## **AGENDA ITEM NO 5**

## **REPORT NO 67/18**

### ANGUS COUNCIL

## CHILDREN AND LEARNING COMMITTEE – 20 FEBRUARY 2018

## EARLY LEARNING AND CHILDCARE 2020 EXPANSION

## REPORT BY MARK ARMSTRONG, STRATEGIC DIRECTOR – PEOPLE

#### ABSTRACT

This report is an update on local preparation for the planned increase of free entitlement to Early Learning and Childcare by 2020.

#### 1. **RECOMMENDATIONS**

It is recommended that the Committee:

- (i) Note the content of this report;
- (ii) Agree to pay an hourly rate of £6.51 to partner providers in the private, voluntary and child-minding sectors for eligible 2 year olds paid (see section 5.1).
- (iii) Agree to increase the rate paid to partner providers for all other funded places to  $\pm 3.92$  per hour from 1<sup>st</sup> April 2018 (see section 5.1).
- (iv) Note that the Strategic Director People will develop the Angus Blueprint in line with the proposal at section 4.4 and report progress at future Committee.

# 2. ALIGNMENT TO THE ANGUS LOCAL OUTCOMES IMPROVEMENT PLAN/CORPORATE PLAN

- 2.1 This report contributes to the following local improvement outcomes: The best start in life for children A skilled and adaptable workforce Attractive employment opportunities
- 2.2 The Tayside Plan for Children, Young People and Families 2017-2020: Our children will have the best start in life; they will be cared for and supported to learn in nurturing environments.

## 3. BACKGROUND

- 3.1 The Children and Young People (Scotland) Act 2014 requires the local authority to make 600 hours of funded early learning and childcare available for eligible children. Scottish Government has announced a commitment to increase the entitlement to 1140 hours by 2020. The policy has four guiding principles: Quality, Flexibility, Accessibility and Affordability.
- 3.2 Report No 188/17 Early Years Strategy 2017-2020 and Report No 315/17 Schedule 4 give background information about the Angus Council Early Learning and Childcare Service.

## 4. CURRENT POSITION

4.1 Early learning and childcare (ELCC) places are available in 49 local authority nurseries and 31 partner settings. Our partner providers are private nurseries or voluntary playgroups. They have a contract with Angus Council to provide ELCC places on our behalf.

- 4.2 To deliver on expansion, we need to grow the number of available places. In autumn 2017, a proposal for how we could do this was submitted to Scottish Government. An assessment of the revenue and capital funding required was included. Although there have been discussions with Scottish Government since autumn, we have not had funding confirmation.
- 4.3 Angus Council received an interim grant allocation of £450,000 to meet revenue costs involved in preparing for 2020. Work has focused on developing those parts of the plan that rely on revenue funding. This includes workforce development, links with the child-minding sector and improving the sustainability of our private and voluntary partner providers.
- 4.4 The Angus "Blueprint for Expansion to 1140 hours" is being revised in line with additional guidance. The Blueprint will detail what is needed to deliver expansion by 2020. Significant capital investment will be needed and this is reflected in the Council's capital plan, but we are not yet clear how much Scottish Government funding will be made available to support this and whether or not it will be sufficient to deliver 1140 hours aspiration. A temporary project manager has been appointed and a project team identified to progress a programme of development to deliver the required expansion.
- 4.5 A review of our payment rate to partnership providers was completed. There is a gap between what we currently pay for 3 and 4 year old places (£3.51) and the Scottish average proposed rate for 2020 (£4.71 subject to revision for national living wage). The review concluded that to encourage partner providers to increase the number of funded ELCC places they make available, we need to move toward the Scottish average. This will support the development of a range of ELCC services and promote flexibility.

## 5. PROPOSALS

The following is proposed:

5.1 That we work towards aligning our rates to the Scottish average by 2020 by maintaining the rate paid for 2 year olds at £6.51 per hour and increasing the rate paid for 3 and 4 year olds to £3.92 per hour from 1 April 2018.

## 6. FINANCIAL IMPLICATIONS

6.1 The proposal will cost £154,488 for the financial year 2018/19 (based on 628 children). These costs will be met by Scottish Government grant revenue funding.

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