

**REPORT TO: CHILDREN AND FAMILIES SERVICES COMMITTEE –
25 SEPTEMBER 2017**

**REPORT ON: EXPANSION OF EARLY LEARNING AND CHILDCARE ENTITLEMENT
TO 1140 HOURS**

REPORT BY: EXECUTIVE DIRECTOR OF CHILDREN AND FAMILIES SERVICE

REPORT NO: 311-2017

1.0 PURPOSE OF REPORT

1.1 This report is to provide Committee with background and associated information to inform the planned expansion of Early Learning and Childcare from 600 hours to 1140 hours by 2020.

2.0 RECOMMENDATIONS

- 2.1 The Committee is asked to:-
- i. note the content of the report; and
 - ii. support the further development of a delivery model based on the outline provided within this report.

3.0 FINANCIAL IMPLICATIONS

- 3.1 There are financial implications associated with this report. The Scottish Government has provided both capital and revenue funding for 2017/18 related to the increase to 1140 hours. Future budgets will be agreed based on expansion plans submitted to Scottish Government by 29 September 2017.
- 3.2 The Scottish Government has already confirmed immediate additional financial resources to support the delivery of 1140 hours for 2017-18. DCC has been allocated £ 809,000 capital funding and £556,000 revenue funding for 2017/18. Appendix 2 provides a breakdown of how this funding is being used.

4.0 MAIN TEXT

Background and National Context

- 4.1 The Scottish Government (SG) are committed to increasing entitlement to free early learning and childcare (ELC) to 1140 hours per year for all three and four year olds and eligible two year olds by 2020. This will require estate redesign, workforce expansion and development and close collaboration with funded providers.
- 4.2 Guidance to support this expansion planning was published by the Scottish Government in March 2017 along with a requirement for each Local Authority to submit an expansion plan by 29 September 2017. Given the scale and complexity of the expansion programme, it is recognised that planning assumptions and initial delivery plans will change and develop as each implementation phase is completed and learning from the National ELC 1140 hour trials and tests of change emerges.

- 4.3 The Scottish Government ELC Expansion Programme will offer local authorities support through a multi-disciplinary delivery support team. This team will be deployed across regional hubs areas to offer support and challenge when required to Local Authorities.

LOCAL CONTEXT

Vision for Early Years in Dundee and across Tayside

- 4.4 Dundee City Council (DCC) is committed to working collaboratively with others to put young children and families at the heart of policy making as captured in a number of current plans and programmes including the Local Outcome Improvement Plan, the Tayside Plan for Children, Young People and Families 2017-2020, the Dundee Fairness Commission Action Plan and the Addressing Neglect and Improving Wellbeing Programme.
- 4.5 Across Tayside, our shared vision is that our children will have the best start in life, and Tayside will be the best place to grow up. As part of our collaborative work across Tayside, a shared focussed area is Pre-birth and Early Learning an area where, collectively, the Collaborative can impact positively on the lives and longer-term life chances of Tayside's children.
- 4.6 As plans related to the guiding principles underpinning expansion planning for ELC are developed i.e. quality, flexibility, accessibility and affordability, priorities for collaboration will be identified and detailed in a Tayside delivery plan. These may include shared delivery approaches across the 3 Tayside Local Authorities and with funded providers.
- 4.7 **EXPANSION FROM 600 HRS TO 1140 HRS**

Current Provision of ELC

Currently, 600 hours of free provision of early learning and child care is offered to all 3 and 4 year olds, as well as eligible 2 year olds living within the DCC area and to some children aged 3-5 years from neighbouring authorities as part of an informal reciprocal arrangement. In Dundee, uptake is currently:

- 2,373 three and four year olds in LA provision (70% of eligible children)
- 809 three and four year olds in Partner Providers (24% of eligible children)
- 304 two year olds, all in LA provision [SEEMiS as at 16th June 2017] (73% of eligible children)

- 4.8 The Children and Families Service commitment to delivering a mixed economy of ELC provision will underpin DCC's 1140 hours expansion plan. The Service is well placed to build on the success of delivering 600 hours of high quality, affordable, flexible and accessible early learning and childcare services. There are a total of 51 ELC settings, of these 16% are Stand-Alone Nurseries, 29% are Nursery Classes, 10% are full year Early Years Centres and 45% are Funded Providers. 75% of attending three and four year olds access DCC settings, 25% attend Funded Providers.

