government. Case studies from Sweden and Scotland included in the report illustrate some of the lessons that can be learned from elsewhere.

4. As some aspects of the terms of reference also fall within the remit of other Senedd Committees, the Chair wrote to the Chairs of the Children, Young People (CYPE) and Education, and Economy and Rural Affairs (ERA) committees, to propose joint working. Members of the Committee who are also members of the CYPE and ERA committees acted as rapporteurs during the inquiry, taking forward lines of questioning from those Committees during evidence gathering sessions. The correspondence can be viewed on the inquiry homepage.²

5. Julie Morgan MS, Deputy Minister for Social Services (“the Deputy Minister”) gave evidence to the Committee on 29 November 2021.

6. Details of all evidence gathered can be found in the annex to this report.

¹ [Equality and Social Justice Committee](#)

² [Equality and Social Justice Committee](#)

Co-operation Agreement between the Welsh Government and Plaid Cymru

7. The Welsh Government and Plaid Cymru published their Co-operation Agreement during the course of this inquiry on 22 November 2021.³ The Agreement sets out how the Welsh Government and Plaid Cymru will work together over the next three years on policies where there is a common interest. In particular, the sections relating to childcare, school term dates, and the Race Equality Action Plan fall within the remit of this inquiry. Most of the evidence received was before the publication of the Co-operation Agreement; evidence received after this has been highlighted in the report.

8. Correspondence between the Chair and the Deputy Minister for Social Services in relation to those areas of the Co-operation Agreement relevant to this inquiry can be viewed on the inquiry homepage.⁴

Terms of reference

9. The terms of reference for the inquiry were to examine:

- The extent to which current childcare provision in Wales sufficiently supports parents, particularly mothers, to enter, remain and progress in employment, and what changes might be needed to improve the effectiveness of childcare provision in doing this.
- What impact the Childcare Offer in particular has had in achieving the Welsh Government's objective of "helping parents, particularly mothers, to return to work or increase the hours they work".
- The impact of limited childcare availability on Wales' productivity levels.
- How childcare arrangements have affected parental employment during the COVID-19 pandemic, particularly in relation to mothers. What lessons might be applied to provide better support during any future lockdowns or increased restrictions.
- Whether Welsh Government-funded childcare provision is flexible enough to support employment of parents, particularly mothers, in different demographic groups and experiencing different circumstances.

³ [Welsh Government, The Co-operation Agreement 2021](#)

⁴ [Equality and Social Justice Committee](#)

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- The impact of high-quality formal childcare provision on reducing the attainment gap, and the potential benefits of extending childcare provision to tackle inequalities.
- What Wales can learn from other models of childcare provision operating in the rest of the UK and internationally and emerging practice in terms of supporting parental employment, and the extent to which these models might be transferrable to the Welsh context.
- How financial and practical implications such as availability of childcare would need to be considered by the Welsh Government in any future policy developments to extend childcare provision.

2. Awareness of current provision

The provision of childcare varies across Wales depending on location, the age of the child, the employment status of the parents and language preference. The Committee heard evidence throughout the inquiry about the lack of awareness amongst parents of what their child was eligible for. This lack of awareness exacerbates the difficulties of navigating a complex system.

Current provision

- 10.** Since 2008, local authorities have been required to provide a minimum of 10 hours free Foundation Phase nursery education per week for all children in Wales from the term after their third birthday until they start school full-time.
- 11.** In addition, many working parents are eligible for a further 20 hours per week free care for three and four year olds for 48 weeks per year under the Welsh Government's **Childcare Offer**.⁵ There are a number of eligibility criteria for the scheme including that each parent in the household must be working, earning less than £100,000 per year, and earn at least the National Living Wage or the minimum wage for their age for at least 16 hours per week. Between September 2019 and March 2020, 16,377 children in Wales benefited from the offer⁶.
- 12.** The **Flying Start** programme provides free childcare for children living in disadvantaged areas from the term after their second birthday until the term after their third birthday, for two and a half hours per day, five days per week (12.5 hours per week).⁷ This is provided for 39 weeks per year, with at least 15 sessions delivered during school holidays. In 2019-20, 7,693 children aged two to three benefited from the Flying Start childcare offer.
- 13.** Figure 1 illustrates how the amount of free childcare a child can get varies according to their age, and the location and employment status of their parents.
- 14.** The Welsh Government also part-funds the **Parents Childcare and Employment** (PaCE) programme, which covers childcare costs for eligible parents for whom childcare is the main barrier to entering work.⁸ The programme provides one-to-one support for parents who are not

⁵ [Welsh Government, Childcare for three and four year olds](#)

⁶ [Welsh Government, Evaluation of the Childcare Offer: Year 3](#)

⁷ [Welsh Government, Get help from Flying Start](#)

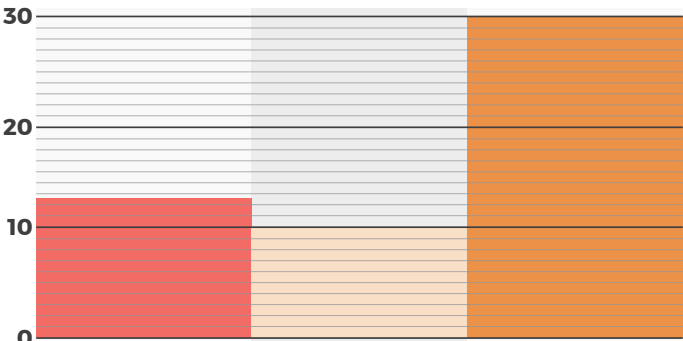
⁸ [Welsh Government, Parents Childcare and Employment \(PaCE\) project](#)

Childcare hours provided per week *

- Flying Start:**
12.5 hours per week
- Childcare Offer:**
20 hours per week
- Foundation Phase nursery education:**
10 hours per week
- Full-time school:**
30 hours per week

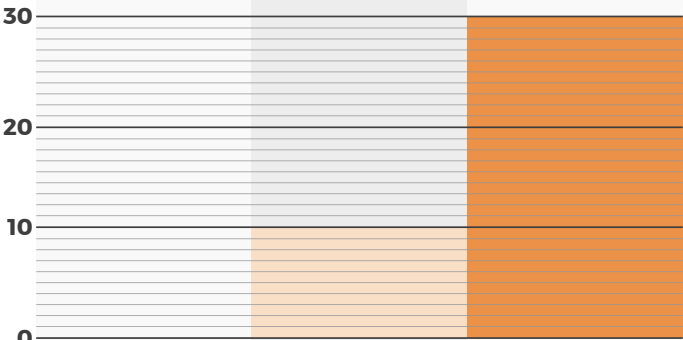
Child A

- Lives in a Flying Start area
- One of the parents in the household is unemployed



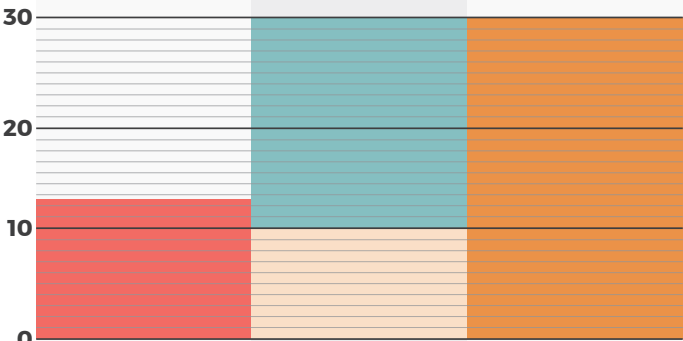
Child B

- Does not live in a Flying Start area
- One parent in the household works full-time
- One parent in the household works 10 hours per week



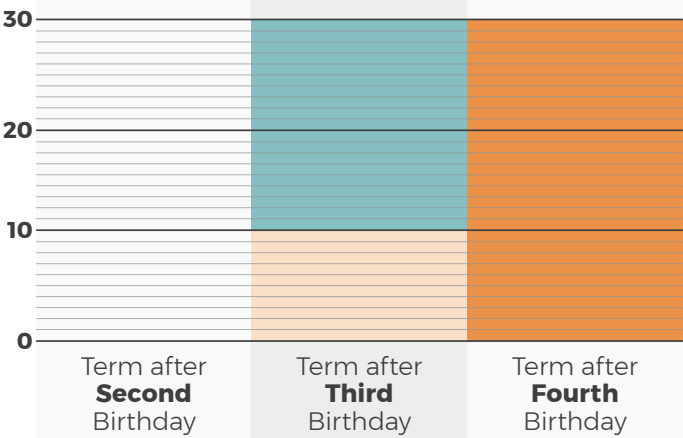
Child C

- Lives in a Flying Start area
- Single parent in the household earns £25,000 per year



Child D

- Does not live in a Flying Start area
- Both parents in the household earn £30,000 per year



* Number of weeks per year varies by type of provision

in work, education or training who need childcare to help gain skills to get a job. Eligible parents can apply via Careers Wales.

15. In addition to Welsh Government-funded provision, the UK Government provides **tax-free childcare** towards the cost charged by registered providers.⁹ The UK Government contributes £2 for every £8 a parent/guardian puts in. Families **in receipt of Universal Credit** may be able to claim back up to 85 per cent of childcare costs if they are working or have a job offer,¹⁰ up to a maximum of £646 per month for one child, or £1,108 per month for two or more children.

16. The 2021-26 **Programme for Government** commits the Welsh Government to funding “childcare for more families where parents are in education and training” as well as continuing to support Flying Start.¹¹

17. Care Inspectorate Wales (CIW) register and inspect day care that is provided for children under the age of eight years for over two hours per day, and for six or more days per year. This applies when the main purpose of the day-care is to look after the children other than in the course of providing them with education. A Care Service Directory enables parents to find a registered social care service and view inspection reports.¹² The care of all children up to the age of 12 and the education of three and four-year-olds that do not receive education in a maintained setting is inspected jointly by CIW and ESTYN.¹³

Case study: Established provision - Sweden

The Nordic countries introduced policies to increase women’s engagement in paid work in the 1960s. Quality subsidised childcare, along with generous parental leave are part of a policy objective to support gender equality and social justice. In Sweden, this has resulted in a “system change”. According to Johan Kaluza from the Swedish Institute of Gender Equality, the long-term commitment to childcare provision has led to it being “almost natural” to send your child to pre-school.

