

GWYNEDD COUNCIL CABINET



Date of meeting: 12 June 2018
Cabinet Member: Councillor Dilwyn Morgan
Contact Officer: Sioned Owen / Rachel Jones
Contact Phone No.: 01286 662632/ 01248 352436
Item Title: 30-hour childcare offer for 3-4-year olds

1 DECISION SOUGHT

- 1.1 The Cabinet is asked to agree for the Gwynedd and Anglesey childcare, Children and Families Department to co-operate with Conwy Council to act as Lead Authority to administer the 30-hour childcare offer for 3-4-year olds, in accordance with Welsh Government guidance.
- 1.2 That the implementation of 1.1 is subject to the Cabinet Member for Children and Young People confirming the inter-authority governance arrangements and ensuring that an appropriate partnership agreement between Gwynedd Council and Anglesey and Conwy Councils is in place.

2 INTRODUCTION

- 2.1 The Welsh Government is now committed to providing, within the term of the current Government, 30 hours per week of free early years education and childcare for working parents with children aged 3 or 4, for 48 weeks a year. The free early years education currently provided by the Foundation Phase forms part of this offer.
- 2.2 Since September 2017 the Welsh Government have been trialling the offer with seven local authorities, namely Gwynedd and Môn (working jointly); Blaenau Gwent; Caerphilly; Flintshire; Rhondda Cynon Taff and Swansea.
- 2.3 Gwynedd commenced the offer in September 2017, operating in 4 Wellbeing areas. Since then, permission was granted to add more Wellbeing areas gradually. Since April 2018 the Government has agreed to include Gwynedd and Môn fully in the Scheme. The table over shows the number of applications by Wellbeing area, including the number of childcare providers who have registered, on an area basis.

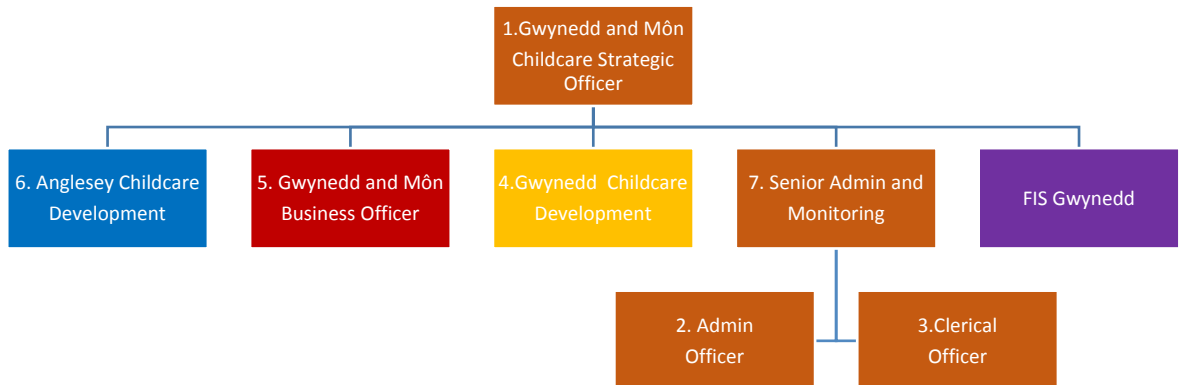
Wellbeing Area	Sept 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	April 2018	Total	Number of childcare providers
Bangor	89	12	2	2	43	7	4	21	180	29
Porthmadog	28	4	3	1	13	4	1	8	62	17
Dolgellau	25	8	6	2	9	1	1	11	63	9
Ffestiniog	18	9	2	0	9	0	0	8	46	10
Caernarfon	x	x	x	101	78	15	12	23	229	44
Penllyn (Bala)	x	x	x	x	18	3	0	8	29	7
Llŷn	x	x	x	x	x	x	x	37	37	16
Tywyn	x	x	x	x	x	x	x	23	23	6
	160	33	13	106	170	30	18	139	669	138

- 2.4 At the Council Cabinet on February 14, 2017 it was agreed to establish the Gwynedd and Môn Childcare Unit. This unit was established for the purpose of administering scheme applications and also deals with duties under the 2006 Childcare Act in both counties. The unit is accommodated in Gwynedd, within an office in Bangor.
- 2.5 Officers from Gwynedd and Anglesey have been working with the Legal Unit, Gwynedd Council to draft a formal partnership agreement for the Unit to work for both counties. This work is still to be completed.
- 2.6 The team is now cooperating well and effectively and has distributed the funding sums shown below to Gwynedd and Môn childcare providers. This has obviously provided an economic boost, easing the financial burden on parents and allowing them to work more hours. In addition, the childcare providers have benefitted as businesses since the payment rate of £4.50 per hours is most favourable.

