

Improving business
through better childcare



Employers' Childcare Guide



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

*Chwarae
Feg Fairplay*



Rhodri Morgan AM
First Minister of the Welsh
Assembly Government

This guide is a valuable new resource that will enable employers right across Wales to reap real business benefits from ensuring effective childcare provision for their staff.

Foreword

Childcare is a vital ingredient in the Assembly Government's economic agenda because it unlocks the enormous contribution of people with skills and parental responsibilities who might otherwise be excluded from the workforce.

Successful businesses recognise that employees need to balance their working lives with their family responsibilities. Employers who take

steps to support staff in achieving this balance are the ones who will recruit and retain the highest quality people, ensuring their loyalty, motivation and effectiveness.

The Assembly Government's Childcare Action Plan, published in May 2002,

contains a wide range of measures that will help employers to support parents in accessing the care they need for their children. That is how they can be released to play a full and productive part in the life of businesses and other organisations.

Through financial assistance and active encouragement of public, private and voluntary partnerships, we are increasing substantially the network of high quality and affordable childcare and out-of-school provision available in Wales.

Major progress has been made in recent years through the local efforts of Childcare Partnerships and the contribution nationally of Clybiau Plant Cymru Kids' Clubs, the organisation set up by the Assembly in 2001 to support out-of-school clubs.

Underpinning all of this has been the expertise and commitment of Chwarae Teg, which has been promoting the economic position of

women in Wales energetically and passionately for the past decade.

Thanks to this, thousands more women have been able to exercise their choice to return to work after having their children. I look forward to the same opportunity being given to many more over the coming years.

Our intention is that supporting staff childcare should be an easy, straightforward and attractive proposition for employers. In addition we want employers to have access to the type of provision that best suits them and their staff, whether it is an on-site crèche, a partnership with a local provider, a childcare voucher scheme or another solution.

There is a broad spectrum of support available, and bodies like Chwarae Teg are there to help organisations in both the public and private sectors to make informed decisions about the most appropriate route for them.

I would like Wales to be a European exemplar in this field. This ought to happen, not because legislation is forcing the pace, but because we can all see the advantages of moving towards a stronger economy and a healthier society.

I would commend this document to employers as a valuable tool in achieving this end.

Rhodri Morgan AM
First Minister



Ruth Marks
Chief Executive
Chwarae Teg

Our recent research 'Women's Role in the Welsh Workforce' commissioned to celebrate our 10th Anniversary, identified that childcare is still one of the main barriers to women returning to work or retaining employment.

Introduction

Balancing life and work has become an integral part of many people's lives, and increasingly employers are developing flexible working practices, making the working environment one that reflects the demands of modern life.

Currently women make up just over

half the workforce in Wales, and with further opportunities available, new employment laws and the drive towards economic prosperity, more women are returning to work, and looking for employment and career progression than ever before. Women are therefore becoming an ever increasing resource in the labour

market. Taking this into account and the fact that childcare is an issue for both women and men, the need for accessible, good quality and affordable childcare has never been more pertinent.

Current childcare provision in Wales is inconsistent. There are regional discrepancies. Some areas have high levels of good quality childcare available, while others have hardly any provision at all, especially in rural areas.

Even though there is a variety of provision available, it is not always easily accessible. The number of childminders has dwindled in Wales over the past five years, and there are also new regulations and standards which need to be adhered to.

With the introduction of new employment law, employers are becoming more aware of the need to adapt their working practices to suit the needs of parents. Many may be thinking of the best way to address

their employees' childcare needs and may need further information in order to ensure the most suitable options available. In the same way parents may also need more information with regards to their own childcare options and balancing work and family life.

This guide forms part of a series of three childcare publications, the other two being Tax and Childcare and Employer of Choice. We hope that the guide will prove useful to both employers and parents, and that the examples of good practice will help to develop a consistent and positive approach to childcare in Wales.

Ruth Marks
Chief Executive

Chwarae Teg
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Supporting quality childcare and pursuing the best interests of the business are two sides of the same coin for employers across all sectors.

Childcare

The business case for organisations to help staff access good and affordable childcare is based firmly upon the understanding that corporate competitiveness and effectiveness comes from recruiting, training and retaining the highest performing people.

Family-friendly policies have been shown to make employers more attractive to such high-calibre workers, thereby giving the organisations concerned a natural advantage in the market place.

The industry body the CBI acknowledges the positive commercial impact of flexible and supportive measures in helping staff to meet family commitments.

In fact they estimate that more than two thirds of British employers already offer at least one family-orientated work option beyond statutory obligations.

Organisations competing in the labour market need to be aware that 40% of the workforce are parents of school age or pre-school children.

That means childcare is likely to be an issue for a large proportion of their current or prospective staff.

out-of-school provision immediately widens the pool of potential staff available to a business because it removes the main barrier preventing many mothers from returning to work.

Strengthens Business!

The argument for supporting childcare and out-of-school provision is based on sound business logic.

- Improved recruitment and retention
- Reduced absenteeism
- Enhanced productivity and performance
- Better returns on training
- Minimised impact of new flexible working regulations

Recruitment

Offering support with childcare and

Lack of affordable childcare was identified by recent research in Wales as the single biggest hurdle facing prospective women returners.

Providing the right support will tend to make an organisation the employer of choice in its own area. Logically the best trained and educated people are likely to be the most discerning when it comes to selecting an employer. Consequently family-focused policies will usually attract higher calibre personnel.



Retention

Childcare support is even more critical in the field of staff retention as the cost of replacing people who leave can be a major burden on business.

The Industrial Society estimated in 2000 that the cost of replacing someone on a salary of £15,000 a year is about £7,000, when one takes into account immediate operational disruption, advertising, interviewing, selection and basic induction. When one takes into account the full retraining factor and loss of production, the cost rises substantially. For example a leading recruitment consultancy specialising



in computer skills estimated last year that replacing a programmer on £35,000 a year would actually cost £39,000, and an IT manager on £50,000 would cost £57,000.

Conversely a leading high street bank saved huge sums of money by investing in childcare because the percentage of staff returning after maternity soared from 30% to 75%.

