



Cymru

National Day Nurseries Association

The Best Start for Children in Wales



Immediate priorities for the next Welsh Government

The next Welsh Government must:

- 1 Conduct a national review of funded childcare in Wales which:**
 - Ensures funding covers delivery costs - rising in line with inflation, statutory wage rises and average earnings
 - Ensures ALN funding is adequate to meet children's individual needs
 - Provides long-term funding indications to give certainty to providers.
- 2 Prevent damage to existing childcare providers by:**
 - Ensuring future capital budgets for new childcare provision requires an impact assessment with existing providers looking at vacancies, waiting lists and capacity
 - Recognises the commitment to Welsh Language in existing childcare providers to avoid unnecessary displacement of children's places.
- 3 Implement a progressive system with an element of universal, fully funded childcare and more targeted support to those who most need it. The system should:**
 - Be simplified and not just bolted on to existing funded offers
 - Have national requirements and clear guidance to ensure consistency across all local authorities
 - Align all childcare delivery programmes with the evidence-based principles of ECPLC.
- 4 Develop a clear and fully funded workforce strategy which:**
 - Commits to funding rates that allow practitioners to be paid at a fair and competitive rate
 - Makes funding available for backfilling staff hours for additional training requirements
 - Reviews the flexibility for settings to use professional judgement around 'working towards' qualified staff numbers
 - Delivers supported employment schemes to broaden the pipeline for qualified staff
 - Supports providers and individual practitioners with the skills, training and confidence to meet the Active Offer and deliver under the Anti-Racist Wales Action Plan.

We are calling on all parties to put children at the heart of any future policy and address current challenges in delivering funded childcare and high-quality early childhood play, learning and care. Any promise to expand the existing funded offer must be fully costed. Funding must be allocated, ring-fenced, and the policy developed in full consultation with the sector to ensure proposals are realistic and affordable. Rigorous assessments must be carried out to evaluate capacity for any expansion to ensure the sustainability of the sector.



Introduction

National Day Nurseries Association (NDNA) is the national charity representing private, voluntary and independent (PVI) children’s nurseries across the UK. We are the independent voice of the 24,000-strong nursery sector, an integral part of the lives of more than a million young children and their families.

Our vision as a charity is to see all children and families flourish through services that provide excellent early childhood play, learning and care (ECPLC). Our mission is to lead and empower the sector so that nurseries and the early years workforce deliver sustainable, high-quality education and care. The ethos behind NDNA’s charity vision and mission is to support excellence among the early years workforce, and to drive quality and sustainability in early years settings.

We believe children and families are at the heart of a strong early years sector that supports sustainable communities.



This manifesto sets out the sector’s priorities for the next government. To give the best start for children in Wales we need to focus on a system that:

- Works for children, families and providers
- Supports families in every community
- Delivers inspirational early experiences.

Research consistently shows that high-quality early education and care improves outcomes for children in the long term. Children’s brains develop connections faster in their first five years than at any other time in their lives – up to 90% of a child’s brain development occurs by age five. Evidence shows that high-quality Early Years Play, Learning and Care (ECPLC) is especially beneficial for the most disadvantaged children.



Key Principles

NDNA Cymru is calling for a funded childcare landscape and ECPLC policy which:

1. Works for children, families and providers

This means taking a **child-centred approach** - ensuring childcare environments are shaped around the needs, rights, and wellbeing of children. This requires **sustainable funding** to ensure the costs of delivering high-quality, funded childcare places are covered and **providers are not operating at a loss** or facing closure.

2. Supports families in every community

To ensure the right childcare and ECPLC services are in place that meet families' and children's individual needs we need to see **diverse and inclusive provision**. This means a mixed economy of childcare providers meeting the varied and changing needs of families across Wales.

The system must **avoid displacement of existing providers** and be future proof with long-term plans to maintain the availability and quality of childcare places. Delivering this requires **equity and consistency across Wales**, especially when it comes to Additional Learning Needs (ALN).

3. Delivers inspirational early experiences

To ensure the best start for children any system must be grounded in **evidence-based approaches to child development** in the regulated childcare and play sector. Practically this will mean funded childcare policies which are **closely aligned with ECPLC framework**.

The most influential factor on children's experiences of ECPLC is the adults in settings. We need to see **investment in the skilled and professional workforce**. This means increasing engagement with professional learning opportunities and the funding required to **ensure a valued workforce**, respected for the role they play in children's lives and the foundational economy.

Challenges to the current system

Funding rates do not cover the costs of all providers in the sector

There is a mixture of childcare providers in the early years landscape in Wales that have differing costs of delivery. From childminders, sessional settings and Cylch Meithrins to full day nurseries, all have a role to play in providing high-quality ECPLC. However, the current funding rates, which failed to keep up with rising costs during three years of no increases, do not work for all providers.

In addition to this general underfunding, places for children with ALN are not always fully funded. Where ALN are identified, providers are expected to provide additional support to those children. This could be through new resources, 1-2-1 support from trained staff or physical adjustments to the learning environment, to make places accessible. Inadequate funding leaves providers and parents with difficult choices about whether to cover these costs themselves or a setting being unable to meet the needs of a child.

