

Choice for parents, the best start for children: a ten year strategy for childcare

Summary of consultation responses

March 2005



HM TREASURY

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INTRODUCTION

1.1 This document sets out a summary of responses to *Choice for parents, the best start for children: a ten year strategy for childcare*.¹ It provides an overview of key themes and issues that emerged from the consultation.

Choice for parents, the best start for children

1.2 The Government wants to ensure that every child has the best start in life and parents have choice in how they balance work and family life. Since 1997, the Government has prioritised investment in early years and childcare to expand the range of choices available to families with children. This has included increasing the duration and the level of maternity leave and pay, introducing paternity and adoption pay and leave and establishing the right to request flexible working. The Government has also put in place 524 Sure Start Local Programmes and free part-time early education for every three and four year old. Increased help has been provided to working parents with childcare costs, through tax credits. Since 1997 the value of this support has increased fifteen-fold in real terms.

1.3 However, the Government acknowledges that more needs to be done. *Choice for parents, the best start for children: a ten year strategy for childcare*, published alongside the 2004 Pre-Budget Report, set out an ambitious agenda of reform and investment to create a childcare sector fit for the 21st century. A summary of the key measures announced in the strategy is in Annex A. The Government's vision is of a childcare system where:

- parents have greater **choice** about how they balance work and family responsibilities;
- childcare is **available** to all families and is flexible to meet their circumstances;
- childcare services are among the best **quality** in the world; and
- all families are able to **afford** high quality childcare services.

1.4 It is against these objectives of choice, availability, quality and affordability that the Government's vision is framed.

1.5 The publication of the strategy marked the beginning of a consultation process with all stakeholders. The Government is using a number of methods to engage stakeholders:

- a series of half-day structured parent forums are being held across the country each involving representative groups of 16-20 parents;
- publication of a summary leaflet that was distributed widely, including to all local authorities, Sure Start Local Programmes and Children's Centres²;

¹ *Choice for parents, the best start for children; a ten year strategy for childcare*, HM Treasury , Department for Education and Skills, Department for Work and Pensions, Department of Trade and Industry, December 2004.

² *Choice for parents, the best start for children: a ten year strategy for childcare – leaflet for parents* HM Treasury , Department for Education and Skills, Department for Work and Pensions, Department of Trade and Industry. Copies available on www.hm-treasury.gov.uk/childcare

- HM Treasury and the Department for Education and Skills continue to consult with key stakeholders, including providers and local authorities;
- the Paymaster General and the Minister for Children hosted a seminar on 21 February at No 11 Downing Street, with representative groups and other experts to debate the strategy;
- young people on the *Every Child Matters* Children and Youth Board discussed the strategy on 19 February;
- an Advisory Group of key stakeholders is being established to work closely on the implementation of the strategy; and
- invited written responses to the vision set out in the strategy by end of February 2004.

1.6 Over 75 written responses have been received so far to the consultation. They include submissions from parents, representative and campaigning groups, academics, providers, trade unions and local authorities. The purpose of this document is to give a summary of key themes and concerns emerging from the responses and the range of consultation events so far. It is not possible to include every individual comment in this summary, but they have all been recorded and are being carefully considered.

1.7 The Government welcomes the response so far which will inform the implementation of the strategy and future development of policy. There will be an opportunity to comment on certain individual aspects of the strategy going forwards. For example, the Government published a consultation, *Work and Families: Choice and Flexibility* in February 2005 which sets out further details on a number of proposals from the ten year strategy covering parental leave and flexible working. The consultation ends on 25 May 2005. Specific responses to this consultation are not included in this summary.

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OVERVIEW OF RESPONSES

2.1 This section provides an overview of responses to the consultation. It sets out the content of the responses under the four themes of the strategy: choice, availability, quality and affordability. Annex A gives a summary of the ten year strategy measures.

2.2 The majority of responses welcomed the attention the Government was giving to this area and supported the ambition of the strategy. There was widespread support for the measures to improve the quality of childcare provision and to reform the workforce. Parents were generally enthusiastic about the strategy, but raised concerns that it did not go far enough. The themes of the strategy – choice, availability, quality and affordability – were thought to reflect the key concerns of parents accurately.

