

Children's Services
222 Upper Street, N1 1XR

Report of: Executive Member for Children, Young People and Families

Meeting of: Executive Board

Date: 13 October 2022

Ward(s): All

Subject: After-school childcare funding model, consultation responses and recommendations

1. Synopsis

We are proposing changes to how we allocate funding to after-school childcare which will make things fairer for families across the borough. Council funding will be used to support families on the lowest incomes with the costs of childcare. During the summer term 2022, the council consulted on proposed changes to the after-school childcare funding model, asking parents and providers for their views about whether they agreed with the principles of the model and the charging structure to be adopted by providers receiving subsidy funding. The After-School Childcare Consultation report (Annex 1) summarises the consultation responses and our proposed adjustments to the proposed model.

2. Recommendations

To approve the after-school childcare funding model, with the following adjustments:

- Raise the low-income household threshold to £34,999
- The top charging rate should be a recommendation, rather than being mandatory; the recommendation is that provider charges do not exceed inner London averages.
- To approve the consultation report to allow for implementation of the model in the second half of autumn 2022.

3. Background

3.1 In Spring 2022 it was agreed to go out to consultation with providers and parents on a proposed new funding model for after-school childcare.

3.2 The funding model is designed to:

- ensure the effective targeting of the childcare subsidy to support low-income working families as well as vulnerable children and parents moving towards employment
- ensure subsidised places for low-income working families are affordable, available and consistently priced across the borough
- redistribute funding to all members of the scheme, addressing historical differences in provider allocations, by using a more accurate proxy measure for initial allocation (which reflects the relative poverty and wealth of the community each school serves)

3.3 Online consultations about the funding model were open from 6 June to 15 July; one version for [parents](#) and another version for [providers](#). This summary paper outlines the key outcomes and recommendations following the consultation period. Full details are outlined in the After-School Childcare Consultation report, Appendix 1.

There were 212 complete responses from parents and 22 complete responses from providers. Responses to the proposed model were also gathered via an online information session for parents on 5 July. Providers were also able to discuss the model and present their views through forums, and online individual meetings with council officers.

3.3 As a result of consultation and engagement responses from parents and providers, the consultation report recommends proceeding with the broad outline of the proposals with the adjustments as described at Section 2, Recommendations, above.

3.4 The council will be monitoring the impact of the new model on parents and providers and will review its effectiveness in year two.

3.5 The council will be providing contingency funding for providers to enable any adjustments to be phased in over the academic year 2022/23.

3.6 The council will supply providers with information about the national and local support available to help parents with childcare costs, including tax-free childcare, childcare through Universal Credit and Islington's Childcare Bursary. Providers will be encouraged to share this information regularly with parents, along with a leaflet about the full range of support the council is providing to help with the cost of living.

3.7 The council will communicate the consultation outcome and recommendations via the [parent](#) and [provider](#) consultation web pages. The outcome will also be communicated

directly with providers, with a link to the web page for sharing with their parent cohorts and text to send out via email to parents. Messaging about the support provided for low-income households through locally subsidised childcare, including after-school childcare funding, will form part of the wider cost of living communications plan. We are liaising with communications and media colleagues, who will assess and coordinate an appropriate overarching communications and PR approach.

4. Implications

4.1 Financial Implications

The proposed reallocation of funding across schools is within the existing budget of £622k. The new model distributes funding across more schools. A protection mechanism has been built in for schools that lose funding over the 2022/23 academic year. Up to £85k is required for protection funding which will span two financial years. Given the additional flexibility afforded by 3-year Holiday Activities and Food programme funding to the holiday and out-of-school childcare area it is expected that the protection funding can be identified as required. The amounts are £53k for the 2022/23 financial year and £27k for 2023/24. The HAF allocation for 2022/23 is £1.009m.

4.2 Legal Implications

We have followed legal advice to go to consultation. Following consultation, the legal advice is that: the most important stage of the consultation process has now been reached. It is for the decision-maker to give conscientious consideration to the consultation responses with an open mind.

4.3 Environmental Implications and contribution to achieving a net zero carbon Islington by 2030

No negative impacts are expected.

4.4 Equalities Impact Assessment

4.4.1 The council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, harassment and victimisation, and to advance equality of opportunity, and foster good relations, between those who share a relevant protected characteristic and those who do not share it (section 149 Equality Act 2010). The council has a duty to have due regard to the need to remove or minimise disadvantages, take steps to meet needs, in particular steps to take account of disabled persons' disabilities, and encourage people to participate in public life. The council must have due regard to the need to tackle prejudice and promote understanding.

4.4.2 An Equalities Impact screening tool was completed and reviewed by the Equalities Team on 21.7.22. It has been agreed that a full Equalities Impact Assessment is not needed because the subsidy funding will have positive impacts for low-income households by supporting them with the costs of childcare. There were no negative impacts identified for people with protected characteristics or otherwise disadvantaged groups.

5. Conclusion and reasons for recommendations

We have consulted with parents and providers on the proposed new model and adjusted the model based on the feedback received. It is recommended that Executive Board approves the new model and the consultation report in order to move forward to the implementation phase in Autumn 22.

Appendices:

Appendix 1: After-school childcare funding, consultation report, Executive, October 2022

Final report clearance:

Signed by:



Councillor Michelline Safi Ngongo, Executive Member for Children, Young People and Families

Date: 3 October 2022

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