⁹ [UK Government, Tax-Free Childcare](#)

¹⁰ [UK Government, Universal Credit and childcare](#)

¹¹ [Welsh Government, Programme for government: update](#)

¹² [Care Inspectorate Wales – Care Service Directory](#)

¹³ [Care Inspectorate Wales – Joint child care and play framework](#)

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In 2020, half of one year olds in Sweden attended pre-school; this figure rose to 90.5 per cent of two year olds, 94 per cent of three year olds, and over 95 per cent of four and five year olds.

In Sweden, municipalities are required by law to provide publicly subsidised pre-school activities and childcare for all children from age one. All children are entitled to at least 525 hours free pre-school per year (approximately 15 hours per week) from the autumn term after they turn three.

Sweden has a maximum fee policy to make childcare affordable; families spend an average of 4.4 per cent of net income on childcare, much lower than in the UK. In 2020, the maximum monthly cost was capped at:

- 3 per cent of monthly household income for the first child, up to a maximum of 1,478 Swedish Krona (around £130 per month)
- 2 per cent of monthly household income for the second child, up to a maximum of 986 Swedish Krona (around £85 per month)
- 1 per cent of monthly household income for the third child, up to a maximum of 493 Swedish Krona (around £40-£45 per month)
- Free for the fourth child and beyond

The evidence from Sweden is that enabling unemployed parents to access preschool childcare has led to more women undertaking paid work; this was particularly true for mothers with two or more children. Nearly 75 percent of women aged 15 to 64 in Sweden are in employment. This is higher than most other European countries although, as with other countries, women are more likely to work part-time and there is still gender segregation within different occupations.

Our view

Evidence presented to us demonstrates that the provision of childcare increases paid employment opportunities for parents, particularly mothers. The case study from Sweden shows the positive impact of affordable pre-school childcare, with three quarters of women of working age in paid employment. The system we have in place in Wales delivers for some, but the evidence throughout this report exposes gaps that need addressing.

Navigating a complex system

18. The Welsh Government introduced the Childcare Offer with the **stated objective** of “helping parents, particularly mothers, to return to work or increase the hours they work”.¹⁴ However, **analysis** in 2016 by the Wales Centre for Public Policy and Frontier Economics predicted that it would lead to a less than one percentage point change in maternal employment rates among target families.¹⁵

19. The evaluations of the Childcare Offer undertaken by Arad Research for the Welsh Government have found that, while parents are increasingly aware of the Childcare Offer, there are still aspects of it that are not well understood.¹⁶ The emerging findings from the most recent evaluation highlighted:

“[...] although many parents appear to be aware of [the] Offer, many do not fully understand it, and the level of understanding may even have fallen during 2020 and 2021 compared to previous years. The specific points about which parents continue to be unclear include the eligibility criteria, the split between childcare and FPN [Foundation Phase Nursery] hours and the availability of funded provision during school holidays.”¹⁷

20. Cerys Furlong, Chief Executive, Chwarae Teg, pointed out that there is no mechanism in place to automatically alert parents to the support their child is eligible for at the time it is needed, and that the current system is complex.¹⁸ She highlighted the challenges parents face in navigating the different elements of support available, and the confusion about what they may be entitled to:

“For many, there’s a patchwork in terms of the private provision that they may need to use to wrap around the free provision, and some of that provision is available in school settings, in Foundation Phase settings: some of it is not. Some local authorities are able to offer it, some are not. And actually, when I think about my challenge in making that application as a parent, just being a mum at the nursery school gates and talking to many others, particularly those for whom English wasn’t their first language, it’s

¹⁴ [Welsh Government, Childcare Funding \(Wales\) Bill: Explanatory Memorandum](#)

¹⁵ [Wales Centre for Public Policy, Childcare Policy Options for Wales](#)

¹⁶ [Welsh Government, Evaluation of the Childcare Offer for Wales](#)

¹⁷ [Welsh Government, Evaluation of the Childcare Offer for Wales: year 4 \(emerging findings\)](#)

¹⁸ Record of proceedings, paragraph 14, 15 November 2021; Written evidence, Chwarae Teg

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*quite a difficult system to navigate. There's nothing that necessarily automatically flags to the right people at the right time how you access that support."*¹⁹

21. The Women's Equality Network (WEN) Wales said the absence of clear information was a barrier to parents taking up the Childcare Offer. This view was informed by a survey conducted by WEN Wales amongst its member networks:

*"67% of respondents stated that we need more accessible and transparent information on available childcare provisions. One respondent described the system as "too confusing and complicated." Another respondent reported confusion around what is and is not covered by childcare entitlements, saying that "it makes it very difficult for working parents how the money is divided between the time in school and nursery, i.e. wrap around fees paid out of pocket, not inclusive of meals."*²⁰

22. This was echoed by parents during focus group discussions who stated that making informed decisions about the suitability of childcare provision was challenging:

"We know when choosing a school, there's all these [...] reports we can look at and I don't feel the same kind of information is provided for when it comes to childcare [...] it should be as equally as important because those early years are paramount for the development of children."

Focus group contributor, Rhondda Cynon Taf

"I know when I was on maternity leave and had planned to go back to work, I wasn't aware of childminders [...] it was just day nurseries and they were just out of my budget at that point. So I think there needs to be a lot more information out there about options for parents."

*Focus group contributor, Bridgend*²¹

23. Flintshire County Council noted that the split nature of the Childcare Offer, comprising a weekly minimum of 10 hours of Foundation Phase nursery education and a maximum of 20

¹⁹ Record of proceedings, paragraph 14, 15 November 2021

²⁰ Written evidence, WEN Wales

²¹ Summary of engagement

hours of childcare, led to confusion amongst parents as to why the 30 hours were not always available in one setting.²²

24. The Bevan Foundation stated that even awareness of the 10 hours of universal provision is low.²³ This was echoed by witnesses who expressed varying degrees of awareness about the scope and eligibility criteria of the Childcare Offer and Flying Start.²⁴

25. The Welsh Government stated that take-up of the Childcare Offer varied across Wales, and listed the lack of awareness by some parents either of the offer itself or of how to apply for it as contributing factors. They confirmed that this would need to be addressed in local authorities' Childcare Sufficiency Assessments, which have to map the sufficiency of care for working parents and parents seeking work or training opportunities.²⁵

Our view

Evaluations of the Childcare Offer by Arad Research show that while overall awareness has improved, challenges remain in communicating the offer to parents. This is reflected in the evidence we received. We note the concerns from a number of witnesses that parents do not know what childcare support they may be entitled to, including the advice and support available through their local Family Information Service. This lack of awareness is likely to reduce take-up of the offer. As well as the direct impact on children losing the opportunity to benefit from quality, registered childcare, parents are losing financial entitlements and employment opportunities.

Action needs to be taken to raise awareness and understanding of the childcare support available to parents. This could be done by making sure that every contact with new parents by Local Authorities and health boards is also used to share information about childcare. Working parents who qualify for maternity leave or shared parental leave would benefit from better information before that leave period comes to an end, to help them make informed choices about childcare and a return to paid work. As well as pro-actively providing parents with this information at key times, all parents would benefit from a "one-stop shop" information service to enable them to find out which provision their child is eligible for at any point in time.

²² Written evidence, Flintshire County Council

²³ Written evidence, Bevan Foundation

²⁴ Summary of engagement

²⁵ Written evidence, Welsh Government

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Recommendation 1. We recommend that the Welsh Government sets out in its response how it intends to work with local authorities and health boards to improve awareness and understanding of the childcare support available to new parents. Potential approaches could include:

- writing to new parents or promoting the support available when parents register the birth of their child;
- providing information to parents in sufficient time ahead of the end of maternity leave to help them to make informed decisions about childcare; and
- developing a “one-stop shop” information service to allow parents to search which provision their child is eligible for at any point in time.

3. Expansion of the Childcare Offer

While the inquiry was underway, the Welsh Government and Plaid Cymru published a Co-operation Agreement. Under this agreement, the Welsh Government and Plaid Cymru have committed to expand free childcare to all two year olds with a particular focus on providing and strengthening Welsh-medium childcare. Evidence gathered from stakeholders prior to this announcement, arguing that the Childcare Offer should be expanded to include parents of children younger than three years old, suggests that it will be broadly welcomed. Evidence gathered following the announcement backs this up, although some stakeholders argue that expansion should go even further.

Gap in provision for one and two year olds

26. Most stakeholders called for the expansion of the Childcare Offer. The Child Poverty Action Group stated that *"the lack of a universal childcare offer for 2 year olds [...] leaves many families in a position where they have to limit the type and amount of paid work they can do, ultimately trapping many families in persistent poverty."*²⁶

27. WEN Wales pointed to the gap in provision between the child's first birthday, when shared parental leave comes to an end, and the commencement of the Childcare Offer when the child is three.²⁷

28. The Bevan Foundation stated that this gap in provision leads to parents of under-three year olds making alternative arrangements for childcare, and that the cost of nurseries and childminders can be *"prohibitive"*:

*"By far the biggest gap is in provision for under-3 year olds which is the least generous in Britain.²⁸ There is no state-supported care for 0-1 year olds while Flying Start for 2-3 year olds has very limited geographical coverage and does not offer enough care to support most forms of employment. Parents of under-3 year olds who want to work must therefore make their own arrangements using private nurseries, childminders or family members."*²⁹

²⁶ Written evidence, Child Poverty Action Group

²⁷ Written evidence, WEN Wales

²⁸ Jarvie, M., Shorto, S., and Parlett, H. (2021) *Childcare Survey 2021*, Coram Family and Childcare

²⁹ Written evidence, Bevan Foundation

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29. The Committee received evidence of the effect this gap in provision can have on a parent's career. Witnesses highlighted difficulties in returning to the workplace following the birth of a child, and how early decisions relating to childcare need to be made:

"Allowing childcare provision much earlier on in the journey at the point of need is important. I think if you're taking another two years on top and waiting until your child is three, you're effectively out of the workplace, so it doesn't allow for progression, whatever sector you're working in."