2.3 Respondents commented on the size of the challenge for implementation of the strategy. Many respondents stressed the importance of ensuring sufficient resources are provided to develop and reform the childcare sector, particularly the workforce.

Choice and flexibility

2.4 There was general support for the proposals covering choice and flexibility. The measures to extend **maternity pay** were widely welcomed by most respondents and in particular by parents. However, concerns were expressed by both employer groups and some parents about the possible burdens the new measures could impose on businesses, particularly small organisations. Parents particularly welcomed proposals to **transfer pay and leave entitlements to fathers**. An active role for fathers was also supported by young people. Feedback from parent forums suggested that greater flexibility on how leave is taken would be welcome, including allowing both parents to take leave at the same time. Some representative groups felt that there should be further strengthening of parental rights, including speeding up the timetable for introducing changes.

2.5 **The right to request flexible working** was considered by parents to be extremely important for helping women to work if they wished, although it sometimes created problems such as discrimination and resentment from workers who were not parents.

2.6 Proposals for the roll out of **Sure Start Children’s Centres** were welcomed by the majority of the respondents, stressing the benefits that this would provide to parents and children. However, questions were raised over whether the level of funding would be sufficient to deliver on the Government’s ambitions. Others expressed the opinion that more than 3,500 Sure Start Children’s Centres would be necessary to reach the goal of one in every community.

2.7 A common concern voiced by local authorities and some representative groups was the lack of detail around inclusion within the strategy proposals, particularly around the needs of disabled children, though also the needs of black and minority ethnic families.

2.8 A significant section of respondents felt that the strategy was overly focussed on support for parents who worked. Respondents felt that the strategy could do more to support parents’ choices to stay at home with their child if they wished to.

Ensuring availability

2.9 Respondents welcomed the extension of the free early education offer, including the **goal of 20 hours a week of free high quality care for all three and four year olds**. Feedback from the parent forums was particularly positive about the **extension to 38 weeks**, though some worried about the capacity of the sector to increase provision to this level. Some providers, trade unions and local authorities raised concerns about the practicalities of extending the early education offer, and questioned whether the level of funding to support the extension was adequate.

2.10 **Legislation for a new duty on local authorities** was seen as an important part of transforming childcare into an integral part of the welfare state. Some campaigning groups felt that the duty should be broadened to include a range of services for families with young children. Some respondents suggested that the duty should be subject to a ‘reasonableness’ test, rather than an absolute requirement. A related point was a concern that the direction of travel set out in the strategy focussed too heavily on local authority provision. A common response was that the private and voluntary sectors were insufficiently considered in the strategy.

2.11 An **out of school childcare place for all children aged 3-14** was welcomed by the majority of respondents. Parents gave overwhelming support to this proposal, favouring provision in schools because of the convenience and trust associated with them. Parents wanted the level and type of provision to be consistent across all schools. Engaging schools, was seen by local authorities as both a key challenge and an opportunity in the delivery of the strategy. Representatives from the Children and Youth Board stressed the importance of outside space and welcomed the idea of holiday play schemes. Some concern was voiced about schools potentially dominating the provision of 3-4 year old early education, which could have a negative impact on the private and voluntary sector, and the diversity of provision as a whole. A related fear was that a focus on school-based provision could overly emphasise the educational aspects of childcare to the exclusion of its emotional and social elements.

2.12 A common theme among respondents, particularly from representative groups, was that there was a gap in the strategy for provision for one and two year olds.

Building quality

2.13 Building quality and improving the childcare workforce emerged as key priorities throughout the consultation.

2.14 There was strong support from a majority of respondents for **radical reform of the childcare workforce**. Raising the qualifications levels of the workforce was seen as the key to raising the quality of childcare. Local authorities and representative groups highlighted the low pay of the childcare sector as a key constraint. There was strong support from representatives from the academic and research community for the continental model of early years professional such as the pedagogue.

2.15 There was general support for the idea of the **Transformation Fund**, though representative groups and providers questioned whether the level of funding on offer was sufficient to achieve a step change in quality. Some respondents were keen for more detail on how the Fund would operate. Importance was placed on the Fund delivering quality for all children not just some.