Childcare Strengthens Business!

Reduced Absenteeism

According to the CBI, absenteeism costs industry almost £11 billion a year. A unknown but significant proportion of this is thought to be related to childcare difficulties, where parents are forced to take time off work to cover where informal or unreliable childcare has let them down.

Supporting staff in securing regular and dependable childcare or out-of-school provision will reduce pressure on parents to take such absences and will greatly reduce the disruption to the workplace.

In addition the peace of mind given by good quality childcare is likely to reduce stress and illnesses associated with stress, which the CBI blames for 13.4 million days absence a year.

Improved Productivity and Performance

Assisting staff in sourcing good quality care is likely to reduce anxiety which would otherwise inhibit their performance and will enable them to concentrate more effectively on the work in hand.

Distractions caused by inadequate childcare can result in poor quality work impacting upon the product or service and ultimately customer relationships.

Conversely the goodwill generated by family-friendly employment practices tends to increase morale and motivation among staff, leading to greater commitment and willingness to be flexible and co-operative when workload increases.

Better Return on Training

Investing in the skills of people is as important a commitment by an employer as any investment in plant and equipment.

Achieving a return on that investment depends on individuals being willing to apply their new skills effectively in the workplace and staying with the organisation long enough to generate the profits which will repay the outlay on training.

Staff whose employers enable them to secure stable and good quality childcare are unlikely to want to move and disrupt these arrangements.

Consequently they are likely to remain longer with the business allowing the employer to reap on-going benefits from the investment in skills.

Minimise the impact of flexibility legislation

Since April 2003 staff with children under the age of six - or disabled children under 18 - have become

entitled to request, and have serious consideration given, to flexible working arrangements to fit in with their family responsibilities. An estimated 3.7 million workers in the UK will be eligible.

While this is a positive move in itself, likely to bring a further 60,000 mothers back into the workforce, it has the potential to place new burdens on some businesses which lack a well thought out family policy.

Wise employers will realise that the lack of affordable childcare leads to fragmented arrangements which become the source of increased requests for flexible working and parental or emergency leave.

Although the employer has the right to turn down requests if he or she has

reasonable grounds, the Government still estimates that there could be 4,000 employment tribunals arising from the legislation.

Pro-active policies to help parents plan their childcare more effectively is a much more attractive scenario for any employer.

Perfect Business Sense!

Clearly there is a demand for more support in providing childcare and out-of-school provision. Research has shown that 75% of parents believe the current provision is inadequate.

While a high proportion of employers have some family-friendly policies, only 10% currently offer some kind of childcare provision.

Making an early move to address the issue would not only provide all of the benefits and avoid the problems outlined above but would give employers an opportunity to score over competitors and strengthen their businesses.

Putting Childcare Top of the Agenda



The baby room at the Peter Pan Nursery.

Situated on the site of the Ysbyty Glan Clwyd hospital in Rhyl the Peter Pan nursery has been providing for the childcare needs of the hospital's 5,000 staff since 1998.

Accommodating up to 130 children, the purpose built facility provides not only daycare for babies and toddlers but out-of-school club and holiday

play schemes for children up to eight years of age.

Equalities Manger for the North Wales, Conwy and Denbighshire NHS Trust, Pam Luckock, explained, "We had a form of crèche facility in the past but it was based away from the main hospital site and the premises were not ideal.

"We decided to build a first class facility on site so our staff could be sure they were getting the best care for their children."

The privately run nursery is open from 7am until 7pm each working day and has state-of-the-art facilities, including an indoor courtyard play area.

"Many staff employed by the Trust work different shift patterns and the childcare we offer must be flexible enough to fit in with these work commitments," said Pam.

The facility is particularly beneficial for staff living on the acute hospital site with their families for short periods of time as it enables them to meet the heavy demands of their jobs without childcare worries.

"We are currently undertaking an audit of how well we are meeting the needs of staff in terms of providing adequate care facilities. We are also looking at ways of implementing a work life balance framework to allow all employees to work more flexibly," said Pam.

"Childcare responsibilities should be core to any employer's business plan. Not only are existing employees less stressed when they know that their children are being well looked after, but the nursery is an excellent asset when it comes to recruiting new staff."

Opting for an Individual Solution



Caroline has found a childcare solution to suit her needs.

Mother of four Caroline Challoner from Cardiff has had extremely demanding management jobs for as long as she can remember.

However she's been able to balance a busy career with these major family commitments thanks to flexible working hours and home-working, allowed by her employer, and the help of a childminder.

Over the years, Caroline, 42, who is currently Head of Marketing at the National Council - ELWa, has tried several forms of care for her children, who are now aged between seven and eleven.

"When I first returned to work I started using a day nursery but found their hours didn't fit with my work commitments," she explained.

"Employing a childminder is more flexible and suits my needs far better."

With all of the children now in full time education, Caroline's childminder collects them from school and looks after them until she or husband Owain are able to return from work.

"Finding a childminder you can rely on is invaluable," said Caroline. "It makes it far easier for me to meet the demands of my job knowing that the children are being cared for and are happy."

Her ability to work flexibly has made Caroline's job as a parent far easier, enabling her to adjust her working hours to suit school holidays, sports days, doctor's appointments and other demands.

She added: "With more and more women in high profile jobs, it is imperative that employers have a more flexible attitude to working hours and the possibilities of working from home. There is still a long way to go before the job of being a mum and working full time is made as easy as it could be."

What Employers Say

"Replacing people who fail to return to work due to the lack of affordable childcare and training new staff can be very expensive so this facility helps retain our valued and skilled staff." – National Britannia - Caerphilly

"More facilities like this would allow a greater number of women to pursue their careers without worrying whether their children are being cared for properly." – Johnsey Estates - Newport

"Not only are existing employees less stressed when they know that their children are being well looked after but the nursery is an excellent asset when it comes to recruiting new staff." – North Wales, Conwy & Denbighshire NHS Trust

"We studied the barriers to people applying for these posts and found that lack of access to affordable and flexible childcare was high on the list." – North Wales Police

"If we didn't provide adequate childcare we wouldn't have the skilled staff to increase our productivity." – Aykroyd and Sons - Bala

"We have a lovely welcoming atmosphere at the nursery with each child offered the chance to realise his or her full potential." – Bridgend College.

