

Proposed Increase in Early Learning and Childcare to 600 hours for Looked After 2 Year Old Children and 2 Year Old Children from Workless Households
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.

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 19th 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.

The Scottish Government wants to increase the provision of early learning and childcare to improve outcomes for children, in particular those from disadvantaged backgrounds; to support parents to work, provide economic security for their families and routes out of unemployment and poverty; and, to support parents with the costs of early learning and childcare.

- 2.2** To achieve the above objective Local Authorities are required to offer 600 hours early learning and childcare for looked-after 2-year olds and 2-year olds from “workless households” from August 2014.

The latter group of 2 year old children will be defined as eligible where the parent or carer is in receipt of certain out of work benefits, specifically:

- Income Support
- Job Seekers Allowance (income based)
- Employment Support Allowance (income based)
- Incapacity Benefit or Severe Disablement Allowance
- Pension Credit.

Note that the provision for this group of 2 year olds was only announced in January 2014, leaving very little time to prepare.

Education authorities will not be under a duty to identify those children and families. Parents or carers will be required to self-refer for a place for their child. National information will promote eligibility for those 2 year olds; and, local authorities may promote the entitlement at a local level. This local

promotion and any associated outreach work will provide local authorities with an opportunity to promote or support parents on out of work benefits with work related activity such as job seeking, employability support programmes, training or studying; and, family support such as parenting support, family centre based early learning and childcare, or community childminding.

2.3 Starting and Stopping Dates for Eligibility

Arrangements for commencing and ceasing early learning and childcare in relation to starting school are set out under the Provision of Early Learning and Childcare (Specified Children) (Scotland) Order 2014 as follows:

| Where a child's birthday falls on or between the following dates: | The child will become eligible from the following school term: |
|---|--|
| 1 March – 31 August | August (autumn term) occurring in that year |
| 1 September – 31 December | January (spring term) following their birthday |
| 1 January – last day February | March/ April (summer term) following their birthday |

This will apply to all 2 year olds whose birthday falls on or after 1 March 2014 and have attained the starting point for a 2 year old.

Scottish Government estimate that Midlothian would have 224 children who would be eligible for Early Learning and Childcare (ELCC) but suggest that only 70% would actually access provision: 157 children.

From August 2015 the eligibility criteria will be extended to include 2 year olds who would qualify for free school meals, encompassing around 100 further children.

3 Report Implications

Midlothian 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 source sufficient appropriate placements with partner agencies as, at present, we do not have capacity within our Local Authority Centres.

Provision for 2 year old children requires a different ratio of staff to support children, 1:5, a larger floor space area and additional toilet facilities. To utilise local authority centres in the future, we would need to refurbish and adapt facilities as well as employing additional staffing.

Midlothian has consulted with partnership centres, playgroups, childminders and Surestart to identify potential places for eligible 2 year olds from August 2014.

Consultations have not been taken forward with parents as, until they self-refer, we are unable to identify eligible families. There is no direct agreement with the Department of Work and pensions to share benefit information.

Midlothian will have to organise registration and entitlement checks for eligible families to support the self-referral process.

3.1 Resource

The Scottish Government provided Revenue funding of £15 million for 2014/15 rising to £42 million for 2015/16. The government's estimate of capital costs of implementing the Bill are £61 Million around half of that gathered by COSLA from local authorities. COSLA is in discussion with Government about the quantum of Capital funding with the objective of securing further resources. The proposed distribution methodology for revenue funding from the Scottish Government suggests that Midlothian's funding share would be 1.78%. This allocation would result in a revenue funding share of £267,000 in 2014/15 rising to £747,000 in 2015/16.

3.2 Risk

In order to implement this Statutory Duty, 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 if sufficient spaces are not identified for eligible 2-year olds, Midlothian would be unable to meet its statutory responsibilities, would suffer reputational damage and be subject to litigation.

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 adequate capacity for 2-year old 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 for Community Planning).

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 with potential partners to support the implementation of the 600 hours for looked after 2 year olds and 2 year olds from workless households. We have not consulted with parents as we do not yet have an identified stakeholder group.

3.7 Ensuring Equalities

The 2 year old provision is specifically targeted by the Scottish Government and aims to improve outcomes for vulnerable children and their families and families in receipt of out of work benefits.

3.8 Supporting Sustainable Development

Scottish Government is committed to supporting these proposals.

3.9 IT Issues

Midlothian may have to extend its IT registration system for 3 and 4 year olds to include 2 year old children.

4 Summary

Midlothian has a statutory responsibility to provide 600 hours early learning and childcare 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.

There are a number of challenges by way of people, facilities and finance that must be addressed in order to successfully implement these provisions.

- An estimate of the funding that will be allocated to Midlothian and what that translates to by way of hourly rates per child have been prepared. These are influenced by a number of variables and are being reviewed, and will then be used as a provisional figure for early negotiations with providers until such a time as the final funding is provided by the Scottish Government and arrangements can be finalised.
- Arrangements are being made to carry out the administrative role (receiving applications, checking eligibility etc) centrally within the Council for the first year. This will be reviewed for future years.

5 Recommendations

Council is asked to:

- Note the progress with delivery of the Statutory requirement 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
- Request a further report giving an update on implementation in August.

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Report Contact: Suzanne Thayne

Name Suzanne Thayne Tel No 0131 271 3725

Suzanne.thayne@midlothian.gov.uk

Declaration Box

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Title of Report: **Proposed Increase in Early Learning and
Childcare to 600 hours for 2, 3 and 4 year old
children**

Meeting Presented to: **Council 24 June 2014**

Author of Report: **Suzanne Thayne**

I confirm that I have undertaken the following actions before submitting this report to the Council Secretariat (Check boxes to confirm):-

- ☒ *All resource implications have been addressed. Any financial and HR implications have been approved by the Head of Finance and Integrated Service Support.*
- ☒ *All risk implications have been addressed.*
- ☒ *All other report implications have been addressed.*
- ☒ *My Director has endorsed the report for submission to the Council Secretariat.*

For Council reports, please advise the Council Secretariat if the report has an education interest. This will allow the report to be located on the Council agenda among the items in which the Religious Representatives are entitled to participate.

Likewise, please advise the Council Secretariat if any report for Midlothian Council has an education interest. The Religious Representatives are currently entitled to attend meetings of the Council in a non-voting observer capacity, but with the right to speak (but not vote) on any education matter under consideration, subject always to observing the authority of the Chair.