

**ANGUS COUNCIL**

**SPECIAL EDUCATION COMMITTEE – 23 APRIL 2020**

**EARLY YEARS EXPANSION PROGRAMME UPDATE**

**REPORT BY KELLY MCINTOSH, DIRECTOR OF EDUCATION AND LIFELONG LEARNING**

**ABSTRACT**

This report provides Committee with an update on progress in the expansion of early learning and childcare (ELC) provision in Angus, from 600 hours to 1140 hours per annum by August 2020.

**1. RECOMMENDATION**

It is recommended that the Committee:

- (i) Notes the current position with regards to progress on the Angus implementation of the national expansion of ELC by August 2020;
- (ii) Notes the intention to provide up to 1140 hours of funded ELC to those requiring it from August 2020, in temporary spaces where necessary until construction projects are complete.

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

This report contributes to the following local outcome(s) contained within the Angus Local Outcomes Improvement Plan:

The best start in life for children  
Improved physical, mental and emotional health and wellbeing  
More opportunities for people to achieve success

**3. BACKGROUND**

- 3.1 Reference is made to Committee Report 128/18, approved by the Children and Learning Committee on 19 April 2018, which provided Committee with details of local plans to implement the Scottish Government's commitment to expand the provision of ELC to 1140 hours per child per year by August 2020.
- 3.2 Reference is made to Committee Report 242/19, approved by the Children and Learning Committee on 15 August 2019, which provided Committee with an update on the grant application scheme administered as part of the expansion programme and sought approval to increase the initial budget for the scheme following discussions with grantees and the council's professional adviser.
- 3.3 Reference is made to Committee Report 243/19, approved by the Children and Learning Committee on 15 August 2019, which sought approval for the payment of revenue grants to all ELC providers in Angus to support preparation for the expansion.
- 3.4 Reference is made to Committee Report 354/19, approved by the Children and Learning Committee on 5 November 2019, which was a procurement authority report outlining the procurement strategy for the provision of funded ELC in non-local authority settings from August 2020, and seeking approval from Committee to implement the strategy through a major procurement exercise.

#### **4. CURRENT POSITION**

- 4.1 Scottish Government have confirmed that as a result of the COVID-19 pandemic, there is no longer a legislative requirement on local authorities to offer 1,140 hours of funded ELC to all eligible children by August 2020.
- 4.2 Following a review of the status of the expansion programme across Angus localities in the public, private and voluntary sectors, it has been agreed that Angus Council will offer the new funded entitlement to all eligible children from August as planned.

##### **Workstream 1 – Capital Expansion**

- 4.3 Construction of two new-build ELC centres in Carnoustie and Forfar began in October 2019. Due to COVID-19 restrictions on construction work, the centres will not now be completed by August 2020.
- 4.4 Temporary alternative arrangements are being considered for initial applicants to the Carnoustie centre. In Forfar initial demand in the early part of session 2020/21 can be met from within the existing range of provision across our schools and expanded framework of partner providers, as noted in paragraph 4.21. Should the completion of the Forfar centre be delayed beyond the subsequent intake of new applicants in October, January and April, temporary alternative provision will be arranged.
- 4.5 The programme plans to extend or refurbish a number of existing nurseries within primary schools around Angus. Nine projects have been completed (Auchterhouse, Friockheim, Inverbrothock, Inverkeilor, Mattocks, Monikie, Northmuir, Southmuir and Tannadice), while a further twelve (Andover, Birkhill, Eassie, Edzell, Ferryden, Letham, Liff, Lochside, Newtyle, Rosemount, Southesk and St Margaret's) were on track for completion by August 2020 prior to COVID-19 restrictions being in place.
- 4.6 The twelve projects which have been suspended due to COVID-19 will not now be completed by August. It is anticipated that initial demand in the early part of session 2020/21 can be met from within the existing range of provision across our schools and expanded framework of partner providers, as noted in paragraph 4.21. Should the completion of these projects be delayed beyond the subsequent intake of new applicants in October, January and April, temporary alternative provision will be arranged.
- 4.7 A full outdoor nursery has been implemented within the grounds of Letham Primary School. The outdoor provision opened in March 2020 and acted in the first instance as a decant facility for the ELC class while the indoor classroom is being extended, before becoming a permanent addition to the main nursery. The extension was on track for completion by August 2020 prior to COVID-19 restrictions being in place.
- 4.8 Capital projects are also being undertaken at ten partner provider settings. Further information on these projects is included between paragraphs 4.14 and 4.19.