Focus group contributor, Gwynedd³⁰

30. Chwarae Teg stated that decisions around caring responsibilities are made when maternity or shared parental leave finishes and that focusing support on three and four year olds can lead to the parent dropping out of the workforce:

"By this point, many parents have already made decisions about how to change their working patterns to accommodate caring responsibilities. This often results in women reducing their hours or leaving the workforce entirely, as childcare for children under three remains prohibitively expensive."³¹

31. One witness made it clear that in some cases these decisions are made as early as during pregnancy:

"I remember being pregnant and it's awful to say ... I said to my mother-in-law and my mum; if you don't take care of this baby two days a week, I can't do this, I can't have this baby ... it's a very emotional time anyway, but you're thinking about childcare costs when you're 10 weeks pregnant."

Focus group contributor, Cardiff³²

32. After the publication of the Co-operation Agreement, witnesses started raising questions regarding the detail of the extended childcare offer:

- Would all two year olds receive childcare or would there be eligibility criteria?
- How many hours a week would be involved?

³⁰ Summary of engagement

³¹ Written evidence, Chwarae Teg

³² Summary of engagement

- When it would be introduced?
- Some stakeholders asked how the Agreement would affect the existing Programme for Government commitment to provide childcare to three and four year olds whose parents are in education or training.³³

33. Rachel Thomas, Office of the Children’s Commissioner for Wales wanted to ensure there was no childcare gap created for three year olds:

“...with the current Childcare Offer for the total of 30 hours starting from age 3, it will need to be careful that it doesn’t create a drop-off at age 3, so that you might get provision that you weren’t previously getting under Flying Start at the age of 2, but if you’re then not in employment or a specific amount of education and training then you wouldn’t be eligible for the current Childcare Offer in the terms that it stands, so there’s a real caution there to not give something and then take it away...”³⁴

34. The Deputy Minister agreed that *“the link between the two year old’s provision and the three year old’s provision”* was one of the issues that would need to be considered arising from the Co-operation Agreement.³⁵ She went on to say *“we would love to have a universal childcare system for all”* but confirmed that the detail of the expansion of the Childcare Offer under the Co-operation Agreement was still under development.³⁶

Case study: Expansion of early learning and childcare provision - Scotland

The Scottish Government has recently expanded early learning and childcare provision for preschool children following a commitment made in 2014. The primary driver for this has been to improve outcomes for children, with additional benefits in creating opportunities for parents to access or return to work, training or study.

The Scottish Government’s rationale for investing in early education and childcare expansion is the evidence that high-quality early learning is associated with “sustained improvement in children’s lifelong outcomes in education, employment, and health”, with the greatest benefits seen in children from disadvantaged backgrounds.

³³ Summary of roundtable discussion

³⁴ Record of proceedings, para 52, 29 November 2021

³⁵ Record of proceedings, para 126, 29 November 2021

³⁶ Record of proceedings, para 153, 29 November 2021

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From August 2021, the Scottish Government has provided:

- Free early learning and childcare for all three to four year olds for 1,140 hours per year until they start full-time school, regardless of whether their parents work or not.
- Free early learning and childcare for two year olds whose parents meet the Scottish criteria for free school meals, for 1,140 hours per year.

To support the expansion, the Scottish Government has provided additional funding of £2 billion over five years to cover additional childcare infrastructure, additional staff, and to pay the Real Living Wage to all childcare workers delivering funded provision.

The Scottish Government has plans to further expand early education and childcare provision, to provide free early years learning for all one and two year olds starting with children from low-income households, and to build a system of wraparound care by the end of the current parliament.

Our view

An expansion to the Childcare Offer will enable parents (primarily mothers) to re-enter the workforce at an earlier point, thereby avoiding the damage to pay, progression, confidence and skills that invariably occurs following an extended period out of the labour market.

We welcome the commitment made by Welsh Government and Plaid Cymru in their Co-operation Agreement to expand free childcare to all two year olds with a particular focus on providing and strengthening Welsh-medium childcare. While this is a welcome first step, there is still a significant gap between mothers ending their maternity leave and families becoming eligible for Welsh Government funded childcare support, and there are concerns around how the expansion will be achieved. We note calls from stakeholders that the expansion should go even further, with an aspiration of achieving universal free childcare stated by the Deputy Minister.

We believe that the extension to two year olds should therefore be the first step in the Welsh Government's plan to deliver high-quality universal childcare from the time maternity/parental leave finishes. This gap should be acknowledged by Welsh Government, and a plan put forward on how to address it.

Conclusion 1. We welcome the commitment in the Co-operation Agreement to expand the existing Childcare Offer to two year olds, but are of the view that increasing the offer beyond

the current 20 hours per week will enable more parents to return to work, and therefore further reduce inequalities.

Recommendation 2. We recommend that the Welsh Government sets out in its response its plans for addressing the gap in childcare between the end of maternity leave and eligibility for the Childcare Offer. This should include indicative timescales, and an evaluation of the financial and practical factors that would need to be taken into account in addressing this gap.

Non-working parents and parents working atypical hours

35. In order to qualify for the Childcare Offer, each parent in the household must be working and earning below £100,000 per year. This means that a child whose parents have a combined annual income of £199,999 could qualify, but a child from a non-working lone-parent family, or a two-parent family where one or both parents do not work, is not eligible.

36. The Committee heard evidence from stakeholders that the upper limit to qualify for the Childcare Offer of £100,000 per parent was too high, and that it should be lowered in order to focus funding on families with a greater need. WEN Wales stated *"while the Childcare Offer should be subject to an income cap, it is not clear what financial and economic considerations have informed this threshold level and it does appear somewhat high"*, and went on to question whether *"any potential savings from adjusting the threshold would enable the offer to be widened to parents with younger children, or could be used to facilitate investments in nurseries that would ensure flexible childcare was more consistently available across different local authorities."*³⁷

37. Research by Arad on behalf of the Welsh Government in 2019 found that as few as four per cent of parents accessing the Offer earned over £52,000 per year, while almost a quarter earned less than £10,400.³⁸

38. This inequality was highlighted by the Children's Commissioner for Wales, who pointed out that *"children of higher-earning parents were likely to have been already accessing high quality childcare."*³⁹ The Commissioner emphasised:

"Such a large-scale investment by the state in early years' provision should not exclude the children of non-working parents completely from the benefits. This is likely to reinforce inequalities in outcomes for different social groups"

³⁷ Written evidence, WEN Wales

³⁸ [Evaluation of the early implementation of the Childcare Offer for Wales: year two](#)

³⁹ Written evidence, Children's Commissioner for Wales

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and therefore requires rigorous analysis to mitigate any adverse consequences."⁴⁰

39. The Children's Commissioner highlighted evidence from the Millennium Cohort Study that children from the poorest families are around 10 months behind those from better-off backgrounds in terms of development by the time they turn three.⁴¹

40. Similarly, the Scottish Government told the Committee that the rationale for their investment in expanding childcare provision was that this delivers "*improved outcomes in language, cognitive and other essential skills*", with the greatest benefit seen in children from the most disadvantaged families.⁴² The Scottish Government cited international evidence from the Organisation for Economic Co-Operation and Development (OECD) that increased provision of early years learning and childcare improves the child's attainment in later years; high quality early learning is associated with sustained improvement in lifelong outcomes in health, employment and education.⁴³

41. Chwarae Teg called for universal free childcare for all children from birth to age four, regardless of the employment status of their parents. While recognising the effort and money required to achieve this, they argued that it would lead to a more equal Wales and economic benefits in the long-term.⁴⁴ The Bevan Foundation pointed out that children of parents from low income households may be excluded from the offer due to the employment status of their parents, even though those parents would benefit the most from entering employment or increasing their working hours.⁴⁵

42. Coram Family and Childcare's Childcare Survey 2021 highlights that only six per cent of local authorities in Wales reported having sufficient childcare provision for families where parents work atypical hours, and that this is a problem across Great Britain.⁴⁶ The international witnesses the Committee heard from highlighted that this was an ongoing challenge in their nations too. Dr Johan Kaluza from the Swedish Gender Equality Agency stated this was a live political issue in Sweden as provision tends to finish at 18:30 in the evening although there is

⁴⁰ Written evidence, Children's Commissioner for Wales

⁴¹ UCL Centre for Longitudinal Studies, [Disadvantaged children up to a year behind by the age of three](#)

⁴² Written evidence, Scottish Government

⁴³ Organisation for Economic Co-Operation and Development, [Starting Strong 2017: Key OECD Indicators on Early Childhood Education and Care](#)

⁴⁴ Written evidence, Chwarae Teg

⁴⁵ Written evidence, Bevan Foundation

⁴⁶ Coram Family and Childcare, [Childcare Survey 2021](#)

childcare beyond these hours in some areas.⁴⁷ The Scottish Government stated that they had looked at ways to provide more flexible childcare outside their Childcare Offer, as many parents who work atypical hours have lower earnings.⁴⁸

43. The issue of childcare provision for parents working atypical hours was raised by a number of witnesses. Jane O'Toole, Chief Executive Officer, Clybiau Plant Cymru Kids' Clubs referred to a childcare club in Cardiff as an example of unmet need:

*"They are full to capacity because their schools aren't able to give them any more space—this is a private provider—but that means that they can't hold spaces for people on zero-hours contracts, people who are working different hours in different weeks, because that's the nature of a zero-hours contract, as we're fully aware. So, that's affecting in this club in particular - and I'm sure that there are other areas across Wales - the black, Asian and minority ethnic communities, low-income families and single mothers."*⁴⁹

44. Child Poverty Action Group (CPAG) Wales pointed out that low-income families are particularly likely to be in atypical work and these complexities may act as a barrier to children accessing childcare settings.⁵⁰ Similarly, Pembrokeshire County Council has observed the increase in zero-hours contracts which impacts on families' ability to use the Childcare Offer, and consequently increasing in-work poverty.⁵¹

Our view

We recognise the concerns raised by stakeholders that non-working parents and parents working atypical hours have been excluded from benefitting from the Childcare Offer and call on the Welsh Government to use the opportunity of the expansion of the offer to address this.

