The Queen's Speech 2014: Tax-free childcare and more support for free schools [1]

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The Queen has reiterated the Government's commitment to improving children's attainment in her speech at the state opening of Parliament today.

She confirmed that from Autumn 2015, a new state-funded childcare subsidy, worth up to £2,000 a year, will replace the existing employer-funded scheme.

The tax-free childcare scheme, which was proposed during the 2013 Budget in May, will enable parents earning up to £150,000 a year with children under five and disabled children under 17 to claim 20 per cent of their annual childcare costs.

Addressing the House of Lords, the Queen said, 'My Government will continue to work to build a fairer society.

'To improve education attainment and child health, my government will ensure all infants will receive a free school meal. Free childcare will be extended to more of the most disadvantaged two-year-olds and a bill will be introduced to help working families with childcare costs.'

Details of how Tax-Free Childcare will be administered are currently out for consultation by the Treasury following a legal challenge from childcare voucher companies.

However, the scheme has been criticised by early years organisations and think tanks, with the Family and Childcare Trust claiming that the policy could lead to a rise in childcare costs, rather than reduce them.

The Queen went on to say that ministers will help more schools to become academies and support more free schools to open, while continuing to provide more school places.

She also announced measures to support small businesses, which will be set out in the Small Business, Enterprise and Employment Bill.

The bill will support small businesses by cutting bureaucracy and enabling them to access finance.

As well as this, it will include measures to improve the fairness of contracts for low-paid workers and impose higher penalties on employers who fail to pay their staff the minimum wage.

The Queen also announced plans to bring forward a serious crime bill to tackle child neglect and disrupt serious organised crime.

Liz Bayram, chief executive of the Professional Association for Childcare and Early Years (PACEY), said, 'PACEY welcomes the government's commitment to provide more financial support for parents through its new tax free childcare funding. We know that measures improving access to childcare will help to give more support to families balancing work and home life. However PACEY believes childcare funding needs a complete overhaul and, whilst this is helpful news, on its own it will not make a difference for the most disadvantaged families.'

Dr Hilary Emery, chief executive of the National Children's Bureau (NCB), said, 'The coalition has described the legislative programme detailed in today's Queen's Speech as 'bold' and there is some good news for children and families in the UK, particularly the most vulnerable.

'Measures to make emotional cruelty a crime, alongside physical and sexual abuse, are essential. These will protect children from emotional and psychological damage and should allow the police to intervene earlier, before abuse escalates.

'While the state-funded childcare subsidy is to be welcomed, it is those better-off families who are able to spend £10,000 a year on childcare that will benefit most. What is more, while this support will enable parents to take paid work, more needs to be done to ensure that the childcare available to them is of high quality: this is the only way to guarantee that children really benefit. We want to see a long term plan to improve the training and qualifications of early years practitioners, and support for local authorities to champion the improvement of childcare in their area.'

Deborah Lawson, general secretary of Voice the union, said, 'We welcome the early years and childcare announcements in the Queen's Speech.

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'Although the tax-free childcare scheme still requires nannies and home childcarers to be part of the voluntary register, it will be interesting to see if this leads to an increase in the number of nannies seeking voluntary registration.

'Our previous research indicates that nannies would welcome formal registration as part of the validation of their profession.

'We also want to learn more about the proposed collective pension schemes and how they could potentially benefit the childcare sector, which has traditionally been low paid.'

Anne Longfield, chief executive of 4Children said, 'Childcare costs represent a major pressure on many families' budgets so the extra help provided by tax free childcare will be welcomed by many parents. Provided that the new system is free to access and simple and effective to use, today's announcement could signal a positive step forward in the journey this county faces towards improving its childcare offer.

'However, 4Children is pressing all political parties to set out their plans to guarantee universal childcare as we approach the next general election. As an issue of concern for all parents today, there will be a hefty political dividend for the party that gets it right.'

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