

REPORT TO EDUCATION AND CHILDREN'S SERVICES COMMITTEE – 21 MARCH 2019

EARLY LEARNING AND CHILDCARE CAPITAL GRANTS FOR PROVIDERS

1 Recommendations

ECS Committee is recommended to:

- 1.1 Agree the establishment of an Early Learning and Childcare Capital Grants Scheme for non-local authority providers.**
- 1.2 Approve the grant application form (Appendix 1) and conditions set out in the Grant Scheme Guidance (Appendix 2).**

2 Background / Discussion

- 2.1 On 31 August, 2017, the Education and Children's Services Committee approved Aberdeenshire Council's Early Learning and Childcare (ELC) 1140 Expansion Plan. The expansion of provision to 1140 hours of funded ELC per child requires the creation of additional spaces across Aberdeenshire. Detailed options have been created for each school network which show how sufficient capacity can be created.
- 2.2 Aberdeenshire Council commissions Early Learning and Childcare places from Partner Providers. Partner Providers include private nurseries, parent-led playgroups and third sector providers. Aberdeenshire Council is committed to maintaining a mixed economy in the local Early Learning and Childcare sector. A mixed economy is best placed to deliver flexibility and choice for parents. There is no significant difference in terms of quality between the sectors.
- 2.3 Based on current uptake and discussions with Partner Providers, these models assume that some additional capacity will be created naturally within existing Partner arrangements. However, there is the need to support Partners to adapt existing premises to meet the requirements of the expansion programme and, in addition, it will be necessary to support others to create new capacity.
- 2.4 Education and Children's Services has planned a capital programme which addresses the need to create capacity in relation to our existing school provision. This capital programme will be funded by a £27.4M grant from the Scottish Government. There is provision within the grant conditions to provide financial support to Partners to facilitate expansion. Early Learning and Childcare 1140 Grant Schemes are currently run by Moray Council and Angus Council.
- 2.5 It is proposed to establish an Aberdeenshire Council Early Learning and Childcare Capital Grant Scheme, aimed at supporting existing and new providers to increase the quality and the number of 1140 hours places available. The Scheme would be modelled on existing grant schemes. To ensure transparency and equity, and to help ensure best value, administration of the Scheme would be through adapting existing Council procedures.

- 2.6 Initially, the fund available for grants would be £1,000,000. This will be met from capital grant monies allocated by the Scottish Government.
- 2.7 The Grant Scheme will offer grants under three categories:
- Grants of up to £10,000 allowing 1140 requirements to be met, no additional spaces created;
 - Grants to create up to 40 additional spaces to be created with a focus on areas of under supply or in areas of deprivation;
 - Grants to create up to 40 additional spaces to be created with a focus on innovative or new approaches (for example outdoor provision, provision linked to sport or culture, or languages-based provision).
- 2.8 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are have been incorporated within the report. They are satisfied that the report complies with the Scheme of Governance and relevant legislation.

3 Scheme of Governance

- 3.1 The Committee is able to take a decision on this item in terms of Section E.3.7 of the List of Committee Powers in Part 2A of the Scheme of Governance, as it relates to the provision of Early Years Child Care.

4 Implications and Risk

- 4.1 An equality impact assessment has been carried out as part of the development of the proposals set out above. It is included as Appendix 3 of this report.
- 4.2 There are financial implications, as detailed in paragraph 2.6.
- 4.3 The following Risks have been identified as relevant to this matter on a Corporate Level:
- Budget Pressures – Budget pressures may arise from the unpredictable nature of the supply and demand of places. Supply of places will depend on being able to commission or create places. Demand will depend on the extent to which families choose to uptake places.
 - Budget Pressures – Budget pressures may arise from the level of demand arising from applications.
[Corporate Risk Register.](#)

The following Risk have been identified as relevant to this matter on a Strategic Level:

- Developing Excellence and Equity – In the long term, 1140 places will make a significant contribution to promoting equity and excellence. In the short to medium term and while places are rolled out, some families may not be able to access full provision.
[Directorate Risk Registers.](#)

Laurence Findlay
Director, Education & Children's Services

APPENDIX 1

Aberdeenshire Council Early Learning and Childcare Capital Grant Fund Application

Section 1 – Applicant Details

Category Applied for 1 2 3 Please tick

1.	Organisation Name	
2.	Trading Name	
3.	Address	
4.	Correspondence Address	
5.	Contact Name	
6.	Contact Designation	
7.	Contact Phone Number	
8.	Contact E-mail Address	
9.	Nature of Organisation (e.g. plc, charity, sole trader)	
10.	Number of Employees	
11.	Current Registered Capacity	
12.	Number of Children Enrolled	
13.	Physical Details Description of building(s) Total floor space	m ²
14.	Any relevant additional information	

Section 2 – Your Proposal

1. Proposal Details

- a) Please outline your proposal here. Briefly summarise the nature of the improvements you plan to make before expanding on this with a more detailed explanation of your plans, including any timescales where these are known. Please ensure you include details explaining why your proposal is needed in you locality. If you are enclosing any designs or other plans with your application, please list these at the end of your answer for ease of reference.

