

# Report

Report to:	<b>Executive Committee</b>
Date of Meeting:	<b>13 February 2019</b>
Report by:	<b>Executive Director (Education Resources)</b> <b>Executive Director (Community and Enterprise Resources)</b> <b>Executive Director (Finance and Corporate Resources)</b>

Subject:	<b>Early Learning and Childcare : 1140 hours Update</b>
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## **1. Purpose of Report**

1.1. The purpose of the report is to:-

- ◆ To provide an update on the implementation of the Early Learning and Childcare (ELC) 1140 hours expansion programme from 2017-19;
- ◆ To provide an update in respect of plans for the implementation of the Early Learning and Childcare 1140 hours expansion programme from 2019-21;
- ◆ To request approval to increase the establishment within Education Resources and Community and Enterprise Resources as outlined in section 7 of the report;
- ◆ To seek approval for the recommendations contained within this report.

## **2. Recommendation(s)**

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the progress achieved in relation to the implementation of the ELC expansion from 2017-2019 be noted;
- (2) that the proposed implementation plans for the ELC expansion from 2019-2021 be noted; and
- (3) that approval be given to increase the staffing establishment within Education and Community and Enterprise Resources, as outlined in section 7 of the report.

## **3. Background**

3.1. In March 2017 the Scottish Government published the ELC expansion planning guidance for Local Authorities. The planning guidance offered a framework to support local authorities in developing initial expansion plans. The planning guidance intended to:-

- provide simple planning advice of specific relevance to ELC sector development;
- support development of local authority ELC expansion plans and costings, as well as informing the national ELC Expansion Programme;
- respect the unique context of each local authority area, recognising the value of local knowledge and understanding;

- be outcome focused, recognising that there are a range of ways to achieve the core aims of providing ELC within the parameters of quality, accessibility, flexibility and affordability;
  - underpin the delivery support that will be made available to assist local authorities with service redesign and sharing of good practice; and
  - help local authorities to gauge the extent of the change challenge and to fully resource the programme and project management capacity needed to support their local programme, whilst continuing to deliver services focused on the quality of experience for children and families
- 3.2. As part of the implementation, the Council is required to demonstrate the key principles of *quality, accessibility, flexibility, affordability and phasing*. These principles should underpin the service delivery planning process and be evidenced in the Council's expansion plan.
- 3.3. The Council has used the Scottish Government guidance for planning and implementation, including making best use of assets:-
- i. **Use what we have:** Making full use of existing assets within the local authority.
  - ii. **Use what we purchase:** Enhancing the use of partner assets – developing and extending existing partnership models against a default assumption of a continued mixed economy.
  - iii. **Create what we need:** where full use of existing local authority services and assets, plus enhanced commissioning, still leaves a gap, plan to create or build new capacity.
- 3.4. The report to Executive Committee on 13 February 2019 entitled “Early Learning and Childcare: 1140 Accommodation Requirements” sets out a programme to deliver sufficient places to accommodate the projected demand for places and explains the basis for that plan as including:
- Scottish Government planning assumptions
  - Population estimates
  - Current uptake patterns
  - Consultation with parents and partners
  - Revised partner capacities
  - The need for flexibility and parental choice
  - Potential models of delivery
- 3.5. 4 further work streams complement the work of the accommodation subgroup:
- Policy and Quality
  - Workforce Planning
  - Partners Consultative Forum
  - Finance

Collectively these groups have led the ongoing implementation of the phased expansion, beginning in 2017. Progress has been made across all work streams in 2017/18 and 2018/19 and the information and experience gained will continue to inform planning for 2019/20 and full implementation by 2020/21.

#### 4. Update on 2017 – 19

##### 4.1. Local Authority Establishments

The implementation plan identified 31 Nursery Class locations over 2017-2019 to deliver more than 600 hours and up to 1140 hours of free early learning and childcare. In addition, 12 stand-alone nurseries have delivered additional hours places. As a result, over 2000 children aged 2-5 years and their families have benefited from additional funded hours.