Funding distributed to childcare settings	Sept 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	April 2018	Total
Gwynedd	£46,390	£75,942	£67,576	£75,039	£151,092	£136,346	£145,125	£226,746	£942,257
Môn	£20,619	£31,108	£24,129	£19,471	£50,400	£53,097	£58,272	£101,882	£358,980
Total	£67,009	£107,050	£91,705	£94,511	£201,492	£189,444	£203,397	£328,628	£1,301,238

- 2.7 In the next period, the Government has £25m to invest in the Childcare Offer during 2018 and an additional £40m in 2019. This year, they hope to attract an additional 11 local authorities to expand the current pilot scheme.
- 2.8 In accordance with the new guidelines, there will be two different methods for Authorities: some acting as '**delivery**' and some as '**engaging**' authorities;
- **Delivery and Lead Authorities** will be responsible for processing applications from parents, deciding whether or not parents qualify, and informing them of the outcome. They will also process and make payments to childcare providers for providing the offer.
 - **Engagement Authorities** will be responsible for promoting the offer to parents and childcare providers in their areas, working with the Families Information Service to deal with enquiries regarding the offer and providing the necessary information for district authorities to process applications and administer the offer.
- 2.9 The Government's rationale for introducing the two models is that the 11 new authorities can learn from the 7 authorities operating since early 2017. This means that it will be possible to use systems and processes which have already been developed and make efficient use of the available funding.
- 2.10 In North Wales, there are two early operational authorities, Gwynedd and Ynys Môn (working jointly) and Flintshire. The Government suggests that Conwy should work in partnership with Gwynedd and Môn and that Wrexham works jointly with Flintshire, with Denbighshire joining with Flintshire at a later date.
- 2.11 As regards the strategic delivery of the childcare offer across Wales, the Government wishes the process to be as uniform as possible to ensure the best value for money in the process administration, therefore, the childcare offer will be guided by the following principles in the next period:
- the process of applying for the offer should be as uniform as possible for parents;
 - the process of paying childcare providers should be as simple as possible, particularly if they provide childcare for parents from more than one local authority;
 - avoid duplication when developing systems and processes;
 - build on current best practice and reduce differences in the methods used across wales;
 - ensure economies of scale.

2.12 Gwynedd and Anglesey received an administration grant of £166k (£83k each) for 2018-19. Four posts are financed within the childcare unit from this budget. The ones that are coloured in orange on the staffing structure below:



2.13 The Government recognises that additional costs will be entailed in delivering the childcare offer across Gwynedd and Ynys Môn, and additional costs associated with introducing it in Conwy. They are reviewing the allocations made for administration in the light of this expansion. When Gwynedd, Ynys Môn and Conwy have agreed on formal arrangements, the Government will issue a new grant administration letter, which will supersede the 18-month letter already issued to Gwynedd/ Anglesey, which will cover the costs of introducing the childcare offer across the three local authority areas. The new letter will be only for one year with an increase of £33k to administer for Conwy. The sum is based on work carried out by Gartner on the costs associated with processing applications.

Proposed Core Costs 2018-19			
	Present structure Gwynedd £83,000 Môn £83,000	Strwythur arfaethedig Gwynedd £83,000 Môn £83,000 Conwy - £33,000	Conwy- Engagement
Management and staffing – 30hrs	£136,399	£30,000	Staff costs for engagement and marketing
Capita	£14,032		£46,000
Operational Costs	£15,569	£3,000	
Cyfanswm Grant	£166,000	£33,000	

