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<b>Report To:</b>	<b>Education and Communities Committee</b>	<b>Date:</b>	<b>10 March 2020</b>
<b>Report By:</b>	<b>Corporate Director Education, Communities &amp; Organisational Development</b>	<b>Report No:</b>	<b>EDUCOM/19/20/LW</b>
<b>Contact Officer:</b>	<b>Linda Wilkie</b>	<b>Contact No:</b>	<b>01475 712812</b>
<b>Subject:</b>	<b>Early Learning and Childcare 1140 Hours Expansion Programme</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to update the Committee on the implementation of the Early Learning and Childcare 1140 hours expansion programme.

## 2.0 SUMMARY

- 2.1 The Scottish Government is committed to increasing the entitlement to Early Learning and Childcare (ELC) from 600 hours to 1140 hours by August 2020. The report provides the background to the expansion programme and details of a consultation on the Scottish Government's Statutory Guidance for Early Learning and Childcare.
- 2.2 The report provides details of early phase activity to date, an update on readiness for full implementation in August 2020 and associated contingency plans.
- 2.3 The report provides information on the Scottish Government National Standard for Early Learning and Childcare and Funding Follows the Child. It identifies the key implications for Inverclyde Council in relation to this guidance.
- 2.4 The report outlines a change to Inverclyde Council's 'Admission to Early Years' policy in relation to the date when children can access their funded place. This change means that children can access their place the month after their 3<sup>rd</sup> birthday rather than the term after. It also provides information on the challenges of meeting parental expectation on patterns of attendance.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee:
- notes the progress in the implementation of the 1140 hours expansion programme.
  - agrees that a further report is submitted in May 2020 with an update on the Council's readiness for full implementation and contingency plans.
  - agrees that an update on the Scottish Government statutory guidance is submitted in May 2020.

**Ruth Binks**  
**Corporate Director**  
**Education, Communities & Committee**

## **4.0 BACKGROUND**

- 4.1 The Scottish Government is committed to increasing the entitlement to Early Learning and Childcare (ELC) from 600 hours to 1140 hours by August 2020.
- 4.2 The increase to 1140 hours is a universal entitlement for all children aged 3 and 4 years and an entitlement for 25% of 2 year olds.
- 4.3 Inverclyde Council submitted its expansion plan to the Scottish Government in March 2018. The plan provided details of current services and the developments required to deliver 1140 hours.
- 4.4 Inverclyde Council received notification of its revenue and capital funding allocation from Scottish Government in February 2018. The funding is allocated as a specific grant to ensure that it is protected for investment in early learning and childcare. Authorities are required to report to the Scottish Government on how this funding has been applied.
- 4.5 The Scottish Government has produced guidance and legislation to support the implementation of the expansion programme. This includes A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland; Quality Action Plan; Funding Follows the Child; National Standard and the National Induction Resource.
- 4.6 The Scottish Government continues to monitor closely progress towards full implementation in August 2020.

## **5.0 STATUTORY GUIDANCE**

- 5.1 The Scottish Government is currently consulting on Statutory Guidance for Early Learning and Childcare. The consultation closes on 4<sup>th</sup> March 2020.
- 5.2 This consultation sets out updated Statutory Guidance to education authorities to support them in exercising their functions in relation to the delivery of early learning and childcare from August 2020. Statutory Guidance was previously published in 2014 to support the implementation of the changes relating to Early Learning and Childcare made by way of the Children and Young People (Scotland) Act 2014 (“the 2014 Act”).
- 5.3 Since 2014 there have been substantial changes in the overarching policy and legislative framework for the delivery of early learning and childcare, in particular with the commitment to almost doubling the funded early learning and childcare entitlement for eligible children from 600 hours to 1140 hours from August 2020. The legislative changes required ahead of August 2020 – to increase the statutory funded early learning and childcare entitlement, and changes to the length of a funded early learning and childcare session – were agreed by the Scottish Parliament during 2019.
- 5.4 One of the key changes to the policy framework is the introduction of ‘Funding Follows the Child’ in August 2020. This provider-neutral approach is underpinned by a National Standard that all providers wishing to offer the funded early learning and childcare entitlement will have to meet.
- 5.5 Following consideration of the responses to the consultation, the final version of the Statutory Guidance for Early Learning and Childcare will be published in May 2020 and come into force from August 2020.

## **6.0 EARLY PHASE ACTIVITY**

- 6.1 The revenue allocation for 2019 / 20 is £4,885,000. This is split £4,609,000 from the Scottish Government allocations and £276,000 from core spending.