##### **Workstream 2 – Workforce Expansion & Development**

- 4.9 45 council staff are undertaking a retraining programme. There are three main cohorts on the programme: evening HNC classes, work-based SVQs (both in partnership with Dundee & Angus College) and a third group of staff who are already qualified to practitioner level and therefore only require a weekly placement to improve their experience. All three cohorts were invited to apply for new posts in March, with the recruitment exercise concluding in May 2020. All of these posts will commence across Angus in August 2020.
- 4.10 The reconfiguration of the existing ELC workforce was completed in February 2020. Staff and trade unions had been consulted on the proposed new models.

##### **Workstream 3 – Childminder Market Development**

- 4.11 Engagement has taken place with a wide range of childminders across Angus, with a view to developing processes and relationships ahead of the integration of childminders into funded ELC provision from August 2020. An interim process was launched in April 2019 whereby parents of eligible two year olds can access up to an additional 540 hours of funded ELC with

a childminder of their choosing, subject to an assessment of the childminder's quality and practice by the council. Eleven childminders have contracted with the council through this process to date and 23 children have accessed the funded service.

#### **Workstream 4 – Meals & Snacks Provision**

- 4.12 This project has been initiated to ensure the council can provide a nutritious meal and snack per funded session for all children accessing funded ELC in Angus from August 2020. Liaison with Tayside Contracts is ongoing regarding the additional resources required including food, equipment and training for ELC staff, all of which were due to be in place before the end of the current school session in June 2020 prior to COVID-19 restrictions being in place.

#### **Workstream 5 – Management Information & SEEMiS EY Implementation**

- 4.13 A national project is underway to replace the current Nursery Application Management System (NAMS). The replacement system, SEEMiS Early Years (SEEMiS EY), will not be available before November 2020. Angus Council have developed a temporary system to track all funded ELC placements and to manage the information required to pay contracted partners until the new system is ready.

#### **Capital Grants**

- 4.14 Report 242/19 provided Committee with an update on the capital grant application scheme, which awarded capital grants to ten private and voluntary partner providers across Angus from April 2019. Report 242/19 also sought to increase the budget for the scheme from £500,000 to £1 million following discussions with some applicants and an initial review of applications by the council's professional adviser, appointed under contract to provide independent assessment of the grant projects. The increased budget was approved by Committee.
- 4.15 The cost estimates for the projects being undertaken by Playspaces and Smallworld (both Brechin) had initially been assessed by the professional adviser as being conservative. It was therefore expected that the grant amounts for these two projects would be increased to ensure their completion, which is essential for overall ELC provision in the Brechin area. Requests were received from both providers in January 2020 for an increase to their initial grant amounts, and both of these requests have been approved. Despite COVID-19 restrictions, both projects remain on track for completion by August 2020.
- 4.16 The application received from Helping Hands (Arbroath) is currently the subject of a procurement process in line with the policies of Dundee & Angus College, the nursery's parent company. The extension being funded by the grant will be completed by August 2020.
- 4.17 The grants awarded to Rompers (Montrose) and Busy Bees (Monifieth) have been paid in full and the works involved in these projects will be completed by August 2020.
- 4.18 Discussions regarding the application from Letham Playgroup are ongoing. The expansion programme is committed to supporting the preservation of this service to ensure the expanded ELC entitlement can be offered flexibly in this locality, and will continue to explore options to ensure the playgroup has appropriate premises from which the service can be delivered. The playgroup has assured the council that expanded ELC provision will be available in their current premises from August 2020.
- 4.19 Due to COVID-19 restrictions the project at Inverbrothock Playgroup, which involves an extension and refurbishment of parts of Inverbrothock Primary School, will not be completed by August. Temporary alternative arrangements have been made within the school building.

#### **Revenue Grants**

- 4.20 Further to report 243/19, arrangements were made to pay grants to all ELC providers in Angus, to support preparations for the expansion including minor adaptations to classrooms and outdoor areas and the purchasing of additional furniture, technology, learning and play resources and consumables. The grants were paid out to all partner providers in December 2019, with further payments made to ELC providers not currently working in partnership with the council in March 2020.

