

**Report To:** Education and Communities Committee

**Date:** 05 May 2015

**Report By:** Corporate Director Education, Communities & Organisational Development

**Report No:** EDUCOM/50/15/LW

**Contact Officer:** Linda Wilkie

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**Subject:** 600 hours of Early Learning and Childcare

### 1.0 PURPOSE

- 1.1 The purpose of this report is to
- i. provide an update on the implementation of 600 hours of Early Learning and Childcare.
  - ii. provide information on the resource and financial implications of the increase in entitlement.

### 2.0 SUMMARY

- 2.1 The report provides an update on the delivery and uptake of provision in session 2014 / 2015.
- 2.2 The report outlines the delivery plan for session 2015 /16 which will increase flexibility in provision for 3 – 5 year olds and increase the number of children aged 2 who are entitled to a nursery place.
- 2.3 The report details the capital and revenue implications of this development. All proposals within the report can be contained within allocated funds.

### 3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Committee:
- note the progress made in 2014 / 15.
  - approve the developments for 2015 / 16 as detailed in section 7.
  - agree the financial commitments as detailed in section 8 of the report.

**Patricia Cassidy**  
Corporate Director  
Education, Communities & Organisational Development

<b>4.0</b>	<b>BACKGROUND</b>	
4.1	The Children and Young People Act states Government's intention to improve access to high quality, flexible and integrated early learning and childcare.	
4.2	For session 2015 / 16 <ul style="list-style-type: none"> <li>all children aged 3 and 4 will continue to be entitled to a minimum provision of 600 hours of Early Learning and Childcare. Flexibility for parents in employment, education and training will be extended from August 2015.</li> <li>all looked after 2 year olds will continue to be entitled to a minimum provision of 600 hours of Early Learning and Childcare.</li> <li>2 year old children in workless households will continue to be entitled to 600 hours of Early Learning and Childcare.</li> <li>2 year old children from families eligible for free school meals will be entitled to 600 hours of Early Learning and Childcare from August 2015.</li> </ul>	
<b>5.0</b>	<b>UPDATE ON PROVISION DELIVERED 2014 / 15</b>	
5.1	All eligible children aged 3 and 4, who applied for a place, received 600 hours of Early Learning and Childcare within Local Authority or Partner establishments. The pilot development of flexible provision in Wemyss Bay Nursery Class was popular with parents in employment, education and training.	
5.2	All 'looked after' children, who were referred, have been offered a package of care personal to their needs.	
5.3	The provision for 2 year olds in Bluebird Family Centre, Rainbow Family Centre and Wellpark Children's Centre has been fully utilised. Larkfield Children's Centre and Gibshill Children's Centre will be operating at full capacity from April 2015.	
5.4	Additional provision that was sourced with childminders in Kilmacolm, East Greenock, Gourrock and Wemyss Bay has not been required.	
5.5	As anticipated the recruitment of new staff negatively impacted on the availability of quality supply. A recent recruitment drive has had limited success. The recruitment and retention of support staff was challenging resulting in a number of posts remaining unfilled.	
5.6	Two additional teachers are currently being recruited to enhance the 'Access to a Teacher' peripatetic service.	
5.7	The funding from the Scottish Government to expand and develop the early learning and childcare workforce has been used to provide staff development opportunities and opportunities to undertake qualifications as required by the Scottish Social Services Council. An evaluation of this will take place in June 2015.	
5.8	All aspects of the 2014/15 nursery provision requirements were fully delivered and due to efficiencies within Early Years Education an unallocated budget of £370,000 remains at the end of the Financial Year. £200,000 of this balance is an ongoing saving that will be removed from the Early Years budget in 2016/17 as part of the budget savings approved by Inverclyde Council in February 2015. £170,000 of the remaining balance is due to <ul style="list-style-type: none"> <li>The late announcement of the expansion of 600 hours to include 2 year olds and the subsequent slow uptake of places meaning that full staffing cohorts were not required.</li> <li>The change to the enrolment dates of 3 and 4 year olds meaning that full staffing cohorts were not required.</li> <li>The difficulty in recruiting and maintaining support staff.</li> </ul>	

