**Moving forward: Local authority Childcare Sufficiency Duty and supporting early years and childcare providers in Slough through the COVID-19 pandemic.**

**1          Introduction**

This strategy aims to enable Slough Borough Council to effectively meet its childcare sufficiency duty (Childcare Act 2016) within the context of the COVID-19 pandemic and offers information, advice and guidance to early years and childcare provision, following the Covid-19 pandemic.

**2          Background**

The COVID-19 pandemic has changed so many things.  It has created huge pressures upon the NHS and care services.  It has closed schools and settings (including nurseries, pre-schools and childminders) for an extended period.  Except those schools and settings providing services for vulnerable children and keyworkers.

Lockdown and social distancing have impacted upon public services, and the voluntary and private sectors.  Employment patterns have been interrupted and transformed; the effects of which are unknown and could be felt in the short-, medium- and long-terms.  All of these are very likely to have a direct and significant influence on the delivery of early years and childcare; and demand and need for such services now and in the future.

**3          The local authority’s responsibilities**

The local authority remains responsible for its childcare sufficiency duties (Childcare Act 2016).  Additionally, DfE expects LAs to “support childcare settings to ensure that there are sufficient places for the children of critical workers and vulnerable children.  Local authorities are also responsible for monitoring demand and capacity.  This may involve working with childcare settings to provide places in alternative settings if necessary.” DfE p4.[[1]](#footnote-1)[1]  Slough Borough Council wants to ensure it is taking appropriate actions now, and is prepared and ready to support the sector to recover as the effects of the pandemic unfold.

**4          Taking action and moving forward**

It is of critical importance the early years and childcare sector takes action immediately, and in the medium- and long-terms.  Available government support is provided to the sector, for example – the Job Retention Scheme (furloughing), business grants, and 12-months business rates holidays.  DfE has committed to continue to pay early years entitlement funding in full, regardless of whether a setting is open, closed or partially delivering.  Local authorities have been given greater flexibility to redistribute funding should there be a future need.

However, we are concerned providers are at risk of not making best use of all this financial support.  One barrier is the management challenge and the change each setting and school is required to handle, as well as adaptations to respond to the needs of keyworkers.  This is further compromised by mixed messages circulated across the sector by various groups around what financial support is available to whom.  There has also been a recent clarification by DfE about how early years funding and furloughing can operate in parallel.

Once the current situation changes, the manner in which schools and settings respond to a highly dynamic childcare marketplace and a transformed employment picture, will be of critical importance.  The sector was already reported to be under financial and sustainability pressure prior to the pandemic.  The medium- and long-terms may present further critical challenge and need for change, as well as new opportunities, that must be managed.  The local strategic management of this remains a statutory duty of the LA (Childcare Act 2006).

We therefore recommend a four-strand strategy:

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| **1.  Information** Provide a reliable and up-to-date source of information to inform providers’ business choices, decisions and actions.Take time to digest, analyse and summarise information.  Offer guidance as well as signposting and referring to other sources of information.   | **2.  Tools**Make available a set of useful tools and resources to help providers take action.  Include a range of bespoke tools and signpost to others available. |
| **3.  Support** Be available for responsive support on demand through email, telephone or video conferencing.  Support can be to problem solve, clarify information, and/or support the use of tools.   | **4.  Intervention**Make available targeted intervention to support action planning through crises and emergencies.  Support where settings are identifying serious sustainability issues, in areas where there is a sufficiency need.Signpost to or offer financial grant and/or loan funding where this is thought to resolve the identified risk.  Set out clearly the deliverables and commitments of intervention support.     |

**5          Actions**

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| No.  | Action  |
| 1 | Identify a suite of actions (for the LA and providers) that could and should be taken as soon as possible.  |
| 2 | Consult with other LAs to identify examples of best practice, present to the LA. |
| 3 | Work up materials, resources and provider-messaging for the agreed actions as above. |
| 4 | Develop a package of support for the **medium-term.**  Especially focused upon the initial post-lockdown period, and phased returns, market demand and trends, business-costs management. Options here could include grant funds, business support interventions and checklists. |
| 5 | Develop a package of support for the **long-term.**  Potentially looking at the aims and objectives of a childcare sufficiency assessment, training and development, and business support.  |

**5.1       LA actions that could and should be taken as soon as possible.**

* Confirm to providers they will receive their full early years funding whether they are closed, partially open, or open as normal.  Until further notice.
* Explain new arrangements for redistribution of early years funding should this be required to secure childcare places for children or keyworkers or vulnerable children.
* Share clear information via TheLink and daily update emails about the government financial support arrangements.
* Circulate simple tools to support provider decision-making via TheLink and daily update emails.
* The Family Information Service supports the placement of children into provision.
* Offer business support tailored in individual providers where required by the setting
* Contact a sample of providers about their concerns and needs.
* Regularly contact providers to offer information, advice and guidance regarding home learning, outcomes, supporting families, business concerns, supporting vulnerable and key worker children.
* Consider what support the local authority can offer the sector in terms of recovery such as raising awareness of the funding entitlements, childcare and help with childcare costs with residents in Slough.
* Support providers to consider what arrangements to put in place once all provision is able to reopen, considering government guidelines.