- 6.2 Early phase developments were approved by the Committee in March 2019 and September 2019. Almost all of these projects have been fully or partly implemented.
- 6.3 There is currently an underspend of £600,000. A range of factors has resulted in this underspend including:
- Delays in outdoor learning infrastructure developments and childminders early phase project.
  - Craigmarloch Nursery Class deferred from operation from August 2019 to August 2020 due to school capacity.
  - Delays in the recruitment of staff including early years teacher, graduates and support assistants.
  - Closure of 3<sup>rd</sup> sector early phase project.
- 6.4 As reported in the Education 19/20 Revenue Budget report on this agenda, the Policy and Resources Committee will be asked to approve the creation of an earmarked reserve to allow the carry forward of this underspend for use in 2020/21.
- 6.5 The underspend will primarily be used to support infrastructure developments:
- Capital projects.
  - Professional fees for capital projects.
  - Maintenance and lifecycle works.

A small amount will be used to create leadership capacity in the Early Years Team.

## **7.0 READINESS FOR AUGUST 2020 / CONTINGENCY PLANS**

- 7.1 Inverclyde Council is making good progress towards full implementation in August 2020. The main components of implementation are infrastructure, workforce and funded providers.

### **7.2 Infrastructure**

2018/19 early phase projects at St Joseph's Nursery Class, St Francis Nursery Class, Blairmore Nursery School and Binnie Street Children's Centre are complete and operational.

2019/20 early phase projects at Wemyss Bay Nursery Class, Kilmacolm Nursery Class, Rainbow Family Centre and Blairmore Nursery School were operational from October 2020; Gibshill Children's Centre was operational from February 2020.

2020/21 projects being progressed but behind programme:

- Larkfield Children's Centre new build via hub West Scotland, formal planning submitted with decision imminent and now approaching conclusion of market testing phase – behind programme with start date now impacted by the delay on the St Mary's Primary School project and potentially impacted by the ongoing land transfer process. Completion date now anticipated to be in 1<sup>st</sup> Quarter 2021 with a Feb mid-term transfer.
- Rainbow Family Centre (Park Farm) extension via hub West Scotland, planning submission made and finalising hub stage 2 with market testing imminent – behind programme with advance demolition of community facility being progressed. Completion date now anticipated to be in 1<sup>st</sup> Quarter 2021 with a Feb mid-term transfer.

2020/21 projects being progressed:

Remaining projects at Craigmarloch School / Gourrock YAC being progressed with Gourrock YAC on site and Craigmarloch School planned for summer 2020.

### **Contingency**

The requirement for contingency plans for Rainbow Family Centre and Larkfield Children's Centre has been known since March 2019. A bespoke contingency plan for each service is in place.

The exact number of places required for the period August 2020 to December 2020 will not be known to the admissions exercise is complete however the contingency plan is based on the full cohort of children.

Rainbow Family Centre – additional places will be provided in the existing Rainbow Family Centre by creating additional outdoor learning places, utilisation of existing crèche facilities and an increase in the number of shared places. All additional places will meet the requirements of the Care Inspectorate.

Larkfield Children's Centre – additional places will be provided in the temporary accommodation that is currently on site. This accommodation has previously been used to provide early learning and childcare and meets all requirements of the Care Inspectorate.

### **7.3 Workforce**

The workforce plan continues to be implemented and reviewed. Successful recruitment of staff for early phase projects was undertaken over summer 2019.

Current workstreams, including the Bespoke course, modern apprentices, training / work placements for internal, are all on track to deliver the estimated number of Early Learning and Childcare staff.

The advert for the remaining early years posts for August 2020 has recently closed with a high number of applicants. Interviews are scheduled to take place in the last week in February 2020. It is anticipated that all posts will be recruited from this process.

#### **Contingency**

There is no current requirement for a contingency plan as workstreams are on track to deliver the required number of staff.

### **7.4 Funded Providers**

Funded Providers in the private, voluntary and 3<sup>rd</sup> sector are a key element of Inverclyde Council's expansion plan. Education Services is currently working with Providers in relation to meeting the Scottish Government's National Standard. It is likely that some of the Providers will not meet the standard and therefore will not be able to deliver funded Early Learning and Childcare.

#### **Contingency**

The number of Providers who will not meet the standard is currently being investigated. A contingency plan will be developed as soon as the investigation is complete. This is likely to include an increase in shared places and outdoor learning places.

## **8.0 NATIONAL STANDARD / FUNDING FOLLOWS THE CHILD**

8.1 The Scottish Government has introduced a national standard to ensure that all children experience the highest quality of early learning and childcare. All Providers in the public, private and 3<sup>rd</sup> sector must meet the national standard to be eligible to deliver early learning and childcare. The standard has ten criteria that detail the standards required in relation to care inspectorate grades: staff qualifications: development of children's cognitive skills, health and wellbeing; physical environment; self-evaluation and improvement; parent and carer engagement and involvement in the life of the setting; inclusion; business sustainability; fair work practices, including payment of the living wage; payment processes and food.