## **Procurement of Funded ELC**

- 4.21 Further to report 354/19, a major procurement exercise has been undertaken to establish a framework agreement for all non-local authority funded ELC provision in Angus from August 2020. A total of 66 tenders were received from a variety of private and voluntary providers and childminders. Three tenderers withdrew from the process during the evaluation stage and the remaining 63 were awarded contracts commencing on 1 August. Contracts will last for an initial three years, with an option to extend by agreement for up to a further two years.
- 4.22 The framework will remain open to prospective new providers throughout its duration. This ensures that providers not already under contract with the council at August 2020, or which commence operation in Angus after this date, are able to apply to join the framework and deliver funded ELC to children and families who wish to use their service.

## **Public Communication**

- 4.23 In January 2020 a comprehensive public information booklet entitled "Early Learning & Childcare in Angus" was distributed to all primary schools and existing partner providers, as well as public-facing teams in children and family services and NHS Tayside. The booklet was followed by a series of ten public drop-in events held around Angus throughout February 2018, staffed by members of the central early years team and attended by a total of 282 people.

## **Engagement with Scottish Government, Scottish Futures Trust and other Local Authorities**

- 4.24 The Angus programme is nationally considered to be using innovative practice in a number of different areas of the expansion, and the team has been asked to present the Angus approach to other local authorities at a number of national events including:
- Early Years Partnership Summit, September 2019
  - Scottish Futures Trust Capital Programme Contingency Planning Workshop, October 2019
  - Scottish Government Workforce Contingency Planning, February 2020
  - Scotland Policy Conference, Keynote Seminar, March 2020

## **5. PROPOSALS**

There are no additional proposals.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The multi-year funding package allocated to Angus includes funding for all of the revenue and capital elements of the expansion programme, therefore there is no expected impact on council budgets.
- 6.2 The costs associated with capital projects have, in the main, been significantly higher than the figures reported to Committee in the original programme report 128/18, however the programme has been able to maintain a position of having no impact on council budgets through the following measures:
- Continuous refinement of the capital programme to ensure the most effective use of the capital grant and the targeting of funds in response to changing local requirements, and;
  - The use of Capital From Current Revenue (CFCR) transfer, using strategically unspent revenue grant from Scottish Government to ensure the capital programme can be completed to a high standard without any impact on local budgets.

Any change to this position will be highlighted in the first instance through the corporate revenue and capital monitoring reports and thereafter, if necessary, through a specific report to the appropriate committee.

- 6.3 Updates on financial activity within the programme in financial year 2019/20 are appended to this report.

## **7. OTHER IMPLICATIONS**

An Equality Impact Assessment is not required for this report.

## **8. CONSULTATION**

The Chief Executive, the Director of Finance and the Director of Infrastructure have been consulted in the preparation of this report.

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List of Appendices:

Appendix 1      Early Years Expansion Programme – Revenue Expenditure  
Appendix 2      Early Years Expansion Programme – Capital Expenditure

## Early Years Expansion Programme – Revenue Expenditure

| <b>Full Early Years Expenditure</b> |                  |                  |                   |
|-------------------------------------|------------------|------------------|-------------------|
| <b>Revenue</b>                      | <b>2017/18</b>   | <b>2018/19</b>   | <b>2019/20</b>    |
| <b>Funding:-</b>                    | <b>£</b>         | <b>£</b>         | <b>£</b>          |
| Scottish Government                 |                  | 1,557,000        | 5,254,000         |
| Carry Forward                       |                  | 450,000          | 1,908,000         |
| Angus Council                       | 7,550,000        | 7,991,000        | 7,736,000         |
| <b>Total Funding</b>                | <b>7,550,000</b> | <b>9,998,000</b> | <b>14,898,000</b> |
|                                     |                  |                  |                   |
| <b>Projected Costs:-</b>            |                  |                  |                   |
| On-going                            | 7,460,000        | 8,090,000        | 9,938,000         |
| <b>Total Costs</b>                  | <b>7,460,000</b> | <b>8,090,000</b> | <b>9,938,000</b>  |
|                                     |                  |                  |                   |
| <b>Variance</b>                     | <b>90,000</b>    | <b>1,908,000</b> | <b>5,500,000</b>  |
|                                     |                  |                  |                   |

