

**To:** **Education and Children's Services Policy Board**

**On:** **15 March 2018**

---

**Report by:** **Director of Children's Services**

---

**Heading:** **Early Learning and Childcare Entitlement - 1140 Expansion Plan**

---

## **1. Summary**

- 1.1. The Scottish Government has indicated that the hours of free early learning and childcare will increase from the present 600 hours per annum to 1140 in 2020. Local authorities were required to submit an expansion plan to the Scottish Government by 29 September 2017. The Renfrewshire expansion plan was submitted, as a draft on that date and was homologated by the Education and Children's Services Policy Board on 2 November 2017.
- 1.2. Across Scotland local authorities indicated that about £690million of capital and about £1billion of revenue funding was required to deliver the expansion of free early learning and childcare. These estimates were more than the Scottish Government's predictions and initial feedback was provided to individual local authorities on 30 November 2017.
- 1.3. The Scottish Government wrote to local authorities on 25 January 2018 indicating that agreement on a single year funding package had been agreed with COSLA. The Scottish Government indicated further work was required to reconcile the differences in their initial revenue costs estimates and indicative capital allocation and those reflected in the local authority expansion plans. The Scottish Government issued new guidance and formally requested a resubmission of the projected costs to deliver the expansion by local authorities. The revised plan has been submitted as a draft.
- 1.4. Following consideration of the feedback from the Scottish Government amendments have been made to the original Renfrewshire submission. The main changes have been influenced by revisiting the guidance around "use what you have" and "buy where possible". Applying these two principles results in an increase in the number of local authority extended day/year centres and a reduction in the number of nursery classes. Children's Services will continue to work with a range of partner providers ensuring that parents have a degree of choice under the principle that the authority should "buy where possible".

- 1.5. The present framework agreement with partner providers is due for renewal this summer and discussions are ongoing with partners to consider how they can support the delivery of the increased free entitlement. This will require a renegotiation on the rate paid as from August 2018 to be contained within the available funding.
  - 1.6. The revised plan indicates that Renfrewshire will require 5 new builds, 1 major refurbishment, 12 minor adaptations, 9 extensions, 8 outdoor adaptations, which are incorporated into the infrastructure developments outlined above and 3 specific new outdoors projects. The estimated cost of delivering our revised plan will require £13.303million capital expenditure and £21.326million additional annual revenue by 2020/21.
  - 1.7. There remains a number of significant risks in achieving the expansion within the timescale set, including having the infrastructure developments in place by 2020; securing sufficient qualified staff and the capacity of the independent sector to provide the required number of places.
  - 1.8. Audit Scotland published a [report](#) on 15 February 2018, relating to early learning and childcare. The report highlighted risks in relation to the levels of funding available for the expansion and the timescale to enable local authorities to plan and deliver for the expansion. The risks identified by Audit Scotland are similar to those identified by Renfrewshire Children's Services and work will continue to mitigate these risks.
- 

## **2. Recommendations**

- 2.1 The Education and Children's Services Policy Board is asked to:
    - (i) homologate Renfrewshire's the revised draft early learning and childcare expansion plan which was submitted via the financial template to the Scottish Government on 9 March 2017, as outlined in section 4 of this report; and
    - (ii) agree that the Director of Children's Services continue to engage with partner providers to explore their ability to support the expansion programme and to negotiate a new rate from August 2018.
- 

## **3. Background**

- 3.1 Currently, under The Children and Young People (Scotland) Act 2014, children aged 3 and 4 years and eligible 2 year olds are entitled to 600 hours of early learning and childcare per annum. Renfrewshire Council has fulfilled this duty. The Scottish Government is committed to increasing the level of entitlement from the current level to 1140 hours per annum by 2020. A phased approach to delivering the increased entitlement over the next three years is to be progressed.
- 3.2 The Scottish Government has indicated that an increase in the hours of free early learning and childcare should give children the best start in life and close attainment and inequality gaps. The delivery of early learning and childcare is underpinned by the following four key principles: quality, accessibility, flexibility and affordability. Renfrewshire's revised plan continues to achieve the principles set, however the reduction in the number of establishments approved in the previous plan, from 28 to 24, has resulted in an increase in the doubling of places which may impact on the levels of flexibility available to families.

