

**Proposed Increase in Early Learning and Childcare to 600 hours for 2, 3 and 4 year old children****Report by Mary Smith, Director, Education, Communities and Economy****1 Purpose of Report**

To provide an update on the implications, for Midlothian, in relation to the above proposals and identify actions and recommendations needed in order to achieve the objectives.

To request approval for the service provision model to increase the hours of early learning and childcare for 3 and 4 year old children.

**2 Background**

Between July and September 2012 the Scottish Government undertook consultations related to the proposed changes suggested in the “Children and Young People Bill”. Responses from the consultation process were analysed, amendments made to the Bill and it was passed by the Scottish Parliament on the 19<sup>th</sup> February 2014, becoming the Children and Young People (Scotland) Act 2014 (<http://www.scotland.gov.uk/Topics/People/Young-People/legislation>).

- 2.1** One major aspect of this Act is a commitment to improving and increasing high quality, flexible and integrated early learning and childcare which is accessible and affordable for all.
- 2.2** To achieve the above objective Local Authorities are required to increase the funded annual provision from August 2014, for 3- and 4-year olds, from 475 hours pre-school education to a minimum annual provision of 600 hours early learning and childcare and to also offer 600 hours early learning and childcare for looked-after 2-year olds and 2-year olds from “workless households”.

From August 2015, Local Authorities are also required to expand the 2-year old provision to include children whose families would qualify for free school meals.

**3 Report Implications**

Whilst the Children and Young People Bill gives local authorities clear direction and strict timescales for delivery, it is also an opportunity to develop services we offer parents and carers of pre-school aged children.

In Midlothian, we provide 12.5 hours of pre-school education for 3- and 4-year olds, on a weekly basis over 38 weeks, within our local authority settings or partnership centres. This amounts to a total of 475 hours per year. In order to increase the provision we undertook an extensive consultation with parents, partnership nurseries, school nurseries, teachers and nursery staff. This consultation was undertaken via a range of methods

including face to face meetings, on-line, group meetings, etc. From this consultation process we have now identified a preferred model of implementation to provide 600 hours of early learning and childcare which would mean an increase of 125 hours for 3 and 4 year old children.

The preferred model identified is to provide five afternoon and five morning sessions each of 3 hours 10 minutes duration. This will require a new post within each nursery of a Senior Childcare and Development Worker to support the implementation of the 600 hours.

At present, we commission partnership centres to provide pre-school education and, as we do not have enough pre-school education places within the local authority, we will need to retain and develop further our partnership working. Midlothian will need to provide an increase in funding to cover the additional hours. As the basic funding has not been increased for the last four years Midlothian will need to reach a funding agreement with partnership centres or we will be unable to deliver effective provision across the authority. We propose to increase the basic rate by 10% to £3.70 per hour. (The Scottish Government has indicated that a rate of £4.10 per hour for Partnership Centres is recommended).

Midlothian also commissions partners to provide support for vulnerable families and children but there is no universal provision for 2-year old children. We will have to work with the Scottish Government to identify families who would be eligible to access 600 hours of early learning and childcare and also source appropriate placements either within our own establishments or with partner agencies.

*There is more detail of the work undertaken in the attached "600 hours Outline Proposal March 2014 v3" document*

### **3.1 Resource**

Midlothian's revenue settlement to implement the increase in Early Learning and Childcare, for 3- and 4-year olds during session 2014-15, was identified as £763,000 and its capital allocation as £471,000. (See attached *"Distribution of funds letter – Midlothian Council"*).

In order to ensure effective implementation of the proposed model, a post of Senior Childcare and Development Worker would be created for each provision and additional CDWs will be required on two year fixed term contracts. This would enable Midlothian to review the effectiveness of the whole process without incurring additional permanent costs. CDWs would be employed to cover the sessions not staffed by teachers in order to maintain required staff/children ratios. Four peripatetic Senior CDWs would also be employed to cover for absent staff.

An additional 3 hour 10 minute planning session would be allocated to centres to support the maintenance of pupil records and assessment, resource maintenance and staff release for essential training. Care Inspectorate requirements detail mandatory training needs and centres could incur penalties, or closure, should these not be met.