These services continue to be responsive to the diverse and changing needs of families and are accessible in terms of eligibility and location, as well as offering

flexible and affordable provision. 100% of places for eligible two year olds are offered in 14 Local Authority Nurseries.

- 4.9 Maintaining and improving high quality will remain a priority for the Service. Recent analysis of external Care Inspectorate reports shows establishments achieving 50-75% Very Good or Excellent grades in Care Inspectorate inspections [15/01/14 to 07/06/16].

4.10 Current Provision of EL&CC for 3 and 4 year olds in Local Authority Provision

Where demand exists, extended morning, lunch and afternoon sessions continue to be offered in Local Authority Stand Alone Nurseries and Early Years Centres and also as of August 2017, all Local Authority nurseries have offered flexible compressed patterns of provision e.g. two full days or two and a half days. Additional places, depending on availability, are also offered to families during term time and holiday periods.

4.11 Current provision of EL&CC for eligible two year olds

Currently all places for eligible two year olds are offered in Local Authority settings. Current uptake of eligible children is estimated to be 73%. In preparation for the expansion of EL&CC to 1140 hrs for eligible children aged 2-5 yrs, DCC is participating in the Scottish Government funded trials to test a variety of delivery models. DCC's small trial involves a blended model of EL&CC for a selected group of two year old children who are on the child protection register or at risk of being placed on the register. The model is based on a split placement between a high quality home based childminding setting and nursery setting. Two childminders were selected following a comprehensive application process and to date sustainability of placements has been variable. Further consideration will be given to the role of childminders in the delivery of 1140 hours, taking account of the results of the national 1140 hours trials with childminders, the new Quality Standard criteria for ELC and the national guidance regarding training pathways for childminders.

4.12 Provision of EL&CC for 3 and 4 year olds in Funded Providers

Ensuring a consistent standard of service provision across the local authority area, irrespective of whether services are provided by the statutory, private or voluntary sectors, is a key priority for DCC. DCC commissions funded providers in the private sector, in order to ensure that all three and four year old children have access to a nursery place. All funded providers operate extended day provision in order to accommodate children's entitlement to 600 hours of ELC. Three further providers have recently expressed interest in becoming a funded provider.

- 4.13 Commissioning arrangements will be reviewed following the Service Model Guidance to be issued by SG by the end March 2018.

4.14 PLANNING FOR 1140 HOURS ELC - DRAFT EXPANSION PLAN

Planning for 1140 hours is being taken forward by a project team. The guiding principles underpinning this planning are:

- **Quality** – the expansion will ensure a high quality experience for all children, which complements other early years' activity to close the attainment gap. Quality of the experience for children during the change period will be facilitated by a skilled and qualified workforce that focuses on leadership, valuing and

developing the existing workforce and creating a high performing additional workforce.

- **Flexibility** – we will listen to families to ensure that the expansion supports them to access work, training or study, and that services are provided to support them as the child’s first educator. Our intension is to offer a core delivery model in each ward as follows:
 - Nursery classes
 - Stand Alone Nurseries
 - Funded Providers
 - Wrap around
 - In some wards, full year Early Years Centres

In addition to the core delivery model, further scoping work is required to explore further commissioning opportunities.

- **Accessibility** – ensuring that ELC capacity is sufficient, is as conveniently geographically located as possible and in fit for purpose settings.
- **Affordability** – the expansion will increase access to affordable ELC which will help to reduce barriers to participating in the labour market.

4.15 As part of our ongoing consultation with parents, a small scale consultation was carried out in June 2017 with families attending Local Authority Nurseries. Families were asked a series of questions to gather initial views regarding the forthcoming expansion and this will be followed by a more comprehensive on line survey and on-going local consultation as the programme develops.

4.16 Responses were provided from 14 Local Authority Nurseries and 218 families were asked for their views. Results have been given here as a percentage of the total number of families who responded to each question.

- 80.7% would choose to take the full entitlement of 1140 hours for 3 and 4 year olds and almost a quarter for 2 year olds and.
- For 2 year olds, 32.1% would use the funded hours over Term Time Only and 61% for 3 or 4 year olds. 15.5% (2 year old) and 31.6% (3 and 4 year old) would use them for Full Year.
- The majority would prefer to take the increased hours at a Local Authority Nursery only – 35.3% 2 year old and 77.5% 3 or 4 year old.