- 3.3 Local authorities are responsible for ensuring that the 1140 hours commitment is delivered through their own provision and working with providers from the independent and voluntary sector, including child minders. Renfrewshire's revised plan continues to ensure a mix of provision across geographical areas.
- 3.4 The Education and Children's Services Policy Board at its meeting on 2 November 2018 homologated the draft early learning and childcare expansion plan that was submitted to the Scottish Government on 29 September 2017.
- 3.5 The Scottish Government wrote to Councils on 30 November 2017 to provide feedback on the expansion plans and provided points for reflection in relation to the vision for service change. Renfrewshire, like many councils, was asked to consider the following points that:
- a link between demand and supply be demonstrated;
  - capacity challenges are addressed by making best use of what we have, buying where possible from partner providers, including childminders, and building where needed;
  - there is a focus on a provider neutral model where a mix of providers and service models combine to provide a holistically flexible and sustainable service offer which balances choice and affordability. (post code areas)
  - there is utilisation of the opportunities to deliver a quality outdoor provision, in line with national guidance.
- 3.6 On the 25 January 2018 the Scottish Government wrote to Councils to request a formal resubmission of local authority estimates for the expansion via a refreshed finance template which was required to be submitted by the 2 March 2018. The intention is to understand the assumptions made by local authorities in relation to staff utilisation, uptake and approach to flexibility; and the link between supply and demand. It is hoped that the resubmission will enable the Government and its Finance Working Group to analyse more effectively the respective local authority and Scottish Government cost estimates.
- 3.7 Whilst the original plan reflected the principles detailed in paragraph 3.5, after review and consideration of the new updated guidance the revised plan requires a reduced number of new builds, through our approach to 'making the best use of what we have' and by securing more places from partner providers. The use of outdoor provision continues to be reflected in the revised plan.
- 3.8 To date the Government has confirmed revenue funding for 2017/18 and 2018/19 and capital funding for 2017/18 to support the phased expansion and to achieve the level of capacity required to ensure full implementation of 1140 hours of early learning and childcare from August 2020. The Scottish Government has indicated that it will advise of future years of funding later this year.
- 3.9 Renfrewshire received an additional £630,000 revenue and £913,000 capital during financial year 2017/18 and have been advised of an additional revenue allocation of £1,860,316 to support with the implementation of the increased entitlement for financial year 2018/19. The funding includes £717,241 to provide additional graduates in a number of services in establishments operating in low SIMD areas.

- 3.10 There remain significant challenges in achieving the expansion by the expected date for full implementation as outlined in the Audit Scotland report produced on 15 February 2018. The challenges include ensuring the availability of suitably qualified staff and in delivering the required infrastructure projects by 2020. Uncertainty about future years funding continues to be a challenge in providing clarity around the plan to deliver the expansion of free early learning and childcare.
- 

#### **4. Renfrewshire Council's Draft Revised Expansion Plan**

- 4.1 The revised plan has been developed in line with feedback provided by the Scottish Government following and revised guidance issued in the finance template. The draft plan has a reduction in the number of new builds and capital projects and an increase in places being offered on a doubling, such as morning or afternoon. This new model has the potential of limiting the level of flexibility and choice for parents.
- 4.2 The revised plan continues to ensure provision on a locality basis across each post code area, and contains projected revenue and capital costs for capital and infrastructure developments to enable the expansion between 2018 and 2020. The plan has also been developed in line with Government advice to 'use what you have' in terms of the workforce, infrastructure, partner providers.
- 4.3 The plan continues to ensure a range of provision, in terms of Council and partner provision and models of service delivery, including term time/school day provision, in recognition that families are looking for both types of provision.
- 4.4 The plan continues to offer parents a range of options for accessing their child's free early learning and childcare entitlement across each geographical area. In each area, parents will be able to choose from the following options:
- 8 am to 6 pm provision over the school year, 46 or 50 weeks;
  - specific options of 6 hours per day over 38 weeks (school day model);
  - 22.8 hours over 2.5 days for 50 weeks (8am to 6pm model); or
  - 25 hours per week over 45.6 weeks (by offering 8 am to 1 pm or 1 pm to 6 pm).
- 4.5 Parents will also have access to a service in either a local authority or partner establishment across the geographical areas and in some areas the opportunity to access a blended model of delivery with childminder.
- 4.6 The revised plan will aim to deliver the following:
- An increase in the number of the number of local authority establishments open over a longer day/year from 10 to 24 (includes one service for children with complex needs);
  - A reduction in the number of services operating only in term time reducing from 22 to 13;
  - Places with partner providers from the independent and voluntary sectors through maintaining the current number of funded places on an 1140 hours capacity, and by extending the number of commissioned places in identified geographical areas by 2020/21; and
  - A blended childcare model with (split place between a childminder and nursery) with childminders.

4.7 In terms of Infrastructure developments the revised plan proposes the following:

- 5 new build;
- 9 extensions;
- 1 major refurbishment;
- 12 minor adaptations;
- 8 outdoor adaptations, which are incorporated into the infrastructure developments outlined above; and
- 3 specific outdoor projects.

Infrastructure developments also include work required to enable the provision of lunches, which will become part of the 1140 entitlement.

4.8 Negotiations will continue with partner providers in relation to the expansion proposals and specifically with those who potentially would benefit from infrastructure developments as outlined above.

4.9 Renfrewshire will continue to engage with existing partners and with providers who are not currently in partnership with the Council to progress future commissioning arrangements. Quality will remain the main criteria for working in partnership with providers to deliver early learning and childcare. Council officers will continue to offer support and challenge to our partners to ensure high quality experiences for children.