We acknowledge the views of stakeholders that the upper salary level of £100,000 per parent to qualify for the Childcare Offer is too high. Although the evidence shows that only four per cent of parents taking up the offer earned between £52,000 and £100,000 per year, as salaries increase over time more parents will enter that pay bracket. It is our view that this is the right

⁴⁷ Record of proceedings, paragraph 216, 15 November 2021

⁴⁸ Record of proceedings, paragraph 221, 15 November 2021

⁴⁹ Record of proceedings, paragraph 108, 15 November 2021

⁵⁰ Written evidence, Child Poverty Action Group

⁵¹ Written evidence, Pembrokeshire County Council

time for the Welsh Government to address this matter alongside the expansion of the Childcare Offer.

Conclusion 2. We conclude that the Welsh Government should use their planned expansion of the Childcare Offer as an opportunity to review and reduce the eligibility of each parent earning up to £100,000 per year.

Recommendation 3. We recommend that the Welsh Government sets out in its response how it intends to address the eligibility criteria in the Childcare Offer to make it easier for parents employed in atypical hours, such as insecure work, shift work or on zero-hours contracts, to access provision.

Community-focused schools

45. A community-focused school is one that *'provides a range of services and activities, often beyond the school day, to help meet the needs of its pupils, their families and the wider community. Across Wales, many schools provide some community services including adult education, study support, ICT facilities and community sports programmes'*.⁵² Sections 27 and 28 of the **Education Act 2002** gave governing bodies powers to provide services to help meet the needs of their pupils, their families and the wider community. It is up to schools themselves in consultation with their partners to develop as little or as much provision as they think appropriate for their community. The Education Act 2002 empowers school governing bodies to provide childcare, whether or not in partnership with others, on the school site.⁵³

46. Witnesses suggested that schools could play a much greater role in providing childcare, and that there should be more partnership working with childcare providers. While there are some good examples of this working well, one witness stated that there tends to be a *"them and us"* relationship between schools and childcare providers.⁵⁴ Another noted:

*"I managed a Flying Start setting on a school site and we had a number of issues – we couldn't be key holders...we were not allowed to use their bins ... we were supposed to open during the school holidays but we couldn't because the caretaker wouldn't allow us access to the site."*⁵⁵

⁵² [National Assembly for Wales, Circular No: 34/2003](#)

⁵³ Welsh Government, [Community-focused schools: guidance](#)

⁵⁴ Summary of roundtable discussion

⁵⁵ Summary of roundtable discussion

47. Community-focused schools were seen as a potential solution to this, and participants suggested that new schools should be designed with childcare included. One witness expressed concern that new housing developments often had very few community facilities, and that childcare needs are ignored.⁵⁶

48. Rachel Thomas, Office of the Children's Commissioner for Wales told the Committee that in order to access as much free childcare as possible, some parents move their children between childcare sites during the day, which creates practical difficulties for a working parent and disruption to the child:

*"Because you've got different aspects of provision under different sets of funding, with the universal part that everyone gets and the 10 or the 12 hours that you can get, and then the 20 hours that comes under the funded formal Childcare Offer, quite often you will see children having to be moved to different settings through the day to access the free provision, and so that can't be conducive to parental employment, if you're going to have to make arrangements to move your child from one setting to another after two hours."*⁵⁷

49. Cwlwm pointed out that *"progression to Welsh medium education is also higher when Cylchoedd are based on school sites (96% versus 90%)."*⁵⁸

50. The Deputy Minister agreed that single site provision was important and that community-focused schools could provide a solution:

*"It is very important that we continue our work on community-focused schools, because we want to tackle this issue of the use of schools outside the school day. And it's not just an issue for childcare, because, as far as I can see, it's essential that we have community-focused schools and all the community benefit from the schools, and they are at the heart of the community."*⁵⁹

⁵⁶ Summary of roundtable discussion

⁵⁷ Record of proceedings, paragraph 36, 29 November 2021

⁵⁸ Written evidence, Cwlwm

⁵⁹ Record of proceedings, paragraph 129, 29 November 2021

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51. The Deputy Minister stated that it is Welsh Government policy for schools to have a greater community focus, and that she hoped the impetus to recognise the value of childcare across the community would lead to this.⁶⁰

*"It is essential for childcare that we do have the schools opening up, because of the link between childcare and the schools, and the importance for parents. So, that's why a lot of our developments and the capital funding we've been putting in have been on school sites, and we have to do everything we can to make sure it's successful."*⁶¹

Our view

Single-site provision is important for both the child and the working parent. Many schools have the capacity to expand childcare provision on their sites and there needs to be much greater consistency in expanding the use of school premises for the wellbeing of the whole community. We believe that community-focused schools are a critical part of maximising integrated childcare provision on one site, including for Welsh-medium provision. The difficulties associated with moving younger children from one site to another for different aspects of childcare provision need to be addressed as a priority. While we support the Welsh Government's desire to achieve this, it is our view that it needs to clarify its approach in light of recent announcements on childcare expansion, with a view to making the requirements on Community-focused schools mandatory.

Recommendation 4. We recommend that the Welsh Government sets out in its response its plans to strengthen guidance and legislation to deliver greater and more consistent provision of community-focused schools across Wales.

Recommendation 5. We recommend that the Welsh Government sets out in its response its plans to place more Welsh-medium childcare on school sites, given that progression from Welsh-medium childcare to Welsh-medium primary education is higher when this occurs.

The Childcare Funding (Wales) Act 2019 and children's rights

52. The Welsh Government's Childcare Offer was brought into force by the Childcare Funding (Wales) Act 2019. The Children's Commissioner for Wales expressed *"concern at the exclusion of children from non-working households from the Offer, as it was likely to increase the school*

⁶⁰ Record of Proceedings, paragraph 133, 29 November 2021

⁶¹ Record of proceedings, paragraph 131, 29 November 2021

readiness gap between this group and those with working parents".⁶² She considered that the Children's Rights Impact Assessment included in the Bill had been flawed:

"It should be noted that the Children's Rights Impact Assessment (CRIA) for the 2019 Childcare Funding Bill only highlighted the positives for those children within the offer and did not consider the rights of all children. It was therefore a flawed assessment and should be revisited now that the policy is in place. The policy was also intended as a pilot so it is timely to consider lesson learned from this in order to better target the support and benefits of the funding to support children's rights."⁶³

53. Rachel Thomas, Office of the Children's Commissioner for Wales emphasised that the impact assessment that accompanied the Bill did not sufficiently address the issue.⁶⁴

54. The Children's Commissioner also highlighted that article 2 of the UN Convention on the Rights of the Child (UNCRC) states that *"state parties have a duty to ensure the rights of all children without discrimination of any kind including the status of their parents."* The Welsh Government's current childcare policy is, in the view of the Commissioner, drawn primarily on the status of parents and *"arguably not compliant with children's rights"*.⁶⁵

55. Ruth Coombs, Head of Wales Equality and Human Rights Commission (EHRC) referred to work done by the EHRC that had highlighted attainment gaps and the constraints of the Childcare Offer, and she echoed concerns around children's rights and equality impact assessments.⁶⁶

56. The Deputy Minister stated that the Welsh Government *"has been committed to children's rights since devolution began"* and remains totally committed.⁶⁷ She committed to take into account children's rights in the development of childcare expansion.⁶⁸

⁶² Written evidence, Children's Commissioner for Wales

⁶³ Written evidence, Children's Commissioner for Wales

⁶⁴ Record of proceedings, paragraph 7, 29 November 2021

⁶⁵ Written evidence, Children's Commissioner for Wales

⁶⁶ Record of Proceedings, paragraph 9, 29 November 2021

⁶⁷ Record of Proceedings, paragraph 203, 29 November 2021

⁶⁸ Record of proceedings, paragraph 197, 29 November 2021

Our view

We note the concerns raised by the Children's Commissioner and Equalities and Human Rights Commission about the impact of policy developments on children's rights. It is vital that the Welsh Government fully considers the children's rights implications of the different options available in expanding childcare provision, and that it demonstrates clearly how these rights are an integral part of this expansion.

Recommendation 6. We recommend that the Welsh Government publishes a Children's Rights Impact Assessment (CRIA) and an Equality Impact Assessment (EIA) for the new, expanded childcare offer.

- The CRIA must demonstrate how the concerns of the Children's Commissioner about the Children's Rights Impact Assessment for the Childcare Funding (Wales) Act 2019 have been taken account of and addressed.
- The EIA is required to ensure that equality is mainstreamed into the development of childcare expansion, and to enable stakeholders and the Committee to scrutinise the extent to which this has been achieved.
- Both the CRIA and the EIA should be completed and published as soon as possible and as a minimum at least one month before the new, expanded childcare offer goes live.

4. Inclusive childcare provision

According to the Bevan Foundation *"parents report the absence of provision for Welsh-medium care and care for disabled children. There are also gaps in provision for speakers of languages other than English or Welsh."*⁶⁹ The Committee heard these concerns echoed by parents and stakeholders representing a variety of different groups during the inquiry.

Ethnic minority communities

57. A number of witnesses highlighted issues around the lack of staff from ethnic minority communities within the childcare sector, and the impact that this can have on families from those communities.

58. Shavanah Taj, Wales TUC stated *"we recognise there is a real lack of diversity in the childcare sector itself here in Wales. Wales needs a childcare sector that reflects its population."*⁷⁰ Similarly, a joint consultation response from South Riverside Community Development Centre, Together Creating Communities, and Comunidade Da Lingua Portuguesa Wrexham commented that:

*"There is a lack of staff / providers who speak languages other than English / Welsh. This can cause a significant barrier for migrant families, especially those who are newly arrived in the country. There is lack of communication, or miscommunication, between the provider and family, and this leads to decisions being made about children without the informed consent of parents. This disproportionately affects Black and ethnic minority families."*⁷¹

59. The representation of diverse ethnicities within the workforce was highlighted by witnesses, including one who was concerned about the risk that the needs of their children would not be met:

"I will be lucky to have somebody from my own culture or religion look after my children [...] so at least I feel reassured they will understand some cultural needs where possible."