Midlothian's early years' provision through local authority and partnership centres, is recognised as being of a very high standard. This is evidenced through Care Inspectorate and Education Scotland inspection reports. The new model of delivery would need to be carefully monitored and managed effectively across all centres to ensure that standards are maintained. Centrally managed quality assurance would be an essential element within the model.

We are pursuing the purchase, and implementation, of specific IT systems to support effective tracking and assessment of children's progress. These systems are already in use within other authorities and feedback indicates that they support further development of Curriculum for Excellence 3-18 and partnership with parents.

As children will access early learning and childcare for more hours than previously, schools will need an additional resource allocation to support the need for consumable materials in order to meet care standards. (This has been estimated as an additional £5.00 per child per year).

<b>PREFERRED OPTION</b>	<b>DETAILS</b>	<b>COST – full year £000's</b>	<b>COST – part year (August – March)</b>
Staffing – Teachers, Senior Childcare Development Workers and Childcare Development Workers (CDWs)	Current allocation of teachers to count in the staff pupil ratio of 1:10 for 7 of 10 weekly sessions (3 hrs 10 mins each);  1 Senior CDW per centre;  CDWs to maintain staff/pupil ratio of 1:10 for all sessions & provide time for a weekly planning session;  4 Peripatetic Senior CDWs to cover staff absence.	£404k	£252k
Partnership centre costs	Pro-rata increase for hours and 10% cost increase to £3.70 per hour	£177k	£110k
Early Years Quality Assurance	School Group Manager	£75k	£47k
Additional Support Needs allocation	80 hours across Midlothian	£40k	£25k
Additional consumable resources	Additional consumable resources (£5.00 per child)	£8k	£5k
IT support	Resources and licence	£25k	£25k
<b>Total costs</b>		<b>£729k</b>	<b>£464k</b>

Pre-school provisions are currently provided with an allocation for 25 hours teaching time to staff 12.5 hours of pre-school education for 3- and 4-year olds. In the proposed staffing model for 600 hours, with 10 sessions per week of 3 hours and 10 minutes, teachers will count in the staffing ratio of 1 adult to 10 children for 7 sessions. This will use 22 hours 10 minutes teacher class contact time and leave 2 hours 50 minutes per week class contact time unallocated. This amounts in total to approximately 3.4 FTE teachers or £148,000, which will be used in a variety of support contexts including, release for training and meeting other identified priorities as detailed within the Children and Young People (Scotland) Act 2014. This will be explored further in the context of the total 2014/15 staffing budget for the primary and pre-school sectors, the emerging requirements on provision for 2-year olds and our commitment to maintain teacher numbers.

The Scottish Government has announced that, for the whole of Scotland, there will be £15 million available for 2-year old children of “workless households” for session 2014-15. At present, this does not include a capital element. Midlothian received 1.6% of the national funding for 3- and 4-year olds, if this were applied to the funding for “workless households” it would equate to £240,000. It is anticipated that the staff/pupil ratio for 2-year old children will need to be higher and work continues to determine the staffing and equipment required to support services for 2-year olds.

### **3.2 Risk**

Midlothian has reviewed the staffing allocation within schools in order to identify the most effective option to deliver the required additional hours of early learning and childcare. The proposed model requires less teacher class contact time than is allocated currently, equivalent to 0.11 FTE teachers per pre-school class. Any decrease in allocation for teachers would run the risk of Midlothian failing to honour the agreement to maintain teacher numbers during 2014/15. This will be mitigated by class contact reduction time being used to support management of the increase in hours and meet other identified priorities as detailed within the Children and Young People (Scotland) Act 2014.

In order to deliver the service, it is necessary to ensure that there are staff available to undertake additional responsibilities otherwise Midlothian could be open to challenge in relation to the implementation of this aspect of the Children and Young People Act.

In order to implement this Scottish Government policy, it is essential that our buildings, and pupil environments, meet both Environmental Health and Care Inspectorate standards. Capital funding would need to be utilised effectively to meet all requirements.

