



REPORT TO EDUCATION AND CHILDREN'S SERVICES COMMITTEE – 6 DECEMBER 2018

EARLY LEARNING AND CHILDCARE PARTNER PROVIDERS

1 Recommendations

The Committee is recommended to:

- 1.1 Agree arrangements to commission 1140 early learning and childcare places with partner providers; and**
- 1.2 Agree a partner rate of £5.31 per hour.**

2 Background / Discussion

- 2.1 On 31 August, 2017, the Education and Children's Services Committee approved Aberdeenshire Council's Early Learning and Childcare Expansion Plan. Detailed scenario planning has taken place since then and has taken a number of forms: planning related to current patterns of uptake across communities; planning in relation to school roll forecasts; planning in relation to rural/urban settings.
- 2.2 A data-driven model has been created for each network. An options appraisal process has been used to establish the most appropriate and viable means of delivering extended hours provision to communities. Any proposals will be submitted through to the relevant area committee as and when proposals are at an appropriate stage.
- 2.3 A programme of additional property enhancement visits is well under way, involving officers representing various services across Aberdeenshire Council. The purpose of these visits is to take an early opportunity to scope out any infrastructure requirements or concerns which will require attention ahead of any planned rollout of extended sessions.
- 2.4 Aberdeenshire Council commissions early learning and childcare places in partner providers for, on average, 1400 children. 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.
- 2.5 At present partner providers are paid an hourly rate of £3.94 per child. This is planned to rise to £5.31 by 2020. Lunches will be funded at the current rate for school meals.
- 2.6 The capacity of our partner providers is key to our scenario planning. The Service has undertaken a number of partner provider consultations and it is clear that partners across Scotland face a number of challenges as a result of the expansion. These include differences in pay and conditions for staff,

insufficient supply of staff and parental perceptions of quality in school nurseries.

- 2.7 The Scottish Government asked authorities to model on a rate of £5.31 by 2020. This is based on an IPSOS MORI cost modelling exercise.
<https://www.gov.scot/Publications/2016/09/4116/downloads>
- 2.8 Consultation with partner providers strongly indicates that engagement with 1140 is dependent on rate. The Service's 1140 Expansion Plan originally showed a phasing in of partner provider places. It is now clear that any phasing may not maximise partner engagement.
- 2.9 Allowing all partner providers who wish to provide 1140 to do so from April, 2019, will reduce the overall costs of childcare to parents. It will be simple to communicate and gives parents more flexibility and choice and it removes any potential competition between partners.
- 2.10 Conditions attached to the rate will include a requirement to pay the real, living wage to all employees over 18, full compliance with Care Commission requirements, Care Inspectorate grades of good and above, improvement planning in collaboration with the authority and access to professional development for staff.
- 2.11 The cost of implementing the proposal from April, 2019, is £6.1M. This can be met from planned government funding.

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 is not required as the change in pricing structure will not have a differential impact on any of the protected characteristics.
- 4.2 There are financial implications as detailed in paragraph 2.11.
- 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. [Corporate Risk Register](#).
- 4.4 The following Risk has 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](#).

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