Case Study

Language a Key Priority



Esyllt Morgan Williams with her son Llew.

When Esyllt Morgan Williams and husband Gareth began searching for childcare for their son Llew one of their main priorities was to find a day nursery in which Welsh was the first language.

Esyllt, 33, who lives in Cardiff and works as personal assistant to Chwarae Teg Chief Executive, Ruth Marks, returned to her job when Llew was nine months old.

She explained: "I wanted to come back full time but first had to find suitable childcare for Llew, where he would be able to hear Welsh being spoken on a daily basis and I would be confident that he was happy."

She opted for the Miri Mawr day nursery in Llandaf North, about three miles from her office, after being given the opportunity to look around the facilities and meet the staff.

"I was extremely impressed with what they had to offer, which included new equipment and a large garden. The price of £30 per day was highly competitive for this area."

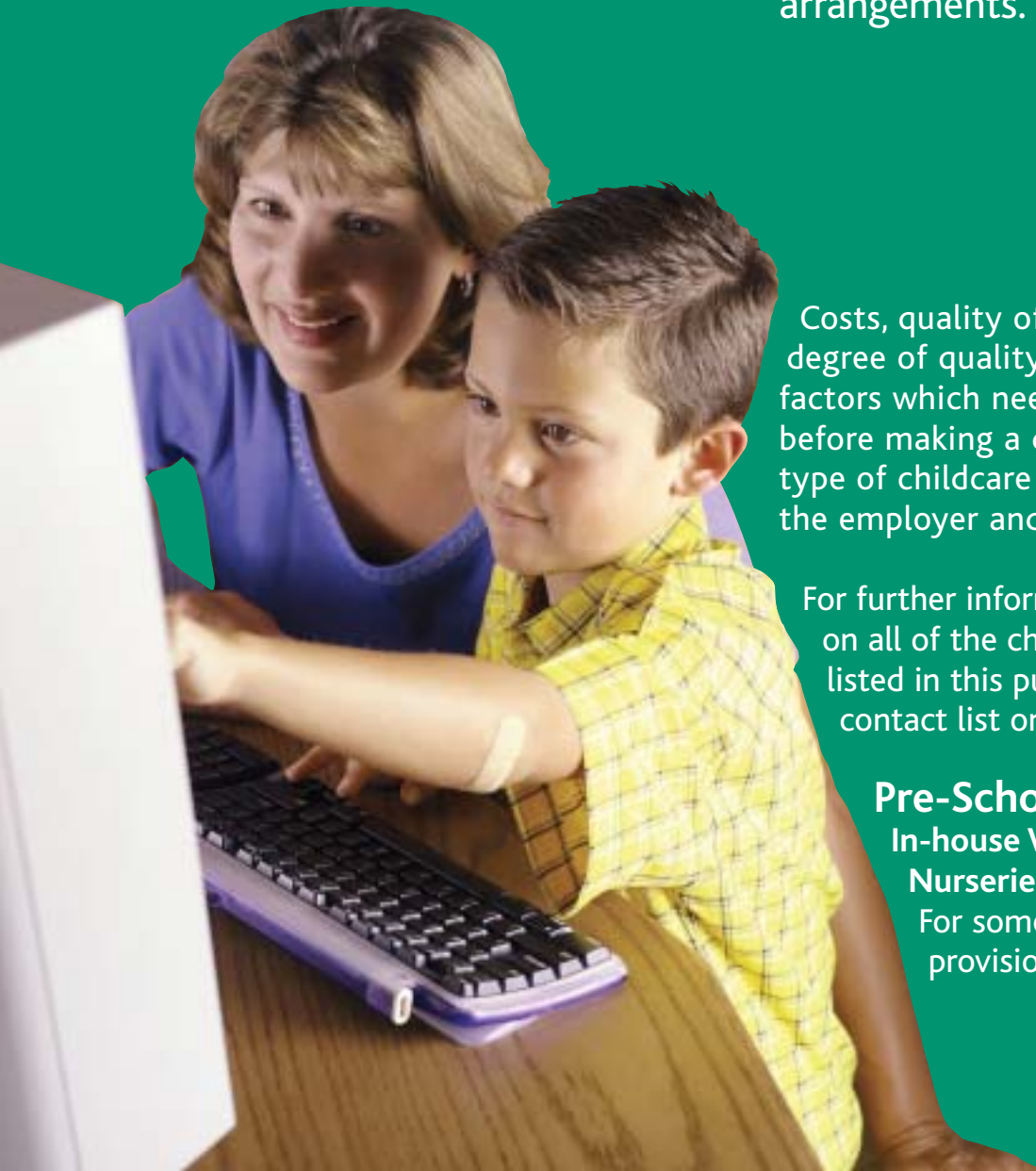
With Llew settled at the nursery Esyllt finds it far easier to get on with her own job knowing that he is safe and being well looked after.

She explained, "My husband travels a lot with his job as a mobile pharmacist and so it is my job to make sure that Llew is

dropped of in nursery before work and picked up at the end of the day. Neither of us has family living in Cardiff to help with childcare so, without the nursery, I wouldn't have been able to return to work at all."

Esyllt is enthusiastic about the support she receives from her employer when it comes to working flexible working hours.

"I am lucky that I have an understanding employer but I have many friends who are unable to work at all because there is no flexibility in their working patterns," she said. Now expecting her second child, Esyllt is considering the best solutions to managing her childcare needs in the future.



A wide range of options are open to employers or training providers seeking to help employees with their childcare arrangements.

Childcare -

Costs, quality of care and the degree of quality control are all factors which need to be considered before making a decision on which type of childcare would suit both the employer and employee.

For further information and advice on all of the childcare options listed in this publication see contact list on page 37.

Pre-School Childcare In-house Workplace Nurseries

For some employers, direct provision of an on-site day

nursery for employees is one option to be considered. This provides full or part-time care for children aged from birth to five years and, in most cases, from 8am to 6pm on weekdays.