8.2 The Scottish Government has introduced a 'funding follows the child approach' to increase flexibility and choice. 'Funding follows the child' will help increase choice and flexibility for parents. It is 'provider neutral' which means that parents will be able to choose to use their child's entitlement at any ELC provider that meets the National Standard, has a place available and is willing to enter into a contract with the local authority. The choice of setting available to families is not restricted to their own local authority boundary.

8.3 Local authorities will retain the statutory responsibility for ensuring that the funded entitlement is available to all eligible children in their area, and will be the primary guarantors of quality and key enablers of flexibility and choice.

8.4 There are implications of the new national standard and 'funding follows the child' in relation to current practice and the full implementation of 1140 hours:

1. There are a number of Providers in Inverclyde who may not meet the national standard by August 2020. This would impact on the number of places available in August 2020. Further information on this is in section 7.4 of this report.
2. Funding follows the child requires to be closely monitored to ensure that placement requests are contained within the overall budget. At the present time there is a limited number of cross boundary placements and placements in funded providers. This approach is not in line with the new guidance and will therefore cease in August 2020.
3. The role of the local authority in ensuring Providers meet the national standard and deliver quality services as the number of providers will increase from 5 to approximately 50.

## 9.0 ADMISSION TO EARLY LEARNING AND CHILDCARE ESTABLISHMENTS

9.1 Inverclyde Council's 'Admission to Early Years' policy will continue to guide the allocation of places. The only change required is to admission dates. Inverclyde Council currently admits children in the school term following their 3<sup>rd</sup> birthday. Almost all neighbouring authorities admit children the day, week or month after their 3<sup>rd</sup> birthday. As of August, this practice will be adopted in Inverclyde meaning that many children will access their entitlement at an earlier stage:

Current Process		Revised Process	
Birth Date	Admission Date	Birth Date	Admission Date (August 2020)
1 <sup>st</sup> March – 31 <sup>st</sup> August	August	1 <sup>st</sup> March – 31 <sup>st</sup> August	August - no change
1 <sup>st</sup> September – 31 <sup>st</sup> December	January	September	October
		October	November
		November	December
		December	January
1 <sup>st</sup> January – Last day in February	April	January	February
		February	March

9.2 The admission process for August 2020 is currently underway. It is likely that there will be a significant challenge in meeting demand for some placement patterns e.g. 9am to 3pm term-time and that a significant number of families will not receive their preferred pattern. Although feedback from Inverclyde residents reflected a low requirement for shared places, the Scottish government worked on a presumption of 40% of shared places. If the Inverclyde survey is correct and the expected uptake differs from the national assumptions, then it is likely that there will be a significant number of families who do not get their first choice.

## 10.0 IMPLICATIONS

### 10.1 Finance

Financial Implications:

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
Various		2017 /21	£5,980,000		Capital Expenditure

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (If Applicable)	Other Comments
Various	Early Years	2019 /20	£4,885,000		Policy & Resources Committee will be asked to create an earmarked reserve with the £600k underspend.

10.2 **Legal**

None.

10.3 **Human Resources**

There are significant workforce implications within the expansion programme; however we are currently on track with this workstream.

10.4 **Equalities**

Equalities

(a) Has an Equality Impact Assessment been carried out?

✓

YES

NO – This report does not introduce a new policy, function or strategy or recommend a substantive change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required

(b) Fairer Scotland Duty

If this report affects or proposes any major strategic decision:-

Has there been active consideration of how this report’s recommendations reduce inequalities of outcome?

✓

YES – A written statement showing how this report’s recommendations reduce inequalities of outcome caused by socio-economic disadvantage has been completed.

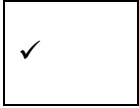
NO

(c) Data Protection

Has a Data Protection Impact Assessment been carried out?

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YES –



NO - This report does not involve data processing which may result in a high risk to the rights and freedoms of individuals.

## **10.5 Repopulation**

An early learning and childcare service that delivers on quality, flexibility, accessibility and affordability will contribute to repopulation.

## **11.0 CONSULTATIONS**

Consultation with stakeholders is continuing throughout this session. This includes private / voluntary providers, partner providers, trade unions and local authority early years workforce.

## **12.0 BACKGROUND PAPERS**

- 12.1 Scottish Government, 01.05.18, ELC – Multi-Year Revenue and Capital Allocations.
- Scottish Government, 01.05.18, Funding Follows the Child and the National Standard.
- Scottish Government, December 2019, Consultation on Early Learning and Childcare Statutory Guidance