Given the small scale sample, we would expect changes in parental choice once a larger population is consulted and once additional provision is in place. Consultation will be ongoing throughout the expansion process.

4.17 **WORKFORCE**

Analysis shows the current ELC workforce in Dundee is predominately female, with 17% between 18yrs and 29 years, 22.45% between 30 years and 39 years, 31.15% between 40 years and 49 years, 25.54% between 50 years and years and 3.36% 60+ yrs. It also shows a smaller percentage of workforce under 30 years than any other

age group except the over 60 years' group and therefore overall an aging profile. This is largely in line with the Council's workforce profile.

- 4.18 The Scottish Government have completed some initial predictions regarding estimates of the additional workforce required to deliver the expansion to 1140 hours. It is estimated that in Dundee we would require a further 300-450 ELC staff.
- 4.19 10 Modern Apprentices (SVQ3) and 4 Early Years Support Assistants – Apprentices (SVQ 2) have been employed since 2016 to build capacity by growing the existing workforce. We have also established work placements for 8 young people through Future Skills College. Successful students will then be eligible to access qualifications to become an Early Years Support Assistant or Early Years Educator through a Modern Apprenticeship Route. These new training provisions will ultimately support the expansion of both the local authority and funded provider workforce.

4.20 **Infrastructure**

In conjunction with Planning, Asset management and the Children and Family Service, a review of a series of surplus sites, available properties and existing nurseries that have capacity has taken place.

This was to ensure that:-

1. Any of the identified proposals did not conflict with other council plans or initiatives.
2. Deliver of the operational requirements for early years was achievable.
3. Taking cognisance of delivery of the service by 2021/22.
4. An efficient cost model is being developed as the funding route has still to be finalised.

Appendix 1 shows detailed supply and demand analysis.

- 4.21 Work is ongoing to develop models of delivery in each ward. This will be finalised once capital and revenue funding allocations have been confirmed by the Scottish Government along with a full review of the Service Model Guidance in March 2018 to determine the overall balance required in the service model selected. This would be subject to further committee approval once details are in place.

5.0 **POLICY IMPLICATIONS**

- 5.1 This report has been subject to an assessment of any impacts on Equality & Diversity, Fairness & Poverty, Environment and Corporate Risk. A copy of the Impact Assessment is available on the Council's website at www.dundee.gov.uk/ija

6.0 **CONSULTATION**

- 6.1 The Council Management Team have been consulted in the preparation of this report.

7.0 BACKGROUND PAPERS

7.1 None.

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September 2017

Nursery Children 2020

The latest (2014 based) principal population projections from National Records of Scotland for Dundee indicate that in 2020 there will be:

- 1,651 2 year olds
- 3,225 3 and 4 year olds

Eligible 2 year olds

Approximately 27% of two year old children are entitled to free nursery early learning and childcare. As Dundee has higher than average levels of deprivation we expect the proportion of eligible 2 year olds to be higher than 27%. This would give us **446** two year olds requiring a place in 2020.

At present approximately one quarter of 3 and 4 year olds take up their nursery place at funded provider nursery. Currently we do not know what impact increasing from 600 hours to 1140 hours of free Early Learning and Childcare will have on funded providers. As a working fraction we have assumed that Dundee City Council nurseries will continue to need to provide spaces for 75% of three and four year olds. This would give us **2,419** three and four year olds requiring a place in a DCC setting in 2020, with the remaining children accommodated in partner nurseries.

No more detailed population projections are available than those published for Dundee as a whole. In order to estimate the distribution of nursery aged pupils across Dundee wards we have assumed they will follow the same distribution as at present. NB two year olds sum to **447** due to rounding.

Nursery capacities

Table 1 shows the likely shortfall by Ward in nursery places under the Registered Capacities. This indicates there will be a total shortfall of some 1,151 places across all of Dundee for 2, 3 and 4 year olds combined.

