

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

**On:** 16 January 2025

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

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**Heading:** Early Learning and Childcare and Out of School Care – Revision of Fee Rates

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## 1. Summary

- 1.1 On 31 October 2024 the Education and Children's Services Policy Board agreed to a review of wraparound fee rates in Renfrewshire Council Early Learning and Childcare (ELC) establishments and to a further report being presented to the Policy Board meeting with proposals for revised rates.
- 1.2 Renfrewshire Council currently has a charging policy enabling parents to purchase wraparound care in the Council's ELC establishments and Out of School Care (OSC) Services.
- 1.3 The purpose of this report is to provide information on the outcome of the review of wraparound fee rates and proposes an increase to the fee rates in the Council's ELC establishments and OSC services.
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## 2. Recommendations

- 21 The Education and Children's Services Policy Board is asked to approve:
- (i) an increase in the wraparound fee rates in ELC establishments from £3.48 to £3.65 per hour, with revised concessionary rate from £2.70 to £2.83, effective from 1 April 2025.
  - (ii) an increase to the fee rate in the OSC services and the introduction of separate rates for term-time and full day holiday provision, as follows:
    - an increase in the term time rate from £10.10 per session to £10.60, effective from 1 April 2025;
    - the introduction of a half day rate of £10.60 for holiday provision, effective from 1 April 2025; and

- the introduction of a full day rate of £15.90 for holiday provision, effective from 1 April 2025.

2.2 The Education and Children's Services Policy Board is also asked to agree that from April 2026 the rates for ELC wraparound care and OSC rates will be subject to the increase in charges for services agreed in the Council budget each year.

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### 3. Background

- 3.1 The Children and Young People (Scotland) Act 2014 (Modification) Order 2021 amended the entitlement of ELC from 600 hours to 1140 hours, effective from 1 August 2021. The Scottish Government's Early Learning and Childcare Statutory Guidance, July 2021 ("Statutory Guidance") places a duty on local authorities to ensure that funded ELC is made available to eligible children in their area. The current entitlement of 1140 hours is available to all children aged 3 and 4-years and to eligible 2-year-olds, as defined within the criteria laid out by the Scottish Government.
- 3.2 There is no entitlement to ELC for children aged 0 to 2 years of age. Within Renfrewshire, under the discretionary powers within section 1(1C) of the Education (Scotland) Act 1980, children in this age group and non-entitled 2-year-olds are currently provided with an ELC placement under the Council's discretionary powers or parents can purchase places.
- 3.3 The Council's Early Learning and Childcare Admissions Policy (Standard Circular 3A) provides guidance to ELC staff on the procedures for prioritising and allocating ELC places in an equitable way, ensuring that families in greatest need obtain a service appropriate to their needs. The policy also advises on the application process and allocation of wraparound care.
- 3.4 Wraparound care charges apply for places in the Council's ELC establishments. The Council provides parents with an opportunity to purchase extra hours in addition to the entitled 1140 hours of funded ELC or to purchase a place for a child aged from birth to 3 years who is not eligible.
- 3.5 Wraparound care in Renfrewshire Council establishments can be purchased before / after an entitled placement, for full-days and part days. The opportunity to purchase wraparound care is dependent on the availability of places in a Renfrewshire Council ELC establishment, with priority allocation given to ELC entitled places or priority need.
- 3.6 Renfrewshire Council operates 2 OSC services for school age children – Ferguslie OSC in Ferguslie Park and Shortroods OSC in Shortroods area. These services operate during school term time between 3.00pm until 5.45pm and between 8.00am until 5.45pm during school holidays and in-service days.
- 3.7 The current rates for a wraparound care in ELC establishments is £3.48 per hour, with a concessionary rate of £2.70. The current charge for an OSC place is a flat rate of £10.10 per session. This rate applies to both term time after school session and for full day holiday cover.

- 3.8 The rates for wraparound care in ELC establishments and OSC have been in place for a number of years.
- 3.9 The Council’s concession rates for wraparound care applies for the following:
- Student in fulltime education
  - For 2nd or subsequent children attending the setting.
  - In receipt of any of the following benefits:
    - Pension Guarantee Credit
    - Income Support
    - Job Seekers Allowance (Income based)
    - Maximum working Tax Credit- income threshold applies
    - Tax Credit with a Disability Element
    - Council Tax Reduction Scheme
    - Housing Benefit
    - Income related Employment and support allowance
    - Attendance allowance
    - Disability Living Allowances (Child Element)
    - Universal Credit- income threshold applies
    - In receipt of qualifying benefits in line with free school meals and / or clothing grants
- [www.renfrewshire.gov.uk/article/3338/Free-school-meals-and-clothing-grants](http://www.renfrewshire.gov.uk/article/3338/Free-school-meals-and-clothing-grants)
- 3.10 Parents purchasing either ELC or OSC service are required to comply with Renfrewshire Council’s Agreement to Purchase Care.