⁶⁹ Written evidence, Bevan Foundation

⁷⁰ Record of proceedings, paragraph 19, 15 November 2021

⁷¹ Written evidence, South Riverside Community Development Centre, Together Creating Communities, and Comunidade Da Lingua Portuguesa Wrexham

Focus group contributor, Cardiff⁷²

60. A childcare teacher maintained that there is still work to be done in spite of cultural awareness being taught to front-line providers:

"I teach childcare myself now, so I do know they are beginning to teach a lot about culture to childcare workers and how to look after children from different cultures, but parents do still worry about it."

Focus group contributor, Cardiff⁷³

61. Some witnesses highlighted additional barriers facing families from ethnic minorities as some communities are less likely to use childcare provision. Witnesses suggested that the Childcare Sufficiency Assessments could do more to engage with ethnic minority groups, for example with the Polish community and the Gypsy, Roma and traveller communities. One witness stated:

"The settings don't always know what the needs of the community are ... I think settings do satisfaction surveys but they don't always have the time and resources to seek out the views of specific groups within their community ... need to make sure settings are marketed which taps into the needs of the community."

62. Cwlwm also raised this issue. *"There is a need to prioritise increasing the number of early years/childcare practitioners who are Black, Asian or Minority Ethnic. Putting plans in place will allow more children to see their race represented among their carers and role models. This is a priority in Welsh-medium education because of the historical under-representation that continues today."*⁷⁴

63. Some witnesses highlighted that some parents from a minority background would not have a local family network to assist with childcare, leading to an increased reliance on formal childcare settings.

"My old neighbours; they were first generation migrants. They didn't have any other family here and they had two children that were both under five ... in the end, with the cost to put them both through nursery ... they sent one

⁷² Summary of engagement

⁷³ Summary of engagement

⁷⁴ Written evidence, Cwlwm

back to India for the grandparents to look after her for eight months until the other child started school, just so they could afford to live."

Focus group contributor, Cardiff

"I had a career back in South Africa, but when I came here I basically had to give that up to be able to look after my kids because I had no family, no friends and because of the childcare costs being so expensive, I would basically be working for childcare ..."

Focus group contributor, Cardiff⁷⁵

64. Ruth Coombs, Wales Equality and Human Rights Commission stated that it was important to both recruit staff from more diverse communities, and raise awareness of the needs of different groups of children amongst all childcare workers:

"We need to find some people who are respected in their communities that are working in this area, or can champion work in this area, so that people do feel that they're going to be valued. And the other thing that we have to think about also is not simply having appropriate provision for children from ethnic minorities, but also educating more broadly so that parents of children who do not come from an ethnic minority feel as comfortable placing their children with somebody who comes from an ethnic minority background. So, it's not just education within ethnic minority communities; it's got to be wholesale, it's got to be wider than that, otherwise there is a risk of us having siloed provision, and that won't help to build social cohesion and community cohesion, which is hugely important to breaking down discrimination and racism in Wales."⁷⁶

65. Martyn Jones, Wales Committee Interim Chair, Equality and Human Rights Commission raised the need for a disparity audit in relation to the number of childcare workers from ethnic minority communities:

"We simply don't have the data in Wales to make correct assessments and then, obviously, direct resources at what the real problems are in relation to race, and this is a perfect example of it. I think we've all picked up that there's quite strong anecdotal evidence that there's limited take-up and there's

⁷⁵ Summary of engagement

⁷⁶ Record of proceedings, paragraph 49, 29 November 2021

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*limited representation in the workforces providing services, but we do need to drill down in far more detail and understand what that looks like, so that we're able to adequately respond."*⁷⁷

66. Shavanah Taj, Wales TUC raised the question of "systemic racism" in the sector. She was particularly concerned that actions to tackle issues in the childcare sector had not been included in the Welsh Government's draft Race Equality Plan:

*"The Race Equality Action Plan, the first draft that went out to public consultation, didn't have a specific childcare section within it, yet many BAME-led women's organisations have actually said that this should have been included, and for some of the childcare provisions that are currently offered, for example, through Women Connect First, there is a big uptake for that support. But the reality is that we need to think about how we consider the issues of systemic racism within the sector itself, because at the moment it is a predominantly white workforce, yet the children and the population of Wales and demographic is very different."*⁷⁸

67. In response, the Deputy Minister confirmed the Welsh Government's intention to address the underrepresentation of black, Asian and minority ethnic people in the childcare workforce as part of the Race Equality Action Plan. She listed some actions already taken to address the matter:

*"We've provided funding to the Cwlwm childcare consortium to support our vision of an anti-racist Wales. We have given them specific funding to do that. We've also agreed plans with Cwlwm to promote Welsh-medium childcare in ethnic minority communities and to develop resources related to anti-racist principles, including webinars and training to support childcare practitioners. Cwlwm funding also supports the commissioning of Nodau Natur/Nature Notes, an innovative nursery rhymes project in six languages for use in childcare settings to raise awareness of the diversity of Welsh and Welsh heritage, and celebrating communities and cultures that have settled in Wales."*⁷⁹

⁷⁷ Record of proceedings paragraph 46, 29 November 2021

⁷⁸ Record of proceedings, paragraph 19, 15 November 2021

⁷⁹ Record of proceedings, paragraph 157, 29 November 2021

Our view

Existing childcare provision does not meet the needs of many different demographic groups, and a number of issues have deteriorated. The welcome move to expand free childcare provision must be accompanied by more Welsh Government action to address these issues.

Wales needs a childcare workforce which is reflective of the population, but there is considerable anecdotal evidence that there is insufficient representation of ethnic minority communities. It is critical that the Welsh Government gathers data and evidence to inform its approach to addressing this, and that it does so as a priority. The race disparity data unit that the Welsh Government has committed to establishing should undertake this work.

Parents stated that it is important to them that their child's cultural needs are recognised and respected in their childcare setting, but this does not always happen. We were particularly concerned to hear about the experience of some families as a result of a lack of cultural awareness.

The Welsh Government told us that they are seeking to tackle the under-representation of ethnic minority communities in the workforce and that they will include childcare in their Race Equality Action Plan, which we welcome. We also acknowledge the Welsh Government funding provided for Cwlwm to further the vision of an anti-racist Wales. The need to create a more diverse workforce and increase the cultural awareness of the needs of children from ethnic minorities indicates that childcare providers should be required to undertake cultural and diversity awareness training.

We heard that there may be lower uptake of the childcare offer within some ethnic minority communities, and that more needs to be done to reach such groups. We agree that 'community champions' could be used to promote the childcare offer and to encourage ethnic minority communities to choose childcare as a profession. We would like the Childcare Sufficiency Assessments to be used to increase engagement with ethnic minority communities, and believe that there is an opportunity to build on good practice from areas such as Cardiff that provide information in a number of languages beyond Welsh and English.

Recommendation 7. We recommend that the Welsh Government sets out in its response its plans to work with local authorities to ensure that Family Information Services provide resources in community languages other than, and in addition to, English and Welsh.

Recommendation 8. We recommend that in order to address widespread concerns around the lack of ethnic diversity in the sector, the Welsh Government sets out in its response its plans for:

- their new race disparity unit to build an evidence base around the level of ethnic minority representation in the childcare workforce; and
- the development of an action plan, including ambitious targets, for increasing the number of ethnic minority staff in the sector.

Recommendation 9. We recommend that the Welsh Government sets out in its response a plan which requires all childcare providers to undertake cultural and diversity awareness training, such as that being developed by Cwlwm, and to ensure that it becomes part of continuous professional development within the sector.

Children with disabilities and children with additional or complex needs

68. After the Committee had concluded its evidence taking the Welsh Government announced funding of £18 million to strengthen support for children and young people with Additional Learning Needs (ALN).⁸⁰ £8 million is to be used to move learners from the old Special Educational Needs (SEN) system to the new ALN system, and this includes funding for nurseries. £10 million is allocated to support learners with ALN affected by the pandemic, but it is unclear whether this will include Foundation Phase nursery education.

69. Childcare provision for children with disabilities has decreased over the past year. WEN Wales cited figures from Coram Family and Childcare that show an alarming drop *"from 31% in 2020 to 19% in 2021"* and that *"38% of local authorities report not having enough childcare for disabled children anywhere in their local authority"*.⁸¹

70. Witnesses raised concerns that there are gaps in provision for a number of groups, including those with disabilities, making it hard for parents to access appropriate childcare. For example, Cwlwm highlighted that whilst *"only 47% of the eligible population are using the offer, 3% of applications are for children with additional needs."*⁸²

⁸⁰ **£18 million to strengthen support for children and young people with Additional Learning Needs (gov.wales)**

⁸¹ Written evidence, WEN Wales

⁸² Written evidence, Cwlwm

71. Shavanah Taj, Wales TUC stated that *"for disabled children, childcare needs to be much more accessible and suitable [...] so, I would say that the Welsh Government needs to urgently look at accessibility."*⁸³

72. This is corroborated by South Riverside Community Development Centre, Together Creating Communities, and Comunidade Da Lingua Portuguesa Wrexham, who said that for parents who have children with disabilities *"it can be almost impossible to find an appropriate childcare provider"*, adding that *"extending entitlement to childcare is essential to tackle inequalities, particularly in relation to children with disabilities."*⁸⁴

73. One parent shared their experience:

*"My 8 month old daughter has been diagnosed with a life limiting neurological condition which means she is very unsettled a lot of the time and will have severe learning disabilities and may never walk, talk or even sit up. Her life will also be shorter than average. I am back in work two days a week at the moment but back full-time in January and our chosen nursery (mainstream) is aware of (her) condition. They have agreed they will take her but will have to see how it goes. If, due to their staff ratios, they can't cope with (her) then they will have to have that conversation with us."*⁸⁵

Written evidence from a Cardiff parent

74. The Welsh Government stated that they support children with additional and complex needs *"to ensure they can access childcare on an equitable bases and receive support tailored to their requirements."*⁸⁶ As part of the Childcare Offer, the Welsh Government provides an Additional Support Grant to provide inclusive provision for children with additional needs.⁸⁷

75. The Deputy Minister stated that for children with complex and additional needs *"it's absolutely crucial that they get the same opportunities as other children do, and we've got to make it as easy as possible for them to access the provision that we fund."*⁸⁸ Despite this, she

⁸³ Record of proceedings, paragraph 19, 15 November 2021

⁸⁴ Written evidence, SRCDC TCC and CDLPW

⁸⁵ Summary of engagement

⁸⁶ Written evidence, Welsh Government

⁸⁷ Welsh Government, [Childcare Offer Additional Support Grant Guidance](#)

⁸⁸ Record of proceedings, paragraph 160, 29 November 2021

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conceded that *"there's a lot more to do. We absolutely accept that [...] the facilities are not spot on for all children with complex needs and who are disabled."*⁸⁹

76. The Deputy Minister acknowledged that restrictions due to the pandemic *"meant that some face to face child development assessments may not have taken place, and some delay may have gone unnoticed."*⁹⁰ To help address this, Welsh Government has established a temporary Child Development Fund and a Coronavirus Childcare Assistance Scheme with £11.5m available to local authorities to ensure developmental needs were identified.