An employer may wish to sub-contract the management of the nursery to a specialist childcare provider, giving clear direction on the management, quality, fees and policies expected.

To improve the cost effectiveness and financial viability of an in-house nursery, they might also wish to offer places to non-employees in the local

community or provide access under contract to other employers in the area.

set up their own nurseries if:

- There is a high demand for places amongst employees
- Premises are easily available
- Other local childcare facilities are inadequate
- It is easier for staff to travel to work with their children

The chief advantages of this option are that costs and risks can be shared while the employer still maintains the benefit of shared control over the quality of care provided.

With this arrangement there is usually greater flexibility to increase or reduce the number of places.

Options for Employers

The care needs of disabled children and young adults must also be considered when meeting the childcare needs of staff. For further information contact Disability Wales. (see page 38).

Establishing an on-site nursery can, in some cases, be the more expensive childcare option but it does give the employer a high degree of control over standards.

Increasingly employers are opting to

Nursery care is often the first choice among parents. It offers continuity of care and can be extremely convenient for staff. The costs of providing an in-house nursery can be offset against the employer's tax liability (see page 28).

Partnership Nurseries

For employers reluctant to make the commitment to their own individual workplace nursery a partnership venture with neighbouring employers may be another option.

The most common partnerships occur between private and public sector organisations where one partner has existing childcare experience and expertise.

Partnership nurseries can be managed by an external contractor or alternatively by the partners themselves. If employers choose to manage a nursery directly they will retain complete control over staff and quality issues.

A contractor-managed nursery can be more expensive for the employer but quality can be assured by a properly managed process of contract specification and tendering.

The employer should be represented on the management committee of the nursery otherwise employees may be liable for tax on the subsidy they receive for their childcare from the employer.

Co-operative nurseries

It is possible for day nurseries to be established either as a workers' co-operative or as a users' co-operative. A workers' co-operative is a business collectively owned and run by the people working in it. In a user co-op, the parents are the employers and they recruit the staff to look after their own children.

Alternative Childcare Provisions

Setting up a day nursery can be expensive and may not be the preferred option for smaller employers

or their employees. There are however alternative ways of supporting people who wish to combine employment or training with parenthood.

Contract Nursery Places

Instead of setting up their own nursery, employers and training providers can contract with a local nursery to buy a specific number of places for an agreed period of time.

In this case the employer can increase or decrease the number of places according to demand. Simple to organise this option often works out less costly for employers.

However the employer has less control over the quality of childcare and there are no tax concessions for employer or employee.



Sponsored Childminding Networks

Childminding is the most widely used and is often regarded as the most flexible form of childcare available to parents. Where it is not feasible to provide other forms of childcare support, employers may choose to sponsor a Childminding Network. 'Childminding in Business', an arm of the National Childminding Association can develop such networks by charging a fee to the employer to support a co-ordinator who recruits, visits and supports local childminders, ensuring a quality service is maintained.

Childcare - Options for Employers

Case Study

Childcare Solution for the Whole Community



Alison Lavelle and son Adam at the Britannia Nursery.

The National Britannia Group, which specialises in health, safety and environmental risk management, employs nearly 200 people at its international headquarters in Caerphilly.

When the company moved into the £3 million new offices in 1999 it decided to invest in a state-of-the-art

nursery in order to make it easier for staff to return to work after having their children.

By making some places available to non-employees' children, the business was also able to fill a gap in the local market for childcare and secure additional income to make the facility a viable proposition.

Nursery Director Mandy Weston said, "Establishing the nursery was our chairman's initiative. He felt it would be a great asset for staff to have this facility as it would make it less stressful for them to return to work after maternity leave.

"Replacing people who fail to return due to the lack of affordable childcare and training new staff can be very expensive so this facility helps retain our valued and skilled staff."

The fifty-place nursery is open from 8am - 6pm each day, which matches

National Britannia's hours of work.

Subsidised by the company, the nursery, which cost £30,000 to establish in January 2000, costs £18,000 a month to run and has a staff of 15.

Children can learn and play through both English and Welsh.

One user is Group Administration Manager, Alison Lavelle, a mother of three who has worked at National Britannia for ten years.

Alison, from Caerphilly, said: "The nursery was great for my daughter Chloe before she started school and Adam has attended the nursery since he was just three months old. The nursery has allowed me to carry on with my career without some of the worries experienced by others without an on-site facility."

Childcare Allowances

Some employers chose to contribute to their employees' childcare costs rather than provide the childcare themselves. Small employers in particular find this a more practical option because it is straightforward to administer.

Financial support can be made through the existing pay system and the level of subsidy can be varied according to the wage levels of individual employees. Employees have the freedom to choose the type of childcare best suited to them but the employer has no control of the standard of childcare being offered.

Childcare Vouchers

Employers can also subsidise childcare through vouchers which enable

employees to make their own independent arrangements.

The voucher scheme is operated by the organisation 'Childcare Vouchers' to whom the employer is required to pay a service charge for using the scheme.

Employees chose their preferred form of childcare and the carer signs an agreement with 'Childcare Vouchers' to be accepted onto the programme. The vouchers can be used in either part or full payment for all types of childcare including childminders, nurseries and playgroups.

Vouchers are completely tax free for employers and are exempt from National Insurance for both employer and employee. Employees however will pay tax on the benefit.

Information, placement and referral schemes

Finding a childcare facility which provides the right environment for a child, in the right place and at the right cost can often seem an impossible task for parents.

Some employers who might be unable to provide a direct subsidy for childcare can nevertheless make their employees' search for suitable care more manageable by providing them with valuable information. They can contract directly with specialist agencies that provide information, referral and placement services to match the needs of individual employees with available childcare resources in the area.

School Age Childcare Childcare Clubs

Out-of-school childcare clubs provide childcare and play for children of school age out-of-school hours. This can be before school, after school or during the school holidays.

Childcare - Options for Employers

Case Study

Nursery Delights Parents and Pensioners



Puddle Ducks Nursery staff and children.

The Puddle Ducks Nursery in Tenby not only meets the childcare needs of local working parents but brings an added bonus for elderly people too.

The day nursery and out-of school facility was specially created to support parents working at the adjacent 70-bed Park House Court Nursing Home.

