

Agenda Item	10.
Report No	EDU/19/21

HIGHLAND COUNCIL

Committee: Education

Date: 2 September 2021

Report Title: **Early Learning and Childcare (ELC) Update**

Report By: Executive Chief Officer - Education and Learning

1. Purpose/Executive Summary

- 1.1 Recent Committee meetings have received and discussed updates regarding the ongoing rollout of 1140 hours of funded Early Learning and Childcare (ELC) provision in Highland. As the last report to May Committee highlighted, Highland has made good and sustained progress over the last year towards full delivery of 1140 in August 2021. This report can confirm that effective from the start of the new academic year, delivery of 1140 has now been achieved in every setting in Highland.
- 1.2 This report confirms that the final 19 settings due to deliver 1140 hours from August 2021, are now doing so.
- 1.3 Some interim or contingency arrangements are in place until completion of capital works. The report provides Members with the current position and expected timeline for completion of capital works.
- 1.4 The Highland Council has received the funding from the Scottish Government to administer the Scottish Milk and Healthy Snack Scheme (SMHSS) to all ELC settings in Highland, registered with the scheme.
- 1.5 This report provides a further update on other developments in relation to ELC, locally and Nationally, including the progress in relation to ELC funding for PVI partners and meals provision, a further report will be brought to the November Education Committee.
- 1.6 The expansion of Early Years provision has the aim of providing more children access to ELC for longer time periods as well as improving the quality of all provision in Highland. During the summer term of 2021 the Early Years team facilitated eight consultation sessions with almost 300 participants to start to develop a Highland Vision for Early Years. The lively and creative workshops resulted in the voices from Families, Practitioners and Partners, along with the views of children all being heard and represented. A large amount of data was generated and now a small team is undertaking thematic analysis to produce a draft vision which is rich enough to catch the key content but also concise enough to be useful. The next step is to test the draft vision statements during the first term of 2021-22 with Families, Practitioners and Partners, to ensure we have a Vision that is fit for purpose. This will drive improvement forward for Early Years

in Highland and ensure everyone is working together with a shared understanding and similar approach to meet local and national expectations.

2. Recommendations

2.1 Members are asked to note:-

- i. the updated position regarding ELC and provision of 1140 hours;
- ii. the current status of ELC capital projects and work being taken forward to progress project delivery;
- iii. the positive work and engagement taken forward to develop a Highland Vision for Early Years;
- iv. the updates provided regarding the Scottish Milk and Healthy Snack Scheme (SMHSS);
- v. other local and national developments including the Vision set out for ELC;
- vi. the work being taken forward in relation to the review of the rate of payment for PVI ELC partners, and further report and recommendations to come back to the November Committee; and
- vii. the expectation from PVI ELC partners, and assurances given to them, that any changes made to rates of payment in the current year will be backdated effective to the start of the August 2021 term.

3. Implications

3.1 The Scottish Government is reviewing funding and allocation arrangements for ELC funding into future years, and the impact of this will need considered as far as it impacts on both Service and Council funding. This is not expected to impact in the current 2021/22 financial year. Further detail of Scottish Government commitments to taking legislation through Parliament related to out of school care will also need careful consideration, including financial impact and understanding of Scottish Government funding intentions.

3.2 Any additional costs arising related to partner sustainable funding would be additional and unbudgeted costs. This will be considered as part of detailed reporting to the November Committee.

3.3 There are some one-off costs arising from ELC 1140 contingencies, such as rent of additional buildings or rooms which is being met within the current year budget. Due to Covid-19 delays and the phasing profile of 1140 rollout there remains a short-term underspend in the current year.

3.4 **Legal:** the Scottish Government and local authorities have now committed to the delivery of 1140 hours of funded ELC from August 2021. The Highland Council is now meeting that requirement.

3.5 **Community (Equality, Poverty and Rural):** the full delivery of 1140 hours will provide further support to families and to partners and would be expected to have a positive economic impact as a result.

3.6 **Climate Change / Carbon Clever:** implications associated with capital projects will be considered as part of regular capital project management arrangements.

3.7 **Risk**

3.7.1 There remain risks to the timescales for ongoing delivery of capital projects, at risk of any additional negative impact arising from Covid-19 and further lockdown or restrictions. There may be an impact on ELC provision, due to contingency and interim arrangements. Although all settings are now delivering 1140 hours, there may be an impact on delivery model or flexibility and choice whilst in the contingency or interim period. In all cases any changes are discussed and agreed with the Head Teacher / Manager of the service and will require Care Inspectorate agreement.

3.7.2 There are also risks in relation to ELC partner expectations relating to the sustainable rate review, and expectations of both interim uplifts being agreed to rates, while also uplifts on a recurring and ongoing basis in relation to their sustainability. That work will be informed by the review work underway, with partner engagement in that process, and reports back to the November Committee.

3.8 **Gaelic:** ELC settings include GME provision, and the update provided in this paper includes GME settings. One GM service in Glenurquhart is delayed due to ecology report findings (roosting bats) which the Council must comply with. However children are able to access 1140 in the meantime at the partner settings in the locality and the Council can and is therefore meeting 1140 delivery requirements.