- 4.2. Since 2017 the Council has recruited over 100 Early Years Workers, 26 Team Leader/Teacher graduates and a number of central support staff as well as 75 Modern Apprentice places to date. Almost 45 new posts were created in Community and Enterprise Resources, Facilities Services, to ensure the delivery of a hot meal for those children aged 2-5 years who attended the nursery for a full day. This has resulted in our current Early Years staffing complement increasing to around 600 staff.
- 4.3. A number of further education and development opportunities have been made available to staff, with the Resource having supported 30 staff to complete their BA Early Childhood Practice and 25 staff undertaking the MEd in leadership for learning with a further 60 to start the leadership course during 2019.
- 4.4. 4 Quality Officers appointed this session provide enhanced support, training and development activities with a clear focus on the National Standard recently published by the Scottish Government. Themes currently being explored include:
  - Building Leadership Capacity
  - Environments
  - Workforce
  - Curriculum, Learning and Teaching
- 4.5. Partner Providers

The implementation plan identified a target of up to 400 (20%) of funded 1140 hours of early learning and childcare places for session 2018/19. 9 partner providers delivered additional hours up to a maximum of 1140 hours free early learning and childcare from August 2018 to almost 380 children and their families.

In session 2018/19 a funding rate of £5.31 was agreed for the 9 funded providers delivering the expanded hours of up to a maximum of 1140 hours. In addition, the hourly rate for all partners delivering 600 hours was increased by 50p (15%) to £3.86 per hour.
- 4.6. Partner providers of Early Learning and Childcare make an important contribution to the delivery of early learning and childcare and will continue to do so moving forward.
- 4.7. The Central Early Years Team continue to engage with partner providers and to facilitate opportunities for sharing information to ensure that their views are taken into consideration as we progress. A Partners' Consultative forum was established in January 2017 with representative bodies from the Private, Voluntary and Independent sector, Scottish Childminding Association (SCMA) and Support for play in Early Learning in Lanarkshire (SPELL). This forum meets approximately every 6 weeks and offers the opportunity for information sharing, consultation on existing and future provision, funding rates and future developments. In addition, all partners meet 4 times per year providing the opportunity for further discussion, feedback and consultation.
- 4.8. It was recognised that some of the issues raised by partners relate to business practices rather than to the provision of a quality early learning and childcare service.

In order to mitigate their concerns support has been made available through the Council's Business Development Team.

4.9. Consultation was undertaken with parents/carers and providers from the 9 funded providers as well as across the 31 nursery classes and 12 stand-alone nurseries participating in the initial phase of 1140 hours delivery. Some key messages emerging were:

- Feedback from Parents on 1140 hours delivery was extremely positive
- 1140 hours has supported some parents into employment
- 1140 hours has provided support for parents increasing their working hours
- Parents initially shared their apprehension for their child aged 3 years staying for 6 hours but now confirm how beneficial this has been for their child as well as themselves.
- Children benefiting from a free hot meal at lunchtime
- Improved learning outcomes for children
- Enhanced employment opportunities for staff

## **5. Next Steps: 2019/2020 and 2021**

5.1. The central admissions process for the allocation of all early learning and childcare places will commence in February 2019 and conclude in early June 2019. This will confirm the continued delivery of the expansion within those establishments already involved as well as potentially introducing additional hours across more of our establishments. Further establishments will be identified on the basis of demand and on the availability of alternative options for provision eg partner providers.

5.2. It is recognised that staffing projections are subject to fluctuation as a result of population growth, changing employment patterns and the uncertainty created by trying to provide flexibility for families: it is recognised, too, that the opportunities afforded to families as a result of increased ELC provision is likely to lead to further changes in their requirements, leading to further complexity. That said, the Council is aiming to recruit around 200 further early years and facilities staff this year and potentially a similar number for the year following. This is further detailed in Section 8 of the report.

5.3. The Workforce Action Plan implemented since August 2017 has been developed with 3 key aims:

- To staff establishments to meet parental demands for 1140 hours;
- To ensure workforce in Early Learning and Childcare centres and Partnership Providers have appropriate skills, attributes, disposition and knowledge to provide a quality learning experience;
- Continue to ensure appropriate levels of staffing to deliver the entitlement outlined by the Children and Young People (Scotland) Act 2014.