Brief Summary
Detailed Explanation

- b) Please explain the benefits of your proposal, how these will be measured and how these will help to achieve address issues of quality, flexibility, access and affordability.

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APPENDIX 1

2. Funding Details

Please complete these tables to show the projected costs of your proposal. Itemise the various major elements of the proposal to show which categories of work you would like to be funded by the council's capital grant funding and which categories of work will be funded from within the organisation's own resources or by third party funding, if any.

If you have developed a business plan, please attach it to your application.

NB Please enclose with your application any evidence of costings e.g. quotes from suppliers. If your proposal includes construction, please ensure you obtain at least two quotes for any proposed works and enclose evidence of these with your application. If quotes are not available at this time please include estimated costs and confirm that quotes are being sought. If your proposal includes match funding, either from your own reserves or from a successful application to another funding source, please also include evidence of this.

Early Learning and Childcare Capital Grants Fund	
Item	Projected Cost
	£
	£
	£
	£
	£
	£
Total	£

Self-Funding or Third Party Funding		
Item	Funding Source	Projected Cost
		£
		£
		£
		£
		£
		£
		£
Total		£

Total Cost £

Contribution sought £

3. Sustainability

Please outline the steps you have taken or will take to ensure your project is sustainable.

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Additional Information

Please include here any additional information which you think is relevant to your application.

Notes

1. Grants are discretionary and subject to the availability of funding. Aberdeenshire Council can choose to offer the full amount requested, or any amount up to the full amount. There is no obligation on Aberdeenshire Council to award financial assistance to any Grant application.
2. No more than one application can be made by any one individual, group, company or organisation.
3. Payments will only be made on receipt of invoices. These can be interim or final invoices. In the event that costs are less than those indicated in the original quotes, Aberdeenshire Council reserves the right to reduce the amount of Grant to be paid, or recover a proportion of any Grant already paid out.

If the business or building is sold/leased, or is no longer used for the delivery of funded ELC within ten years of payment of final invoices then Aberdeenshire Council will seek reimbursement of the grant on a proportional basis (100% reimbursement within 1 year, reducing by 10% per year thereafter.)

4. An Offer of Grant will be withdrawn, or Aberdeenshire Council will seek full repayment of the Grant, if it is found that the applicant has provided false or misleading information, or if the applicant becomes insolvent.
5. All applications must be accompanied by a signed Privacy Notice form.

APPENDIX 2

Guidance Note for Early Learning and Childcare Grant Capital Fund

1. Introduction

Aberdeenshire Council aims to make Aberdeenshire the best place in Scotland to grow up, and to give all our children the best possible start in life. It is widely acknowledged that the provision of universally accessible and high-quality Early Learning and Childcare (ELC) is a vital part of giving children the best start in life and that the impact of high-quality provision is lifelong. By August 2020 all eligible children will be offered up to 1,140 hours of ELC per year with a funded provider. The service's vision is for high quality, flexible ELC which is accessible and affordable for all. This will require a major expansion in provision.

2. Principles of Early Learning and Childcare Expansion

Our actions to develop the expanded ELC entitlement is built upon the following themes:

- Quality - ensuring a high-quality experience is provided for all children which complements other early years and educational activity;
- Flexibility – ensuring support is provided for parents and carers in work, training or study, and that patterns of provision are aligned with the needs of families and communities;
- Accessibility – ensuring the early learning and childcare capacity is sufficient and is as conveniently geographically located as possible while also appropriately meeting the needs of children;
- Affordability – ensuring increased access to affordable ELC will help to reduce barriers faced by parents and carers who wish to participate in the labour market.

3. Partnership Working

Many children access their entitlement to ELC in non-council settings. These settings include commercial partner providers, playgroups and childminders. Given the diverse nature and large geographic area of Aberdeen the blend of local authority and partner providers is a strength. The service is committed to support all funded providers. The council recognises that its external partner providers have a crucial role to play in providing ELC in Aberdeenshire and this grant fund will allow providers to make a bid for financial support using their own expansion plans.