There is a risk that sufficient spaces are not available for 2-year olds and therefore Midlothian would be unable to comply with requirements. If this is the case we may incur Government penalties.

The Care Inspectorate has different requirements for the provision of early learning and childcare for 2-year old children including a ratio of one staff member to five children and toilet/nappy changing facilities. We are working with partner agencies to establish capacity for 2-year provision.

### 3.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- ☐ Community safety
- ☐ Adult health, care and housing
- ☒ Getting it right for every Midlothian child
- ☒ Improving opportunities in Midlothian
- ☒ Sustainable growth
- ☐ Business transformation and Best Value
- ☐ None of the above

### 3.4 Key Priorities within the Single Midlothian Plan

This work is a part of the Single Midlothian Plan's key priority of Early Years and also aligns with the preventative approach. Provisional data received relating to the location of families eligible for the 2 year old provision suggests that the scheme will benefit the areas of Woodburn, Mayfield and Gorebridge – the three targeted geographical areas for Community Planning.

### 3.5 Impact on Performance and Outcomes

The successful implementation could further improve the quality of pre-school provision across Midlothian and make it more widely available to children and families.

In the longer term, this could lead to improved performance at school and positive destinations for school leavers (another of the Single Midlothian Plan's key priorities).

One of the Scottish Governments objectives is, through the increased free childcare provision, that parents will have better opportunities to access training and employment and this could, potentially, improve economic development within Midlothian (the third and final key priority in the Single Midlothian Plan).

### 3.5 Adopting a Preventative Approach

The provision of high quality early learning and childcare strongly aligns with the National GIRFEC and Early Years agendas.

### 3.6 Involving Communities and Other Stakeholders

We have consulted all stakeholders including: parents, head teachers, teachers, childcare development workers, partnership centres, unions and local communities.

### 3.7 Ensuring Equalities

The provision of services for 3 and 4 year olds is a universal service. The 2 year old provision is specifically targeted by the Scottish Government and aims to improve outcomes for vulnerable children and families.

### 3.8 Supporting Sustainable Development

Scottish Government have committed that these proposals will be fully funded.

### 3.9 IT Issues

There is a commitment to ensure access for schools to appropriate communication and door entry systems.

The increase in time CDWs spend with children will reduce the time they have available to do other duties, such as recording a child's progress. Options are being explored to streamline the recording that is done, using software and IT equipment.

#### **4 Summary**

The Scottish Government has introduced legislation requiring local authorities to offer 600 hours of free early learning and childcare for all 3 and 4 year old children and Midlothian must implement this by August 2014.

Midlothian must also explore how the provision of 600 hours early learning and childcare can be provided for looked after 2 year olds and 2 year olds from "workless households" from August 2014.

From August 2015, this provision will be extended to 2 year olds from families who would be eligible for free school meals.

#### **5 Recommendations**

Cabinet is asked to:

- Note the content of the report, and associated papers.
- Authorise the implementation of the proposed model of early learning and childcare for 3 and 4 year old children, including resourcing as detailed in section 3.1.
- Authorise the creation of, and recruitment to, the post of Senior Childcare Development Worker.
- Authorise commissioning of additional hours, and increased payment to support delivery of early learning and childcare within Partnership Centres.
- Support the continuing delivery of quality staff development and quality assurance to maintain the high standard of early learning and childcare across Midlothian.
- Support the exploration of options for the delivery of the provision for 2 year old children.
- Request a further report reviewing the implementation of the 600 hours for 3 and 4 year old children by June 2015.
- Request a further report outlining proposals to provide 600 hours of early learning and childcare for 2 year old looked after children and 2 year old children from "workless" households for August 2014. The report should also provide proposals for the provision of 600 hours of early learning and childcare for 2 year old children who would be entitled to free school meals in August 2015.

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**Background Papers:**

- Appendix 1 - 600 hours Outline Proposal March 2014 v3
- Appendix 2 - CYPB - Early Learning and Childcare - 15% 2 year olds - eligibility
- Appendix 3 -The Options for CDWs and teachers handout
- Appendix 4 - Distribution of funds letter - Midlothian Council