



Issues Affecting the Early Years Sector from the Expansion of Flying Start.

Introduction

The expansion of the Flying Start programme to more two-year-olds has now been operating for 6 months with Phase 2 starting in April. The sector welcomes the aspiration to provide a funded universal offer of childcare for children from 2 years of age in Wales. In addition, the sector is supportive of the Welsh Government's intention to provide funded childcare to support the growth and development of the child as the primary aim for this expanded offer. However, additional research based on the current childcare landscape and family situations may be required in order to ascertain if the programme is still fit for purpose and meeting its primary aims that were developed in 2006.

For this report, NDNA Cymru have on behalf of Cwlwm, looked at the expansion and its impact on the Childcare, Playwork and Early Years Sector. They have gathered information from other Cwlwm partners, Local Authorities and childcare providers and this has highlighted that using Flying Start as the mechanism to deliver funded childcare is problematic and has created several issues for the sector. Cwlwm would welcome further research into what changes may need to be made to the Flying Start model, or alternative mechanisms that could see the successful delivery of two year old funding across Wales for children and families and the childcare sector.

PACEY Cymru believe that access to funding for childminders to deliver commissioned services would ensure parity of opportunities across the sector, support sustainability of childminding settings, and importantly support parental choice and access to childcare in a location near them and which fits with their working pattern. Given the concerning decline of childminder numbers across Wales, they are keen to address factors which impact on the sustainability of childminding settings. At a national level in Wales, Pacey Cymru has heard from childminders that they are being financially impacted by losing more children to settings who can deliver commissioned services. The roll out of expanded Flying Start Childcare without the inclusion of registered childminders is likely to have a significant negative impact on the sustainability of existing childminders. Whilst we are awaiting the publication of the Welsh Government commissioned Independent Review of Childminding in Wales, later this month, Pacey Cymru feel it is important to act swiftly to address any factors which are contributing towards this decline before it is too late.

Background

Flying Start is the Welsh Government's programme to support families with children under 4 years of age in disadvantaged areas. As part of the Cooperation Agreement between Labour and Plaid Cymru it was agreed that funded childcare should be extended to all 2 year olds in Wales, in March 2022 it was announced that this would be achieved through an expansion of the Flying Start programme.



All Local Authorities in Wales had the opportunity to put forward detailed plans, in accordance with guidance from Welsh Government. Expansion was to include further disadvantaged areas based on the Lower Super Output Areas (LSOA). Phase 1 of the expansion got underway in September 2022 with all 4 core aspects of the Flying Start programme. Plans were then submitted for Phase 2a & 2b, which began in April 2023. These focused on childcare only.

The Flying Start programme is based on high quality childcare which is reflected in guidance published for Local Authorities and the sector emphasising quality and standards. Settings that wish to be part of the programme must have meticulous plans to reach the very high standards expected. This drive for excellence is supported by the sector. However, the approach needs to be one that supports the sector as a whole, whilst driving quality and supporting sustainability

Local Authorities

All Cwlwm partners have worked closely with Local Authorities where they have been willing to engage and have offered support with keeping the sector informed of the upcoming changes. All of the 22 Local Authorities have their own separate plans. This allows them to understand and meet the needs in their own areas. However, it has led to 22 different approaches to the expansion. This can cause confusion for childcare providers and the families involved. For example, some Councils have opened up their Flying Start provision to as many eligible settings as possible, in readiness for future expansion, others have only enlarged existing sites or handpicked appropriate providers, resulting in an unfair process

In addition, there are some settings that border other Local Authorities. These settings may ultimately take children from two authorities and must deal with different procedures and two sets of Advisory Teachers.

