

EAST RENFREWSHIRE COUNCILEDUCATION COMMITTEETHURSDAY 14 JUNE 2018Report by Director of EducationPROGRESS OF EXPANSION OF EARLY LEARNING AND CHILDCARE**PURPOSE OF THE REPORT**

1. The purpose of this report is to update Education Committee on the progress of the expansion of Early Learning and Childcare entitlement to 1140 hours per year for every 3 and 4 year old and eligible 2 year old children by August 2020.

RECOMMENDATIONS

2. It is recommended that Education Committee:
- i. Notes the progress regarding East Renfrewshire's expansion planning for 1140 hours of free early learning and childcare for August 2020; and,
 - ii. Notes the position on funding allocated and its impact,
 - a) noting that a paper on the 8-year Capital Plan will be taken forward by the Chief Financial Officer which will include consideration of early years;
 - b) the possible implications of receiving less revenue for full implementation (2021/22) of the Council's preferred delivery model; and,
 - c) ask that officers and elected members continue to take steps to lobby the Scottish Government and COSLA to understand the impact of this funding on East Renfrewshire, its children and families.

BACKGROUND

3. The Scottish Government has set a transformational agenda for Early Learning and Childcare by 2020. 'A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland 2017 – 2018 Action Plan' was published in March 2017 and outlines the vision for Early Learning and Childcare (ELC) and the key policy principles.

4. The vision is to almost double the entitlement to free ELC from 600 hours to 1140 hours per year by 2020 for all 3 and 4 year olds and eligible 2 year olds and is underpinned by the key principles of Quality, Flexibility, Accessibility and Affordability.

5. In East Renfrewshire an Early Learning and Childcare Expansion Board has been created under the chair of the Director of Education to take strategic responsibility for the transformational change required to implement the proposed increase to 1140 hours of free ELC by 2020. This officer and partnership group is tasked with addressing the complexities, reducing the associated risks and ensuring the delivery of 1140 hours across the authority. Membership of the ELC Expansion Board is made up of senior officers from Education, Environment, Finance, Human Resources, Legal and Procurement and Corporate and Community Services. Partner Providers, local childminders and Higher Education establishments are also represented.

6. The Board has a reporting line to the Council's Corporate Management Team and there are 4 work streams with specific remits concerning the expansion programme: Quality; Workforce; Expansion Plan and Service Models; Provision and Resources.

7. East Renfrewshire is well placed to respond to this expansion of ELC as work began in 2016 following the launch of East Renfrewshire's Early Learning and Childcare Strategy (2016–2020). The strategy puts quality at the heart of our service delivery and details how we maximise and use available resources in developing a service which is accessible and flexible for parents.

8. Scottish Government planning guidance required local authorities to submit their Implementation Plans to them by 29 September 2017. The expansion plans produced by local authorities were to:

- Assist local authorities to ensure that quality, flexibility, accessibility and affordability remain at the heart of the service;
- Support the development of a national implementation framework, including financial estimates and commitments;
- Inform future spending reviews and discussions on funding allocations; and,
- Inform monitoring and evaluation of the expansion programme.

9. Elected members will recall that at the September 2017 Education Committee they approved the Education Department's submission to the Scottish Government.

10. This committee report now summarises progress since that period and proposed plans now that funding allocations have been distributed to councils.

REPORT

Quality

11. Membership of the Quality Workstream is made up of officers from Education, School Staff, HSCP, Further and Higher Education partners, partner providers, local childminders and an early years project manager.

12. A Quality Action Plan has been developed by the group identifying 4 key aims:

- All children will have a high quality early learning and childcare experience;
- All early learning and childcare services are delivering a quality service which is enhancing the opportunities for children and their families;
- Strong partnerships with parents / carers increase family engagement in children's development and learning;
- Children's needs are identified through robust assessment and targeted support has a positive impact on children's learning and development.

13. Feedback from the Scottish Government on our Quality Action Plan has been extremely positive and resulted in officers being asked to present at a National Conference on 22 May 2018 on how East Renfrewshire has placed quality at the heart of their expansion activity.

14. An annual East Renfrewshire Early Years Conference has been introduced addressing quality themes identified as key for 1140 expansion. 300 delegates comprising East Renfrewshire Council ELC practitioners and wider Glasgow City Region Education Improvement Collaborative (West Partnership) partners attended the inaugural Playful Pedagogy conference in October 2017. The October 2018 conference will focus on the quality of "Transitions" in Early Years.

