Dear John,

Thank you for your letter dated 24 May asking for the information we agreed to provide and further evidence on the areas the Committee did not did not have the opportunity to pursue.

**Initial analysis of the childcare offer pilot schemes**-
We have commissioned an independent evaluation which will include in-depth analysis of the childcare offer, and its early implementation by the seven local authorities. This will report in autumn 2018 and will be published.

We monitor the Offer closely and receive weekly, monthly, and termly data from early implementation local authorities. Monitoring data shows:

- More than 4,000 applications have been received;
- More than 400 providers are taking part;
- Nearly 40% of children taking part in the Offer are using childcare delivered through the medium of Welsh or bilingually;
- 81% of parents applying for the Offer find affording childcare difficult;
- At least 60% of parents taking up the offer earn less than the median average salary for Wales (£26,000), and no more than 5% earn more than £52,000.

We have also received feedback from parents, providers and local authorities that we are taking the right approach through our early implementation of the offer. In particular:

- Parents value the choice we have given them over whether to use childcare close to home or work, and the ability to co-locate siblings;
- Providers have been broadly positive about the £4.50 rate, and the flexibility to charge for food and transport in line with their business model and the services they provide has also been welcomed;
- Early implementation local authorities particularly value the flexibility of cross-border provision.
Data on Stem
Unfortunately, whilst we do hold a longitudinal dataset which tracks people after they leave university, it doesn’t hold the level of detail that would be required to be able to say whether someone has taken maternity leave and returned back to work. Therefore we are unable to provide you with the detailed breakdown you have requested.

Clarity on whether parents can claim the offer if a family member is providing care as a registered provider or within a setting of a registered provider
Currently registered childminders who are caring for a child who is also a relative cannot receive funding through the childcare offer for that child. If a child is attending any other form of childcare provision, such as a private nursery or playgroup, then that setting can be funded to provide care for that child through the offer. We are aware of the potential issues this may cause around fairness and capacity within the sector. Therefore, we are currently reviewing our policy on registered childminders delivering the offer for relatives.

Parents Childcare and Employment (PaCE)
Parents Childcare and Employment (PaCE) is a £13.5m programme jointly funded by the ESF and Welsh Government, working in partnership with DWP. PaCE targets economically inactive parents aged 25 and over, and parents aged 16-24 who are NEET. All parents enrolled onto PaCE will have childcare as their main barrier preventing them accessing education, employment or training opportunities. PaCE builds upon services offered via Flying Start and Families First and operates outside current Communities First areas, to complement other projects such as Communities for Work.

PaCE Advisers help overcome childcare barriers for parents in ways other than financial. For example, advisers will contact employers and ask for flexibility around working hours for parents, or arrange training in hours that are conducive to the parent balancing those hours with their childcare needs. Up to the end of April 2018, PaCE had engaged almost 3000 participants, with 958 of those entering employment. At least 95% of participants in PaCE across Wales are female.

Please note that responsibility for PaCE rests with the Minister for Lifelong Learning and Welsh Language. Consideration is currently being given to whether European funded programmes such as PaCE can be extended beyond their current end dates.

Yours sincerely

Julie James AC/AM
Arweinyd y Tŷ a’r Prif Chwip
Leader of the House and Chief Whip

Huw Irranca-Davies AC/AM
Y Gweinidog Plant, Pobl Hŷn a Gofal Cymdeithasol
Minister for Children, Older People & Social Care