Roll estimates are based on 2, 3 and 4 year olds from National Records of Scotland principle Population Projections for 2020 (2014-based). It is assumed:

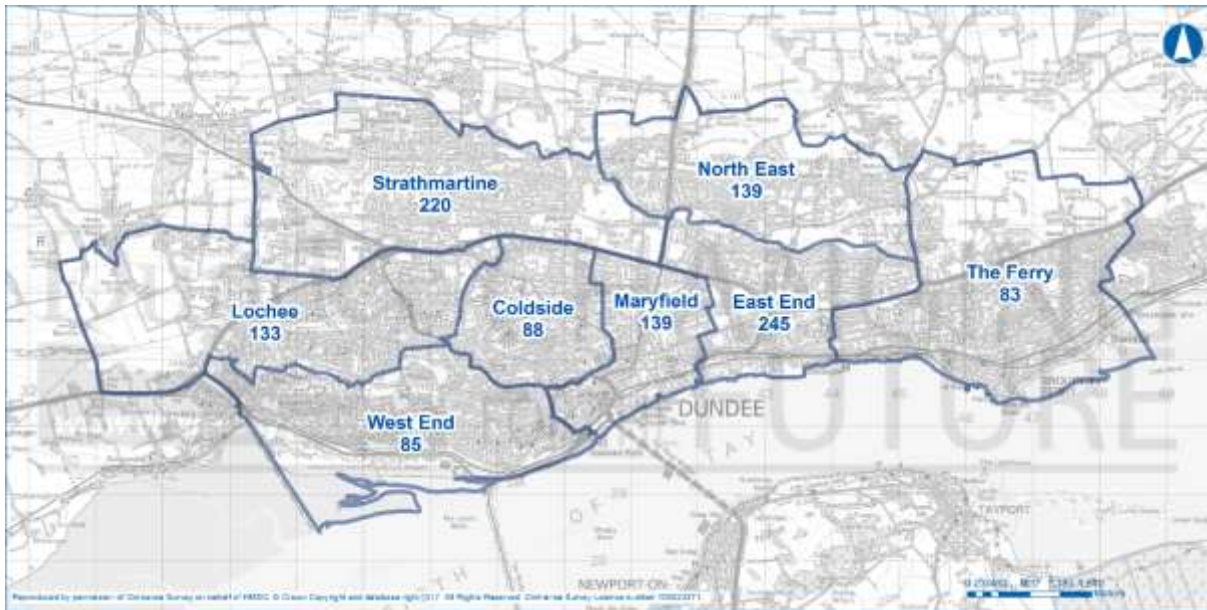
- 27% of two year olds will be eligible
- 75% of three and four year olds will attend Local Authority EYC settings

Table 1: Shortfall under Registered Capacity

| Ward | Registered Capacity | | Estimated 2020 Roll | | Shortfall | | Total Shortfall (2 to 4) |
|-----------|---------------------|----------------------|---------------------|----------------------|-----------------|----------------------|--------------------------|
| | 3 & 4 year olds | Eligible 2 year olds | 3 & 4 year olds | Eligible 2 year olds | 3 & 4 year olds | Eligible 2 year olds | |
| Coldside | 200 | 30 | 262 | 56 | 62 | 26 | 88 |
| East End | 210 | 40 | 397 | 98 | 187 | 58 | 245 |
| Lochee | 260 | 45 | 385 | 78 | 125 | 33 | 158 |
| Maryfield | 110 | 30 | 213 | 60 | 103 | 30 | 133 |

| | | | | | | | |
|---------------|-------|-----|-------|-----|-----|-----|-------|
| North East | 210 | 50 | 329 | 70 | 119 | 20 | 139 |
| Strathmartine | 230 | 50 | 420 | 80 | 190 | 30 | 220 |
| The Ferry | 140 | | 221 | 2 | 81 | 2 | 83 |
| West End | 110 | | 192 | 3 | 82 | 3 | 85 |
| Dundee | 1,470 | 245 | 2,419 | 447 | 949 | 202 | 1,151 |

Map 1: Total Shortfall in EYC places per ward by 2020 under current registered capacity. (See Table 1 above)



Appendix 2**Financial implications for 2017-18****Capital Funding £809k****Project 1 - New Francis Wright Pre-school Centre:**

New build now onsite- adding additional enhanced provision rooms.

Project 2 – Feasibility study for a new Nursery Proposal - East End

Financial year 17-18 - design fees/surveys/utilities.

Project 3 – Feasibility studies for expansion/adaptation projects to increase nursery capacity

Financial year 17-18 -design fees /surveys/utilities.

Revenue Funding £556k

Recruitment and investment in staff to increase the size of the workforce and to build additional staff capacity and skills for the delivery of 1140 hours ELC. This will include:

- Early Years Educators and Early Years Support Assistants to support flexible and accessible models of delivery and increased capacity.
- Leadership and coaching training for Senior Early Years Educators and Early Years Centre Managers to enhance their change management skills.
- Staff training and additional qualifications.

