

The background of the slide features a large, light blue watermark of the University of Alaska seal. The seal is a shield-shaped crest with a crown on top. The crown has four points, each with a flower. The shield is divided into four quadrants: top-left shows a building, top-right shows a moose head, bottom-left shows a ship, and bottom-right shows an eagle. A banner at the bottom of the shield contains the text 'ANE FOR A'.

Agenda Item 4

**Early Learning and Childcare (ELC)
1140 Hour Expansion Plan Update**

Falkirk Council

Title: Early Learning and Childcare (ELC) 1140 Hour Expansion Plan Update
Meeting: Emergency Executive
Date: 3 September 2020
Submitted by: Director of Children's Services

1. Purpose of Report

1.1 This report provides the Emergency Executive with:

- (i) an update on Children's Services progress with the ELC expansion plans following the COVID lockdown;
- (ii) additional information on key infrastructure projects that are yet to be completed;
- (iii) details of the financial position relating to identified major projects and the project overall;
- (iv) details of the current position regarding agreement of a "sustainable rate" for the private partner nurseries.

2. Recommendations

2.1 It is recommended that the Emergency Executive:

- (i) notes the overall content of the update report;
- (ii) agrees the proposals to allocate additional funding to the ELC projects as detailed in Sections 4.1 (i) and 4.1 (ii);
- (iii) endorse the decision made by the Director of Children's Services, under delegated authority, as detailed in Section 4.2;
- (iv) agrees to the proposals to increase the Central Support Team by 2fte as detailed in Section 4.7; and
- (v) notes the financial position summarised in Sections 6.1 and 6.2

3. Background

3.1 National Context

The Scottish Government made their initial decision to close schools and enter lockdown on 23 March 2020. This decision significantly impacted on the construction industry which virtually stopped as a result.

3.2 Recognising the impact the construction industry lockdown had on local authorities ability to progress and complete ELC expansion projects, the Scottish Government subsequently announced that these ELC expansion plans were to be placed “on hold”.

3.3 Local Context

- Children’s Services 1140 ELC expansion plans were largely on track to be delivered by August 2020, before lockdown occurred.
- Since then Officers from Children’s and Development Services have been liaising with contractors regarding all elements of the remaining workstreams.

4. Considerations

4.1 Key Projects Update

(i) Maddiston Primary School – Early Years & Childcare Centre

- The standalone ELC Centre with a capacity for 88 is an integral element of the overall £4.016m capital project to extend capacity at the school.
- The lowest tender received for the ELCC was £2.518m, which was around c£0.3m higher than initially estimated.
- Whilst there is no doubt that the COVID situation has resulted in cost pressure, the urgent requirement for this work to commence on site as soon as possible cannot be overlooked.
- To address this gap and allow the tender to progress it is proposed to fund this gap by borrowing the additional £0.3m capital required.
- This can be funded from current ELC revenue resources.

(ii) Denny Primary School

- This project consists of the former Community Learning Development (CLD) property being extended to provide a nursery class with a capacity for 80 children. This workstream is only one component of the overall larger infrastructure school expansion project.
- The initial tender for the overall project was £3.6m which was c£0.9m above a construction budget of c£2.7m. Following some design re-engineering the new tender for the revised project plan has been received for c£3.3m.
- Again, there is no doubt that the current COVID situation has resulted in higher than expected costs for this major project.
- The ELC element of this was £1.3m, and as c£0.8m had originally been allocated to this, it is proposed that this gap is funded by borrowing the additional £0.5m capital required. If approved this will allow the project tender to be accepted.
- This can be funded from current ELC revenue resources.