5.9	As part of the 2014/15 Finance Year End Accounts process the unallocated budget of £370k will be transferred to general reserves; however a further report will be brought to Committee detailing an investment plan for the early years which has a significant shortfall in funding.
<b>6.0</b>	<b>DELIVERY PLAN 2015 / 16</b>
6.1	All children aged 3 and 4 will continue to receive 600 hours of Early Learning and Childcare in August 2015. All Children Centres / Family Centres / Nursery Schools will continue to provide flexible provision. Following a successful pilot of flexible places in Wemyss Bay Nursery Class this will be extended to all nursery classes. This requires a reduction in staff: child ratios in line with Care Inspectorate legislation.
6.2	All looked after children will continue to be offered a package of care personal to their needs.
6.3	An additional 90 places are required for the increase in entitlement for 2 year olds who are eligible for free school meals. The Scottish Government anticipates a 70% take-up rate which means 63 places are required. Plans are in place to introduce a provision for 40 x 2 year olds in Binnie St. Children's Centre in Gourock. There is capacity to increase provision by 10 places in Gibshill Children's Centre and Larkfield Children's Centre. The private provider Enchanted Forest has committed to providing places for 2 year olds in their nurseries in Greenock and Inverkip. Placements are also available with childminders in Kilmacolm, East Greenock, Gourock and Wemyss Bay.
6.4	Investigations continue to identify a provision in the west end of Greenock as there is no provision for 2 year olds in this area.
6.5	The following school estates developments will be undertaken: <ul style="list-style-type: none"> <li>• Refurbishment of Larkfield Children's Centre and Kilmacolm Nursery Class.</li> <li>• New Early Years provision in St. John's Primary School.</li> <li>• Expansion of provision in Binnie St, Children's Centre.</li> <li>• Infection Control / Personal Care / Hygiene works across all establishments.</li> </ul>
<b>7.0</b>	<b>DEVELOPMENTS FOR 2015 / 16</b>
7.1	It is proposed to continue to invest in qualifications and training of the Early Years Workforce. This is a statutory duty for staff to meet conditions of their registration with the Scottish Social Services Council. There is clear evidence that higher qualifications and ongoing training for staff improve the quality of provision and outcomes for children and families.
7.2	The Early Years Collaborative aims 'to make Scotland the best place in the world to grow up in' by improving outcomes and reducing inequalities. Significant progress is being made in meeting some of the stretch aims: <ul style="list-style-type: none"> <li>• To ensure that women experience positive pregnancies which result in the birth of more healthy babies as evidenced by a reduction on 15% in the rate of stillbirths.</li> <li>• To ensure that 85% of all children within each Community Planning Partnership have reached all of the expected developmental milestones at the time of the child's 27 – 30 month child health review, by end of 2016.</li> <li>• To ensure that 90% of all children within each Community Planning Partnership have reached all of the expected developmental milestones at the time the child starts Primary School, by end of 2017.</li> <li>• To ensure that 90% of all children within each Community Planning Partnership area will have reached all of the expected developmental milestones and learning outcomes by the end of Primary 4, by end of 2021.</li> </ul>

7.3 Committee previously approved the creation of two posts, Early Years Collaborative Programme Manager and Data Officer, to lead the improvement work within Inverclyde. It is proposed that these posts are continued to March 2016. This will ensure that the improvement methodology is embedded in services and that improvements are sustained.

## 8.0 FINANCIAL IMPLICATIONS

### 8.1 Current Annually Recurring Costs/ (Savings)

2014/15

Cost Centre	Budget Heading	Budget Year	Annual Net Impact	Virement From (If Applicable)	Other Comments
Early Years	Grants	2014/15	(£984,660)	N/A	
Early Years	Employee Costs	2014/15	£462,886	N/A	Aug 14 to Mar 15
Early Years	Income	2014/15	£57,930	N/A	Loss of Wrapround
Early Years	Nurseries DMR	2014/15	£21,080	N/A	Increased Resources
Early Years	Partner Provider	2014/15	£49,770	N/A	
Early Years	Supplies	2014/15	£22,994	N/A	Transferred to General Reserves
	Remaining Balance		(£370,000)		

### 8.2 2015/16

Cost Centre	Budget Heading	Budget Year	Annual Net Impact	Virement From (If Applicable)	Other Comments
Early Years	Grants	2015/16	(£1,881,540)	N/A	
Early Years	Employee Costs	2015/16	£1,480,610	N/A	Apr 15 to Mar 16
Early Years	Income	2015/16	£55,950	N/A	Loss of Wrapround
Early Years	Nurseries DMR	2015/16	£30,120	N/A	Increased Resources
Early Years	Partner Providers	2015/16	£66,260	N/A	
Early Years	Day Carers	2015/16	£48,600	N/A	

Planned Use of £200k saving 2016/17

Early Years	Other Exp	2015/16	£90,000	N/A	Legislative training / qualification as per SSSC legislation
	Other Exp	2015/16	£60,000	N/A	Early Years Collaborative Posts.
	Remaining Balance		(£50,000)		Unallocated

8.3 The costs specified within this report will be fully funded from the revenue funding allocation from the Scottish Government.

#### 8.4 CAPITAL FUNDING

The Scottish Government has confirmed Inverclyde Council's share of the capital funding is:

	2014 / 15	2015 / 16
2 year olds	£625,609	£535,000
3 and 4 year olds	£413,000	£421,830
<b>TOTAL</b>	<b>£1,038,609</b>	<b>£956,830</b>

The capital funding allocated to Inverclyde is insufficient to ensure all Early Years establishments will continue to be fit for purpose and meet the legislative requirements of the Care Inspectorate and the Children and Young People Act. This will require considerable ongoing investment and as detailed in 5.9 of this report a further report will be submitted to Committee regarding this.

#### 9.0 LEGAL IMPLICATIONS

9.1 Implementation of the proposals contained in this report will ensure Inverclyde Council meets the legislative requirements of the Children and Young People Act with regard to the implementation of 600 hours.

#### 10.0 PERSONNEL IMPLICATIONS

10.1 Additional staff are required to deliver the increase in entitlement.

#### 11.0 EQUALITIES IMPLICATIONS

11.1 There are no known equalities implications.

#### 12.0 REPOPULATION IMPLICATIONS

12.1 There are no known repopulation implications.

#### 13.0 CONCLUSIONS

13.1 Inverclyde Council will be in a position to meet the increased legislative requirements as of August 2015. The developments outlined in this report will ensure that children and families in Inverclyde continue to experience a positive early years experience.