- 2.14 Conwy will expect to target 200 children from September onwards by targeting two specific areas
- Area 1 – Abergele; Kinmel Bay, Towyn, Pensarn / Belgrano, Pentremawr, Gele (Abergele), Llanddulas will includes the rural villages of Trefriw, Betws y Coed, Llanrwst, Caerhun (Dolgarrog), Eglwysbach, Uwch Conwy (Penmachno, Capel Garmon, Ysbyty Ifan).
 - Area 2 – Tudno Clustur : Tudno, Mostyn, Gogarth which includes the more rural cluster of Llangernyw /Pentrefoelas, Llansannan, Betws yn Rhos / Llanfair Talhaiarn, Uwchaled.
- 2.15 By including, the work for Conwy obviously there will be a need for further administration within the staffing structure of the Unit, with the recruitment of further officers in order to process the additional applications. By doing this there needs to be clear arrangements for co working drafted within a formal contract with Conwy. Within that agreement there will need to clarify and address all risks that could face Gwynedd taking the childcare pilot forward.
- 2.16 Conwy will need to buy modules for the 'Capita – One' data system used by Gwynedd /Ynys Môn to administer the offer payments. 'Capita - One' is an education data system used across the GWE Education consortium in the north. Conwy will have to submit a business case to the Welsh Government in order to purchase the additional modules required. Conwy will also have to pay for any fees associated with the Capita system going forward into 2019 and onwards.

3 RATIONALE AND JUSTIFICATION FOR RECOMMENDING THE DECISION

- 3.1 On March 20, 2018 a letter was received from Welsh Government (Appendix A) noting the need to cooperate and the need to process applications on Conwy's behalf, with the administration grant awarded to Gwynedd / Ynys Môn from the Welsh Government. The Child and Social Care Minister has recently agreed to this method, and as a result, a letter has been issued inviting us to initiate formal arrangements for this to happen. This will need to include formal agreements between the authorities, in accordance with internal processes. Should Conwy receive an agreement to work in partnership with Gwynedd /Môn, a Service Level Agreement will be required outlining the respective responsibilities of the 'delivery' and 'engagement' authorities based on Welsh Government guidelines.
- 3.2 Officials from Conwy presented a paper to Conwy's Education and Skills Overview and Scrutiny Committee on 13.3.18 where it was resolved to nominate areas for the offer. Another paper will go before this Committee on June 5 to agree on the cooperation between Gwynedd and Môn and to the purchase of the Capita system with Government aid to enable them to commence introducing the offer in some areas of Conwy from September 2018 on.

3.3 The Chief Executive of Ynys Môn will agree following the decision of this Cabinet and of the Conwy Committee.

4. NEXT STEPS AND TIMESCALE

- Need the agreement of the three counties and re-draw the partnership agreement
- Need financial confirmation from the Government.
- Restructure and appoint a cross-county team to increase the necessary level of administration and management.
- Invite Conwy to be part of the Gwynedd and Môn Strategic Childcare Board
- Establish a 'Capita' data system in Conwy on the pattern of the Gwynedd and Môn system
- Begin to administer Conwy applications in July 2018
- Conwy's pilot period to begin in September 2018
- Administer payments for Conwy childcare providers in October 2018
- Attend national meetings to discuss the offer
- Project operational across Wales by 2020

5 ANY CONSULTATIONS HELD PRIOR TO RECOMMENDING THE DECISION

5.1 Consultations have taken place with the following partners / stakeholders:

- i. Owain Lloyd, Deputy Director of the Welsh Government's Childcare, Play and Early Years Section came to meet the Service Heads, Marian Parry Hughes and Delyth Molyneaux and the team on February 5. Following these discussions, the Government agreed to extend the offer fully to Gwynedd and Môn and this commenced across both authorities in April 2018. A discussion was also held at the meeting on the need to cooperate with Conwy authority.
- ii. A national meeting was held in Builth Wells on March 21 where the new authorities providing the offer from 2018 onward were present. Extensive discussions were held regarding the development.
- iii. A meeting was held with colleagues from Conwy on 10 April to discuss 'delivery' and 'engagement' systems and processes. Conwy officials noted that they were very willing to cooperate with Gwynedd and Môn, stating that clear communication would be essential from the beginning.

5.2 Views of Statutory Officers:

Monitoring Officer

- i. There is reference in the report to work which is underway to establish a partnership agreement to manage the relationship between the Councils, defining responsibilities and managing risks. The letter from the Government sets a requirement for inclusion of formal agreements between the Councils in the arrangements. It is essential therefore that this is formalised as a priority in relation to the work between the three councils. The exact decision making path will be the result of the work on the structure to be adopted and any requirement for delegation.

Head of Finance

- ii. It seems that the Government grant will fund the additional financial commitment to the unit to administer the 'offer' for Conwy, as well as the current system for Gwynedd and Anglesey. There is a risk, should the Government stop the specific grant, that we would fail to deliver the "Childcare Offer" in the future, and face the relevant staff termination costs. However, we believe that this is a low risk as the Welsh Government's policy aims to implement the project across Wales by 2020.