

Cabinet Paper material

Proactive release

Minister & portfolio	Hon Chris Hipkins, Minister of Education
Name of package	Extension of the Childcare for Workers of Alert Level 4 Businesses or Services Scheme
Date considered	27 August 2021
Date of release	

These documents have been proactively released:

Cabinet paper: Extension of the Childcare for Workers of Alert Level 4 Businesses or Services Scheme

Date considered: 27 August 2021

Author: Minister of Education

Cabinet Minute: CAB-21-MIN-0342

Date considered: 27 August 2021

Author: Cabinet office

In confidence

Office of the Minister of Education

Chair, Cabinet

Extension of the Childcare for Workers of Alert Level 4 businesses or services scheme

Proposal

1. This paper seeks Cabinet's approval to allow Out of School Care and Recreation (OSCAR) providers to be contracted as childcare providers as part of the Childcare for Workers of Alert Level 4 Businesses or Services Scheme.

Relation to government priorities

2. This paper relates to the Government's response to COVID-19.

Background

3. On 20 August 2021, Cabinet agreed to a Childcare for Workers of Alert Level 4 Businesses or Services Scheme [CAB-21-MIN-0325 refers]. The scheme started connecting carers to families from 23 August as soon as providers were contracted to the scheme.
4. Despite a significant number of providers now contributing capacity, there is clearly insufficient supply to meet the demand. The Ministry of Education has contracted 41 home-based providers so far, with another four in the process of being contracted. To date, 623 childcare placements have been made. A further 1660 families are on a waiting list for childcare through the scheme.
5. The Auckland region has experienced particular challenges with supply, as a number of educators have been self-isolating and therefore have been unavailable as part of this scheme.

Proposal

6. Cabinet's agreement to the scheme was made in the knowledge that only home-based early childhood educators would be acting as the carers. During last year's Alert Level 4, the essential workers childcare scheme at the time made use of a mix of home-based providers and OSCAR providers. OSCAR providers are contracted by MSD to provide after school care for children aged 5-13.
7. The Ministry of Social Development previously advised that low uptake at OSCAR providers in the 2020 lockdown meant that including OSCAR providers in the scheme was not warranted. Home-based providers were considered to be better placed to meet the needs of essential workers with childcare needs.
8. In light of the high demand for childcare, we are seeking Cabinet approval that OSCAR providers may also be used to contribute capacity to the scheme. Provision contracted through OSCAR providers would be provided in the child's home.
9. The main parameters of the scheme will also apply to provision through OSCAR providers. All carers must be safety checked in accordance with the requirements of the

Children's Act 2014, each carer will be limited to caring for children from one family only, and the provision will be free to parents. The provision will be contracted via the Ministry of Education.

10. The specified service providers may operate to provide childcare for workers of any alert level 4 business or service pursuant to the COVID 19 Public Health Response (Alert Level Requirements) Order (No 9) 2021.
11. The addition of OSCAR providers to the scheme is unlikely to meet all the unmet demand, particularly in the Auckland region, however it will help. The public health response order allows families to extend their bubble to enable private arrangements.

Financial implications

12. There are no additional financial implications from doing this. Ministry of Education and Ministry of Social Development officials are already making informal enquiries to OSCAR providers so that they are ready to be contracted once Cabinet agreement is received. Should Cabinet decisions to reduce Alert Levels lead to reduced demand in the near future, provision would scale back accordingly as the contracts are demand-driven.
13. MSD will work with willing OSCAR providers to connect them to the Ministry of Education. Income from the scheme will be included in the calculation of eligibility for the COVID-19 Wage Subsidy scheme.

Recommendations

1. **note** that demand for the Childcare for Workers of Alert Level 4 Businesses or Services Scheme has exceeded supply
2. **agree** that Out of School Care and Recreation providers may also be contracted to provide capacity for the Scheme.

Hon Chris Hipkins
Minister of Education



Cabinet

Minute of Decision

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Extension of the Childcare for Workers of Alert Level 4 Businesses or Services Scheme

Portfolio **Education**

On 27 August 2021, Cabinet:

- 1 **noted** that:
 - 1.1 on 20 August 2021, Cabinet agreed to an improved Childcare for Workers of Alert Level 4 Businesses or Services Scheme (the Scheme) [CAB-21-MIN-0325];
 - 1.2 the Scheme commenced from Monday, 23 August 2021;
- 2 **noted** that demand for the Scheme has exceeded supply;
- 3 **agreed** that Out of School Care and Recreation (OSCAR) providers may also be contracted to provide capacity for the Scheme.

Michael Webster
Secretary of the Cabinet