A key principle of the workstream is to “grow our own” workforce which so far has resulted in 75 Modern Apprentices engaging in training to become future early years Workers. This has proven very successful with positive outcomes.

5.4. Continuous professional learning and training remains a priority and is being refined to meet the needs of the existing and growing workforce. With the national focus on the ELC workforce and qualification requirements, we are well placed to continue to shape and deliver a workforce for the future.

- 5.5. 26 additional graduates were allocated to the Council and tasked to engage in areas of deprivation. The graduates will mainly operate in a peripatetic basis supporting local authority nurseries and funded providers within the Council's highest SIMD areas.

The graduates will provide strong leadership and strengthen early years pedagogy in the establishments where they are placed and also influence wider practice in all ELC settings.

- 5.6. There has been ongoing consultation with partners, as outlined in paragraph 4.7, with regard to future phasing options and the hourly rate which will be provided. A number of potential options have been proposed and considered. The final model will be agreed following consultation with all partners.
- 5.7. The 9 partner nurseries already delivering up to 1140 hours will continue to do so.
- 5.8. Funded providers have continued to raise the issue of capital investment. Through the on-going consultation processes it has been agreed that one way forward would be to provide grant funding by establishing a 'Quality Improvement Fund' to support providers. Grant funding will enable partners to take active steps to meet the requirements of the new Scottish Government National Standard, a pre-requisite for registration to provided future funded Early Learning and Childcare places. All funded providers will be provided with the opportunity of submitting an application for funding for up to a maximum of £10,000. This initiative will commence in April with outcomes reported by July and funding has been identified within the 2019/20 revenue allocation.

## **6. From August 2020**

- 6.1. All other nurseries and early learning and childcare providers will commence the delivery of the additional hours no later than August 2020, subject to meeting the requirements of the National Standard.
- 6.2. In December 2018 the Scottish Government launched the new The National Standard which sets out how 'funding will follow the child' and the criteria which all ELC establishments will require to meet in order to register to deliver future provision. All ELC providers will require to have 'good' grades confirmed by inspection as well as demonstrating consideration of:
- how they support children with additional support needs;
  - the provision of a hot meal for children;
  - workforce qualification and training and learning requirements;
  - the delivery of outdoor learning;
  - how the principles of ELC are to be delivered
- 6.3. The responsibility for implementing the registration and maintenance of the new standard is with the Council and we await the outcomes from Scotland Excel who are currently developing technical guidance to assist local authorities to undertake this function.
- 6.4. Embedded in future process and contractual agreements will be the Scottish Government's aspiration for all workers in early learning and childcare settings to be paid the real Living Wage as a minimum.

- 6.5 In line with the expectations of Scottish Government, partner providers who enter into a contract with the Council to deliver the funded entitlement will be accepting the expectation that they comply with criteria which reflect the aspirations of the National Standard.

## 7. Employee Implications

- 7.1. The tables in paragraphs 7.2 and 7.3 provide details of the staffing required to deliver Phase 3 of the expansion plan. The proposed staffing levels will be required and will be funded from 2019/20 revenue funding allocation for ELC expansion.

- 7.2. **The provision of Hot Lunches via Community & Enterprise staff resources.**  
Staffing requirement for the provision of hot meals for ELC phase 3 expansion is outlined below.

Staffing	Number of Additional Posts (FTE)	Grade	Annual Salary	Gross Costs (inc pay award and on costs of 30.3%)
Catering Assistants 52 wk	9.5	Grade 1 level 1	£16,861	£222,499
Catering Assistants Term time (TT)	9.5	Grade 1 level 1	£15,029	£198,324
Cleaners 52 wk	1.6	Grade 1 level 1	£16,861	£37,474
Cleaners TT	1.6	Grade 1 level 1	£15,029	£33,402
Janitors	1.2	Grade 1 level 4	£22,780	£37,971
Facility Officer	1	Grade 3 level 4	£35,312	£49,051
<b>Total</b>	<b>24.4</b>	<b>-</b>	<b>£121,872</b>	<b>£578,721</b>

