

REPORT OF THE CORPORATE DIRECTOR FOR CHILDREN AND FAMILIES

**EARLY YEARS FUNDING FOR THE PRIVATE VOLUNTARY AND
INDEPENDENT CHILDCARE SECTOR DURING THE COVID19 PANDEMIC**

Purpose of the Report

1. To secure emergency funding to enable Private Voluntary and Independent (PVI) early years settings to continue to provide funded childcare for eligible 2, 3 and 4 year olds during a three week period which includes the Easter holidays.

Information

2. Schools, and all childcare providers, are being asked to continue to provide care for a limited number of children - children who are vulnerable, and children whose parents are critical to the COVID-19 response and cannot be safely cared for at home.
3. While as many early years childcare providers as possible are trying to stay open for eligible children, this is not possible for all settings and many tend to close during school holidays.
4. Early years settings receive funding to provide places for some 2 year olds and all 3 and 4 year olds. This funding is allocated for 38 weeks per year i.e. term time only.
5. As Easter holidays start on the 6th April for two weeks, many Private Voluntary and Independent (PVI) providers will close, and therefore be unable to provide childcare to assist critical workers.
6. Because of the timing of the Easter holidays, the week of the 30th March 2020 is not a funded week. This means that childcare settings are currently closed or have subsidised places for eligible children with income from fee paying parents, this however is not possible in many cases. This has resulted in a period of three weeks where childcare providers do not receive funding for eligible 2, 3 and 4 year olds.

Current eligibility criteria for funded early years provision

7. Government funding (from the early years block of the Dedicated Schools Grant) is used to pay the early year's sector for children eligible for funded childcare, including disadvantaged 2 year olds, as well as 3 and 4 year olds. The funding is allocated to all Ofsted registered settings including schools and PVI providers who deliver funded care and education for eligible children.
 - All 3 and 4 year olds are entitled to 15 hours of funded childcare per week (term time only at 38 weeks per year).
 - 3 and 4 year olds where both parents work a minimum of 16 hours per week are entitled to an additional 15 hours per week (term time only at 38 weeks per year).
 - 2 year olds from low income households are entitled to 15 hours of funded childcare per week (term time only at 38 weeks per year).
8. During the COVID 19 pandemic, children of critical workers and vulnerable children (those with a social worker or EHCP plan) can access childcare. However local and national government continue to promote the message to parents to keep their children at home where possible and safe to do so.
9. Government will continue to pay funding to local authorities for the free entitlements for 2, 3 and 4 four-year-olds during any periods of nursery, preschool or childminder closures, or where children cannot attend due to coronavirus. This however does not cover school holiday periods.
10. During the pandemic, early years providers who care for 2, 3 and 4 year olds will continue to receive their funding for each term, whilst fee paying parents continue to pay their nursery, childminder or preschool throughout the year.

Proposals

11. During the COVID19 pandemic, local authorities have been tasked to ensure that there are sufficient childcare places for critical workers and vulnerable children. This will enable us to remove the barrier of childcare costs and availability for critical workers, whilst protecting our most vulnerable children.
12. To prevent the closure of some early years settings during the school holidays, various requests have been made by local PVI providers for funding to enable them to stay open or re-open to help critical workers carry out their valuable roles.
13. The council proposes to continue to pay for funded 2, 3 and 4 year olds who are accessing childcare in a PVI setting starting from the 30th March 2020 – 17th April 2020. After this time, the council will continue to fund childcare in the usual way and fee-paying parents will continue to pay their childcare setting throughout this period and after the Easter holidays.
14. Assumptions have had to be made regarding the number of 2, 3 and 4 year olds who are accessing childcare to enable their parent or carer to work, as some of these children are fee paying whilst others are funded. It is estimated that £300,000 is required to enable the council to continue to pay for eligible 2, 3 and 4 year olds during this three week period.

This will remove barriers for critical workers and enable them to work which ultimately will save lives.

Other Options Considered

15. The option to not fund settings was considered however this would ultimately result in several PVI settings having to close, which would create additional barriers for critical workers.

Reason/s for Recommendation/s

16. The need to support critical workers and vulnerable children during the COVID19 pandemic is paramount to prevent loss of life and ease the burden on critical services such as the NHS or social care.
17. Without additional funding, many PVI providers would close. We know that there at least 50 childcare settings which would re-open if funding was available; the figure is likely to be greater once local consultation has been completed.

Statutory and Policy Implications

18. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

19. It is estimated that £300,000 is required to enable funded 2, 3 and 4 year olds to continue to access their childcare place. This has been calculated by the number of children currently accessing childcare, and the hourly rate for that childcare provision (the hourly rate for 2 year olds is £5.31, and for 3 and 4 year olds is £4.35).
20. Once funding is secured, the existing payments process will be used based on the number of 2, 3 and 4 year olds who have accessed childcare during the three week period.

Implications for Service Users

21. Critical workers will be enabled to access childcare to enable them to fulfil their valuable role which ultimately will save lives.
22. Vulnerable children will continue to be supported and safeguarded during the pandemic.

Implications for Sustainability and the Environment

23. The PVI sector includes private nurseries, charities, childminders and playgroups. Concerns around business sustainability have been ongoing, however the pandemic has created additional challenges as many fee-paying parents withdraw their children, increasing staff

sickness levels, and lack of insurance that covers pandemics. This proposal will help sustain local businesses during this time and help to reduce closures.

RECOMMENDATION

- 1) To identify and allocate £300,000 to enable PVI providers to continue to provide childcare for critical workers and vulnerable children throughout the three week period 30th March 2020 – 17th April 2020, where funding is not available from the Early Years block of the Dedicated Schools Grant.

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Constitutional Comments (HD- 31/3/2020)

24. This decision would usually fall to be taken at the Children and Young People's Committee. However, there are no scheduled meetings due to the COVID-19 Pandemic and the decision is required urgently in order to ensure that relevant childcare settings can remain open and available to both the children of critical workers and other vulnerable children. The Chief Executive has powers to take decisions in circumstances where there is no scheduled meeting of the relevant decision making body and he believes the decision is urgent, in accordance with the Urgency Procedure Rules.

Financial Comments (NS 31/3/2020)

25. The report indicates funding of £300,000 is required to enable PVI providers to continue to provide childcare for critical workers and vulnerable children throughout the three week period 30th March 2020 – 17th April 2020. This will be contained within the £22m of funding provided by Government to the County Council to manage COVID19 pandemic financial issues.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None

Electoral Division(s) and Member(s) Affected

All.

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