

Report

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Report to:	Executive Committee
Date of Meeting:	15 August 2018
Report by:	Executive Director (Education Resources)

Subject:	Early Learning and Childcare 1140 Hours Update - Accommodation Requirements
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ provide an update on the preparation for 1140 hours of early learning and childcare in respect of accommodation requirements; and
- ◆ outline the next steps in preparing for the implementation of 1140 hours by August 2020.

2. Recommendation(s)

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

- (1) that the work undertaken to review the Council position be noted;
- (2) that the projects to be progressed under phase 1 of a capital programme of works, as detailed in the report, be approved; and
- (3) that a further update be provided to the Committee prior to future phased implementation.

3. Background

3.1. In June 2015 the Scottish Government announced its commitment to increase the number of hours of free early learning and childcare. This was followed by the publication of planning guidance for Local Authorities in March 2017. This guidance sets out the Scottish Government's vision for an expansion that will almost double entitlement to free early learning and childcare from 600 to 1140 hours per year by 2020 for all 3 and 4 year olds and eligible 2 year olds. That vision is underpinned by clear guiding principles of quality, flexibility, accessibility and affordability.

3.2. The Council worked with the Scottish Government to refine its planning assumptions and methodology used to determine the number of additional nursery places required to meet the 1140 hours nursery provision. This included reviewing the utilisation level of nurseries, the partner uptake rates and potential impact of the introduction of the national Space to Grow Strategy. In addition, the Council undertook its own early year's population estimates using more current information which differed from that of the

Scottish Government's calculation which was based on the National Records of Scotland (2014) population estimates.

- 3.3. This led to an assessment of the extra accommodation requirements and associated estimated costs. On the 6 March 2018 information was submitted to the Scottish Government which identified the need for 7 new builds, 6 refurbishments/extensions and 17 space to grow projects, plus planning for the provision of hot food, at a total estimated cost of £32.24 million.
- 3.4. On 1 May 2018, the Council were advised of a capital funding allocation of £19.24 million being made available from 2017/2018 – 2020/2021, inclusive of the £1.74 million already confirmed in 2017/2018 to allow preparatory planning to begin. This has resulted in an overall shortfall in funding of £13 million from the £32.24 million requested.
- 3.5. Consequently, there has been a focus on how to ensure the delivery of adequate and appropriate early years accommodation to support the 1140 hours implementation while trying to close the funding gap of £13 million.

4. Options to close the capital funding gap

- 4.1. Since the announcement on the lower than requested level of capital funding, the Council has been reviewing options. Below is information on the updated position.
- 4.2. **Current Capacity of the school estate**
The Council's school modernisation programme already efficiently revised the accommodation requirements across the whole estate. In addition, some existing capacity that remained for future growth has since been reduced due to e.g. the expansion of nursery provision to 600 hours in 2014, provision for 2-3 year olds in families seeking work in 2015 and to support the growth in the additional support needs sector (ASN).
- 4.3. A further review was undertaken and while there may be some schools where there is currently spare accommodation, it does not sit in the area of need or may produce capacity issues for the primary pupil intake in later years if used for 1140 hours in August 2020. The requirement to use this space for 1140 hours in order to save on capital spend between now and August 2020 will become clearer once the physical requirements to support the space to grow strategy are known (see section 4.6 later in the report).
- 4.4. **Other properties in Council ownership**
Previous enquiries as to any surplus land or buildings identified no suitable accommodation in the areas required.
- 4.5. Over the last few months Education Resources has been reviewing any further land or properties which have since or are soon to become available. Consideration has also given to property in private ownership which could potentially be bought, leased or rented. Most of these reviews concluded that the site was unsuitable due to size or location, however some options e.g. in

the East Kilbride area are currently still under consideration which may reduce the requirement for new builds.

4.6 Space to Grow Strategy

This national initiative allows for extra nursery capacity as a result of making more regular and better use of outside space as places of learning. This potentially could be a relatively less expensive option and reduce the need for extensions or the size of new builds while still providing high quality outdoor play opportunities for children.

4.7. The Care Inspectorate guidance ‘Space to Grow’ allows for the consideration of up to a maximum additional 20% to be added to the capacity of the nursery if it meets the registration requirements. Audits are on-going across all local authority nurseries and some accommodation modifications will be required. Our original plan identified those nurseries where outside space is of an appropriate size, the environment enables children to explore and benefit from a range of learning experiences and the additional places generated was large enough to still make it staff efficient in terms of revenue costs.

4.8. We are currently engaged with the Care Inspectorate in taking this development forward, however we are still in the process of confirming and agreeing the exact requirements for our nurseries in terms of available outdoor space, the external learning environment, the ease of access to and from the nursery building, the provision of a shelter and toilet access. Depending on the outcome we need to be flexible in being able to adjust our existing plans accordingly.

4.9. New Build Nurseries

The Council’s commitment to the school modernisation programme has produced a high quality, modernised school and nursery estate. It enhances learning and teaching, with our children and young people also experiencing a better physical environment, taking pride in their school and nurturing a positive sense of community.

4.10. The shortfall in funding relates to the estimated costs of new build nurseries and is due to two main factors shown below. A review has been undertaken to understand the main differences between the two models.