PACEY Cymru are keen to address any barriers that arise from local commissioning processes for delivery of Flying Start childcare and are concerned that the approach to this differs widely across Wales, especially in relation to commissioning smaller settings such as registered childminders. There are still some local authorities in Wales that focus on specific sessional group settings to deliver Flying Start from defined venues. They have not opened opportunities out to other local providers and some local authorities are not looking to include smaller settings until much later in their schedule for expansion. However, we are aware of some local authorities that have a positive record of working with local childcare providers over many years (such as Ceredigion and Flintshire), and others that have engaged with our offer of support whilst they plan for expansion to ensure that their commissioning processes are open and accessible for smaller settings (such as Cardiff and Wrexham).



The Tendering Process

Under the guidance all Local Authorities must satisfy their own legal and Service Level Requirements. However, this looks different in each of the councils. Many have put Flying Start out to tender using Sell2 Wales or eTenderwales while others ask for an expression of interest.

The tendering process is hugely confusing and challenging for many in the sector. It is a time consuming process that requires a significant amount of technical knowledge. While support is available from Local Authorities, umbrella organisations and Business Wales, some settings have been deterred by this as ultimately the responsibility lies with the setting, and many will simply not have the time. As evidenced by a setting that said it took them 25 hours to complete the tender process and as the setting below noted in the case study.

Case Study – Osbourne Lodge

Nikola Masters is the owner of Osbourne Lodge Nursery in Pontypool. After attending an information evening with Torfaen County Borough Council, she decided to tender for Flying Start. The process was long and complicated.

“Doing the tender took four days of my life.”

Firstly, she registered with Sell2 Wales to be able to find the relevant information and criteria for Torfaen. She then had to create a Proactis account in order to be able to access necessary information and documents. Each stage of the process had to be completed by answering a series of questions. There was also a requirement to upload policy documents, accounts and supporting evidence, a time consuming process that required a high level of technical ability.

Osborne Lodge had previously tendered to provide Early Education and felt repeating the process for Flying Start was repetitive with the same paperwork being required.

The nursery had a number of families who would benefit from the Flying Start programme and were pleased to be able to offer them the support with fees. However, their decision to tender was heavily influenced by the concern that they would lose two year olds in the future if they did not act now, even though the funding rate would affect their ability to remain sustainable.

“I see it as future proofing. We have a lot of two-year-olds at the moment, but we don’t know what might happen in two years.”

Funding Rates

Another consequence of 22 different approaches is the vast difference between the rates paid to settings as can be seen from the table below. This information was gained by asking Local Authorities, some were very reluctant to share this, and Pembrokeshire said a FOI request was required. Development Officers from Mudiad Meithrin were able to support with some of the figures. This information was not shared with childcare providers at the beginning of the process, making it very difficult for them to make informed decisions.



LOCAL AUTHORITY	FLYING START FUNDING RATE/FORMULA APRIL 2023
Anglesey	£15 per session (£6 per hour)
Blaenau Gwent	£14.04 per session (£5.62 per hour).
Bridgend	Cost of cylch session & Admin
Cardiff	£13.86 per session (£5.55 per hour)
Caerphilly	£15 per session (£6 per hour)
Carmarthen	£15.30 per session (£6.12 per hour) for providers not in LA buildings. £14.30 per session (£5.72 per hour) for settings on LA property.
Ceredigion	£16 per session (£6.40 per hour)
Conwy	£14.50 per session (£5.80 per hour)
Denbighshire	£14.40 (£5.76 per hour)
Flintshire	£16.65 per session (£6.66 per hour)
Gwynedd	£15 per session (£6 per hour)
Monmouthshire	£14.00 per session (£5.60 per hour)
Merthyr Tydfil	£16.61 per session (£6.64 per hour)
Newport	£12.50 per session (£5 per hour)
Neath Port Talbot	£12.50 per session (£5 per hour)
Powys	Pay per staff member on 1:4 ratio (£11.52 x 18.5 hrs & £12.84 x 20hrs for leader) & 75p per child per day: £250 for resources.
Pembrokeshire	£14 per session (£5.60 per hour)
Rhondda Cynon Taff	£1130 per placement per term
Swansea	£16.25 per session (£6.50 per hour)
Torfaen	£12.50 per session (£5 per hour) - currently under review as aware as it is lower than surrounding areas.
Vale of Glamorgan	£14 per session (£5.60 per hour)
Wrexham	£17.00 per session (£6.80 per hour)