- 7.3. **Early Learning and Childcare expansion - capacity and capability building**

Staffing	Number of Additional Posts (FTE)	Grade	Annual Salary	Gross Costs (inc pay award and on costs of 30.3%)
Modern Apprentices – 37 hrs	12	Grade 1 Level 3	£18,693	£311,579
EY Worker Phase 3 – TT	65.1	Grade 2 Level 2	£20,153	£1,822,396
EY Worker Preparation for expansion - TT	47	Grade 2 Level 2	£20,153	£1,315,709
EY Worker Preparation for expansion – 52 wk	1	Grade 2 Level 2	£22,610	£31,407
EY Worker Phase 1 & 2 catchup – TT	11.3	Grade 2 Level 2	£20,153	£316,330
EY Worker Phase 1 & 2 catchup – 52 wk	24.3	Grade 2 Level 2	£22,610	£763,183
ELU – EY Worker 52 weeks *	15	Grade 2 Level 2	£22,610	£471,101
Woodhead – EY Team Leader * TT	1	Grade 2 level 3	£22,681	£31,506
Woodhead – EY Teacher *	1	Teacher Main Grade Scale	£36,480	£46,767
Woodhead – EY Worker TT *	6	Grade 2 Level 2	£20,153	£167,962
Personnel Assistant **	1	Grade 2 Level 3	£24,070	£33,433
Clerical Assistant**	4.5	Grade 1 Level 3	£17,683	£110,533

ELC Quality Officers **	4	Grade 4 level 2	£40,385	£236,388
<b>Total</b>	193.2	-	£285,824	<b>£5,658,294</b>

\* to be recruited for the new school term Aug 2019 in line with the opening of the new facilities;

\*\* temporary for 23 months to March 2021 to allow for support for the full expansion and implementation plan; all other facilities and ELC posts are permanent.

## **8. Financial Implications**

- 8.1. The overall 2019/20 revenue allocation for ELC expansion as notified by the Scottish Government through the Early Learning and Childcare – Multi Year Revenue allocation letter of 1 May 2018 is £17.460m.
- 8.2. The cost of establishing the new posts detailed in paragraph 7.2 and 7.3 above totals £6,237,015 (excluding costs for ELU – see para 8.4. This leaves costs totalling £5.766 million). All costs will be met from the 19/20 revenue allocation. In addition to this spending on new staffing, the revenue budget of £17.460m will also meet the costs of existing commitments for current expansion including graduates, modern apprentices, training costs, partner costs and lunch provision as well as new commitments for 2019/20 expansion including partner costs, support for per capita and adaptations spend.
- 8.3. As noted in the Financial Strategy (Executive Committee November 2018) there is a Job Evaluation action plan (jointly agreed with the Trade Unions) and Early Years is one of the significant service areas being reviewed. The costs provided in this paper are based on the current evaluation and do not reflect the outcome of the Job Evaluation process currently underway. It is fully expected that any increased costs resulting from the Job Evaluation for Early Years can be managed within the ELC grant funding, and Early Years budget and reserves in 2019/20. Any significant financial implications may require to be considered within the Council's Budget Strategy from 2020/2021.
- 8.4. The table at section 7.3 also includes posts in relation to the new Early Learning Unit. These costs are funded from existing ELC budgets previously allocated and is not 1,140 hours expansion specific.

## **9. Other Implications**

- 9.1. There are significant risk implications in terms of the information contained within this report in that there is a statutory requirement for the Council to provide places for all 3 and 4 year olds, and for eligible 2 year olds, from August 2020.
- 9.2. There are no implications for sustainability in terms of the information contained within this report.

## **10. Equality Impact Assessment and Consultation Arrangements**

- 10.1. This report does not introduce a new policy, function or strategy or recommend a change to existing policy, function or strategy and therefore, no impact assessment is required.
- 10.2. Consultation has taken place with a range of stakeholders, as detailed in the report.

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23 January 2019

**Link(s) to Council Values/Objectives**

- Improve achievement, raise educational attainment and support lifelong learning
- Ensure schools and other places of learning are inspirational

**Previous References**

None

**List of Background Papers**

None

**Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:-

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