4. What is the purpose of the Early Learning and Childcare Grant Capital Fund?

The aim of the Early Learning and Childcare Grant Capital Fund is to:

1. Support non-council provision of high quality, flexible, accessible and affordable early learning and childcare;
2. Increase the quality of the learning environment, both indoor and outdoor;
3. Increase the number of places available where demand is greater than current supply;
4. Encourage innovation and diversity of available provision.

Supply and Demand

Statistics show that there are some areas of Aberdeenshire where settings are regularly near capacity. Priority may be given to applications from localities where supply is struggling to cope with demand and where an increase in places would therefore be most beneficial.

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Scottish Index of Multiple Deprivation (SIMD)

SIMD is the Scottish Government's official tool for identifying areas of deprivation in Scotland. Evidence shows that an attainment gap exists between children who live in areas with a high SIMD rank and children who come from more advantaged backgrounds. Priority may therefore be given to applications from localities with a higher SIMD rank. An interactive map containing SIMD information for Scotland can be found at smid.scot.

Local and Regional Considerations

The planning and implementation of the early years expansion is taking place in a constantly changing environment. The council's own infrastructure expansion plan is being regularly refined and the proposals for any given school, town or locality can change. We reserve the right to take into account the most up to date local and regional information at the time of the award panel to help inform any decision. The reasoning behind the outcome of your application will always be fully explained.

5. What Funding is available?

There is a total of £1 000,000 available. Applicants can apply for funding to cover the period 1st April 2019 to the 31st June 2020. All grants must cover only capital spending and applicants will normally be expected to secure matched funding.

Restrictions

The council has a duty to ensure best value in the spending of public funds. This restricts what grants from this fund can be spent on. The following cannot be funded:

- Costs related to existing provision;
- Repair, maintenance or replacement costs of any equipment you already own;
- Endowments, loan payments, bank charges etc;
- Rental or hire payments for premises or venues;
- Staff wages , payment to directors or training costs;
- Activities promoting religious or political beliefs;
- Any goods or services that you buy or order, or activities that have already taken place, before you receive our grant offer letter;
- Donations or payments to third parties where cost details are not provided;
- Activities or projects funded through existing contracts with Aberdeenshire Council or any other organisation.

In most cases you will be expected to contribute to the proposed works. You will, therefore, be asked to demonstrate how you will access additional sources of funding that may be available to support your proposal, and include this in your application.

The Council's Economic Development Service may be able to support you with accessing additional funding sources. For further information please contact the team by email economic.development@aberdeenshire.gov.uk.

Successful applicants will be required to provide a copy of their constitution (if applicable), audited accounts (or equivalent), financial projections and last year's annual report (if relevant) before funding will be awarded to them. Applicants may choose to provide these at the time of application.

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6. Who can apply?

Funding is open to all funded partners providing or proposing to provide early learning and childcare in Aberdeenshire. Applicants must be able to demonstrate that the work they are proposing can contribute to the outcomes previously stated.

Where proposals are successful we reserve the right to implement appropriate arrangements to ensure public funds are protected. As a guide, such measures may include, as a minimum:

- A formal grant acceptance form, indicating your agreement to complete the proposed project and report on the benefits achieved;
- A monitoring report to be completed at an agreed time after completion of the proposal, confirming that the project went as planned and evidencing the benefits achieved.

Where a grant award is of a sufficiently high value, we may also implement further measures such as a grant agreement, including provisions for repayment if any land or property is disposed of or if the service is otherwise withdrawn within an agreed period from the date of the grant award. This may include allowing the council to review title deeds and to take standard security over land or property for an agreed period.

7. What are the main criteria for applying to the fund?

Successful grants must meet the following criteria:

7(a) Category 1 Grants – up to total costs of £10 000, improved quality, no additional spaces created

- i. Clear plans for adaptations to existing premises to improve the physical environment in which early learning and childcare takes place;
- ii. No additional spaces created but ability to deliver increased hours demonstrated;
- iii. Other sources of funding outlined;
- iv. Sustainability of provision demonstrated.

7 b) Category 2 Grants –costs over £ 10 000, improved quality, up to 40 additional spaces created in areas where capacity is restricted

- i. Clear plans for works to provide or improve the physical environment in which early learning and childcare takes place;
- ii. Up to 40 spaces created;
- iii. Other sources of funding outlined;
- iv. Sustainability of provision demonstrated;
- v. No negative impact on other funded providers.