**5.2       Provider actions that could and should be taken as soon as possible.**

**It is essential providers make the most of government funding and have access to clear and accessible information to help**

* Keep up to date with arrangements for the local authority to continue to pay **early years funding**.  Whether or not the setting is open, closed or offering partial services.
* If eligible, apply for the **Small Business Grant Fund** (SBGF).  This is a one-off non-repayable grant of £10k.  Under the SBGF, businesses in England in receipt of either Small Business Rates Relief (SBRR) or Rural Rates Relief (RRR) in the business rates system will be eligible for a payment of £10,000.
* Furlough staff not required to deliver services, and who are not covered by early years funding, through the **Job Retention Scheme**.  Where employers receive public funding for staff costs (which includes early years funding), and that funding is continuing, employers are expected to use that money to continue to pay staff in the usual fashion – and correspondingly not furlough them.[[2]](#footnote-2)[2]
* Ensure the settings cashflow is up to date and begin to look at a business risk management plan, including a cashflow recovery plan.
* Include the 12 months **business rates holiday** (2020-2021) in the setting’s business plan and cashflow.
* Consider requesting a 3-month business mortgage or rent holiday.
* Self-employed workers, i.e. childminders and members of partnerships, who have lost income can be invited by HMRC to apply for the Self-employment Income Support Scheme.  This allows for a taxable grant worth 80% of trading profits up to a maximum of £2,500 per month for three months.

**Ensure service delivery for vulnerable children and children of keyworkers**

* Offer funded places for additional eligible children of keyworkers or vulnerable children using vacant places not being used by other children.
* Regularly contact families not attending to share home learning opportunities, carry out welfare checks and offer additional support where required.
* Ensure that the setting is up to date with current services offering additional support to families. This may include support services for families who would not usually need to access this provision.
* Consider what transition arrangements will look like this year and consider how they may need to be amended. Particularly consider arrangements for children with SEND and those that are vulnerable. Ensure that partnership arrangements are in place with other providers, professionals, key workers and families.
* Begin to consider what arrangements will need to be made for the setting once providers are advised it is safe to reopen, considering the government guidelines at this time.
* [Actions for educational and childcare settings](https://www.gov.uk/government/publications/actions-for-educational-and-childcare-settings-to-prepare-for-wider-opening-from-1-june-2020)
* [Implementing protective measures in education childcare settings](http://www.gov.uk/government/publications/coronavirus-covid-19-implementing-protective-measures-in-education-and-childcare-settings)
* [Information for parents and carers](https://www.gov.uk/government/publications/closure-of-educational-settings-information-for-parents-and-carers)

**Working and non-working staff teams need support**

* Keeping in regular touch with all staff re: developments and plans.  Including those still working and those furloughed.
* Ensuring staff comply with the conditions of the Job Retention Scheme.
* Furloughed employees are encouraged by HMRC to complete training (online) when they are furloughed and are able to do so.  They must not exceed their paid for hours during this time, and if they are being paid at 80% of their total salary this needs to be factored in.  Any training over and above 80% of hours should be paid should the total paid be lower than the national minimum wage.
* Support staff with information about their own financial arrangements for example mortgage or rent holidays.

**Business planning and changes**

* Review the current cashflow forecast and consider how the government funded schemes can support immediate cashflow and longer-term sustainability.
* Communicate regularly with families who are attending and who are currently not attending.
* Review anticipated occupancy for September 2020 now. Maintain regular contact with September new starters and families who will be staying on for a further year.
* Review marketing strategies and start to think about how to engage with potential new clients to increase occupancy if low.

Slough Early Years and Prevention Service offers a range of information, advice and support for all providers in Slough. If you would like to talk to a member of the team please contact 01753 476554 or email earlyyears@slough.gov.uk

1. [1] DfE.  Actions for early years and childcare providers during the coronavirus outbreak.  [↑](#footnote-ref-1)
2. [2] <https://www.gov.uk/guidance/claim-for-wage-costs-through-the-coronavirus-job-retention-scheme> Accessed 22/04/20 [↑](#footnote-ref-2)