15. The appointment of an Early Years Development Officer (EYDO) has been made to ensure that there is a consistent level of quality across all providers of ELC in the Council area. The post holder's main role is to support and challenge our current partner providers and reach out and develop further partnerships, mainly with the childminding community. The impact of this has been instant with all our partner providers receiving inspection evaluations from Care Inspectorate of good and above.

16. A digital tracking tool for Early Learning and Childcare establishments has been developed which allows centres and the Department to gather data on progress and development, target appropriate interventions and support children's transition through their early level learning journey. Three establishments are in the process of trialing this online resource with a view to rolling out across all ELC settings during session 2018 – 2019.

17. This online tool was developed in recognition that children and families may access their 1140 hours in a range of settings (blended approach) and as such we are able to ensure that children's pace of learning and progress is appropriate.

18. A network of officers within the West Partnership is collaborating to support the introduction of 1140 hours. Themes being explored include:

- Building Leadership Capacity
- Environments
- Workforce
- Curriculum, Learning and Teaching

Workforce

19. The Workforce Workstream membership comes from officers from Education, Human Resources, Finance, Further Education, HSCP, Skills Development Scotland, Trade Unions, Partner Providers, Adult Learning, Childminders and an early years project officer.

20. A Workforce Action Plan has been developed with 3 key aims:

- To staff establishments to meet parental demands for 1140 hours;
- To ensure workforce in Early Learning and Childcare centres and Partnership Providers have appropriate skills, attributes, disposition and knowledge to provide a quality learning experience;
- Continue to ensure appropriate levels of staffing to deliver the entitlement outlined by the Children and Young People (Scotland) Act 2014.

21. A key strategy of the workstream is to "grow our own" workforce within East Renfrewshire Council, and a number of initiatives with this end goal are underway.

22. All eighteen members of staff from the Education Department have successfully completed the HNC in Childhood Practice with West College in April 2018. To date, 5 of these members of staff have secured Child Development Officer Posts within East Renfrewshire Council. A second cohort of 18 members of Education Department staff started the course in April 2018 and is due to graduate in May 2019. Additional measures including extended placement opportunities, an internal recruitment policy, and interview skills sessions have been put in place to maximise the opportunities for these staff to secure posts. Further cohorts and the continued offer across the wider Council will continue as we move towards 2020.

23. Sixteen senior pupils will complete Vocational Playwork and 12 Vocational Early Years modules in June 2018. A cohort of 13 will complete a Foundation Apprenticeship in Children and Young People in June 2019. These pupils will be encouraged to progress to a Modern Apprenticeship in Early Years & Childcare.

24. Four young people will complete a Modern Apprenticeship in Early Years & Childcare in August 2018. A total of 13 Modern Apprenticeships have been advertised with a planned August 2018 start date. This includes the introduction of Adult Apprenticeships, targeting an older population of East Renfrewshire residents.

25. An Early Years' Ambassador Programme has been developed to help change perceptions and encourage young people into Early Years employment. Seven ambassadors, corresponding to East Renfrewshire Council's high schools, have been identified.

26. As part of the strategy to support residents who are not currently training / employment ready, longer term routes into accessing employment in early years are being established by East Renfrewshire Council's Adult Learning Team, with a SQA Nat 4 Play in Early Years and Childcare unit being delivered by West College in Carlibar Adult Learning Centre from April 2018 to June 2018. Cohort 1 has 13 adult learners.

27. The recently appointed Early Years Development Officer has begun to engage with the childminding community. An engagement event took place in November 2017, where East Renfrewshire Council's expansion plan was shared and a question and answer session was provided.

28. The aspiration of a graduate workforce (100% qualified staff) in early years continues to make significant progress in East Renfrewshire with the number of staff working in an early years setting holding, or working towards a degree level qualification currently being 46, or 32% compared to a national average of 19%. Staff are continually supported to undertake the BA Childhood Practice qualification or the equivalent PDA Plus Childhood Practice Level 9 award. At present 8 unpromoted members of staff in both our local authority and partner provider establishments are undertaking a degree level qualification, with 6 members being financially supported by the Department.