If hourly rates for funded childcare places do not cover the true cost of delivery for all children and all providers then parents could pay the price - through higher costs, less choice, or their nursery being forced to close.

The next Welsh Government must:

- Conduct a national review of funded childcare in Wales which ensures hourly rates that cover the true cost of delivery across different types of provision, which is reviewed and updated annually
- Ensure future funding rates are calculated with forward forecasting and rise in line with inflation, national statutory wage rises and average earnings
- Review ALN funding to make sure it is adequate to meet children's individual needs - wherever the family chooses to take up an early years place.



Displacement of childcare

Public money is being used to set up new childcare in locations and communities where there is not always a need. This is often on school sites and displaces or damages existing childcare providers. This risks the future sustainability of the sector and established, high-quality settings.

Many existing early years providers would be unsustainable if two to four-year-olds move to school-based provision, leaving them to provide childcare for under two-year-olds. This is due to the higher costs of providing this care and the modifications to settings which would be needed.

This approach would also fail to recognise the unique environments that dedicated nurseries provide. There is not always consideration of whether school sites are the best environments for providing childcare for two and three-year-olds.

The next Welsh Government must:

- Ensure that any future capital budgets for establishing new childcare provision requires an impact assessment on existing high-quality provision. These must look at vacancies, waiting lists and other support which could maximise existing capacity to ensure public money is not used in a way that undermines or damages existing providers
- Recognise the commitment to Welsh Language in childcare providers by ensuring the weighting in capital funding and the impact assessments considers providers who are working towards becoming bi-lingual or Welsh medium, avoiding unnecessary displacement of children's places.

Funding system

Childcare providers are unable to carry out long-term planning when they do not know, year on year, what their funding rates are going to be. Providers need to start planning in advance for setting staffing levels, deciding pay offers and updating fee structures for parents.

The funding system is also unnecessarily complicated for parents and providers. Funding does not follow the child, as has been seen with the inconsistent roll-out of the childcare element of Flying Start to all two-year olds in Wales. These complexities can put providers off making certain funded childcare available, act as a barrier for parents and as a result, national policies are not benefitting all children equally.

All providers must have equal opportunities to deliver funded childcare offers consistently and, on a level playing field. As an example, some providers are able to offer the Childcare Offer for Wales but face restrictions in delivering Nursery Education or Flying Start places.

The next Welsh Government must:

- Implement a progressive system with an element of universal, fully funded childcare, supporting all children and families which also provides more targeted support to those who most need it
- This system should be simplified and not bolted on to existing funded offers through Flying Start, Nursery Education and the Childcare Offer for Wales. Flying Start, or any enhanced support for children from disadvantaged areas, should retain its core elements of enhanced childcare, parenting support and additional services which are aimed at improving life chances for children
- Funding reviews need to take a more long-term approach to give certainty to childcare providers and recognise the requirements of different funded childcare and nursery education policies.



Workforce

Numerous reviews have found that the early years workforce feels undervalued and underpaid. At the same time nurseries are struggling to retain pay differentials for their more qualified or more experienced staff.

While training and personal development support can be available through local authorities or other sources, early years providers also struggle to be able to release staff to undertake these due to the cost of backfilling hours and the workloads staff face.

Although reforms to staff ratio requirements have made it possible for nurseries to hire staff while they are 'working towards' a qualification, there is no distinction made between a practitioner who has just started their qualification and one who is about to become fully qualified.

The next Welsh Government must:

- Commit to future funding rates that allow practitioners to be paid at a fair and competitive level. Future uplifts should include average earnings increases across the economy to help employers address pay differentials across teams
- Make funding available for backfilling staff hours when local authorities require staff training, beyond the mandatory requirements, as part of the funded childcare delivery
- Ensure that providers can use their professional judgement and flexibility to choose when a staff member who is 'working towards' a qualification is sufficiently knowledgeable and experienced to be able to count in the qualified staff numbers
- Introduce supported employment schemes to broaden the pipeline for qualified staff and attract people of all backgrounds to a career in early years
- Commit to ongoing support for providers and individual practitioners on staff wellbeing
- Support the workforce with the skills, training and confidence on delivering:
 - The Active Offer
 - The Anti-Racist Wales Action Plan; and,
 - Meeting Additional Learning Needs.

Regulation

There is not an alignment of requirements and expectations across the different ways funded childcare is offered; Flying Start, Nursery Education, and the Childcare Offer for Wales. For example, there is a requirement for a nursery to employ a Level 5 qualified staff member to be able to deliver Flying Start which is not the same for other delivery.

The delegation of decision making to local authorities on different schemes can also mean that a nursery could be approved to deliver Flying Start but not the Nursery Education, meaning a child may have to leave a nursery at age three, even when they are settled there.

The next Welsh Government must:

- Ensure greater consistency across local authority teams on the requirements to be able to deliver programmes like Flying Start and Nursery Education. This is the only way to deliver nationwide consistency and ensure equity for all children
- Align and consolidate all childcare delivery programmes, Flying Start, Nursery Education and Childcare Offer for Wales with the evidence-based principles of ECPLC
- Produce clear guidance to ensure all children across Wales have equitable access to high quality ECPLC regardless of where they access early years places.





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