7 c) Category 3 Grants –costs over £10 000, up to 40 additional spaces created, new or innovative type of provision proposed

- i. Clear plans for works to provide or improve the physical environment in which early learning and childcare takes place;
- ii. Up to 40 spaces created;
- iii. Innovation demonstrated, for example in areas of, outdoor, pedagogy, sport, music, culture;
- iv. Other sources of funding outlined;
- v. Sustainability of provision demonstrated;
- vi. Limited impact on other funded providers.

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8. Evidence of Need and Outcome Focused

Applicants are required to show the reasons why there is a need for their project. Applicants must also be able to demonstrate what the project will achieve, or contribute to, the principles of quality, flexibility, accessibility and affordability. Applicants must show how they have consulted with the local community and how they plan to ensure on-going community engagement.

This funding is to be used for capital projects. No aspect of revenue costs will be covered.

9. Equal Opportunities

Applicants must demonstrate their commitment to equal opportunities in employment and service provision. Examples of good practice may be requested.

10. Who will consider my application?

Aberdeenshire Council will bring together commissioning officers from a range of planning partners to form a project assessment group to consider all applications and make recommendations to the Early Learning and Childcare Board of Aberdeenshire Council. A scoring system will be applied consistently to all applications. Aberdeenshire Council will approve these awards and ensure the process follows the public pound.

Following the panel meeting you will be notified of the outcome of your application in writing. The possible outcomes include:

- **Application Successful**
This is an unqualified approval of the application. Your notification letter will include details of how the funding will be made available, any stipulations attached to the funding, and how the council will monitor and review the implementation of your proposal.
- **Application Partially Successful**
This means that the evaluation panel agrees to only a part of your proposal, or that we are only able to part-fund the whole proposal. Your notification letter will explain this in more detail and a meeting may be arranged to further explore and support your proposal.
- **Application Unsuccessful**
This means that the evaluation panel has not approved your proposal, or that other proposals have been prioritised in line with the factors described above. Your notification letter will explain the decision more fully.

11. When will I hear if I have been successful?

Below outlines the predicted timetable for the allocation of the fund:

- Funding application process opened March 2019;
- Assessment panels will meet in June 2019, September 2019, December 2019;
- No applications will be accepted after December 2019;
- Early Learning and Childcare Board will meet within four weeks of each panel meeting;
- Applicants informed of the decision within five days of Board meetings.

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12. Can I talk to somebody about my application?

If you would like to discuss your proposed application, please contact
Tel: 01467 539860 or email:

13. Where do I send my completed application?

Applicants are encouraged to complete their application electronically.
Completed applications should be sent to:
Admin Assistant, Early Learning and Childcare Capital Grants
Tel: 01467 534505 or email:

14. Privacy Notice

All applicants will be required to read and understand Aberdeenshire Council's Privacy Notice and complete the Privacy Notice consent form.



EQUALITY IMPACT ASSESSMENT

Stage 1: Title and aims of the activity (“activity” is an umbrella term covering policies, procedures, guidance and decisions).	
Service	Education & Children’s Services
Section	Education
Title of the activity etc.	Nursery Provision in Partner Providers
Aims of the activity	<ul style="list-style-type: none"> • Give children in Aberdeenshire the best start in life • Provide early learning and childcare for eligible families in Aberdeenshire • Contribute to the promotion of equity and excellence
Author(s) & Title(s)	Audrey Hendry, Lead Officer Education
Stage 2: List the evidence that has been used in this assessment.	
Internal data (customer satisfaction surveys; equality monitoring data; customer complaints).	1140 action plan report
Internal consultation with staff and other services affected.	ESC Senior Management Team Early Years officer team HT consultations Individual school based consultations Cross service working groups
External consultation, partner organisations, community groups, and councils.	1140 uptake survey and individual provider meetings Service design sessions with family support workers, Quality Improvement Officers, Education Support Officers Partner network meetings Quality partner steering group meetings 1140 partner provider engagement meetings Individual surgery events
External data (census, available statistics).	Care Commission inspection reports Education Scotland reports Admissions process Nursery Census NHS live birth data School roll forecasts ASN returns

Other (general information as appropriate).	National engagement events Northern Alliance events 1140 support visits
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Stage 3: Evidence Gaps.

Are there any gaps in the information you currently hold?	Modelling has taken place at the level of individual establishments. However, demand delay for uptake of places remained unknown. Apparent impact of downturn in demand for spaces related to oil down turn.
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Stage 4: Measures to fill the evidence gaps.