29. Under the preferred delivery model it is estimated we will need the following additional staff for August 2020:

- 133 Child development officers (CDOs)
- 23 Early years support workers
- 1 Senior CDO
- 5 Teachers
- 3 Principal Teachers
- 1 Head Teacher
- 8 Modern Apprentices
- 1 Quality Improvement Officer
- 1 Early years development officer
- 12 Business support assistants
- 4 Family liaison officers

30. Additional staff will be required beyond 2020 to meet the needs of the expanded estate as described later in paragraph 50, which helps address population growth whilst also continuing to operate the preferred delivery model. This will be highlighted as a cost pressure at the appropriate time through the Council's normal revenue budget process.

Expansion Plan and Service Models

31. East Renfrewshire Council early years provision is organised into 4 communities and as such our expansion plans to increase provision from 600 hours to 1140 hours are focused around each of these communities. The communities are as follows:

- Barrhead/ Neilston / Uplawmoor
- Busby/ Clarkston/ Eaglesham
- Giffnock/ Thornliebank
- Newton Mearns

32. The Department plans to introduce 1140 hours free early learning and childcare incrementally on a year-by-year basis in line with the expectations of the Scottish Government and by the deadline of 2020.

33. The plan is based on degrees of flexibility and choice being available so that parents can choose:

- | | | | |
|----|--------------------------------|---|---|
| a. | Core Provision | - | 5 sessions of 6 hours per week
(school days over the school year) |
| b. | Extended Day Provision | - | 3 sessions of 10 hours per week
(longer days over the school year) |
| c. | Stretched Provision A | - | 5 sessions of 4 hours 45 minutes per week
(half days over a longer year) |
| | Stretched Provision B
hours | - | 2 sessions of 9 ½ hours and 1 session of 4
45 minutes per week (mix of full days and
half days over a longer year) |
| d. | Blended Provision | - | 15 hours in LA Establishment and 15 hours
with another provider working in partnership
per week. |
| e. | Funded Provider | - | 1140 hours per year fully funded provision with
a private, voluntary and independent
provider including childminders. |

34. It is proposed that from August 2020 nursery classes will offer options a, b and d, with family centres offering c and d, depending on available resources.

35. To offer some flexibility and accessibility in a cost effective way, and recognising the importance of locality and neighbourhoods, it is proposed that early learning and childcare provision and allocation continues to be considered within communities, with family centres at the heart of each community offering the greatest flexibility and choice.

36. The Education Department is keen to begin to introduce 1140 hours prior to August 2020 and as such has planned a phased approach to introducing the increased entitlement.

37. By changing the models of delivery it is possible to offer the 1140 hours of early learning and childcare over both term time and the calendar year and offer some families access to 1140 hours ahead of 2020. It is also possible to offer models of delivery which utilise occupancy that providers have whilst still providing parents with a limited level of flexibility and choice.

38. It is important that there are clear criteria available to assess applications and ensure that available places for the early introduction of 1140 hours are allocated in an equitable and transparent way.

39. The following banding system, as approved by Education Committee in May 2018, will be used to identify children who are eligible to benefit from the phasing of 1140 hours from August 2018:

Table 1

Band	Criteria
A	Child protection, Prevention, Looked After and Additional Support Needs
B	<p>Children residing in areas of deprivation as described by the Scottish Index of Multiple Deprivation (SIMD) deciles 1 & 2.</p> <p>Children from households who are in receipt of the following benefits:</p> <ul style="list-style-type: none"> • Income Support • Jobseeker's Allowance • Employment and Support Allowance • Incapacity benefit or Severe Disablement Allowance • Pension Credit • Child Tax Credit but not Working Tax Credit and household income is less than £16,105* • Maximum Child Tax Credit and maximum Working Tax Credit and household income is below £6,420* <p><i>*The income thresholds for Child Tax Credit and Working Tax Credit can vary annually</i></p>
C	Children for whom English is an Additional Language.
D	Children whose parents are returning to training or work.

40. The banding will be applied in the order shown above. If for any category the number of requests exceeds the number of places available, the next succeeding criteria will be used to prioritise these requests and so on until all priority criteria have been exhausted. If, after this process, two or more requests cannot be distinguished as having priority, then a ballot will be held to allocate the places available. This ballot will be organised and overseen by a senior education officer.