In many cases the rate falls well below the current fee being asked of parents of two-year-olds within settings across Wales. Providers are being asked to provide high quality care with higher staff ratios and higher qualified staff than for the Childcare Offer or Early Education and yet, in some areas, are receiving the same rate. NDNA's recent [cost of living survey in Wales](#) highlighted the precarious financial situation of the sector with 90% of respondents saying that current funding rates do not cover delivery costs. While fully supporting the aims of the Flying Start expansion many settings feel that they must be registered for Flying Start or risk ultimately losing their two years olds, even though this will affect their sustainability.

While, it is recognised, that each Local Authority will have their own local situation to be aware of and that very high levels of support come with Flying Start, the differing funding rates and formulae across Wales have led to confusion and a feeling that it is a 'postcode lottery'.



Qualifications.

Crucial to the success of Flying Start are the 'enabling adults' and currently staff working in Flying Start must be highly qualified. A Leader is expected to have a level 5 qualification and practitioners a level 3 as set out in [Social Care Wales Qualification Framework](#). However, with the current issues around recruitment, retention and training that are affecting the whole early years sector, meeting the requirement for qualified staff is very difficult for many settings. This has been recognised in the guidance by allowing settings to work on an action plan to meet the necessary qualification requirements and many providers will be looking to train existing staff.

This is dependent on staff being willing to train for higher level qualifications. Early feedback from the sector shows that many staff are not willing to embark on higher level qualifications for the levels of pay that are affordable to the sector.

Where providers already have staff with the relevant qualifications these are often employed in a managerial role and may, therefore, not be available to work closely with Flying Start children during whole sessions. They also require time for planning and assessment, something which is not always reflected in the funding rates.

In order to maintain the high standards of qualified staff it is necessary for staff to maintain their continual professional development. Something that forms a large part of the support from Local Authorities. However, attending the training requires time and back-fill cover that place an additional burden on providers. This is not just a financial burden, but managers' report that they are reluctant to ask tired and overworked staff to attend training in their own time and there are not the support staff available to release them during working hours.

PACEY Cymru have worked with partners to ensure that the National [Flying Start guidance](#) reflects the inclusion of childminders and so that the SCW Qualifications Framework now also clarifies that a [Flying Start worker](#) could include a registered childminder. The latest Flying Start guidance includes clear references to the role childminders can play in delivery of Flying Start, which states:

"Childminders offer professional childcare and early education for children from birth up to the age of 12 years within a domestic premises that is not the child's own home. Childminders are well placed to support the early development of children and work closely with parents and carers to provide flexible, tailored and responsive childcare services. The purpose of Flying Start childcare is to provide enriching experiences for children to learn, develop and socialise with their peers in a supportive professional environment. Childminders play a vital role in ensuring that Flying Start childcare meets the needs of parents or carers and uphold the professional and quality standards which are a feature of Flying Start childcare provision."



Sessions.

Flying Start gives eligible 2 year olds 12.5 hours of funded childcare per week during term time. With further provision for the holidays. These hours are usually split into 2.5 hours a day for 5 days a week. There are advantages to this, the child and family get used to a routine and research shows that regular attendance is important. But this sessional model does not always fit with the staffing and business model of many settings who require take up for a whole day to remain sustainable. More flexibility, for example, taking 12.5 hours over two or three days will support settings to stay sustainable and open up more childcare places. Even settings that offer sessional care often operate for three hours in a morning or afternoon, meaning children leave the session before the end or parents have to pay for the additional time not included in the 2.5 hour session

Many childcare providers operate for longer than 2.5 hours a day. Parental choice is important, and many parents choose to pay for additional hours to secure childcare for a full day or session, we would expect this to happen more in the future as the programme is rolled out to all children, including those of working parents.