4. **Background**

4.1 Previous reports to Committee have provided Members with updates on the ELC expansion programme, and most recently the work undertaken to further rollout 1140 hours during the current financial year. Plans to roll out further will be dependent on Covid-19 restrictions and impacts.

4.2 All ELC settings in Highland are now operating 1140 hours.

4.3 There remain 2 projects still to deliver in terms of capital works, however interim or contingency arrangements are in place at these sites to ensure delivery of 1140. In a very small number of settings, some additional time for staff to move in and setup has been required at the start of the August term, with the Council seeking Scottish Government permission for a school closure day to facilitate the move in.

4.4 Any interim arrangement or contingency plan for 1140 hours provision is developed with a focus on the needs of the child and parents to ensure an ability to deliver 1140.

5 **Return to Early learning and Childcare (ELC) at Protection Level 0**

5.1 The Scottish Government has published revised Covid protection level guidance for ELC services, which amends mitigations dependent on protection level.

5.2 The update highlights the mitigations which can be eased as settings move down through the levels. The key changes are to:

- cohort size
- blended placements
- visits to the setting by specialist staff
- use of peripatetic staff

6. Capital Works

- 6.1 **Appendix 1** sets out the updated position regarding capital works. Continuous work is ongoing to ensure delivery and work on site is expedited.
- 6.2 Even if there are no further Covid related restrictions, there is a delay around supply chain and construction sector capacity and costs due to external factors.

7. Delivering 1140, Interim Arrangements and Contingency Plans

- 7.1 All settings are delivering 1140, around 10 settings have contingency or interim arrangements in place to meet the 1140 commitment.
- 7.2 **Appendix 1** also provides a description, per setting, of the current interim or contingency options.
- 7.3 The ongoing support from Head Teachers, Partners in settings and commissioned childminders, is much appreciated in being flexible and creative in finding solutions.

8. National Developments

- 8.1 The Scottish Government and local authorities have now committed to the delivery of 1140 hours of funded ELC from August 2021. The Highland Council is meeting that requirement.

8.2 Funding Follows the Child

Ensures that the funded ELC entitlement is delivered in high quality settings. It is underpinned by a National Standard that all settings – regardless of whether they are in the public, private, third or childminding sectors – that wish to deliver ELC at the National Standard. Due to the continuing impact of the pandemic, and the need for some flexibility, Interim Guidance on the Implementation of Funding Follows the Child from August 2021 is currently in place and being implemented in Highland.

8.3 Scottish Milk and Healthy Snack Scheme

- 8.3.1 The Highland Council has received funding from the Scottish Government to provide all pre-school children, toddlers and babies attending eligible settings for 2 hours or more per day, with 1/3 pint milk or a specified alternative and a healthy snack of a portion of fruit or vegetables. Partners who registered, have been funded to end March 2022 in this regard.
- 8.3.2 Cool Milk, the previous ELC milk suppliers, pulled out of Scotland late July and an interim process has been put in place for Local Authority settings to be reimbursed for their purchase of milk and snack.

9. Local Developments

9.1 ELC Vision

The ELC team have been working with partners, staff, parents, children and other stakeholders, to gather views, and these are being collated and cross-referenced to local and national guidance. This will link to the Education Service plan and following Draft production, will be consulted on further with children, families and staff for adoption.

10 Engagement and Local Updates

- 10.1 A significant consultation with parents was undertaken in the summer term regarding their individual requirements for ELC. In general, Highland is meeting the expectations and needs of parents. The data gathered will be used in forward planning operating models and developments for services.
- 10.2 There continues to be some limited demand for school age childcare in remote and rural areas where it is difficult to sustain services due to low demand.
- 10.3 Highland Council officers are discussing innovative delivery and partnership working with the Scottish Government and key partners.

11 Sustainable Rates and Meal Payments

- 11.1 The Highland Council currently pays ELC partners and childminders £5.31 per hour for funded ELC provision for 3-5 year olds (a higher rate of £6.00 applies for eligible 2 year olds). This rate was the national average recommended from a 2019 review undertaken by Scotland Excel and then issued via guidance from the Scottish Government. In Highland this rate was implemented in 2020/21. As an addition, the Council also pays £2.30 per meal to partners for lunch provision.
- 11.2 The Scottish Government has issued national guidance pertaining to ELC relating to 'Funding Follows the Child' and 'Sustainable Funding' with the clear expectation that "the rate paid to funded providers should be sustainable and affordable by the Local Authority whilst meeting the following: -
- to support delivery of a high quality ELC experience for all children;
 - a rate that reflects the cost of delivery, including the delivery of national policy objectives;
 - allow for investment in the setting – staff, resources and physical environment; and
 - enable payment of the Real Living Wage for those childcare workers delivering the funded entitlement."
- 11.3 In common with other Local Authorities, Highland has been engaging with our partners regarding a sustainable rate review, and the appropriate survey and data gathering process to inform results of review and final recommendations.
- 11.4 That work has still to be completed, a report will be brought back to November Education Committee to outline Highland Council's proposals and next steps.
- 11.5 The Scottish Government is undertaking a national survey of Local Authority progress with the review of payment rates. Interim results indicate that the Council is not out of line with many other councils, who have either yet to conclude their review and confirm rates for 2021 or have maintained rates at the same level as in 2020/21.
- 11.6 Eight local authorities are still to confirm their hourly rates from August 2021. Out of 24 local authorities who have confirmed rates for 2021-22, 5 have increased their hourly rates in comparison with 2020-21. Seventeen have kept the same rates as in 2020-21 and 2 local authorities have decreased their rates.

