

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Lead Member for Children's Services and Young People
Date:	24 February 2021
Title:	Childcare Sustainability Grant
Report From:	Director of Children's Services

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Purpose of this Report

1. The purpose of this report is to seek approval for the creation of a temporary childcare sustainability grant fund to ensure sufficiency of childcare places across Hampshire following the Covid-19 pandemic. This will be funded by the centrally retained element of the Early Years Block, which is part of the Dedicated Schools Grant, a ring-fenced grant paid to support the local authority's schools budget.

Recommendation(s)

It is recommended that the Executive Lead Member for Children's Services and Young People:

2. Approves the establishment of a Childcare Sustainability Grant fund of up to £365,000 to support Early Years and Childcare providers experiencing proven financial issues, but where sustainability of the provider is essential to ensure sufficiency of childcare places.
3. Delegates authority to the Director of Children's Services, in consultation with the Executive Lead Member, to approve Childcare Sustainability Grant awards to providers, where it can be evidenced that there is sufficiency of need and where, without financial support, the provider may be unable to operate.

Contextual information

4. In response to the impact of the Covid-19 pandemic on the early years and childcare sector, the Childcare Sustainability Grant Fund will offer small one-off grants to providers who are experiencing significant financial issues and where such a provider is required to ensure sufficient childcare places in a geographical area.
5. It is proposed that the grant fund can be accessed by providers offering early years education and/or childcare services in Hampshire who meet one of the following criteria:
 - Providers registered for Early Year Entitlement (EYE) funding
 - Childminders both EYE and non-EYE registered
 - Out of school childcare providers
6. Priority will be given to applications which evidence:
7. A need to sustain places in a geographical or rural area where there may be limited supply or the need to retain the supply of childcare to ensure parental needs can be met.
8. All other sources of funding have been explored, and where appropriate applied for. This includes central, local and district council Covid-19 funding sources as well as forms of credit/loans made available through banks and other lenders. All required supporting documentation including up to date accounts and financial forecasting must evidence the need for funding.
9. Plans for ensuring future sustainability demonstrating that the financial difficulty being demonstrated is temporary and evidence that relevant and appropriate cost saving measures have been taken.
10. Any grant awards can only be used to support agreed revenue costs relating to essential day to day running costs such as wages, premises costs or other day to day costs associated with running a setting where a shortfall in income is demonstrated. Grants will not be made based on evidence of lost income.
11. Grant funding cannot be used for payment of director dividends or profit shares; expansion of services; capital costs; any non-revenue cost; one-off play equipment purchases or new/replacement furniture; or staff costs over and above the number of staff child:staff ratios required for Early Years Foundation Stage or other applicable OFSTED/regulatory body requirements.

Finance

12. Individual grant awards are anticipated to be in the region of £500 - £4,999, from a total grant fund of up to £365,000 for the Childcare Sustainability Grant, funded by the centrally retained component of the Early Years Dedicated Schools Grant.

13. Local authorities are authorised, with Schools Forum approval, to retain up to 5% of the Early Years Block allocation each year to fund central early years services. At their meeting on 15 October 2020, Schools Forum confirmed that they were in support of the local authority using centrally retained funding to support the sustainability of the early years market through the provision of grants.

Performance

14. Any grants awarded to childcare settings will be supported by a formal grant agreement setting out the terms and expectations associated with the grant.

Consultation and Equalities

15. Establishment of this grant fund follows engagement and feedback from the childcare sector during the Covid-19 pandemic. The grant will be one of a number of temporary support mechanisms the County Council is able to offer the childcare sector, complimenting existing business support meetings, webinars and Covid FAQs and guidance in response to the Covid 19 outbreak.

Conclusions

16. Establishing a temporary sustainability grant fund for the childcare sector will support the County Council to deliver its childcare sufficiency duty whilst also providing financial support to childcare settings experiencing temporary financial difficulty.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Other Significant Links

Links to previous Member decisions:	
Childcare Sufficiency Assessment 2019	<div> <div>Nov 2019</div> <div>July 2020</div> </div>
Direct links to specific legislation or Government Directives	
<u>Title</u>	<u>Date</u>
Every Child Matters	2003
Children Act	2004
Childcare Act	2006
Apprenticeship Skills Children and Learning Act	2009

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

Consideration of equality impacts will be considered as part of the evaluation of individual grant applications.