Residents there reap the benefit because the proximity of a quality childcare centre has enabled many committed and experienced staff at Park House, with whom they have become familiar, to continue working there after having their families.

The nursery which caters for children from six weeks to seven years has places for 26 children, including 12 under the age of two and 14 aged over two.

Nursery manager Christine Caine said: "There was a glut of pregnancies among staff at the home about four years ago and it became obvious that unless we were able to offer childcare facilities we were in danger of losing our valuable staff."

Park House Court approached Chwarae Teg who helped them establish the crèche in a wing of a former hotel building, once used as a conference centre.

Christine said: "The subsidised day nursery and crèche has been a real boon. It not only helps retain staff but also acts as a magnet for talented new recruits."

Open from 7.45am to 7.45pm every day the facility also caters for children of parents in the wider community.

Christine said: "The nature of the work we do with the number of elderly people we care for means staff have to be available every day of the week. On special days, such as at Easter and at Christmastime, the children visit the elderly at Park House Court, sing songs and talk to them which is lovely for both the children and the elderly residents."



Childcare - Options for Employers

Some employers and training bodies prefer to support out-of-school care in their area instead of creating their own provisions. Such schemes are much less expensive to establish and run than day nurseries. Employers can purchase individual places in the clubs or alternatively give grants towards the running costs of local schemes.

Clubs can be developed in many ways to meet employees' needs and including care for preschool, primary school and teenage children.

In rural areas these clubs are often operated away from the school premises and transport is usually provided to and from the school.

Before school clubs

Children can be dropped off at the club an hour before school starts and will take part in supervised activities until they are escorted to school.

After school clubs

Children are collected from school and escorted to the club where they take part in activities until their parents can collect them. After-school clubs are usually open until 5:30 or 6pm to allow full-time working parents to use the facilities.

Holiday Playcare

These operate during the school holidays and are usually run from 8am until 6pm each day, providing a similar range of activities to out-of-school clubs. Parents need to check

with the Local Authority for play scheme provision in their local area.

Wrap around childcare

'Wrap around childcare' is day care offered as an extension of a child's place of education where parents or an employer pay for the extra hours of care received.

Childminders

Childminders offer a flexible service for looking after children both after school and during the holidays. Children stay with the childminder until collected by a parent and hours can be adapted to suit a parent's particular needs. As in the case of pre-school children, employers can fund childminding networks to ensure that a high standard of care is maintained.

Case Study

Care on the Doorstep



Amanda Crocker and son Rhys.

Thirty-one year old Amanda Crocker has worked for Gwent Health Authority on the Mamhilad Park Estate for 13 years and recently returned from maternity leave after giving birth to her first child Rhys.

Amanda, from nearby New Inn, Pontypool, who works three days a

week, drops Rhys off at the Little Stars nursery on the estate, at nine o'clock each morning before heading to her desk.

She said, "The fact that there is an on-site facility has made my return to work far easier. Not only can I drop him off just before I go into the office but I know that if he was ill I could be there within minutes."

"It saves at least an extra hour a day which I would otherwise spend driving Rhys to a nursery in town. I know that other mums working on the park are equally delighted to have this right on their doorstep."

With her nine-month-old son now settled at Little Stars, Amanda finds paying for childcare affordable as she receives 10% employee discount.

"While Rhys is in nursery I am able to go to work safe in the knowledge that he is happy and being well looked

after. I am sure that more nurseries of this kind would make it easier for mums like me to get back to work".



Having decided to establish a day nursery, employers or training providers must have a firm commitment to supplying high quality childcare and draw up a clear plan of what they want to achieve and the time and resources they have to work with.

Establishing a

Different considerations will apply to different types of nursery, reflecting the management styles, needs of employees and the local setting.

Nevertheless there are certain key issues that apply in most circumstances. These are outlined here.

(1) The Children's Act 1989
This Act came into force in

1991 and represents a major reform of all previous legislation relating to the protection, care and upbringing of children. The Act enables local authority registration officers to ensure minimum acceptable standards in private and voluntary day care services and, through inspection duty, maintenance of those standards.

All services for children and their families, including day care, must take into account the main provisions of the Act.

The Child's Welfare is paramount and should be promoted and safeguarded.

Each child should be valued as an individual with different needs, abilities and potential in an environment where he or she feels comfortable, secure and confident.

Partnership between local authority departments, voluntary and private sector

Day care providers must provide healthy, caring and imaginative environments where children can develop physically, emotionally, intellectually, morally and socially.

Equal Opportunities

Young children in day care need an environment in which they are valued as individuals having regard to their race, language, culture, religion, gender or disability.

local authority to register day care which operates for more than two hours a day or for more than six days a year, where children under eight years of age are being cared for.

In assessing the suitability of individuals to provide day care the local authority will take into account:

- Criminal records
- Health records
- Known involvement with social services

Childcare Facility

For a partnership nursery to operate effectively there must be a mutual understanding and respect, a continuing dialogue and sharing of expertise and information between the partners.

Services for children cared for away from home must be of a high standard

It is important that day care providers are committed to equal opportunities and take positive action to counter all discrimination in all aspects of their work. A written equal opportunities policy should be drawn up.

(2) Registering a Day Nursery

The Children's Act 1989 requires the

- Qualifications
- Training and experience
- Understanding of child development

Final registration is only granted once staff have been appointed and the certificate of registration should be displayed in the nursery.

The Act requires the local authority to ensure that minimum standards are maintained through an annual inspection. The authority has the power to cancel registration if in its opinion the day care is seriously inadequate to the needs of the children concerned.

(i) Applications for Registration

Applications should be made to the social services department who may have their own set of guidelines for setting up childcare provisions. An application for registration must include details about the premises to be registered, information about the proprietor and any staff members.

(ii) Staffing

The precise ratio of staff to children varies according to each local authority, but the Children's Act guidance recommends:

0 – 2 years 1 member of staff to every three children

2 – 3 years 1 member of staff to every four children

3 – 5 years 1 member of staff to every eight children

Managers should be additional to the staff/child ratio where the nursery has places for over 20 children.