Even when a Flying start session is over the child remains in the same environment, with the same staff and having the same experiences. One of the benefits of Flying Start is that it allows exemplary practice to disseminate throughout settings and pushes up the quality of early education and care as a whole. At this early stage of the expansion, many settings have a mix of Flying Start and fee paying two year olds and it is not feasible, or desirable to differentiate between them. Furthermore, the integration of children from different socio-economic backgrounds is consistently demonstrative of better outcomes from those from social deprivation. This is not always recognised by Advisory teams who wish to limit resources and experiences to Flying Start sessions and children only and make unrealistic demands on the day to day operations of a setting.

Case Study – Cylch Meithrin Dyffryn Banw

Powys demands that FS children are grouped separately to all other children in a setting. This will ultimately lead to the displacement of 1, 3 and 4 year olds in childcare because rural, sparsely populated areas will simply NOT have 4 qualified, Welsh-speaking members of staff (in order to run two separate groups).

This IS happening now. The tender requirements ask those submitting bids to confirm that they will provide 12.5 hours per week exclusively to eligible (postcode) 2-year old children. Without realising it, settings will be signing up to displacing 1,3 and 4 year olds. Which parent wants any child to start their session at 11.30 every day? That is, however, the real consequence of the tender process...

Case study: Cylch Meithrin Dyffryn Banw (N.B. This setting submitted a full bid last week noting in the relevant question that it will NOT sign up to this clause so as to not displace 1, 3 and 4 year olds).

If not careful, the expansion of FS under this model leads to less childcare and less Welsh-medium childcare (which are meant to be the drivers of the policy!)



Case Study - Playland Day Nursery.

Jacqui Ryan is the owner of Playland Day Nursery in Wrexham, which takes children from 0 to 12 years of age. The nursery already offers Early Education and recently successfully tendered for Flying Start. The nursery has worked closely with Wrexham's Childcare advisory team to achieve the high quality service required for Flying Start and are pleased to be offering Flying Start to children and families in the area.

There are currently a mixture of Flying Start and fee paying two year olds in the setting with many of the Flying start parents choosing to top up the sessional fees and stay all day. This supports the sustainability of the setting and suits the needs of the parents in the area. However, it has created some issues with the advisory team.

For example, the nursery has been advised to replace a carpeted area with laminate flooring in an area where two year olds who are staying for a full day sleep.

The nursery follows the food and nutrition guidance for childcare settings and hold a 'Tiny Tums' award. They are confident, therefore, that the snack served during Flying Start sessions is nutritious. However, they have been advised that their snack should be more substantial as it may form a major part of a child's diet. The Flying Start children at the nursery stay all day and, therefore, will eat healthy well prepared meals and are not reliant on snacks.

While, relatively minor issues, these are the concerns that full day care settings face when implementing the Flying Start programme adding to the burdens many settings already face.

Welsh Language.

One of the key aspects of the Flying Start expansion is the focus on Welsh medium settings and Local Authorities have taken this into account in their plans. However, recruiting Welsh speakers is very difficult. Umbrella organisations have worked with all providers across Wales with initiatives such as Camau training and the Welsh Promise actively increasing the use of the Welsh language within the early years.

Some Cwlwm partners have had concerns raised from English medium member settings that they may be overlooked. They feel pressurised into taking steps to become Welsh medium, even though this places an extra burden on staff and is not the top priority of parents attending the setting. Whilst a number of settings strive to become Welsh medium it is not a quick and easy transition and takes a lot of time and commitment from the setting and its staff, Staff are concerned that jobs could be at risk if a setting continues to be categorised as an English medium setting, sometimes resulting in staff feeling undervalued.



Future Concerns.

The expansion of Flying Start has been accompanied by large capital investment by Local Authorities. Much of this investment has been in developments on school sites and there is a concern that this places existing high quality private and voluntary providers and childminders at a disadvantage. Many are becoming unsustainable and do not have the financial resources to invest in their own buildings or expand their businesses to the same extent. This emphasis on school sites may ultimately result in the closure of existing provision and affect childcare for non-funded children.