2.16 There was significant support for **involving parents** in the design and delivery of provision. A number of representative groups stressed that it should become the norm to engage parents, not the exception. Representative groups also wanted a stronger signal that the strategy would retain the Sure Start ethos of involving parents in managing and developing services.

2.17 Feedback from the parent forums focussed on the importance of provision that is safe and secure for children, offering stimulating activities with a mix of unstructured play. Parents also wanted workers who were in tune with their children's social and emotional as well as educational needs.

Affordability

2.18 The affordability of childcare was one of the key concerns expressed throughout the consultation responses, particularly from parents. Feedback from the parent forums showed general concern about the cost of childcare at the moment. The measures on affordability in the strategy were broadly welcomed, but were coupled with a desire for more to be done and general concerns about the system of financial support for childcare being delivered through tax credits.

2.19 **The childcare element of Working Tax Credit** was mentioned frequently in the consultation responses. Most welcomed the **increases to the level of support** announced in the strategy, though there was concern about the complexity of the system. Respondents felt that the childcare element lacked transparency. A significant section of respondents, particularly representative groups, argued that support would be better routed through **supply side** subsidies, on the grounds that this would be more efficient and easier to understand. Concerns were also raised by parents about the affordability of childcare for those who were not eligible for tax credit support.

2.20 The Children and Youth Board had a strong sense that government support for childcare should enable parents to work, except when children are young. Representatives from children and young people suggested that childcare should be free, in the same way that school is free. If there is a charge, then they believed that support should be focussed on families with lower incomes and lone parents. There was strong support for the idea that all children should be able to access services that will benefit them regardless of family income.

2.21 Some of the London local authorities and representative groups welcomed the strategy's acknowledgement that there were particular affordability issues related to London and the connected **childcare affordability pilots**.

Choice for parents, the best start for children

The Government's vision is to ensure that every child gets the best start in life and to give parents more choice about how to balance work and family life.

Choice and flexibility: parents to have greater choice about balancing work and family life

- a goal of twelve months paid maternity leave by the end of the next Parliament. As a first step an extension of the entitlement to nine months from April 2007;
- legislation to give mothers the right to transfer a proportion of this paid leave to the child's father by the end of the next Parliament; and
- every family to have easy access to integrated services through Children's Centres in their local community, offering information, health, family support, childcare and other services for parents and children. 2,500 Children's Centres will be in place by 2008 and 3,500 by 2010.

Availability: for all families with children aged up to 14 who need it, an affordable, flexible, high quality childcare place that meets their circumstances

- legislation for a new duty on local authorities in place by 2008 so that over time they will secure sufficient supply to meet the needs of families;
- a goal of 20 hours a week of free high quality care for 38 weeks for all 3 and 4 year olds with a first step of 15 hours a week for 38 weeks a year reaching all children by 2010; and
- an out of school childcare place for all children aged 3-14 between the hours of 8am to 6pm each weekday by 2010.

Quality: high quality provision with a high skilled childcare and early years workforce, among the best in the world

- all full daycare settings to be professionally led;
- a Transformation Fund of £125 million each year from April 2006 to invest in high quality, sustainable, affordable provision;
- radical reform of the workforce, with the Children's Workforce Development Council consulting on a new qualification and career structure in 2005; and
- reform of the regulation and inspection regime to improve standards and to give parents better information.

Affordability: families to be able to afford flexible, high quality childcare that is appropriate to their needs

- an increase in the limits of the childcare element of the Working Tax Credit to £300 a week (£175 for one child) from April 2005, and an increase in the maximum proportion of costs that can be claimed from 70 per cent to 80 per cent from April 2006;
- for a couple family on £34,000 a year with both parents working and typical childcare costs for two young children, these reforms reduce the proportion of childcare costs they pay from 85 per cent to 75 per cent, a saving to them of £700 per year. Building on this first step, the Government's long-term ambition is to reduce further the proportion of childcare costs paid by such families, making childcare increasingly affordable; and
- £5 million from April 2006 for a pilot to work with the Greater London Authority to address childcare affordability issues in London.