Model	Space per child	Estimate Cost per m²
Scottish Government ‘exemplar’ model	5.8m ²	£3,000 per m ²
SLC space standard & building specification	7.0m ²	£4,520 per m ²

4.11. The findings from the review have concluded that, in our opinion, in terms of space the proposed national model would produce a lower quality nursery provision. Some examples of differing space specifications include consideration of ASN requirements, adequate space for eating, storage and

space for loose play equipment to allow for a modern nursery providing the breadth of curriculum required. However, we will seek to reduce space requirements where possible in our designs/specification for any new builds, e.g. production kitchens, as long as this does not compromise on the quality of nursery provision currently provided in all other establishments.

- 4.12. In terms of the estimated rate for construction costs, the difference is due to our quality of specification. The exemplar model for early years developed by the Scottish Government excludes items such as e.g. abnormal ground conditions and fire suppression systems as well as other safety aspects such as controlled entry and CCTV, all of which we would consider essential in a building being used for this purpose. Given the experience that the Council has in constructing early years facilities, it is considered a challenge that the reference design costs of £3,000 per m² can be achieved, however, there will be some savings that can be made through a change to the specification of certain building elements e.g. roof design. Although these changes will reduce capital costs now, they may place additional, or earlier, burdens onto repair budgets in the future.
- 4.13. After the announcement of the multi-year funding allocations to 2021/2022 and the concerns expressed by some councils, COSLA agreed to gather information on the current position in relation to threats/risks to 1140 expansion delivery, particularly in the context of funding. This process is designed to help pinpoint specific issues with a view to working in partnership with the Scottish Government to better understand the issues. Senior council officers continue to participate in this process.
- 4.14. **Review of parental expectations**
Our plans are firmly based on the needs of our youngest children and their families built on the outcomes of a full and wide ranging consultation strategy implemented from 2016 and still on-going named 'Together we can, and we will'. Parents confirmed that 59% wish the 1140 hours to be delivered over 38 weeks locally with 41% requesting 52 weeks with extended hours. Parents want the highest quality accessible, flexible provision for their child including the ability to purchase additional hours beyond the 1140 hours.
- 4.15. During the rollout of the 1140 hours a monitoring and evaluation process is used to assess outcomes and establish learning on what works best when considering the future full delivery models of 1140 hours. Currently, developments are in line with the consultation outcomes reflecting 59% of parents wishing term time 9-3 delivery and 41% for extended day/year provision.
- 4.16. All future planning will continue to reflect the 4 main principles of quality, flexibility, accessibility and affordability.

5. Next Steps

- 5.1. In planning for August 2020, all of the deliberations described in section 4 have led to a proposed phase 1 of a capital programme of works that would allow some projects to progress while other options are being finalised.
- 5.2. These phase 1 projects have been selected as no other suitable accommodation has been found, and even with the possibility of 'space to grow' there will still be a requirement for such works in order to meet the nursery demand in that area. Phase 1 will secure around half of the total number of nursery spaces required.

Phase 1 Capital Programme Works

Type of Work	Area	Nursery
Refurbishment	Larkhall	Larkhall Children's Centre
Refurbishment	Hamilton	St Cuthbert's Primary School
Refurbishment	Hamilton	Woodlands Nursery
New Build	Clydesdale	Carluk area (site adjacent to Crawforddyke Primary School)
New Build	Clydesdale	Kirkmuirhill area (site of old Leisure Dome)
New Build	R/glen, C/lang and Cathkin	Newton area (site of old St Charles Primary School)

- 5.3. Some of the potential other options to be concluded in order to secure sufficient accommodation for all the nursery places required by August 2020 involve:
- ◆ continuing to work with the Care Inspectorate in order to secure additional nursery spaces under the Space to Grow strategy. The result of this will have knock on implications for other projects and the overall position will be monitored.
 - ◆ continuing to work to identify options for suitable locations within the Bothwell/Uddingston area.
 - ◆ exploring other potential options within East Kilbride which may reduce the need for new build.
- 5.4. The number of 'space to grow' nursery places approved by the Care Inspectorate will determine the number still required and lead to conclusion of the other options still being considered. A further report can then be provided to Executive Committee for consideration on a phase 2 programme of capital works.

6. Financial Implications

- 6.1. The total of these initial Phase 1 projects is in the region of £12 million and would secure around half of the number of additional places required. After deliberations on alternative options are concluded and clarity received on the Space to Grow Strategy, a further update will be provided to Executive Committee.
- 6.2. As the capital funding allocated is £19.24 million, wherever possible the Council will work to keep costs down in an effort to close the funding shortfall while continuing discussions with the Scottish Government.
- 6.3. The phase 1 capital works as listed in 5.2. makes no difference to the estimated annual revenue costs. However, other options still under consideration may have an impact on annual revenue costs e.g. if we were to lease a building, and this would have to be accounted for.

7. Employee Implications

- 7.1. In terms of the programme of works, there are no employee implications except the commitment of staff to work together to deliver the programme by August 2020.

8. Other Implications

- 8.1. There are no significant issues in terms of risk of sustainability associated with this report.

9. Equality Impact Assessment and Consultation Arrangements

- 9.1. An initial equality impact assessment has been carried out; however this will be updated when more specific information becomes available. As per the Scottish Government expansion guidance, the expansion plan will ensure consideration of the accessibility requirements of early learning and childcare.
- 9.2. Cross resources discussion, meetings and planning has taken place given the wide ranging nature of the early learning and childcare expansion requirements.
- 9.3. Consultation and engagement has taken place with a range of stakeholders and this approach will be ongoing, as required, until the 1140 hours is implemented.

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25 July 2018

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

- ◆ Executive Committee 16 May 2018

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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