41. As well as providing some children and families with increased free early learning and childcare, the phasing of 1140 hours will enable us to test our delivery and staffing models, introduce hot lunch provision and build on our findings moving forward.

Provision and Resources

42. The Provision and Resources Workstream membership comes from officers from Education, Property and Technical Services, Parks, Roads, Planning and Legal Services. Colleagues from East Renfrewshire Culture and Leisure Trust were also co-opted during developments.

43. Comprising membership from above, an internal ELC Infrastructure Working Group has informed the provision planning associated with the expansion of early learning and childcare places. Working with consultants this has included an extensive infrastructure scoping exercise and feasibility appraisal as part of wider asset management. Members will recall that this work informed the September 2017 Education Committee report.

44. At the end of January 2018 all local authorities were asked to reconsider their initial submissions taking account of revised guidance and information provided by the Scottish Government and to submit updated requirements in March 2018. This included the completion of detailed financial templates for revenue expenditure and capital investment needs which included a review of the new provision. Officers from Education and Property and Technical Services established a regular ELC Infrastructure Project Team with external consultants who assisted reworking new infrastructure (capital) costings.

45. Councils have now received their allocations following the Scottish Government and COSLA Leaders reaching agreement on multi-year revenue and capital funding package. The Scottish Government note that the agreement is based upon refreshed finance templates submitted by local authorities in March 2018, as reviewed by the national ELC Finance Working Group and subject to adjustments agreed by Scottish Ministers and COSLA Leaders.

46. East Renfrewshire has been awarded a total of £12,270,000 for capital over the period 2017/18 to 2020/21. Capital has been awarded to establish additional new ELC places for the 2020 deadline. The Scottish Government advises that allocations have been based on the total local government estimate, as reflected in March 2018, less an adjustment following the application of agreed capital funding principles to proposed new build projects (comprising standard area, cost reference rates and land purchase).

47. Annual recurring revenue funding of £6,862,000 from 2021/22 has been awarded to East Renfrewshire as well as annual allocations covering the period 2018/19 to 2020/21 to support the phased introduction of 1140 hours of early learning and childcare in some centres and the development/expansion of the workforce. This falls short of our financial template, which identified £7,916,954 as the revenue costs for full implementation of the models set out above.

48. East Renfrewshire's ELC Expansion Implementation Plan as approved by Education Committee in September 2017 recorded a phased approach to the expansion. This is to ensure the Council meets its duties to offer 1140 hours of free ELC to parents by 2020, whilst working to increase provision beyond that date to meet the needs of a growing resident population and the need to maintain flexibility and choice for families.

49. Council approved an 8-year Capital Plan on 1 March 2018. This included investment of £22.8 million over the period 2018/19 to 2020/21 for ELC expansion to 1140 hours. This was based on information available then, given the revised March 2018 local authority submissions and the subsequent agreement on funding allocations was not known. At that time funding from the Scottish Government was prudently assumed at £7.2 million. Council agreed to revise the Capital Plan during the year once the actual level of Scottish Government funding was known. The Chief Financial Officer is taking this forward through Cabinet for elected members' consideration.

50. Whilst acknowledging the above, combined early years resources in the Capital Plan would enable the Council to undertake the following new build/extended provision:

Barrhead/ Neilston/ Uplawmoor

- Cross Arthurlie PS Nursery Class (new extension, circa 60 places)

Busby/ Clarkston/ Eaglesham

- Carolside PS Nursery Class (minor extension, circa 14 places)
- Busby PS Nursery Class (new build replacement, circa 130 places)
- Eaglesham PS Nursery Class (new build replacement, circa 130 places)
- Overlee Pavilion Family Centre (new build, circa 130 places)

Giffnock/ Thornliebank

- Braidbar PS Nursery Class (minor extension, circa 10 places)
- Glenwood Family Centre (new build replacement, circa 180 places)

Newton Mearns

- St Cadoc's PS Nursery Class (remodel space, circa 60 places)
- Maidenhill PS Nursery Class (new build, circa 120 places)
- Crookfur Pavilion Family Centre (new build, circa 130 places)

51. Outdoor learning and play is a feature of quality early learning and childcare and where possible we are planning to extend existing and provide new settings by improving the use of suitable outdoor areas. This is included within the above.