---

## **Implications of this report**

### **1. Financial Implications**

Renfrewshire Council's revised proposal for expansion is dependent on sufficient funding being provided by the Scottish Government. The Scottish Government has indicated that they will provide the detail of future years funding in May 2018.

Confirmed revenue and capital funding has been outlined in paragraph 3.10 of this report.

The projected capital investment in the revised plan is £13.303million.

By 2021/22, the revenue cost of delivering EL&C expansion is £21.326 million higher than at present.

### **2. HR and Organisational Development Implications**

The HR implications are as outlined in the previous board paper (2 November 2017) with the potential of some variance in numbers, depending on the funding allocated and final expansion plan being implemented. Engagement with the trade unions will continue throughout the expansion planning and implementation process.

Renfrewshire's plans for the early learning and childcare workforce are in line with the Council's workforce plan which will be subject to ongoing review.

### **3. Community/Council Planning**

- |  |  |
|--|--|
| Our Renfrewshire is thriving                         | - Ensuring the best start in life for children and young people.   |
| Our Renfrewshire is well                             | - Early intervention will lead to healthier outcomes for children and young people.  |
| Our Renfrewshire is safe                             | - Local services will benefit children, young people and members of the community.   |
| Building strong, safe and resilient communities      | - The quality of community life is enhanced by supporting parents, children and young people.  |
| Tackling inequality, ensuring opportunities for all  | - Effective governance arrangements ensure that the organisations receiving funding comply with legislative requirements.              |
| Creating a sustainable Renfrewshire for all to enjoy | - Support to families and flexible childcare placements will support parents into and sustain employment, training or enter education. |

### **4. Legal Implications**

The Council will require to comply with any changes to support for early learning and childcare in the Children and Young People (Scotland) Act 2014. The changes to early learning and childcare entitlement will have a direct impact on the present Framework Arrangements between providers and the Council.

### **5. Property/Assets Implications**

The revised plan indicates that Renfrewshire will require 5 new builds, 1 major refurbishment, 12 minor adaptations, 9 extensions, 8 outdoor adaptations, which are incorporated into the infrastructure developments outlined above and 3 specific new outdoors projects.

In term of providing suitable dining Renfrewshire has identified where additional resources will be required to implement the service. A further detailed assessment will require to be undertaken.

### **6. Information Technology Implications**

Information and technology will be required to be set up for new services.



## **7. Equality and Human Rights Implications**

The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations.

## **8. Health and Safety Implications**

It is integral to the Council's aim of securing the health and wellbeing of employees and those affected by its undertakings and without this continued effective focus, there is a risk that will adversely impact on the Council both financially and in terms of service delivery.

## **9. Procurement Implications**

The Renfrewshire Expansion Plan will consider the way in which providers are contracted to deliver early learning and childcare services for entitled children. The Scottish Government is currently considering procurement practices for engaging independent providers in delivering early learning and childcare.

## **10. Risk Implications**

There are several significant risks which could prevent Renfrewshire from delivering the proposed 1140 expansion as follows:

- the level of funding from the Scottish Government not being sufficient to deliver the required changes in infrastructure and staffing;
- partner providers being unable to deliver an increase in their present commitment to early learning and childcare provision;
- Inability to recruit sufficient qualified and experienced staff; and
- The delay by the Scottish Government in confirming multiple years funding places additional challenge in commencing and delivering the infrastructure projects in the timescale available.

## **11. Privacy Impact**

Personal information will only be held as required to deliver the service. This will be done in accordance with data protection legislation.

## **12. Cosla Policy Position**

Cosla is involved in negotiations with the Scottish Government regarding the expansion of 1140 hours of early learning and childcare.

- (a) A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland, The Scottish Government, 2017
- (b) Early Learning and Childcare Entitlement Expansion Plan, Education and Children's Services Policy Board, 24/08/17
- (c) Early Learning and Childcare Entitlement – 1140 Expansion Plan, Education and Children's Services Policy Board, 2/11/17

The foregoing background papers will be retained within children's services for inspection by the public for the prescribed period of four years from the date of the meeting.

The contact officer within the service is Kathleen McDonagh, Education Manager, 0141 618 7196, [Kathleen.mcdonagh@renfrewshire.gov.uk](mailto:Kathleen.mcdonagh@renfrewshire.gov.uk)

---

KMcD/JT/SQ  
9 March 2018

**Authors:** John Trainer, Head of Early Years and Inclusion, 0141 618 6860  
[john.trainer@renfrewshire.gcsx.gov.uk](mailto:john.trainer@renfrewshire.gcsx.gov.uk) and Kathleen McDonagh, Education Manager, 0141 618 7196, [kathleen.mcdonagh@renfrewshire.gov.uk](mailto:kathleen.mcdonagh@renfrewshire.gov.uk)