

ANGUS COUNCIL

CHILDREN AND LEARNING COMMITTEE - 09 AUGUST 2016

CONTRACTS FOR THE PROVISION OF EARLY LEARNING AND CHILDCARE

REPORT BY MARGO WILLIAMSON, STRATEGIC DIRECTOR - CHILDREN AND LEARNING

ABSTRACT

This report seeks approval of the proposed rates of payment and contracts for providers of Early Learning and Childcare services (nurseries and playgroups) for 2016/17 and for the development of a needs and market analysis and a commissioning /procurement strategy for Early Learning and Childcare Services.

1. RECOMMENDATIONS

It is recommended that the Committee:

- (i) approves the award of contracts to providers of Early Learning and Childcare services (nurseries and playgroups) for 2016/17 as detailed in Appendix 1 to this report without a tendering exercise taking place - on the grounds set out in Financial Regulation 16.24 - and authorises the Head of Quality and Performance to enter into these contracts on behalf of Angus Council;
- (ii) approves the development of a needs and market analysis and a commissioning/procurement strategy for Early Learning and Childcare Services and that these be submitted to the committee for approval in due course

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

2.1 This report contributes to the following local outcome(s) contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Our children and young people are confident individuals, effective contributors, successful learners and responsible citizens.
- Individuals and families are involved in decisions which affect them
- Individuals are supported in their own communities with good quality services

The report also contributes to meeting the commitments set out in The Statement of Ambition for the Children and Young People of Angus.

3. BACKGROUND

3.1 The Children and Young People (Scotland) Act 2014 sets out entitlement for eligible 2 year olds, 3 and 4 year olds to 600 hours of early learning and childcare. These 600 hours encompass play, learning, social relationship, emotional and physical wellbeing. As of 1 August 2016 we will have 31 partners and a total of 723 children being funded. All three and four year olds are eligible for a funded place. Children who are 2 years old and whose parents are in receipt of the following benefits are eligible for a funded place:-

- Income Support;
- Income-based Job Seekers Allowance;
- Employment and Support Allowance (income based);
- Child Tax Credits (but not Working Tax Credit) and your total household income is less than £16,105

- Both maximum Child Tax Credit and maximum Working Tax Credit and your total household income is under £6,420
- Incapacity or Severe Disablement Allowance
- Universal Credit
- State Pension Credit
- Support under the Immigration and Asylum Act 1999

*The income thresholds for Child Tax Credit and Working Tax Credit can vary annually.

3.2 Funded places are also available for 2-year-old children who are or have been at any point since their second birthday:-

- Looked after ;
- Under a kinship care order ;
- Under a guardianship order

3.3 Angus Council opted for a mixed economy of private nursery, voluntary playgroups and local authority placements to ensure provision for all eligible two-year-olds, three-year-olds and four-year-olds and to ensure choice of provision across each locality.

3.4 Angus Council already offers a childminding service through the Children and Families Community Childminders. This service is restricted to families in receipt of social work services or eligible two year olds with a specific need.

4. CURRENT POSITION

4.1 Angus Council currently has contracts with providers of Early Learning and Childcare (nurseries and playgroups) which expire on 31 July 2016. Contracts are in place with all providers in Angus who provide appropriate standards of service. These contracts have in the past been renewed annually.

4.2 Current contracts are on a spot basis paid at a sessional rate. This session is currently 3 hours and 10 minutes

5. PROPOSALS

5.1 It is proposed that for 2016/17 contracts will be entered into with the nursery and playgroup providers listed in Appendix 1 at the rates stated below without a tendering exercise being undertaken on the grounds set out in Financial Regulation 16.24 that this will allow time for the carrying out of a full competitive tender exercise for the supply. The Council's Exemption Co-ordinator has been consulted regarding this and is supportive of the proposal on the basis that it allows time and the best opportunity to create an enduring strategy for these contracts. It is further proposed that a needs and market analysis and a commissioning/procurement strategy be developed for Early Learning and Childcare Services and that these be submitted to the committee for approval in due course.