(iii) Other Projects

- A summary of the current status of the 10 other outstanding infrastructure projects is attached as Appendix 1

4.2 Funded Partner Provider Nurseries

- Officers have had ongoing discussions with partner providers over the summer regarding the assessment and agreement of a “sustainable rate”.
- To enable new contracts to be issued for the new session 2020/21 the Director of Children’s Services approved, under delegated authority, a proposal from Officers to set the rate at **£6.05** per hour.
- This new rate includes £0.35 for meal/snack provision and a temporary £0.15 in respect of addressing additional COVID related costs on a short term basis.
- The temporary COVID related funding element aligns to the updated Scottish Government’s guidance that local authorities should consider the financial sustainability of private providers, recognising the additional costs that they would be incurring. This element will be reviewed once the financial support offered via the Transitional Support Fund is known (see Section 4.3).
- This new rate will be paid from Wednesday 12 August 2020.

4.3 ELC Transitional Support Fund (TSF)

- The Scottish Government have announced that **£11.2m** of support will be made available to childcare providers (private nurseries and out of school care providers) to help support them meet additional COVID related costs.
- COSLA have agreed that local authorities should be responsible for the administration and payment arrangements of the TSF. Falkirk will receive administration fee of **£4,300** for this.
- The exact details of the application process are still being finalised but it is expected that the whole scheme will operate for a period of around 6 weeks ending in October 2020.

4.4 ELC Workforce Recruitment

- Officers are currently completing the final recruitment phase which will result in a total core ELC workforce of **c540 fte** posts to deliver our 1140 expansion plans, including recruitment of modern apprentices and ELC Assistant’s who have retrained.
- In addition to these core posts extra staffing resources have also been provided across Cleaning, Catering, Caretaking and Central service areas.

4.5 Lunch Provision / Proposed Changes to Food and Nutritional Guidelines for School Meals/Snacks

- Lunches are being provided in all of our ELC settings from the start of the new session (August 2020).
- As a result of the current COVID situation the Scottish Government’s plans to make changes to the Meal/Snack Guidelines from August 2020 have been placed “on hold” until April 2021.

4.6 Support to Mitigate Child Poverty

- In response to a question raised at the previous Education, Children and Young People’s Executive, Officers considered this and can advise that the following actions taken forward within the Early Years Expansion Programme will both individually and collectively make positive steps towards reducing the effects of Child Poverty within the Falkirk Area. These actions have also helped reduce the cost of the school day for parents:

- Increase in free statutory childcare from 600 to 1140 hours per annum;
- Providing free meals and a range of “pick n mix” options for children to select from;
- Stopping all charges for snacks within early years establishments;
- Providing resources to support early intervention work across both Education and Social Work divisions;
- Providing establishments with an extensive range of outdoor footwear and clothing for children to use.

4.7 Proposed Changes to Central Support Team

- As the overall expansion programme moves to final, (COVID delayed) phase it is vital that Children’s Services have the necessary service management resources in place to strategically manage and oversee the ongoing development and integration of the early years sector across the Primary, ASN and Children and Families Social Work divisions. This is key to ensuring the necessary early intervention linkages exists to support children with additional support needs and those from vulnerable families.
- To progress this it is proposed that the following post is created:
1 x Service Manager (ELC)
- In addition it is proposed to create a post to further support the Property Team with the day to day operation and maintenance of our ELC estate and the co-ordination of the janitorial/caretaking arrangements.
1 x Asset Assistant (ELC Estate)
- The overall annual costs of these 2 posts is estimated at £110k which can be funded from the existing revenue resources.

5. Consultation

- 5.1 Officers will continue to consult with appropriate stakeholder including parents, trade unions and colleagues working on the Strategic Property Review as required as the final stages of the Expansion Plans are delivered and rolled out.

6 Implications

Financial/Resources

6.1 Revenue

- The current revenue budget for this years’ ELC expansion programme is £16.549m. The additional capital borrowing proposals outlined in Sections 4.1 and the proposed additional expenditure outlined in Section 4.2 and 4.7 can all be met from the current ELC budget resources.