52. Early learning and childcare settings provide children with an important opportunity for maximising healthy eating and establishing healthy eating habits in the earliest years. The Provision and Resources workstream has considered the operational impact to provide each child with a free meal during their session recognising new and existing facilities and different delivery models of family centres and nursery classes. The costs of which have been captured within the March 2018 submission in terms of capital and revenue.

53. The ELC Infrastructure Working Group continues to meet to consider the projects' developments. As part of the design development subgroups have formed to progress more detailed work such as traffic management. The ELC Infrastructure Project Team is progressing the projects towards procurement and planning application stages as far as possible pending full capital funding confirmation. At regular intervals this group joins with members of the wider ELC Infrastructure Working Group. This provides an overview and progress towards delivery.

54. The Council, with the above new facilities and increased support of Partner Providers including childminders, would have sufficient physical places to meet its preferred ELC delivery model by 2020 as described in September 2017 and as restated in paragraphs 33 to 35. Revenue expenditure to staff and operate the ELC settings is a different matter, the implications of which are considered below.

Possible Impact of Revenue Allocation

56. The full year of revenue expenditure to implement 1140 hours of free ELC by August 2020 is financial year 2021/22. In its March 2018 submission the authority noted that an additional £7,916,954 (unadjusted for inflation as per Scottish Government guidance) would be required to implement its planned delivery model. As stated in paragraph 47, £6,862,000 has been awarded to East Renfrewshire. Adjusting £7,916,954 for inflation to compare on a like-for-like basis shows that East Renfrewshire is short of £1,587,573 revenue for full implementation (financial year 2021/22).

57. The Scottish Government revenue allocations have been calculated on the total local government estimate, as reflected in March 2018 finance templates, uprated for inflation, but adjusted to assume all local authority population projections follow the National Registrar of Scotland 2014 base and take account of underlying assumptions made by them on uptake and unit cost. The funding package was agreed as noted in paragraph 45.

58. The Scottish Government provided some unit cost figures for comparison as part of the financial template exercise. East Renfrewshire undertook its own costing to assure itself that any provided figures were suitable. This resulted in the Council using unit cost figures in line with 'national assumptions' where they were provided.

59. However the population and uptake of childcare assumptions made above are not reflective of the position experienced in East Renfrewshire. The authority estimated higher levels of population growth for the year 2021/22 based on its local information; and a higher proportion of children taking up the free entitlement. The guidance and templates allowed for councils to input their own data in this regard for consideration by Scottish Government as part of the whole submission. Population and % uptake are key factors used in the modelling. It is of concern that despite initially seeking to reflect local circumstances, in the end the 'national assumptions' were used for these factors as part of agreeing allocations resulting in lower funding for East Renfrewshire.

60. In the Scottish Government letter with the funding allocations, it is stated that revenue will in future be subject to an annual review to provide assurance to them and COSLA Leaders that the funding package reflects the costs of delivery and uptake, taking account of both total population and 2 year-old uptake. It is hoped that this review will take account of the current shortfall in revenue resources for East Renfrewshire.

61. There are other councils with rising populations who also wish to ensure that this is properly reflected in their revenue allocations to meet their ELC expansion needs. Officers from East Renfrewshire have had some early discussion with these councils.

62. The following options are offered to show the impact of East Renfrewshire not receiving the full revenue funding, i.e. what would the delivery model be with a reduction of some £1.6 million annual expenditure.

63. The main revenue expenditure is associated with staffing and so changes in the Council's delivery model would need to either reduce the offering of flexibility and choice for families by using fewer staff and/or use less qualified staff that would impact on the overall quality of experiences that children have compared to those at present.

64. It is worth noting that East Renfrewshire's preferred delivery model seeks to maximise the number of sessions available for children to attend from the physical places at each ELC setting, whilst offering a level of flexibility and choice for families.

65. The table below (Table 2) summarises feasible options to help meet the impact of reduced revenue where there are differences from the Council's planned delivery model as noted in paragraphs 33 to 35. Other options were considered but discounted because they were actually more expensive when ensuring that the Council was still able to provide the requisite number of ELC places.