5.2 Angus Council is planning to increase the number of places for 2 year olds in local authority provision. Angus Council is also investigating other models of delivery to increase flexibility across the service and further develop provision in line with Scottish Government policies.

5.3 Angus Council is not currently in partnership with childminders. However, in a bid to meet the future requirements of 1140 hours, and to allow greater flexibility of provision, we are working with the Scottish Childminding Association to reach agreement on a contract and quality assurance framework which will allow childminders to become part of the flexible childcare models on offer in Angus.

6. FINANCIAL IMPLICATIONS

6.1 It is proposed that the following rates are paid for 2016/17.

Age	3 hour ten minute session	15 hour 50 minute week (maximum)
Three and Four Year Olds	£11.02	£55.10
Two Year Olds	£20.31	£101.55

6.2 As contracts will be on a spot basis the financial implications cannot be calculated exactly at this time but applying a 1.5% increase to these contracts in 2015/16 represents an increase of £18,701. The proposed increase has been agreed with third party providers.

6.3 Account has been taken of this increase in budget provision for 2016/17.

7. OTHER IMPLICATIONS

Strategic Environmental Assessment

7.1 On consideration of the Early Learning and Childcare Services commissioning/procurement strategy it has been concluded that the Early Learning and Childcare Services commissioning/procurement strategy is likely to have no or minimal environmental effect and the SEA Gateway have been notified accordingly, as required by the Environmental Assessment (Scotland) Act 2005. This notification will be published by the Gateway on the Public Register maintained to that end.

NOTE: No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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List of Appendices:

Appendix 1 Contracts with Early Learning and Childcare Providers 2016/2017

Appendix 1

Contracts with Early Learning and Childcare Providers 2016/2017

(Commencing 1 August 2016)

Nursery	Location	Number of Children	Spend 1/4/15 to 31/3/16
Abbey Playgroup	Arbroath	14	£32,158
Condor Playgroup	Arbroath	13	£24,510
Friockheim & Kinnell Church Playgroup	Arbroath	17	£28,516
Hayshead Playgroup	Arbroath	36	£75,172
Helping Hands Nursery	Arbroath	25	£45,185
Inverbrothock Playgroup	Arbroath	20	£30,445
Ladybird Playgroup	Arbroath	35	£62,731
Little Rascals	Arbroath	N/A (New Provider)	N/A (New Provider)
Muirfield Playgroup	Arbroath	22	£41,650
Sunshine Play School	Arbroath	15	£30,524
New Friends Nursery	Brechin	25	£61,958
Playspaces	Brechin	N/A (New Provider)	N/A (New Provider)
Smallworld Nursery	Brechin	55	£111,527
Edzell Playgroup	Edzell	7	£13,628
Panmure Pre-School	Carnoustie	21	£47,854
Scallywags Children's Nursery	Carnoustie	33	£60,405
Jack & Jill's Elite Nursery	Forfar	13	£25,323
Charleston Playgroup	Forfar	14	£9,396
Letham Playgroup	Forfar	14	£24,879
Mothergoose Playgroup	Forfar	16	£31,593
Chimes Playgroup	Forfar	40	£60,876
Stepping Stones Playgroup	Forfar	14	£21,861
Lochside Playgroup	Montrose	17	£30,783
Rompers Private Nursery School	Montrose	28	£58,884
St Rules Playgroup	Monifieth	3	£2,916
Tiddlywinks Nursery	Muirhead	8	£16,636
Little Beehives	Montrose	30	£53,427
Busy Bee Holding Limited	Monifieth	30	£47,598
Grange School Playgroup	Monifieth	22	£34,416
Ferryden Playgroup	Montrose	7	£6,227
First Steps Nursery	Montrose	64	£124,904
Hillside Playgroup	Montrose	16	£20,197
Newtyle and Eassie Playgroup	Newtyle	4	£10,570