- 11.7 That said, partner expectations are high, and there has been considerable concern expressed by partners, and lobbying both locally and nationally in relation to this subject. And relating to the hourly rates as well as the lunch rate paid to them. Assurances have been given both in terms of the absolute need for the Council to work with partners on this review, which has been the case, and in turn for the review to follow the guidance set out by the Scottish Government. Partner highlight the challenge in meeting Living Wage for their own staff and perceived inequities in relation to Council settings and funding arrangements, versus partner rates.
- 11.8 In relation to further discussions and engagement with partners these are ongoing with partners input critical to taking this review forward, and prior to recommendations coming before November Committee.

Designation: Executive Chief Officer - Education and Learning

Date: 12 August 2021

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ANNEX 1 - ELC PROJECTS UPDAT

PART A: 1140 IMPLEMENTATION AND INTERIM OR CONTINGENCY ARRANGEMENTS					PART B: CAPITAL PROJECT UPDATE		
Setting Name	1140 Implementation Timescale Jan - April 21	1140 Implementation Timescale April - Aug 21	Interim or Contingency Arrangement Required	Current Interim or Contingency Arrangement in Consideration	Capital Project Status	Project Scope	Target Completion
Arisaig Primary Nursery	Complete		Interim	Use existing space. Works planned completion 18th Oct	Pre-Construction	New Build	Oct-21
Avoch Primary Nursery	Complete		Contingency	Off-site or temp accommodation. Works to be completed 15th Nov	Construction	Extension/Refurbishment	Nov-21
Balloch Primary Nursery		Complete		Works Completed	Pre-Construction	Refurbishment	Aug-21
Beaully Primary Nursery	Complete			Works Completed	Pre-Construction	Major Project	TBC
Ben Wyvis Primary Nursery		Complete	Interim	Operating model change. Works to be completed 17th Dec	Pre-Construction	Extension	Dec-21
Bun-sgoil Shleite - EM	Complete		Contingency	Use existing space	Pre-Construction	New Build	Oct-21
Bun-sgoil Shleite - GM							
Crown Primary Nursery		Complete	Contingency	Church works agreed, commencing 2th August. Classroom space to be used as interim	Pre-Construction	Extension	Dec-21
Croy Primary		Complete	Contingency	Families have been advised to take places elsewhere until sufficient places available. Forecast works completion 21st October	Construction	Modular units/Refurb	Oct-21
Grantown Primary Nursery		Complete	Interim	Not required	Pre-Construction	Refurbishment	TBC
Glenurquhart Primary		Aug	Interim	Already delivering 1140. Delay in works due to Maternity Bat Roost being identified which affects delivery of GM	Pre-Construction	Refurbishment	TBC
Hilton Primary Nursery		Complete	Interim	Use additional class-room from Aug - interim 600+ from Jan	Tender	New Build	May-22
Holm Primary Nursery		Complete		Works Completed	Pre-Construction	Refurbishment	Aug-21
Kinmylies Primary Nursery		Complete	Interim	Use existing space, variation to increase capacity	Pre-Construction	New Build	TBC
Miller Academy Primary Nursery		Complete	Contingency	Use existing space. Works to be completed 27th Aug	Construction	New Build	Aug-21
Milton of Leys Primary Nursery	Complete		Interim	Operating model change	Pre-Construction	Major Project	Aug-22
Mount Pleasant Primary Nursery - EM		Complete	Contingency	Not required	Pre-Construction	Refurbishment	Jul-21
Mount Pleasant Primary Nursery - GM					N/A	N/A	
Muirtown Primary Nursery		Complete	Contingency	Use additional class-room. Works completed for ELC space	Tender	Refurbishment	Aug-21
Newtonmore Primary Nursery - EM		Complete		Works completed	Construction	Refurbishment	Aug-21
Newtonmore Primary Nursery - GM							
North Kessock Primary Nursery		Complete	Not required	Not required	Pre-Construction	New Build	complete
Pennyland Primary Nursery		Complete		Works Completed	Pre-Construction	Refurbishment	Jul-21
Raigmore Primary Nursery	Complete		Not required	Not required	Pre-Construction	New Build	Sep-21
Reay Under 5s (P)		Complete	Contingency	Use of Village Hall agreed. Works to be completed 4th Oct	Tender	New Build	Oct-21
St Joseph's RC Primary Nursery		Complete	Contingency	Off-site or temp accommodation	Pre-Construction	Refurbishment	Aug-21
Shieldaig Primary Nursery		Complete	Contingency	Use of local call confirmed. Works to be completed 5th Nov	Pre-Construction	Refurbishment	Nov-21