(3) Qualifications and Experience

The quality of care provided by a nursery will depend on the qualifications and experience of staff. There are a number of qualifications for those wishing to work in the childcare field including:

- Qualified Teacher Status
- CACHE (Council for Awards in Children's Care and Education) Diploma in Childcare and Education (previously NNEB),
- The Mudiad Ysgolion Meithrin qualification
- NVQ Levels 2 – 4 in Early Years Care and Education

Employers should take into account qualifications and experience related to the specific requirements of the particular post. Childcarers with sole



responsibility for children should have either an NVQ Level 3 or a CACHE Diploma while childcarers who work under supervision need only have attained an NVQ Level 2.

Nursery assistants may be employed within childcare centres with no formal qualifications but should be encouraged to complete an NVQ Level 2 in Early Years and Education following their appointment.

(i) Training

If staff and childminders are to retain their motivation and responsiveness to change they need planned opportunities for professional growth and increased responsibility.

Case Study

Full-time Mother and Manager



Rebecca Satherley spends time with daughters Alice and Gemma.

Nursery manager at Cardiff-based Acorns Nursery, 31 year old Rebecca Satherley has the rare privilege of being able to work full time as well as spending each day with her children.

As a single mum the option of giving up work to look after five year old Alice and four year old Gemma would have been difficult for Rebecca.

"Financially it was not possible for me to give up my full time job and as a nursery manager it made sense for the girls to be looked after in the nursery where I work," explained Rebecca who lives in Llantwit Major.

"I began my career as a nursery nurse over 13 years ago and without taking advantage of full-time care facilities I would never have been able to work my way up to my current management position."

Going back to work immediately after the birth of her children, Rebecca is certain that her children have developed their social skills and self-confidence very quickly by mixing with other children on a daily basis.

"As a nursery manager and a mum I am aware of the importance of finding the right form of childcare. It makes it much easier for parents to return to work if they know that their

children are happy and are being looked after to a high standard," she said.

With her children approaching school age Rebecca will be using the summer play scheme run by Acorns to look after the children while she is in work.

"Acorns has several nurseries in South Wales and Bristol, most of which provide on-site care for large organisations. From the feedback I gain from parents these on-site facilities are a definite benefit to both employer and employee," commented Rebecca.

"Parents have the convenience of dropping their children in nursery just before starting work and the ability to visit them during the day. Employers benefit from less absenteeism and better retention of staff."

Increased opportunities for childcare workers to gain higher level qualifications are also essential to boosting the profile of the profession in general. This in turn makes childcare a more desirable career for both women and men.

There are a number of qualifications open to childcare employees at all stages of their careers. Information on all of the courses is available by contacting the Learn Direct helpline number on 0800 100 900.

(4) Premises

Buildings used for nursery facilities should be accessible for children and parents with disabilities and an adjacent outdoor play area is essential. Children's Act guidance recommends the following space stands:

0 – 2 years 3.7 square metres

2 – 3 years 2.8 square metres

3 – 5 years 2.3 square metres

If babies are to be cared for, they will need a separate room for sleeping and quiet play.

(i) Planning permission

Planning permission will be needed for any change of use of either land or premises and is usually dealt with by the planning department of the local council. Factors to be taken into consideration include availability of safe parking, accessibility and possible noise nuisance to neighbours.

A Planning Officer will consult with Social Services and other relevant departments during the application process. A planning submission fee may be charged and the process may take up to six months to complete.



(5) Insurance

Insurance must be arranged to provide cover for adults and children in case of accident, and to protect all property and equipment.

The nursery must have employer's liability insurance as well as public liability, personal accident, equipment and contents insurance.

(6) Health and Safety

The provision of a healthy and safe environment is essential. The nursery must have a written set of health and safety rules and an Environmental Health Officer should check the arrangements before the nursery is opened.

Establishing a Childcare Facility

Case Study

Nursery Provides Boost for Business Park



Little Stars Nursery, Pontypool – offers reasonably priced childcare.

Situated on the Mamhilad Park Estate in Pontypool, the privately-run Little Stars nursery provided a welcome boost to the local economy when it opened in 2003 by enabling many parents in the area to return to work.

The nursery accommodates 35

children between the ages of six weeks and five years and is a shared facility available to people working for various employers on the 1,000-worker business park, as well as other parents in the community.

Owners of the park, Newport-based Johnsey Estates, were so convinced the nursery would help them to attract new businesses to the estate, that they were willing to give Little Stars owners Emma Pryer and Marie Ellis Jones a year's rent-free accommodation in one of the units there.

Said Wendy Nutman a director at Johnsey Estates: "Having a nursery on the park is a fantastic facility for employees. The location is perfect because it means they can drop their children off just before work and still be close enough to pop in to see them during the day."

Despite being dominated by office

workers, many of them women, the business park had never previously enjoyed on-site childcare facilities.

Wendy added: "We've got several large employers on the park including the National Assembly for Wales, Gwent Police and the Probation Service and many of their staff are women. It made sense for us to have a nursery here so women would find it easier to return to work."

Employees working in the park are entitled to a 10% discount on places at the nursery.

The development of the new facility co-incided with additional plans to make the park more attractive to existing and potential employers, including the opening of a restaurant adjacent to the crèche.



Establishing a Childcare Facility

(7) Grant Support and Funding

Each day nursery will have its own objectives and local circumstances which combine to make it a unique project. Private nurseries are run as businesses to make money while community provisions and workplace schemes are run not for profit. It follows that the financial base of day nurseries will vary considerably to take account of these issues.

Many agencies exist to provide advice and information to new enterprises, including guidance on sources of grants and loans. Local Enterprise Agencies are able to provide a lot of useful information, including details on other advisory bodies.

Local Authority economic development departments and local chambers of commerce can also give advice and information. They will be able to advise on public sector grants, loans and additional forms of support that are available through European Funding.

(8) Tax Relief

Employers providing or subsidising childcare can claim tax relief if they:

- Give employees a cash allowance for childcare
- Pay the fees of a nursery or childminder on behalf of the employee
- Have running costs of a workplace nursery or play scheme for employees' children

The employer is entitled to claim capital allowance on the cost of

furniture and equipment for the nursery as well as on the cost of providing the premises.