| <b>Expansion Funding only</b>     |                |                  |                  |
|-----------------------------------|----------------|------------------|------------------|
| <b>Revenue</b>                    | <b>2017/18</b> | <b>2018/19</b>   | <b>2019/20</b>   |
| <b>Funding:-</b>                  | <b>£</b>       | <b>£</b>         | <b>£</b>         |
| Scottish Government               | 450,000        | 1,557,000        | 5,235,000        |
| Carry Forward                     |                | 450,000          | 1,908,000        |
| Angus Council                     |                |                  |                  |
| <b>Total Funding</b>              | <b>450,000</b> | <b>2,007,000</b> | <b>7,143,000</b> |
|                                   |                |                  |                  |
| <b>Actual / Projected Costs:-</b> |                |                  |                  |
| One-off CFCR                      |                |                  | 500,000          |
| <b>On-going:-</b>                 |                |                  |                  |
| Employee costs                    |                |                  | 630,000          |
| Snack provision                   |                | 99,000           | 180,000          |
| <b>Total Costs</b>                |                | <b>99,000</b>    | <b>1,643,000</b> |
|                                   |                |                  |                  |
| <b>Variance</b>                   | <b>450,000</b> | <b>1,908,000</b> | <b>5,500,000</b> |
|                                   |                |                  |                  |

## Early Years Expansion Programme – Capital Expenditure

| <b>Expansion Funding</b> |                |                |                |                |                  |
|--------------------------|----------------|----------------|----------------|----------------|------------------|
| <b>Capital</b>           | <b>2017/18</b> | <b>2018/19</b> | <b>2019/20</b> | <b>2020/21</b> | <b>Total</b>     |
| Funding                  | £              | £              | £              | £              | £                |
| Scottish Government (£)  | 640,000        | 2,700,000      | 3,200,000      | 2,200,000      | <b>8,740,000</b> |

|                              | <b>2017/18</b> | <b>2018/19</b>   | <b>2019/20</b>   | <b>2020/21</b>   | <b>Total</b>       |
|------------------------------|----------------|------------------|------------------|------------------|--------------------|
|                              | £              | £                | £                | £                | £                  |
| Actual Expenditure (£)       | 280,000        | 233,000          | -                | -                | <b>513,000</b>     |
| Projected Expenditure (£)    | -              | -                | 6,250,000        | 6,091,000        | <b>12,341,000</b>  |
| Transfer from Revenue (£)    | (150,000)      | 0                | (73,000)         | (3,891,000)      | <b>(4,114,000)</b> |
| <b>Total Expenditure (£)</b> | <b>130,000</b> | <b>233,000</b>   | <b>6,177,000</b> | <b>2,200,000</b> | <b>8,740,000</b>   |
| Total Funding (£)            | <b>640,000</b> | <b>3,210,000</b> | <b>6,177,000</b> | <b>2,200,000</b> | <b>8,740,000</b>   |
| Funding carried forward (£)  | 510,000        | 2,977,000        | -                | -                | -                  |

| <b>Projects Summary</b>   | <b>Updated Estimate Cost</b> |
|---|------------------------------|
| <b>Large Projects</b>   | <b>£</b>                     |
| Carnoustie ELCC   | 4,160,000                    |
| Forfar ELCC   | 3,640,000                    |
| Arbroath Schools Phase 2  | 300,000                      |
| Birkhill PS - Extension   | 335,000                      |
| Inverbrothock PS – Extension for Playgroup  | 585,000                      |
| Letham PS – Extension   | 290,000                      |
| Lochside PS – Extension for School and Playgroup  | 373,000                      |
| Northmuir PS – Extension  | 303,000                      |
| Rosemount PS – Extension/Outdoor Classroom  | 434,000                      |
| Southesk PS – Refurbishment of Existing Space   | 359,000                      |
| Grant Scheme  | 1,000,000                    |
| <b>Minor Works</b>  |                              |
| Andover, Arbroath Academy, Auchterhouse, Eassie, Edzell, Ferryden, Friockheim, Inverbrothock, Inverkeilor, Mattocks, Monikie, Muirfield, Newtyle, Southmuir, St Margaret's, Tannadice | 1,075,000                    |
| <b>Projected Spend (before Revenue transfers)</b>   | <b>12,854,000</b>            |