Enhanced Health Visitor support is not part of phase 2 of the Flying Start Expansion. This means that many families and children who are vulnerable, have ALN or need extra support will not come to the attention of the Local Authority until they start childcare. This could put a further burden on stretched staff and settings who may require further training and Local Authority support to meet the needs of these children and their families.

As the programme is rolled out to more two year olds and is not just limited to deprived areas it is expected that the needs of the parents may change. Parents may look for childcare that is nearer their place of work or is accessible for grandparents. Children may cross Local Authority borders and settings may have to be registered with a number of authorities. Additionally, those settings that border England will face increased competition as funded childcare is expected to be open to children there from 9 months.

The emphasis on quality in Flying Start gives eligible two year olds an excellent start to their education journeys. However, this level of investment in quality is not continued once a child turns three. The offer of 12.5 hours under Flying Start often reduces to 10 hours under Early Education and there has not been the same push for quality within the Childcare Offer. All childcare in Wales, for all ages, strives for the highest possible quality, however without similar investment in 3-4 year olds much of the progress gained by Flying Start may be lost.

Flying Start has been the flagship programme to support families and young children in deprived areas and has aimed to reduce the attainment gap for these children. Opening it up to all two year olds removes this additional support for those children that need it.

Conclusion

The expansion of funded childcare to include a universal offer to all two year olds is a hugely important step for the Early Years sector in Wales and will be welcomed by all those who work closely with young children, providing it supports ongoing sustainability. The emphasis on quality and putting the child first recognises that the care and experiences of a child under the age of three is as crucial to that child's growth and development as later educational experiences. It values the highly skilled workforce that provides that care. However, the implementation of the expansion is putting a huge burden on childcare providers that are already struggling with post pandemic issues.



Many, while supporting the drive for quality, feel that they are being forced to sign up for Flying Start or they will lose the two year olds that form a vital part of their business model. Doing so, however, leaves them struggling to remain sustainable while funding rates are so low.

PACEY Cymru also feel that a diversity in choice of childcare providers that can deliver Flying Start childcare is likely to support better outcomes for children through providing continuity of care that meets children's needs and supports their well-being, for example if they are already settled in a childcare setting rather than having to transition to a specific setting for 2-year-olds to access Flying Start. This also helps to ensure that parents can choose a provision that will meet their needs in terms of opening hours, cost, and location, and will meet the needs of their child. For example, some children may be better suited to smaller settings caring for lower numbers of children, or different environments, so a choice of settings will help parents to find the right childcare for their child.

The concept of ECPLC is to provide high quality childcare and early education for children across Wales regardless of where they take up places. This requires equity across the sector for early years providers; a concept the First Minister is supportive of in Wales.

Our concern is that the mechanism for the expansion toward universally funded childcare for 2-year-olds is not in-step with this principle. This is due to a number of factors;

- the variance of funding rates across Wales- which is not consistent with CCO or early Education funding
- the fact that funding rates do not match with higher staffing ratios and higher qualification requirements
- the barriers for some settings in considering Flying Start or being eligible to tender for Flying Start
- the workforce challenges around uptake for the mandatory training and having sufficient qualified staff

Without addressing these concerns as a priority, we risk negatively impacting the sustainability of some of the settings and providers outside the Flying Start providers, notably those who are smaller, and childminders.

By the time ECPLC is then implemented, we risk a duality of service at best where Flying Start is already preferentially funded; or a deeper crisis with more settings finding it financially unviable to continue. This will impact on the availability of places for parents at a time when the offer of funded childcare is being expanded.

As the expansion moves into further phases it is important that these concerns are taken on board. It is the diverse nature of childcare in Wales that drives up standards and gives parents and families choices. If childcare providers cannot remain sustainable, we risk losing the very quality that Flying Start aims for. At worst we will lose many more settings that provide valuable childcare for all children and babies under the age of 12.