77. Flintshire Council, said that the *"reduction in face to face delivery of many services has increased isolation for families with children who have ALN [additional learning needs] and/ or disability."*⁹¹

78. EHRC believes that *"the coronavirus pandemic has laid bare, intensified and deepened existing inequalities."*⁹² Ruth Coombs said that disabled children and children from disabled families were among the least likely to be in school. She also stated that *"disabled parents are more likely to be in low-paid, insecure work, which was the work that shut down, or the work where they actually couldn't work from home and so were at more risk of bringing home coronavirus into the family."*⁹³

79. Cwlwm agreed that *"families with disabled children are more likely to live in poverty"*. They called for the Welsh Government's approach to tackling poverty to provide *"care opportunities with adequate and suitable early education for all children, regardless of the type of additional learning need or disability they may have"*, meaning *"a new emphasis that prioritises supporting families and the care sector with early education."*⁹⁴

80. Mudiad Meithrin quoted the example of a parent of a child with autism who struggled to find support in lockdown:

*"The lockdown period was terrible. No help available anywhere and Dafydd * unable to cope with the change... We really need to see our language therapist face to face but this is not available at the moment... Autistic*

⁸⁹ Record of proceedings, paragraph 165, 29 November 2021

⁹⁰ Written evidence, Welsh Government

⁹¹ Written evidence, Flintshire Council

⁹² Written evidence, EHRC

⁹³ Record of proceedings, paragraph 24, 29 November 2021

⁹⁴ Written evidence, Cwlwm

children should be treated the same as the children of key workers during a lockdown period in my opinion. Self-isolating is a nightmare. We had to do so in the early autumn while waiting for the COVID test result, and it took about a month for Dafydd⁹⁵ to get over it. Autistic children and their families should undergo rapid tests.”⁹⁶

81. However, as restrictions were lifted, the situation has improved somewhat. For example, the Children’s Commissioner welcomed *“that the key worker criteria were ‘flexed’ during subsequent lockdown periods although this may not have been the experience for every family.”⁹⁷*

82. A number of solutions and improvements were suggested by stakeholders. Shavanah Taj, Wales TUC said that the disability taskforce set up by the Welsh Government should look at childcare as a *“critical issue”*, and that this group has specialist knowledge that can be used to gather further evidence.⁹⁸

83. Cwlwm suggested that *“the absence of a single national framework”* hinders those with additional and complex needs from accessing adequate provision; it hoped that *“the changes that we’re currently seeing to the additional learning needs regime will be of assistance in ensuring that parents can access the support that they need for children with additional learning needs in childcare provision.”⁹⁹*

84. The most cited solution was to increase funding. Cwlwm called for the Welsh Government to ensure that funding and support is available to develop and sustain provision for children with complex needs, and to ensure that childcare provision is inclusive and accessible. Catherine Fookes, Director, WEN Wales agreed that the *“big thing is around investing in provision for those children with additional learning needs and disabled people.”¹⁰⁰*

Our view

We agree with the Deputy Minister’s ambition of ensuring that children with disabilities, or additional or complex needs, can access childcare on an equitable basis and receive support

⁹⁵ Name changed for confidentiality

⁹⁶ Written evidence, Mudiad Meithrin

⁹⁷ Written evidence, Children’s Commissioner for Wales

⁹⁸ Record of proceedings, paragraph 54, 15 November 2021

⁹⁹ Record of proceedings, paragraph 120, 15 November 2021

¹⁰⁰ Record of proceedings, paragraph 45, 15 November 2021

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tailored to their requirements. The decline in provision for children with disabilities between 2020 and 2021 needs to be addressed as a priority.

We agree with the Children's Commissioner's assessment of the United Nations Convention on the Rights of the Child (UNCRC) that *"any state funded childcare provision should be of good quality and help children to realise a range of rights including having extra support where they have a disability (Article 23) and being protected from harm (Article 39)."*¹⁰¹ Despite the Welsh Government formally adopting the UNCRC, the Committee heard evidence from across the sector that the childcare offer for children with additional and complex needs worsened during the pandemic.

We welcome the Welsh Government's work to address this through the Childcare Offer Additional Support Grant, and the temporary Child Development Fund and Coronavirus Childcare Assistance Scheme, but recognise that there is still work to do.

Recommendation 10. We recommend that the Welsh Government sets out in its response its plans to develop and strengthen the childcare provision for children with additional learning needs, including increasing the amount of funding available through the Childcare Offer for Wales Additional Support Grant to improve provision for children with disabilities and/or additional or complex needs.

Recommendation 11. We recommend that the Welsh Government sets out in its response how it will ensure sufficient funding is available in the expansion of the childcare offer under the Co-operation Agreement to allow two year olds with additional or complex needs to fully access provision.

Welsh language provision

85. Witnesses expressed general concern that access to Welsh-medium childcare provision, including Care Inspectorate Wales registered Welsh-medium provision, is limited across all age ranges, despite the fact that the Welsh Government has *"invested £81m capital funding in childcare settings in the period 2019-2023, with currently over £39m supporting Welsh medium provision"*.¹⁰² One parent from Denbighshire explained that they *"couldn't find a childminder who spoke Welsh so that's why she [the child] went to a nursery."*¹⁰³

¹⁰¹ Written evidence, Children's Commissioner for Wales

¹⁰² Written evidence, Welsh Government

¹⁰³ Summary of engagement

86. Mudiad Meithrin pointed out that the Evaluation of the Childcare Offer (Year 2), revealed 11 per cent of parents surveyed had failed to find a suitable Welsh medium childcare provider.¹⁰⁴ Cwlwm stated that this lack of Welsh-medium provision sometimes results in parents choosing English-medium education, even if their preferred choice is Welsh-medium.¹⁰⁵

87. Cwlwm suggested that improving Welsh language provision is essential to achieve the Welsh Government's Cymraeg 2050 goal. Dr Gwenllian Lansdown Davies, Chief Executive, Mudiad Meithrin stated that *"it is very important that we think about how the childcare offer actually goes hand in hand with the 'Cymraeg 2050' plans, and that we take seriously that gap of 11 per cent to 17 per cent of families who can't access Welsh-medium childcare provision."*¹⁰⁶

88. Mudiad Meithrin agreed that *"childcare locations now face unprecedented challenges in recruiting staff, especially staff with Welsh language skills. Alongside this, a number of staff from the sector are being lost due to work pressures which are incompatible with the salaries on offer."* They stated a first step to raise the status of the workforce would be to "significantly increase" the payment to Childcare Offer providers above the current £4.50 per hour per child.¹⁰⁷

Our view

We heard of the overall lack of Welsh-medium childcare provision, and the geographical inconsistency of current provision. It is worrying that up to 17 per cent of Arad survey respondents reported not being able to access Welsh medium provision. Those who spoke to us outlined recruitment and retention problems in the workforce, noting that many people have been attracted by the higher wages available in schools and other sectors.

We were concerned to hear that the lack of availability of Welsh-medium provision close to school sites means that parents opt for English provision out of necessity rather than choice. Resolving this issue of Welsh-medium provision will deliver considerable gains, including contributing to the Welsh Government's Cymraeg 2050 goal of one million Welsh speakers.

We are calling on Welsh Government to identify a programme of action to address the gaps in Welsh-medium childcare provision, and set out how it intends to ensure that all parents who want to take up Welsh-medium childcare provision are able to do so.

¹⁰⁴ Written evidence, Mudiad Meithrin

¹⁰⁵ Written evidence, Cwlwm

¹⁰⁶ Record of proceedings, paragraph 119, 15 November 2021

¹⁰⁷ Written evidence, Mudiad Meithrin

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Recommendation 12. We recommend that the Welsh Government sets out in its response its plans to ensure the long-term capacity plan for the Welsh-medium sector, which the Welsh Government will explore as part of the Co-operation Agreement, is undertaken alongside work for the English-medium sector. This should reflect the impact that staff shortages are having on both the English-medium and Welsh-medium sector.

Recommendation 13. We recommend that the Welsh Government sets out in its response its plans for a review of the promotion of careers in the Welsh-medium childcare and early years sector, and how further education and work-based learning can be used to ensure that it has sufficient staff.

5. Sustainability of the sector and workforce issues

Evidence from stakeholders suggests that difficulties in meeting the demand for provision within the childcare sector are exacerbated by a precarious, under-rewarded and under-valued workforce. As one front-line worker put it:

"We're on zero hour contracts and we're minding the future."

Focus group contributor, Cardiff¹⁰⁸

89. The Committee heard evidence throughout the inquiry from stakeholders of the difficulties of balancing childcare needs with employment. In some cases, parents told the Committee that they had made the choice to become registered childminders as a way of resolving this dilemma. Childcare workers, providers, and trade unions all told the Committee of their concerns around insecure and low-paid work being prevalent within the sector.