**4. Revised ELC and OSC Fee Rate**

- 4.1 Following Policy Board approval on the 31 October 2024, officers from Children’s Services undertook a bench marking of the Council’s ELC wraparound care fees against the current rates set by other Councils within the West Partnership and the market rate set in Funded Provider ELC settings. The same benchmarking exercise was applied for OSC rates.
- 4.2 The outcome of the benchmarking exercises are as follows:

**Table 1 – ELC current wraparound rates for children aged 3 to 5 years:**

<b>Benchmark</b>	<b>Lowest hourly rate</b>	<b>Highest hourly rate</b>	<b>Average hourly rate</b>	<b>Concessionary rates applied</b>
West Partnership	£3.53	£6.46	£4.60	4 out of the 8 local authorities apply a concessionary rate (includes Renfrewshire Council)
Funded Providers	£4.60	£8	£6.68	

*NB – Information based on responses from 16 funded providers and all 8 West Partnership Councils. Most providers (local authority and funded provider) apply a separate rate for children under 3 years of age.*

Table 2 – OSC current rates:

Benchmark	Lowest rate Term time session	Highest rate Term time session	Lowest rate Half day holiday session	Highest rate Half day holiday session	Lowest rate Full day holiday session	Highest rate Full day holiday session
West Partnership	£11.75	£16.73	£11.75	£26.14	£22.40	£52.70
Funded Providers	£13.50	£20.30	£13.50	£20.30	£29.00	£37.85

NB – only 3 of the 8 West Partnership Councils provide out of school care provision, this includes Renfrewshire Council.

- 4.3 The benchmarking exercises highlight that Renfrewshire Council rates are lower for both ELC and OSC than those set by other Councils across the West Partnership and Funded Provider settings.
- 4.4 It is proposed that a 5% increase is applied to the rate for ELC wraparound care, which is reflective of the annual percentage increase in fees and charges across other Renfrewshire Council services in recent years. Therefore, the proposed revised hourly rate for ELC wraparound care is £3.65 per hour, with a revised concessionary rate of £2.83, effective from the 1 April 2025.
- 4.5 In terms of OSC it is proposed that the fee arrangement is restructured to apply separate rates for after school care term-time and full day holiday provision, in line with the approaches adopted by other councils across the West Partnership and by Funded Providers. The following revised rates are proposed from 1 April 2025:

Table 3 – OSC propose rates:

	Approach	Proposed rate
Term-time afterschool session	A 5% increase reflective of the annual percentage increase in fees and charges across other Renfrewshire Council services in recent years.	£10.60
Half day holiday session	Similar to the approach adopted across the West Partnership and giving cognisance to the location of the 2 OSC services.	£10.60
Full day holiday session	Similar to the approach adopted across the West Partnership and giving cognisance to the location of the 2 OSC services.	£15.90

- 4.6 It is suggested that from April 2026 the rates for ELC wraparound care and OSC rates will be subject to the increase in charges for services agreed in the Council budget each year.

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## Implications of this report

### 1. Financial

Renfrewshire Council's delivery of ELC and OSC is required to be in line with budget. The rates for wraparound care in ELC establishments and OSC have been in place for a number of years.

## 2. HR and Organisational Development

None.

## 3. Community/Council Planning

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| 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 continue to lead to healthier outcomes for children and young people.  |
| Building strong, safe and resilient communities      | - The quality of community lives is enhanced by supporting parents, children and young people.                                     |
| Tackling inequality, ensuring opportunities for all  | - Placements will continue to be allocated in line with policy.  |
| Creating a sustainable Renfrewshire for all to enjoy | - Support to families through ELC and OSC provision will support parents into and sustain employment, training or enter education. |
| Working together to improve outcomes                 | - Ensuring children have a high quality ELC and OSC experience.  |

## 4. Legal

None

## 5. Property/Assets

None

## 6. Information Technology

None.

## 7. Equality and Human Rights

The Recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. Some negative impacts on equality groups have been identified from the Equality Impact Assessment. For example, households who are in poverty or socio economic disadvantage would be disproportionately affected, and that it's likely that some equality groups might be disproportionately affected as they are likely to be overrepresented within this group (for example, households where the adult or child has a disability, ethnic minority households etc.).

Mitigating actions to families impacted from the increase in fees may be able to get help with the cost of registered childcare, through Government support schemes such as tax free childcare / benefits.

Following implementation, the impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.

**8. Health and Safety**

None

**9. Procurement**

None.

**10. Risk**

A possible reduction in the demand for wraparound care in ELC establishments and OCS due to the fee rate increases.

**11. Privacy Impact**

None.

**12. Climate Risk**

None.

**13. Children's Rights**

Article 28 – children's rights to an education which must develop every children's personality, talent and abilities to the full.

**14. Cosla Policy Position**

None.

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**List of Background Papers**

- (a) Early Learning and Childcare Provision, Education and Children Services Policy Board, 31 October 2024.

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)

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*Children's Services*

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