For further information see Chwarae Teg's 'Tax and Childcare – An Employers Guide' publication.

(i) Tax Exemptions for Employees

Employees are not required to pay tax on utilising the benefit of an on-site nursery or play scheme.

However all other childcare provision is taxable for employees earning over £8,500 per year.

Some families may be eligible for the Working Families Tax Credit. Information is available from any Inland Revenue office.

Case Study

A Father's Perspective



Charles Leek and son Julian.

Psychology lecturer at the University of Bangor Charles Leek has been taking advantage of the on-site crèche facilities for his son Julian for the past six years.

Having moved to Anglesey with his wife Marie-Joséphé when Julian was just six months old, the pair had to find a suitable form of childcare if

they were both to continue with their careers.

"My wife is also a lecturer and so neither of us really wanted to give up our jobs," explained Charles. "The fact that the University has a nursery on site has been a fantastic bonus for us as we often work long hours and have no family locally to help us with childcare."

Welsh language nursery Tir na n-Og is based on campus and is open to children of university employees as well as members of the local community.

"Julian was at the nursery full time until he was old enough to start school," said Charles. "During his time there he developed good social skills and learnt to understand Welsh which has really benefited him now he is in a Welsh language school."

Julian is collected from school by the

University's after school club where he is looked after until his parents finish work at 6 o'clock.

Charles explained, "Both my wife and I take lectures long after Julian finishes school at 3pm and, if it weren't for the after school club, it would be very difficult to manage our jobs as well as our family commitments."

"Julian also attends a summer play scheme at the University during school holidays which runs between 8am and 6pm."

In seeking to be an international beacon of good practice in childcare, Wales can look to aspects of provision in other EU nations.

Aiming to be among

For example France and Denmark have two very different but very effective state-funded childcare systems in place. What they do have in common is that both are focused on making the job of being a working parent as easy as possible.

France
Pre-school childcare in France is intended primarily as early education and is open to all children regardless of socio-economic status. Childcare

costs are considered to be a social responsibility and are publicly funded. Almost 100% of French three, four and five year olds are involved in full-time, free 'ecoles maternelles' – all are part of the same national system with the same curriculum.

facilities must be available to all children and the government has assumed the cost of subsidising a high quality childcare system for infants and children from six months to seven years of age, as well as an extensive after-school childcare system.

Europe's best

Children under three years of age can attend state-funded nurseries and the government also offers parents the right to three-year parental leave.

Denmark
Unlike France, Denmark's childcare system offers a 'non-school' model and is intended to aid working parents, not educate children.

It is laid down by law that day care

An essential factor in Danish family policy is allowing parents to choose the form of childcare which best suits their particular needs. In most local authorities parents can choose between public day care facilities or receiving subsidies for private care or to look after the child themselves.

Eighty per-cent of Danish children aged between six months and nine years have a place in a publicly

funded day care facility. Parents pay 30% of the budgeted expenditure and a discount is granted to parents with more than one child in public day care. Full or part exemption from payment may be granted on the grounds of financial, social or care need.



Vouchers Aid Mothers' Rise Through the Ranks



Inspector Nicky Carter and daughter Charlotte.

North Wales Police needed a flexible solution to the childcare needs of its many different kinds of staff. These range from officers on the beat at all hours of the day and night to office administrators working nine to five.

Eventually it was decided that the best way forward was to issue

childcare vouchers which left people free to make the arrangements which suited them best.

The scheme has proved highly popular with officers and other employees across the region, bringing the added bonus of improved career prospects for many women in the force.

The force, which employs 1,600 police officers and 700 other staff, operates over a huge area covering Wrexham, Flintshire, Denbighshire, Conwy, Anglesey and Gwynedd.

North Wales Police Staff Development Co-ordinator, Sue Davison, said a key reason for the introduction of the scheme was to help staff overcome what was recognised as a stumbling block in career progression.

Sue, who administers the North Wales Police Childcare voucher scheme, said: "The 24-hour a day nature of the work of the emergency services does

not fit in with the childcare provision currently on offer.

"At the time of implementation, Staff Development Services was responsible for the recruitment, retention and development of the staff and it became clear that some staff were not putting themselves forward for specialist posts.

"We studied the barriers to people applying for these posts and found that lack of access to affordable and flexible childcare was high on the list.

"We needed a flexible solution to suit the needs of all the staff and decided the voucher system was one that had no risks attached and everyone gained."

The North Wales Police voucher system was first introduced in October 2001 and the day-to-day running costs are absorbed by the force. Currently twenty members of

staff use the vouchers

The childcare voucher scheme is simple to administer. The vouchers are sent to the employees who use them to pay their childcare provider.

The cost is deducted from employees' salaries at source saving them 11 per cent National Insurance. The vouchers are redeemed by the provider by sending them to the issuing voucher company, Busy Bees.

The vouchers can be used to pay for nursery provision or other sorts of childcare such as pre and after school care and registered holiday play schemes.

Acting Inspector Nicky Carter was among the first officers in the North Wales Police force to take advantage of the childcare voucher scheme when it was introduced.

Nicky, 36, of Ruthin, who is currently

the North Wales Police training manager, has used the vouchers to pay for childcare for her three-year daughter Charlotte who has attended nursery school since she was four months old.

She said: "The voucher scheme has worked very well for me and my family. My childcare costs are deducted at source. Due to this the 11% National Insurance contribution is not incurred which over a year with childcare costs of £390 a month, is quite a considerable sum in personal savings".

"It is a simple and flexible system to use in terms of the Police Force, the childcare provider and the individual member of staff. My childcare provider, Ruthin Day Nursery, and I are happy, so it is a win/win situation."

Nicky uses the vouchers to pay her childcare needs throughout the year

including the after school/holiday club which is also run by the day nursery at Ruthin attended by her daughter.



All Age Solutions at Clothing Firm



Nursery provides essential childcare for factory staff.

When children's clothing manufacturer **Aykroyd and Sons** opened its **Bala factory** in 1999 the establishment of nursery provision was essential to meet the childcare needs of its predominantly female staff.