90. Shavanah Taj, Wales TUC highlighted that the sector *"most definitely currently relies on low-paid workers, and more often than not, many of them are on precarious job contracts"*.¹⁰⁹ She also raised workforce planning more broadly, stating that the current workforce plan was not developed in partnership with trade unions, and that workforce planning needs to consider pay and terms and conditions as well as training and qualifications.¹¹⁰

91. Childcare providers said that low pay within the sector contributed to labour shortages, and called for an increase in the hourly funding that the Welsh Government provides to settings delivering the Childcare Offer. Dr Gwenllian Lansdown Davies, Mudiad Meithrin stated that:

"[...]what we need is a professional, qualified workforce that is financially recognised for what they deliver, and therefore we feel it's very timely for us to be looking at the funding provision through the Childcare Offer, and we support the move towards increasing it to at least £5 per hour. There is a suggestion that that is very likely to happen, but the funding rate has remained stubbornly at £4.50 an hour for over four years. This, in turn, would

¹⁰⁸ Summary of engagement

¹⁰⁹ Record of Proceedings, paragraph 18, 15 November 2021

¹¹⁰ Record of proceedings, paragraph 56, 15 November 2021

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help to invest further in the field, in the workforce and in terms of resources and activities for the children as well."¹¹¹

92. A parent explained that the cost of childcare was the motivation for some parents re-training as childminders, to meet their childcare needs whilst also earning an income:

"... once I had my third daughter I just wanted to be at home, so I went straight from maternity leave to being a childminder [...] and it was financial reasons like I said, just because of the cost of childcare ..."

*Focus group contributor, Denbighshire*¹¹²

93. This approach did not meet the needs of all parents. For others, even working within the sector did not enable them to afford childcare:

"Childcare costs seem so high and childcare workers aren't paid much. There's a huge disparity there. [...] I saw somewhere that a childcare worker couldn't afford to put her child in the nursery she works in."

*Focus group contributor, Cardiff*¹¹³

94. The issue of low levels of pay in the childcare sector was raised by other witnesses; one described the job as being *"paid the same as Aldi but with a lot more responsibility"*, and another that it was a *"Catch-22 issue"* where better wages are needed but costs for parents need to be kept as low as possible.¹¹⁴

95. The Committee heard that low wages had led to staff shortages in the sector, as staff have left to work in better-paid jobs. While this was seen by participants as a UK-wide issue, participants also raised specific issues in recruiting sufficient staff in Welsh-medium childcare provision. Factors affecting this included a lack of Welsh speakers in some parts of Wales, qualified staff moving to schools, which have better pay and conditions, and complexities around qualifications.

96. The Committee heard a call for an increase in pay and greater stability for professionals working in the childcare sector, including suggestions from parents and front-line workers to improve the situation, as follows:

¹¹¹ Record of Proceedings, paragraph 103, 15 November 2021

¹¹² Summary of engagement

¹¹³ Summary of engagement

¹¹⁴ Summary of roundtable discussion

- An increase of the current £4.50 hourly rate that the Welsh Government pays to childcare providers in relation to the Childcare Offer, as this would enable providers to pay higher wages, and to help with costs associated with training and DBS checks.
- More childcare courses in schools to raise awareness of childcare as a career.
- Linking the 30 hours of volunteering for the Welsh Baccalaureate to childcare provision, also to raise awareness of childcare as a career.
- Running a “bespoke recruitment campaign” to address staff shortages within certain areas.¹¹⁵

97. Chwarae Teg stated that Wales needs *“free, good quality full-time childcare for all children aged 0-4.”* In recognising some of the difficulties in achieving this aim, they suggested a step towards it would be to *“Create a clear progression pathway for those entering the early years and childcare workforce culminating in degree level qualifications.”*¹¹⁶

98. Alison Cumming, Director, Early Learning and Childcare, said that the Scottish Government had taken measures to secure payment of the Real Living Wage as part of its expansion of childcare provision.¹¹⁷ She noted some of the challenges in doing this:

*“...we’ve had a big focus on seeing how we can secure payment of at least the real living wage to all registered childcare workers who are delivering that funded entitlement. There are some legal and competence challenges around how we secure that, because the Scottish Parliament doesn’t have devolved competence over employment law, so there are ways that we use through the national standards and through local authority commissioning arrangements, and we’ve set out guidance for local authorities on how, through their commissioning and contracting practices, they can ensure that there are fair work practices in all the private and third sector settings that deliver the funded entitlement.”*¹¹⁸

99. The Welsh Government’s Deputy Minister for Social Services stated that:

¹¹⁵ Summary of engagement

¹¹⁶ Written evidence, Chwarae Teg

¹¹⁷ Record of proceedings, paragraph 229, 29 November 2021

¹¹⁸ Record of proceedings, paragraph 229, 15 November 2021

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*"As part of our longer term early childhood education and care planning, we'll develop a plan for the workforce, which will detail the support and investment required. And while some of that will be discussed in relation to increasing the provision for two year olds, it will also be part of the longer term approach."*¹¹⁹

Our view

The greatest concerns around recruitment and retention are around the low level of pay, and terms and conditions for childcare workers, which providers, workers and unions want to see improved. The role that childcare workers play in early years development is key; however pay does not match the responsibilities of the role. Providers told us that increasing the hourly payment they receive under the Childcare Offer is a good way to boost wages, to attract new people into the sector and improve retention in the existing workforce.

We were concerned to hear evidence that some parents chose childcare as a career due to being unable to meet the cost of childcare when they were looking to re-enter the other sectors of the workforce. The goal should be for those entering the childcare workforce to do so because they view it as a positive and attractive career choice. Action should be taken to promote this career to school-age children and adults, both through recruitment campaigns and exploring the option of including childcare in the Welsh Baccalaureate qualification.

In order to address the under-representation of ethnic minorities in the childcare workforce, it is our view that a recruitment campaign should be run to target those under-represented groups in particular. If successful, this will have the dual purpose of reducing vacancies within the sector and improving the diversity of the workforce.

We welcome the Welsh Government's intention to develop a workforce plan setting out the support and investment required for longer term early childhood education and care. We will monitor the progress on delivery of the plan, including ensuring there is sufficient funding for it to be delivered in full.

We also welcome the upcoming childcare recruitment campaign by Social Care Wales which is urgent given current staffing shortages, and suggest that it will need great resource and focus to be successful.

¹¹⁹ Record of proceedings, paragraph 183, 29 November 2021

Recommendation 14. We recommend that Welsh Government sets out in its response its plan to deliver a sufficient increase in the hourly payment to providers under the Childcare Offer to enable an increase in staff pay, and a timeframe by which all childcare workers will be paid the Real Living Wage, learning from the Scottish Government's incorporation of this into their childcare expansion plans.

Recommendation 15. We recommend that the Welsh Government sets out in its response its plan to ensure their upcoming workforce plan is developed with social partners, and includes a focus on improving working conditions in the sector as well as developing the workforce.

Recommendation 16. We recommend that the Welsh Government sets out in its response its plan to ensure that the upcoming childcare recruitment campaign by Social Care Wales reaches and attracts groups such as ethnic minorities and Welsh speakers who are under-represented in the childcare workforce.

6. Childcare for school-age children

Working parents face considerable challenges in sourcing childcare for school-age children particularly after the school day and during school holidays. The Bevan Foundation pointed to *"striking gaps in the availability of childcare during the school holidays."*¹²⁰

Under the Co-operation Agreement, Welsh Government has announced £2 million in funding for up to 14 schools to take part in a pilot to reform the school day.¹²¹ The schools involved will provide bespoke activities for an additional five hours per week during the 2022 spring term.

Wrap-around and holiday childcare

100. The campaign organisation Mother Pukka and the Wales TUC conducted a UK-wide survey into the challenges of managing childcare and work during school holidays, which received over 36,000 responses.¹²² Shavanah Taj, Wales TUC told the Committee that nearly a third of respondents did not have sufficient childcare for the six week summer holiday. Cerys Furlong, Chwarae Teg referred to her own experience of sourcing childcare during the school holidays:

*"I just remember the nightmare, that sense of sinking doom a month or so out from the school holidays, just thinking, 'How the hell are we going to do this?' and try and remain and give a professional impression at work still. That's the reality that so many people are facing. [...] And even where you perhaps financially can access the holiday support on offer, it's quite competitive and difficult to get into some things. It's hugely reliant on people having their own transport..."*¹²³

101. One parent explained that the childcare she had used before her child started school then became problematic:

"Once she went to full-time school, this person couldn't accommodate me because she couldn't do the school runs, because she was doing school runs

¹²⁰ Written evidence, Bevan Foundation

¹²¹ Welsh Government, Cabinet Written Statement by the Minister for Education and Welsh Language, [Reform of the School Day and Year](#), 9 December 2021

¹²² [Summer holiday childcare: no let-up for working mums](#)

¹²³ Record of proceedings, paragraphs 49-50, 15 November 2021

to a different school and then I had to beg, borrow and steal from different friends."

*Focus group contributor, Rhondda Cynon Taf*¹²⁴

102. Catherine Fookes, WEN Wales pointed out that 25 per cent of a schoolchild's life (13 weeks per year) is on holiday, and that for this reason the provision of holiday childcare needs to be *"changed and prioritised"*¹²⁵.

103. WEN Wales highlighted the limited availability and flexibility of wraparound care and school holiday childcare, stating that:

*"the common model of 'core hour' provisions between 8am and 5pm and only during term time are not sufficient to accommodate the working lives of many women in Wales."*¹²⁶

104. Rachel Thomas, Office of the Children's Commissioner for Wales, praised the success of the Welsh Government's Summer of Fun/Haf o Hwyl pilot during the summer of 2021:

*"We were really pleased to see the Summer of Fun, the Haf o Hwyl funding that was in place over this summer, which came from a round-table that we'd organised, noting that the impact of the pandemic on children had stopped them going to their social clubs and events, and wanting to re-energise that provision. So, the Government invested £5 million in that over the summer and have since put a further £20 million now in place into what they're calling 'the winter of well-being', to continue the access—free access—to provision during the holidays. And that's in a range of provision, so not just sports clubs or traditional play schemes, but cultural activities, and people like National Museum Wales are involved in that."*¹²⁷

105. She recognised that the *"key principle of the funding was about broadening the access rather than having lots of provision in places where there already is some"*, and suggested that similar, *"add-on after-school development-type activities"* could form part of the pilot into changes to the school day, as proposed in the Co-operation Agreement.¹²⁸

¹²⁴ Summary of engagement

¹²⁵ Record of proceedings, paragraph 46, 15 November 2021

¹²⁶ Written evidence, WEN Wales

¹²⁷ Record of proceedings, paragraph 88, 29 November 2021

¹²⁸ Record of proceedings, paragraph 90, 29 November 2021

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106. The Scottish Government has committed to providing wraparound childcare before and after school and in school holidays. It will be publishing a delivery plan setting out how this will be achieved during the current parliament.¹²⁹ Alison Cumming described the Scottish Government's plans:

*"...we do see the investment in wraparound childcare as being a slightly different focus than I described for early learning and childcare earlier—it is more about supporting parental employment, and we see it as a direct and important investment in tackling child poverty. We have statutory child poverty targets in Scotland, and we're looking to design a wraparound childcare system in a way that really supports parents to access those—as I describe them—fair work and employment opportunities, to help raise household incomes."*¹³⁰

107. The Deputy Minister agreed that *"a lot of parents do need childcare in the evenings, and they do need it over the weekend as well..."*. She stated *"there are some childcare settings in Wales that do offer late evenings, and some offer weekend care, which shows there is a willingness within the market to meet the need."*¹³¹

Our view

The provision of wraparound and school holiday childcare for school-age children enables parents to hold down a job, continue to progress in their careers, and increases household incomes; but currently this provision is built around the traditional school timetable. Reform of the school day could address some of these problems, so we welcome the commitment in the Co-operation Agreement to reform school term dates and the school day. We welcome the Welsh Government funding for the 'Summer of Fun' and the 'Winter of Wellbeing' to enable children to continue to access clubs and events during the school holidays, but recognise that provision outside of these schemes is inconsistent. We would welcome innovations within the reform of the school day to provide after-school clubs that can accommodate all of those who want to benefit from them.