Table 2

Options		Monetary Impact (£'000)
(a)	Existing Nursery Classes provide only Core Hours i.e. approx. 9am to 3pm for 5 sessions a week during term time. (To meet needs an additional 50 places required from Partner Providers/ Childminders.)	835
(b)	Adjust 3 family centres (those without 2 year old places, i.e. Glenwood, Hazeldene and new Crookfur Pavilion) to operate only over the school year as nursery class model (Core: 5 sessions of 6 hours per week and Extended Day: 3 sessions of 10 hours per week i.e. longer days).	260
(c)	Existing Nursery Classes provide only Core Hours i.e. approx. 9am to 3pm for 5 sessions a week during term time. Adjust 3 family centres (those without 2 year old places, i.e. Glenwood, Hazeldene and new Crookfur Pavilion) to operate only over the school year but offer mix of Stretched A and Stretched B i.e. 5 sessions of 4 hours 45 minutes per week (half days) and 2 sessions of 9 ½ hours and 1 session of 4 hours 45 minutes per week (mix of full days and half days). (To meet needs an additional 150 places required from Partner Providers/ Childminders.)	338
(d)	Replace 40% of Child Development Officers with Early Years Support Workers (60% is minimum level of qualified staff permitted)	724
(e)	Remove family liaison officer post from each ELC community area	141
(f)	Redesign senior management within ELC	108
(g)	Remove additional modern apprentices	91
(h)	Replace some teachers with CDOs (larger ELC settings)	125

66. It is noted that a combination of the options above is required to meet the total shortfall of £1.6 million. The monetary impacts for some combinations of the above are not mutually exclusive. For example if (a) and (d) were both selected then the total monetary impact is not £1.559 million (£835,000 + £724,000) but £1.441 million.

67. The following table (*Table 3*) provides possible scenarios that could meet all (£1.6m), or part of the funding gap.

Table 3

Scenario	Options Included	Monetary Impact (£'000)	Balance Outstanding (£'000)
(1)	(a), (d) and (e)	1,582	-
(2)	(c) to (h) inclusive	1,398	202
(3)	(d) to (g) inclusive	1,064	536
(4)	(a) only	835	765
(5)	(d) only	724	876
(6)	(e) to (h) inclusive	465	1,135
(7)	Operate preferred delivery model in full	-	1,600

68. In all the scenarios to meet the total funding gap except numbers (4) and (7), there is an impact on quality. Evidence shows that the single most important factor on the quality of a child's ELC experience is highly qualified and skilled workforce with the right skills, attitudes and expertise. The Education Department recognises this and currently all children receive high quality early learning and childcare from a fully qualified workforce of child development officers and teachers. Without the required revenue under (d) in *Table 2* above it would become necessary to reduce the quality of this workforce to the minimum qualified staffing level by replacing Grade 7 Child Development Officers with Grade 4 Early Years Support Workers, i.e. reducing from current 100% to 60% of qualified staff.
69. Child Development Officers hold a minimum qualification at SVQ level 3, or equivalent. In contrast, support workers are only required to train to SVQ level 2 which gives a grounding in playwork without the more detailed knowledge of child development and pedagogy which is essential to high quality provision. The challenges of securing the required number of staff may also mean that a proportion will be in employment whilst they are working towards a qualification as registration with SSSC allows staff five years to achieve the appropriate qualification for their role. In order to safeguard high quality ELC provision for our residents it will be necessary to secure funds to enable the investment in a highly skilled and qualified workforce.
70. In addition to affecting quality, flexibility and choice for families is more limited under scenarios numbered (1), (2) and (4).
71. Should East Renfrewshire not manage to get additional revenue as part of the annual review outlined in paragraph 60, then the last column in *Table 3* above would be the required level of funding that the Council would need to address to deliver 1140 hours of free ELC from August 2020 under each scenario.
72. Beyond establishing expanded early years provision for August 2020, the availability of and demand for ELC places throughout the authority will continue to be subject of regular monitoring and review. This will take into account future local planning processes and resultant new housing land supplies, other demographic changes and

relevant modifications to the educational estate as a consequence of local/national educational policy. The Children and Young People (Scotland) Act 2014 requires local authorities to consult on early learning and childcare every 2 years. This will include seeking to address the changing needs of families with regards flexibility and choice and changes in provider status, reflecting available resources. Any future changes to the educational estate would be subject of future committee/Council reports and any necessary consultation.