The **Aykroyd's Day Nursery**, which is situated on the factory site, operates during factory hours allowing mums

who would otherwise be forced to give up their jobs to return to the workplace.

Gareth Jones Personnel Manager explained, "We have a skilled workforce at the factory and without the crèche facilities we would lose many of the women we have trained to a high standard."

Open to children below school age, the crèche has 26 places to offer to the company's 180 employees as well as other members of the community.

In order to make childcare more affordable for its workers the company subsidises the cost.

Earlier this year the firm opened a second facility for school age children which is run from a purpose built centre located away from the factory site.

"There was a growing demand for pre

and after school care as well as holiday clubs," said Gareth. "The new centre can hold up to 40 children and provides a transport service to take children to and from school."

Despite the set-up and running costs involved, the firm is confident that its high retention of staff more than compensates for the initial expense.

"If we didn't provide childcare we wouldn't have the skilled staff to increase our productivity. The fact that our employees don't have the worry of finding childcare elsewhere also means that we find it very easy to recruit new staff," said Gareth.

Catering for Disability



Playtime at Bridgend College Nursery.

Bridgend College Day Nursery is purpose-built to cater for the needs of all children, including those with disabilities.

The 100-place nursery, which is open from 7am – 6pm Monday to Friday, 52 weeks a year excluding statutory

holidays, takes children from six weeks old to five years.

In addition a play scheme is available for children aged 4 to 13 during school holidays.

Nursery manager **Michelle Morgan-Moody** said: "We don't specialise in the care of children with disabilities but the design of the building and the training of our staff means we can take the individual requirements of each child in our stride.

"The nursery is on a single level which makes it easier for children with disabilities and special needs. The doorways were made wide enough to accommodate wheelchairs and the rest of the lay out of both the inside and outside has been designed with the needs of all the children in mind."

The nursery is also able to take **Bridgend College** students with disabilities on placement at the

nursery to give them experience as a valuable part of their courses.

Michelle said: "The staff are fully trained in all aspects of childcare and have the skills and experience to be able to deal with children with special needs. We have a lovely welcoming atmosphere at the nursery with each child offered the chance to realise his or her full potential."

Bridgend College students are subsidised to use the childcare facilities and there is an **Access Fund** available for eligible students which can pay up to 75 per cent of the nursery fees.

Care Centre Brings New Spark to Ex-Mining Town



Nursery brings welcome boost to the community.

Trinity Day Care Centre operates at the heart of the deprived former mining community of Merthyr Vale in the South Wales valleys.

Recently established by the Aberfan and Merthyr Vale Youth and Community Project, the centre takes

children from the age of six weeks to five years and is open from 7.30am to 5.30pm five days a week, all year round.

Project Manager Tony Brown said the centre had received a warm welcome in the Merthyr Vale area: "It is a fantastic facility and we are very proud of the very high standard of childcare we are providing for the community in this brand new centre.

"We consulted widely before setting up the centre, including talks with the Care Standard Inspectorate and Chwarae Teg, to ensure that what we are providing is at the leading edge of developments in the field.

"The facility is being taken up by parents and carers who want to return to work or who perhaps want to go to work for the first time but who have been hindered by lack of affordable local childcare. The creation of the nursery follows the establishment by

the Project of a youth club and a successful after-school club.

"We serve the community in whatever we do and take our lead from the needs and requirements in Merthyr Vale. Trinity Day Care Centre fulfils a vital need in our community and the greater Merthyr Tydfil area and we hope to build on its success over the years to come."

Charity Commission

2nd Floor
20 Kings Parade
Queens Dock
Liverpool
L3 4DQ
T: 0870 3330123

Childcare Vouchers and Childcare Solutions

Contact your local authority

Children in Wales

25 Windsor Place
Cardiff
CF10 3BZ
T: 029 2034 2434
F: 029 2034 2534
E-mail: info@childreninwales.org.uk

Daycare Trust

21 St. George's Road
London
SE1 6ES
T: 020 7840 3350
F: 020 7640 3355
E-mail: info@daycaretrust.org.uk

Early Childhood Unit

National Children's Bureau
8 Wakley Street
London
EC1V 7QE
T: 020 7843 6000
F: 020 7278 9512

Equal Opportunities Commission

Windsor House
Windsor Lane
Cardiff
CF10 3GE
T: 029 2034 3552
F: 029 2064 1079
E-mail: wales@eoc.org.uk

Clybiau Plant Cymru Kids Clubs

Bridge House
Station Road
Llanishen
Cardiff
CF14 5UW
T: 029 2074 1000
F: 029 2074 1047

Mudiad Ysgol Meithrin

145 Albany Road
Roath
Cardiff
CF24 3NT
T: 029 2048 5510
F: 029 2043 6801

National Childminding Association

4 Cathedral Street
Cardiff
CF11 9LJ
T: 029 2034 2336
F: 029 2034 2337
E-mail: ncma.wales@ncma.org.uk

**Pre-School Play Groups Association
(Wales)**

Ladywell House
Newtown
Powys
SY16 1JB
T: 01686 624573
F: 01686 610230
E-mail: info@walesppa.org

Wales Council For Voluntary Action

Baltic House
Mount Stewart Square
Cardiff Bay
Cardiff
CF10 5FH
T: 029 2043 1700
F: 029 2043 1701
E-mail: enquiries@wcva.org.uk

**Care Standards Inspectorate for
Wales**

National Assembly for Wales
Unit 4/5 Sharnwood Court
Heol Billingsley
Parc Nantgarw
Nantgarw
Cardiff
CF15 7GZ
T: 01443 848450
F: 01443 848472

Jobcentre Plus

Contact your local Jobcentre

Childcare Partnerships

Contact your Local Authority

Children's Information Bureaux

Contact your Local Authority for
details

Disability Wales

Wernddu Court,
Caerphilly Business Park
Van Road
Caerphilly
CF83 3ED
T: 029 2088 7325
E-mail: info@dwac.demon.co.uk

Employers for Childcare

Children Mean Business
9 Leopold Street
Sheffield
England
S1 2GY
T: 01142 494923
F: 01142 496376
www.cmb.org.uk