6.2 Capital

- At 1 April 2020 the remaining capital budget for the expansion programme was £9.656m. To take account of the slippage associated with the COVID

lockdown £4.0m has been allocated to 2021/22 which leaves £5.656m for infrastructure project spend in 2020/21.

- Officers are currently liaising with contractors and a number of projects are at tender stage therefore further details of expenditure projections will be provided in the next update report.
- The overall Capital position will be augmented if the proposed additional capital borrowing referred to in Sections 4.1 is approved.

Legal

- 6.3 Current plans have been developed in recognition of the relevant Statutory Guidance that has been issued in relation to the Early Years Learning and Childcare Duties within the Children and Young People (Scotland) Act 2014.

Risk

- 6.4 The key inherent risks associated with this major project are:
- delivery of infrastructure expansion projects on time;
 - ensuring that overall expenditure is kept in line with available resources;
 - ensuring we have sufficient staff recruited on time;
 - potential disruption to the supply chain as a result of price inflation or non-availability of materials linked to Brexit. Officers are considering and reviewing contingency plans in liaison with external providers.
 - COVID situation resulting increased contract costs, to reflect construction industry guidance practice and social distancing.

Equalities

- 6.5 Where it has been possible to do so, deprivation rankings (free school meal entitlement), have been used as a basis to prioritise Early Years Expansion Plans. This provides a clear and recognised methodology for expansion planning and supports the aim of reducing inequalities and improving outcomes in a targeted manner.

Section 4.6 also summarises a range of positive actions that have been undertaken as part of this project that further supports the aims and ambitions of the Council's Poverty Strategy – Towards a Fairer Falkirk 2019-2024. This project has also provided additional support for children who have disabilities.

Sustainability/Environmental Impact

- 6.6 All project work has been developed taking cognisance of these areas.

7. Conclusions

- 7.1 Everyone associated with this exciting, ambitious and challenging expansion project shared a sense of disappointment that due to the COVID lockdown the project plans could not be completed by August 2020.

- 7.2 All Officers do however remain fully committed to ensuring that 1140 hours of ELC can be delivered across all of our ELC establishments by the revised date that the Scottish Government plan to announce towards the end of 2020.

Director of Children's Services

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Date: 12 August 2020

Appendix

- **Appendix 1** (Summary of current status of the 10 outstanding infrastructure projects)

List of Background Papers

- None

ELC 1140 EXPANSION PLANS**SUMMARY OF OUTSTANDING INFRASTRUCTURE PROJECTS**

1. Glenburn ELC Centre (Hallglen)
 - Work on the remaining landscaping work is currently underway
2. Inchlair Amalgamated Site / Woodburn ELC / Carronshore ELC
 - Modular units have been completed off-site and dates for their on-site installation and for other works have still to be finalised. Estimated completion dates are December 2020/January 2021.
3. St Margarets ELC
 - Work on-site is currently being completed in phases, due to building being occupied. Work is expected to be completed October 2020.
4. St Francis Primary School / Sheildhill Primary School
 - Work is currently on-going at both sites to install a new modular unit. Completion date estimated October 2020.
5. Laurieston Primary School / Nethermains Primary School
 - Work is currently underway at both these projects, with completion in October 2020 estimated.
6. Oxgang School (Moray)
 - First phase of work completed. Awaiting contractor to confirm timeframe for next phase.
7. Kinglass ELC
 - Work started on-site. Completion date estimated as January 2021.
- 8 & 9 Carron Primary School / Head of Muir Primary School
 - Both of these projects are now scheduled for completion in August 2021.
 - Work on-site is due to start Easter 2021 at Head of Muir Primary School and summer 2021 at Carron Primary School.
10. Westquarter Primary School
 - Officers are currently re-assessing the on and off-site options that are available to increase ELC capacity at the school.
11. Outdoor ELC – Callendar Business Park
 - This project remains on hold (as agreed) until the overall financial position is finalised.

Note

The timelines for many of the above projects will be finalised within the next month following discussions with the appropriate contractors.