We were interested to learn about the plans for wraparound care being implemented by the Scottish Government. We will be calling on the Welsh Government to review the plans in

¹²⁹ Written evidence, Scottish Government

¹³⁰ Record of proceedings, paragraph 247, 15 November 2021

¹³¹ Record of proceedings, paragraph 176, 29 November 2021

Scotland and produce an assessment of the viability of such a scheme in Wales, and report to us on this.

Recommendation 17. We recommend that the Welsh Government sets out in its response its plan to deliver universal wrap-around care, including after-school clubs that can accommodate all those who want to benefit from them.

The Child Minding and Day Care Exceptions (Wales) Order 2010

108. Any person who provides Child Minding or Day Care must be registered to do so. *The Child Minding and Day Care Exceptions (Wales) Order 2010* (the “Exceptions Order”) sets out the exceptions to registration.

109. Under the Exceptions Order, Welsh Ministers may specify circumstances in which a person whose activity would otherwise fall within the definition of childminding or day care for children is excepted from it and who is therefore not required to register.¹³² In 2019 the Welsh Government made a commitment to undertake a full consultation on the Exceptions Order, when they published a summary of evidence based on consultation with stakeholders.¹³³

110. The Committee heard conflicting evidence from stakeholders on the impact of the Exceptions Order on registered out-of-school and holiday clubs, and the safeguarding of children.

111. Dr Gwenllian Lansdown Davies, Mudiad Meithrin stated that a number of childcare providers operate without registration, which raises questions about the quality of provision.¹³⁴ Jane O’Toole, Clybiau Plant Cymru Kids’ Clubs said that parents “*don’t understand that if they access registered childcare, they can access tax free childcare, Universal Credit and the Childcare Offer as well.*”¹³⁵

112. One stakeholder highlighted the need for the Exceptions Order to be reviewed. They were concerned about the impact on registered providers of unregistered holiday care providers delivering childcare under the exceptions order:

¹³² *The Child Minding and Day Care Exceptions (Wales) Order 2010*

¹³³ Welsh Government, *The Child Minding and Day Care Exceptions (Wales) Order 2010: Call for Evidence – Summary of Key Findings Report*

¹³⁴ Record of proceedings, paragraph 102, 15 November 2021

¹³⁵ Record of proceedings, paragraph 107, 15 November 2021

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"We have had situations where they have been running from a school or a community building and there is an unregulated holiday camp and have put a childcare setting out of business and the local authority were advertising the unregulated holiday camp ... children have the right to be safeguarded and parents to know there are policies in place and a lot of parents don't know the difference between a Care Inspectorate Wales provision and one that is operating outside of the national minimum standards and when they see the local authority advertising it they think they are endorsing it ... brilliant to see investment in SHEP [the School Holiday Enrichment Programme] or Holiday of Fun but we mustn't lose sight of the regulated provision ... we must find a way to work in partnership."

113. However, Sharon Davies, Head of Education, WLGA disputed this and referred to surveys which indicate that the demographic of children who access the SHEP is not the same as those who access childcare:

*"... we do not take the children that would necessarily access childcare. As I've mentioned, we've done the surveys, and time and time again the surveys indicate that these parents don't access childcare, and therefore—. It's a different demographic of children."*¹³⁶

Our view

We heard concerns from providers that the Exceptions Order is harming business for registered providers. Given the issues raised by some stakeholders around the Exceptions Order we urge the Welsh Government to carry out the review of the Exceptions Order that it committed to doing in 2019, taking into account the issues raised in this Committee. Understandably, this was postponed because of the pandemic, but the perceived impact on businesses means that this should now be taken forward. The Government should report the results of this review to us and set out how any concerns about safeguarding and the impact on registered settings will be addressed.

Recommendation 18. We recommend that the Welsh Government sets out in its response its plans to undertake the full consultation on the Exceptions Order that it committed to in 2019 in order to address concerns around the negative impact it has had on registered providers and on the safeguarding of children.

¹³⁶ Record of proceedings, paragraph 165, 15 November 2021

Annex A: List of oral evidence sessions

The following witnesses provided oral evidence to the committee on the dates noted below. Transcripts of all oral evidence sessions can be viewed on the Committee's website.

Date	Name and Organisation
15 November 2021	<p>Catherine Fookes, Director, WEN Wales</p> <p>Shavanah Taj, General Secretary of the Wales TUC</p> <p>Cerys Furlong, Chief Executive, Chwarae Teg</p> <p>Dr Gwenllïan Lansdown Davies, Chief Executive, Mudiad Meithrin, Cwlwm</p> <p>Jane O'Toole, Chief Executive Officer, Clybiau Plant Cymru Kids' Clubs, Cwlwm</p> <p>Sharon Davies, Head of Education, Welsh Local Government Association</p> <p>Johan Kaluza, Senior Advisor of the Department of Policy Analysis, Swedish Gender Equality Agency</p> <p>Alison Cumming, Director, Early Learning and Childcare, Scottish Government</p>
29 November 2021	<p>Rachel Thomas, Head of Policy and Public Affairs, Children's Commissioner for Wales</p> <p>Ruth Coombs, Head of Wales Equality and Human Rights Commission</p> <p>Martyn Jones, Interim Chair of the Wales Committee, Equality and Human Rights Commission</p> <p>Julie Morgan MS, Deputy Minister for Social Services, Welsh Government</p>

Annex B: List of participants in roundtable discussion

The following witnesses participated in a roundtable discussion. A summary of the discussion can be viewed on the Committee's website.

Date	Name and Organisation
22 November 2021	Ceri Edwards , Mudiad Meithrin Nia Parker , Mudiad Meithrin Eirwen Hughes , Mudiad Meithrin Beth Watkins , Monmouthshire County Council Rachel Jones , Gwynedd Council Sarah Mutch , Caerphilly County Borough Council Naomi Evans , Clybiau Plant Cymru / Cwlwm Amy Baugh , Clybiau Plant Cymru Delyth Evans , Mudiad Meithrin Rhian Beynon , Gingerbread Catherine Davies , Welsh Local Government Association Sarah Rees , Oxfam Cymru

Annex C: List of written evidence

All written evidence can be viewed on the Committee's website.

The following people and organisations responded to the Committee's consultation:

Reference	Organisation
CPE01	Bevan Foundation
CPE02	Flintshire County Council
CPE03	Pembrokeshire County Council
CPE04	WEN Wales
CPE05	Mudiad Meithrin
CPE06	Children in Wales
CPE07	Pregnant Then Screwed
CPE08	Joint Response by South Riverside Community Development Centre, Together Creating Communities, and Comunidade Da Lingua Portuguesa Wrexham
CPE09	Children's Commissioner for Wales
CPE10	Cwlwm
CPE11	Oxfam Cymru
CPE12	Child Poverty Action Group
CPE13	Royal College of Speech and Language Therapists
CPE14	Welsh Local Government Association (WLGA)

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The following organisations provided written evidence to the Committee ahead of their appearance at a formal Committee meeting:

Organisation	Meeting
Chwarae Teg	15 November 2021
Cwlwm	15 November 2021
Swedish Gender Equality Agency	15 November 2021
Scottish Government	15 November 2021
Wales Equality and Human Rights Commission	29 November 2021
Welsh Government	29 November 2021

The following correspondence informed the inquiry:

Title	Date
Correspondence to the Deputy Minister for Social Services regarding Ministerial scrutiny	29 October 2021
Correspondence to the Chair of the Children, Young People and Education Committee regarding joint working	3 November 2021
Correspondence to the Chair of the Economy, Trade and Rural Affairs Committee regarding joint working	4 November 2021
Correspondence from the Chair of the Economy, Trade and Rural Affairs Committee regarding joint working	22 November 2021
Correspondence to the Deputy Minister for Social Services regarding the Co-operation Agreement and draft budget 2022-23	6 December 2021
Correspondence from the Deputy Minister for Social Services to the Chair regarding the Co-operation Agreement and draft budget 2022-23	5 January 2022

Annex D: List of partner organisations

Contributors to focus group discussions and one-to-one interviews were sourced with the help of the following organisations. The Committee would like to thank these organisations and the contributors for their support and participation.

ACE (Action in Caerau and Ely)	Parents for Welsh medium education
Bevan Foundation	Professional Association for Childcare and Early Years Cymru (PACEY Cymru)
Child Poverty Action Group	Single Parent Wellbeing
Chwarae Teg	South Riverside Community Development Centre
CLPW Comunidade da Lingua Portuguesa Wrexham / Wales	TCC (Trefnu Cymunedol Cymru/Together Creating Communities)
Cytûn	Tots Play
Fair Treatment for the Women of Wales	Voices from Care Cymru
Gingerbread	Women Connect First
Inter-faith Council for Wales	Women's Equality Network Wales
Mudiad Meithrin	