

RECORD OF OFFICER DECISION

APPROVAL FOR VARIATION TO PAYMENT FOR EARLY YEARS PROVIDERS AS A RESULT OF COVID19 – for the SUMMER TERM 2020

Decision made

To approve the proposal to reduce payments made for early years entitlement for 2, 3- & 4-year olds to settings and childminders closed during the coronavirus pandemic in order to create a pool of funds to incentivise settings to remain open to children of key workers, to children with a social worker or, education health & care plan (EHCP.)

Made by: Helen Jones, Director, Joint Commissioning

Background

1. Pursuant to paragraph 4 of Part 3 Section D, the Directors of Wiltshire Council are empowered to take all necessary decisions in cases of emergency. This funding decision is being taken by Helen Jones using these powers in circumstances where the Director concerned believes that there is a risk of damage to property, a threat to the health or wellbeing of an individual and/or that the interests of the Council may be compromised if this decision is not otherwise taken.

Reason for decision

2. This decision around funding of early years settings would in other circumstances be taken in consultation with Cabinet and following consultation with the early years reference group and Schools Forum. However, in circumstances where councillors are unable to meet to expedite their functions in a timely manner during the COVID-19 pandemic, this decision is being taken in accordance with the power referred to in paragraph 1 above in consultation with the early years reference group. This decision will be reported to the next meeting of the Schools Forum and Cabinet.
3. Providers operate with a mix of income coming from free entitlement (2, 3 & 4-year-old funding from the dedicated schools grant) and private income from parents. The Chancellor has set out a package of temporary, timely and targeted measures to support public services, people and businesses through this period of disruption caused by COVID-19.
4. In addition to this, the local authority has received the following specific advice:
'The government would continue to pay for free early years entitlement places for 2, 3 and 4 year olds even if settings were closed or children were not able to attend. We expect local authorities should follow this position and continue early entitlements funding for all childminders, schools and nurseries.'
5. This offer creates a perverse incentive for childcare providers to close at a time when we need some to remain open for our key workers, and most critical workers. The staff who are working in open settings are at greater risk of coming into contact with Covid-19 as they are meeting individuals who may have been exposed to Covid-19.

6. I confirm that in making this decision I have considered the following in line with Wiltshire Council's Constitution: **(Please insert 'Yes' / 'No' / 'Not Applicable' and any other comments necessary to evidence the issue identified has been addressed)**

Key decision requirements	Y
Views of relevant cabinet member(s), committee chairman, area board(s)	Y
Consideration of the area boards and delegated decision checklist for officers on the issue of when and how to involve local councillors and area boards in decisions about local services	Y
Implication of any council policy, initiative, strategy or procedure	Yes – to adhere to national funding guidance, please refer to legal and finance advice below
Consultation in accordance with requirements and expectations of consultation with the public	Yes – consultation with the Early Years Reference Group on 8 th April 2020
Range of options available	Yes – it is vital that should the local environment change (for example more closures) or that if national guidance is updated, that the decision be revisited. It is therefore under constant review via the Schools & Early Years Closure Cell during the pandemic response period when settings are closed to all children.
Staffing, financial and legal implications	<p>Staffing settings can take advantage of the Chancellor's national support, nurseries can claim business relief, childminders, self employment relief in addition to the early years entitlement funding - this proposal negates an element of double funding which, the Government have advised local authorities to adopt in the Supplier Relief Procurement Policy Notice (PPN.) Thus, staff are protected. There are no Council staff implications.</p> <p>Financial advice from the Council's Head of Finance, Children & Education is</p>

that the pressure on the public purse at national level will be overwhelming and every opportunity should be taken to

- a) Protect the public purse from “double funding”
- b) Provide financial incentives / rewards from monies held back from closed settings within spirit of the overall dedicated schools grant (DSG) operational funding guidance

Legal advice is that it is important to remember that the annual funding guidance generally followed was written prior to the pandemic and as such is not necessarily fit for purpose at this time.

In the case of provider challenge it would be around passporting 95% of the funding and varying the hourly rate paid to providers. In response to this the Council has

- a) Consulted with the EY reference group who supported the proposal
- b) Guaranteed an 80% payment to closed settings based on the same hourly rate but funding 80% of the estimates provided for the Summer Term
- c) Guaranteed a 100% payment to open settings for the Summer Term
- d) Retained the 20% top slice for redistribution to open settings as an incentive / reward calculated on £100 per child, per week basis.
- e) Stated that the proposal is subject to change where internal or external factors change.

The Council’s overriding duty is to provide childcare to key workers and protect the

	most vulnerable children in Wiltshire. The eminently sensible approach is reasonable.
Risk assessment and equality implications	Y. Legal are supportive of this as a pragmatic solution to our duty of sufficiency and advise that we have mitigated our risks as far as possible through the points in the above legal section.
Involvement of statutory officers and/or directors	Y
Regional or national guidance from other bodies	Y
The council's constitution	Y
This contract is suitable for execution under the e-signature process.	Y

Conflict of Interest

7. Not applicable.

Other options considered

8. The other model considered was a payment per open setting opposed to a payment per child in any open setting however, this did not recompense providers in a commensurate way and so it was rejected.
9. Other local authorities have continued to pay closed settings at 100% numbers and have funded their incentive schemes based on the assumption that the public purse COVID19 fund will pick up the additional cost. There are several reasons we rejected this option;
 - a. The S151 estimate of anticipated COVID19 driven cost pressures and income losses are significant for Wiltshire
 - b. There is no information from central government that this fund will cover dedicated schools grant expenditure.
 - c. The incentive funding coming from within a self-financing pool where providers can benefit from two streams of funding being applicable was acceptable to senior leadership and the early years reference group.

A handwritten signature in black ink, appearing to read 'Helen Jones', written in a cursive style.

Made by:

Helen Jones, Director Joint Commissioning

Date:

17/04/2020