
Report To:	Education & Communities Committee	Date:	3 September 2024
Report By:	Ruth Binks Corporate Director Education, Communities & Organisational Development	Report No:	EDUCOM/34/24/YG
Contact Officer:	Yvonne Gallacher Quality Improvement Manager	Contact No:	01475 712812
Subject:	3-Year-Old Provision Early Years Admissions – Eligibility for ELC Term after Second/Third Birthday		

1.0 PURPOSE AND SUMMARY

1.1 For Decision For Information/Noting

1.2 In Scotland, all 3-year-olds and 4-year-olds as well as eligible 2-year-olds are entitled to 1,140 hours of funded early learning and childcare per year. Although funding is currently offered the month after an eligible child's second/third birthday, Local Authorities are only funded by the Scottish Government for the term after a child's birthday.

1.3 Given the significant financial pressures on the Education and Communities committee and the pressures on the early years budget reported in the Budget Monitoring report earlier in the agenda, it is recommended that officers begin work to move towards the statutory requirement, rather than the month after their birthday, which is in currently in place from April 2025. This is in line with the approach already taken by other nearby authorities

1.4 If agreed, consultation will take place with stakeholders as part of an already planned consultation for admissions prior to the final decision being taken by the committee for implementation in April 2025.

2.0 RECOMMENDATIONS

2.1 The Education and Communities are asked to:

- agree that officers consult stakeholders on the change to process for starting dates for two/three-year old eligible children as part of the upcoming consultation on the early years admissions process
- agree that a final recommendation will be brought back to this committee in November

**Ruth Binks
Corporate Director
Education, Communities & Organisational Development**

3.0 BACKGROUND AND CONTEXT

- 3.1 In Scotland, all 3-year-olds and 4-year-olds as well as eligible 2-year-olds are entitled to 1,140 hours of funded early learning and childcare per year. Originally intended to be in operation by 2020, the full implementation of the policy nationally was delayed due to COVID-19 and full roll out was implemented in August 2021.
- 3.2 In the lead up and during the implementation Inverclyde have worked in close partnership with other authorities close by and in particular with Renfrewshire and East Renfrewshire Councils. This has made sense as they make up part of the West Partnership Regional Improvement Collaborative but also are the authorities we work with closely if there are any cross-border places.
- 3.3 Although local authorities are only funded by the Scottish Government for places starting the term after an eligible child's second/third birthday, the decision was initially taken by authorities to provide additional provision starting the month after a child's birthday. Local authorities at that time were in a position to cover the costs but increasing financial pressures in early years means that some other authorities have revisited, or are revisiting, this decision and reverting back to allocating places the term, rather than the month, after a child's birthday. East Renfrewshire Council implement this change from August 2023 and Renfrewshire are implementing this change for August 2024.

4.0 PROPOSALS

- 4.1 Given the significant financial pressures on the Education and Communities Committees and the pressures on the Early Years budget, officers recommend that the service reverts to the Scottish Government expectation that an eligible child starts the term after their second/third birthday. If this recommendation is agreed, then officers would consult with stakeholders and carry out Equality Impact Assessments prior to a final decision being taken. Officers will already be consulting with stakeholders on the admission process to inform the 2025 admission procedures. If a change is made, then this would be implemented in April 2025.
- 4.2 This saving does not remove any statutory entitlement but rather reduces additionality of service and additional costs to the council, meaning some parents will receive less additional childcare. Removal of early access may delay the start date at which children begin nursery. Those born later in the school session will subsequently receive a smaller amount of funded hours/pro rata, however this is in line with the Scottish Government's Statutory Guidance.
- 4.3 The saving includes the amount paid for lunches for all children in both local authority and partner establishments and the additional fees paid to partner establishments for the time between the second/third birthday and their statutory starting date. This may have an impact on funded providers because the partnership will start later, although this may also result in private income increasing for funded providers and child minders.

5.0 IMPLICATIONS

- 5.1 The table below shows whether risks and implications apply if the recommendation(s) is(are) agreed:

SUBJECT	YES	NO
Financial	X	
Legal/Risk		X
Human Resources		X
Strategic (Partnership Plan/Council Plan)	X	
Equalities, Fairer Scotland Duty & Children/Young People's Rights & Wellbeing	X	
Environmental & Sustainability		X
Data Protection		X

5.2 Finance

As reported earlier in the agenda the Committee is projecting a £xxx,000 overspend with £xxx,000 attributable to early years. In line with the Financial Regulations the Committee requires to take steps to reduce expenditure pressures and the proposal in this paper will assist in that requirement.

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report	Virement From	Other Comments
N/A					

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From (if Applicable)	Other Comments
Early Years	Payments to providers	25/26	(£70k)		Subject to a further report to Committee

5.3 Legal/Risk

N/A.

5.4 Human Resources

N/A.

5.5 Strategic

This report means that resources are managed to ensure the continued provision of high quality 1140 hours of early learning and childcare which meets the strategic aims of both Inverclyde Alliance and the Council.

5.6 Equalities, Fairer Scotland Duty & Children/Young People

(a) Equalities

This report has been considered under the Corporate Equalities Impact Assessment (EqIA) process with the following outcome:

X	YES – Assessed as relevant and an EqIA will be required prior to the final decision being taken.
	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, assessed as not relevant and no EqIA is required.

(b) Fairer Scotland Duty

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

X	YES – A written statement showing how this report’s recommendations reduce inequalities of outcome caused by socio-economic disadvantage will be completed prior to the final decision being taken.
	NO – Assessed as not relevant under the Fairer Scotland Duty.

(c) Children and Young People

Has a Children’s Rights and Wellbeing Impact Assessment been carried out?

X	YES – Assessed as relevant and a CRWIA will be required prior to the final decision being taken.
	NO – Assessed as not relevant as this report does not involve a new policy, function or strategy or recommends a substantive change to an existing policy, function or strategy which will have an impact on children’s rights.

6.0 CONSULTATION

6.1 This report proposes that a consultation with stakeholders is carried out.

7.0 BACKGROUND PAPERS

7.1 N/A.