FINANCE AND EFFICIENCY IMPLICATIONS

73. As noted above, the Scottish Government and COSLA Leaders have reached agreement on multi-year revenue and capital allocations. East Renfrewshire has been awarded a total of £12,270,000 for capital over the period 2017/18 to 2020/21. Annual recurring revenue funding of £6,862,000 from 2021/22 has also now been notified as well as annual allocations covering the period 2018/19 - 2020/21 to support the phased introduction of 1140 hours of early learning and childcare in some centres and the development/expansion of the workforce.
74. With the resources as outlined in the Capital Plan approved by Council in March 2018 it is possible to meet the demand for places over the period to 2021. Paragraph 49 records that the Council agreed to revise the Capital Plan during the year once the actual level of Scottish Government funding was known. This is subject of a separate paper to Cabinet by the Chief Financial Officer for elected members' consideration.
75. There is a shortfall of £1.6 million in the revenue funding received for full implementation (2021/22) of the Council's preferred delivery model.
76. The Scottish Government has stated that revenue will in future be subject to an annual review to look at the funding package compared to the costs of delivery and uptake, taking account of both total population and 2 year-old uptake. It is hoped that this review will take account of the current shortfall in revenue resources for East Renfrewshire.
77. Options are offered to show the impact of not receiving the full revenue funding, with paragraphs 65 to 71 above outlining possible scenarios for members' consideration recognising that to date funding is lower than required.
78. Further details of the implications of the funding awarded compared to needs are described in the section above on Provision and Resources.
79. The Scottish Government has opened applications to their Inclusion Fund. All ELC settings can apply for a share of the £0.5 million. This money is to support children with additional support needs accessing ELC entitlement. Applications will be received from individual settings, including partner providers.
80. It is anticipated that the increased provision of 1140 hours in some of our establishments will impact on availability of wraparound provision; consequently wraparound income for the Department may be reduced.

CONCLUSION

- 81. At the heart of East Renfrewshire ELC expansion activity is quality, which has been recognised locally and nationally. Our expansion plan is founded on the key national principles of quality, flexibility, accessibility and affordability.
- 82. Good progress has been made to advance the Council's ELC expansion programme across its four work streams: Quality; Workforce; Expansion Plan and Service Models; Provision and Resources.
- 83. There is early implementation to provide 1140 hours of free ELC for children of certain families most in need from August 2018 as the wider expansion is developing towards the August 2020 deadline. Criteria and a banding system have been developed to identify children who are eligible to benefit so that places are allocated in an equitable and transparent way. This is described in paragraphs 36 to 40.
- 84. Following submission to the Scottish Government of each council's expansion plan for 1140 hours of free ELC in September 2017 and associated financial templates submitted in March 2018, all local authorities have received details of their allocated funding for capital over the period to 2020/21 and revenue over the period to 2021/22.
- 85. For East Renfrewshire there is a revenue funding shortfall for 2021/22 of £1.6 million to take forward the Council's preferred delivery model; otherwise there would be an impact on quality, flexibility and choice for families.
- 86. Depending on the ultimate level of funding actually made available, East Renfrewshire may still be able to implement its preferred delivery model to expand 1140 hours of free ELC by 2020.

RECOMMENDATIONS

- 87. It is recommended that Education Committee:
 - i. Notes the progress regarding East Renfrewshire's expansion planning for 1140 hours of free early learning and childcare for August 2020; and,
 - ii. Notes the position on funding allocated and its impact,
 - a) noting that a paper on the 8-year Capital Plan will be taken forward by the Chief Financial Officer which will include consideration of early years;
 - b) the possible implications of receiving less revenue for full implementation (2021/22) of the Council's preferred delivery model; and,
 - c) ask that officers and elected members continue to take steps to lobby the Scottish Government and COSLA to understand the impact of this funding on East Renfrewshire, its children and families.

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Local Government Access to information Act 1985

Background Papers:

1. East Renfrewshire Education Department, Early Learning and Childcare Strategy (2016-2020), Education Committee, 31 March 2016
2. [A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland 2017 – 2018 Action Plan. \(March 2017\)](#)
3. East Renfrewshire Education Department, Early Learning and Childcare Expansion Plan, Education Committee, 28 September 2017