What measures will be taken to fill the information gaps before the activity is implemented? These should be included in the action plan at the back of this form.	Measures:	Timescale:
	Ongoing monitoring of levels of reported need	Present – June 2020
	Ongoing monitoring of reports for support	Present – June 2020
	Case study evidence from family nurture pilots	By June 19
	Continuing qualitative data from 1140 pilot sites Continuing analysis of external inspection reports	Present - June 2020

Stage 5: Are there potential impacts on protected groups? Please complete for each protected group by inserting “yes” in the applicable box/boxes below.

	Positive	Negative	Neutral	Unknown
Age – Younger	YES			
Age – Older			YES	
Disability			YES	
Race – (includes Gypsy Travellers)	YES			
Religion or Belief			YES	
Gender – male/female			YES	
Pregnancy and maternity			YES	

Sexual orientation – (includes Lesbian/ Gay/Bisexual)			YES	
Gender reassignment – (includes Transgender)			YES	
Marriage and Civil Partnership			YES	

Stage 6: What are the positive and negative impacts?

Impacts.	Positive (describe the impact for each of the protected characteristics affected)	Negative (describe the impact for each of the protected characteristics affected)
Please detail the potential positive and/or negative impacts on those with protected characteristics you have highlighted above. Detail the impacts and describe those affected.	Younger. Improved access to flexible, high quality childcare should improve outcomes for children.	
	Race. Improved promotion of funded childcare places will include work with groups including refuge and travelling communities.	

Stage 7: Have any of the affected groups been consulted?

If yes, please give details of how this was done and what the results were. If no, how have you ensured that you can make an informed decision about mitigating steps?	<p>Not directly. Consultation have been with families and partners rather than children.</p> <p>Changes are also based on knowledge of good practice in the service areas under consideration. It is also informed by delivery of similar services in other geographical areas.</p>
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Stage 8: What mitigating steps will be taken to remove or reduce negative impacts?

These should be included in	Mitigating Steps	Timescale

any action plan at the back of this form.		

Stage 9: What steps can be taken to promote good relations between various groups?

These should be included in the action plan.	
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Stage 10: How does the policy/activity create opportunities for advancing equality of opportunity?

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Stage 11: What equality monitoring arrangements will be put in place?

These should be included in any action plan (for example customer satisfaction questionnaires).	Quarterly evaluation of impact will be undertaken by early years officers. This will be carried out with existing groups of Head Teachers.
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Stage 12: What is the outcome of the Assessment?

Please complete the appropriate box/boxes	1	No negative impacts have been identified –please explain.
		Only positive impacts have been identified. This is an increase in provision. Changes in support arrangements are to non-statutory provision. Staff in establishments will continue to provide levels of support and signposting to appropriate agencies and services.
	2	Negative Impacts have been identified, these can be mitigated - please explain. * Please fill in Stage 13 if this option is chosen.
	3	The activity will have negative impacts which cannot be mitigated fully – please explain. * Please fill in Stage 13 if this option is chosen
		Where services are being redesigned to ensure more efficient and effective service delivery, any negative impact should be mitigated fully by the realigned services. Where services are being ceased, impacts will be mitigated partially by sign posting, new approaches to family nurture and family learning. Support for families will be carried out through group interventions. No individual visits will be made to family homes.

* Stage 13: Set out the justification that the activity can and should go ahead despite the negative impact.

Stage 14: Sign off and authorisation.

Sign off and authorisation.	1) Service and Team			
	2) Title of Policy/Activity	(if appropriate)		
	3) Authors: I/We have completed the equality impact assessment for this policy/activity.	Name: Audrey Hendry Position: Lead Officer Early Years Date: 24/02/19 Signature:	Name: Position: Date: Signature:	
		Name: Position: Date: Signature:	Name: Position: Date: Signature:	
	4) Consultation with Service Manager	Name: Date:		
	5) Authorisation by Director or Head of Service	Name: Laurence Findlay Position: Director of Education and Children's Services Date: 24/0219	Name: Position: Date:	
	6) If the EIA relates to a matter that must go before a Committee, Committee report author sends the Committee Report and this form, and any supporting assessment documents, to the Officers responsible for monitoring and the Committee Officer of the relevant Committee. e.g. Social Work and Housing Committee.	Date:		
7) EIA author sends a copy of the finalised form to: equalities@aberdeenshire.gov.uk	Date:			
(Equalities team to complete) Has the completed form been published on the website? YES/NO			Date:	