

Southampton Early Years Update – 20/05/20

Since lockdown began on March 23rd a proportion of Ofsted registered preschools, childminders and nurseries have remained open to provide care for vulnerable children and children of critical workers.

The DfE collects data from LAs twice a week; on May 15th nationally 36% of early years and childcare settings were open, 56% closed and 8% unknown. This compares with 49% of early years and childcare settings in Southampton being open, 46% being closed and 5% unknown. Several out of school clubs have also remained open.

145 under-fives who have an Education, Health and Care Plan, receive Early Years Support funding, who are open to Social care or otherwise identified as being vulnerable attended a setting in week commencing May 11th. Of those settings who submitted a return 35 out of 60 under 5s with a Child Protection plan were attending an early years setting, and 21 out of 58 Children in Need. Providers are regularly contacting parents/carers of all children who have been identified as being vulnerable to offer support and to remind them that their child should return, if it's safer for them to be at the setting than at home. Providers follow their safeguarding policy if there are any concerns and are expected to notify the Social Worker in the first instance. Providers are completing risk assessments for every child who has an EHCP; these are being returned to the SEND team to assess.

The Early Years and Childcare team has provided regular updates to all providers, and responded to a wide range of queries and concerns. Information from the DfE has been frequent but at times confusing. For example, providers were initially informed by DfE that they could furlough staff if not needed at present, however HMRC advice was that only non-public funds could be taken into account when calculating the proportion of staff who could be furloughed. This has proved to be very difficult for providers who rely on parental income to make up the shortfall in the Nursery Education Funding, as the furlough scheme only pays 80% of the member of staff costs, and also does not take into account the other costs of delivering childcare.

There has been other financial support for providers, for example the Business Rates' holiday for providers who are responsible for their premises. However, this has not helped our providers who rent parts of premises. Childminders are able to access the Self-employed support if they have completed Tax Returns, however there was a considerable delay in their receiving any of the grant. We have continued to pay Nursery Education Funding; our payments took into account that the summer term is the busiest term for providers. We also made 'exceptional payments' to those providers who have remained open.

However, we anticipate that several providers will have to close due to being financially unviable. Our Nursery Education Funding rate, as set by DfE, is insufficient. Southampton saw a reduction in the hourly rate 3 years ago when the National Funding Formula was introduced, this year we saw our first increase for 3 years, but only an increase of around 1.8%. In the intervening years providers have seen soaring Business rates, utility bills and food costs, etc. Staff salaries, and a

high proportion of staff are paid only minimum wage, have increased, and pensions now need to be provided. Some of our providers were, therefore already in a very precarious situation before Coronavirus and the lockdown. Other costs related to Coronavirus, such as deep cleaning and PPE are another burden on early years settings, whereas schools can access national funding to support them. Nationally it is expected that 20% of early years and childcare provision will close.

Moving forward most early years group settings do expect to be reopening for all children when the government gives the go-ahead, and those who are unsure are on school premises where the school may not re-open, or have insufficient staff available to be able to reopen. They are all busy planning and risk assessing. Unlike schools there has been no national guidance on phasing the return in early years, but generally providers will be prioritising vulnerable children, children of critical workers and then next those children due to start school in September and funded 2 year olds. As we cannot expect our youngest children to keep a social distance from each other and the staff, it is extremely important that a strict hygiene routine is implemented, and group sizes are reduced. Providers expect about half of all children to take up a place initially and then this to increase as parents' confidence grows.

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