



## **Agenda Item 8**

# **Early Learning & Childcare (ELC) – 1140 Expansion Plan Update**

**Falkirk Council**

**Title:** Early Learning & Childcare (ELC) – 1140 Expansion Plan Update  
**Meeting:** Education, Children and Young People Executive  
**Date:** 29 March 2022  
**Submitted By:** Director of Children's Services

**1. Purpose of Report**

1.1 This report provides the Education, Children and Young People Executive (ECYP) with:

- an update on progress with final phase of the Early Learning and Childcare (ELC) Expansion Plans;
- specific information relating to the associated ELC workstreams; and
- updated information on the overall financial position.

**2. Recommendations**

2.1 Education, Children and Young People Executive is asked to:

- (i) note the overall content of this update report and the workstream updates provided in Section 5;
- (ii) note the updates provided on the remaining infrastructure projects as detailed in Appendix 1; and
- (iii) note the financial position as outlined in Sections 7.1 and 7.2.

**3. Climate Change Implications**

3.1 All project infrastructure work has been developed in a way that supports and enhances the quality of our school estate. Many aspects of this work have also augmented and improved energy efficiency targets and our overall aim to meet national climate change ambitions, this has included the replacement of older equipment, heating/lighting systems and buildings.

**4. Background**

4.1 After 5 challenging and exciting years, the infrastructure element of the project is almost complete with the remaining projects expected to be available between Easter and summer 2022.

4.2 Out-with the infrastructure projects, there are several other important and necessary workstream projects that are either currently in progress or require to be undertaken as part of the post implementation review stages. Details of these are provided in this report.

## 5. Considerations

### 5.1 Remaining Infrastructure Projects

Glendevon ELCC (Maddiston), is expected to open after the Easter holidays leaving 4 projects currently in their final stages. Updates on the remaining projects are provided in [Appendix 1](#).

### 5.2 Current ELC Statistical Information

- Regular updates on progress, capacity, demand, and sector analysis are provided to the Scottish Government via The Improvement Service.
- The most recent update submitted summarised the Falkirk position at 31 January 2022. Members may wish to note the following key information/statistics that were provided within that update:

**Table 1 – Current Uptake Levels (at 31 Jan 22)**

<b>Ages</b>	<b>Local Authority - Falkirk</b>	<b>Partner Nurseries</b>	<b>Partner Child-Minders</b>	<b>Totals</b>
2's	160	39	7	206
3&4's	2,324	285	93	2,702
5's	233	10	1	244
<b>Totals</b>	<b>2,717</b>	<b>334</b>	<b>101</b>	<b>3,152</b>
<b>%</b>	<b>86.2</b>	<b>10.6</b>	<b>3.2</b>	<b>100.0</b>

**Table 2 – Current Establishment Capacity (at 31 Jan 22)**

<b>Sector</b>	<b>No of Establishments</b>	<b>Capacity</b>
Local Authority	53	3,303
Partner Nurseries	13	846
<b>Totals</b>	<b>66</b>	<b>4,149</b>

Note: Child-minder capacity was not reported.

### 5.3 Demand for Eligible 2-Year-Old Places

- As previously reported, demand locally for funded places for eligible 2-year-olds continues to increase on a month-to-month basis.
- In anticipation of this increase, additional capacity for 2-year-olds had been added successfully to the ELC provision at Nethermain Primary School; Langlees ELC Centre and at Borrowstoun ELC Centre.
- This additionality, added to existing provision, brings the total capacity available for 2-year-olds in local authority establishments to **245** places. **195** of these places have historically been reserved for eligible children.
- Currently, there are **246** eligible 2-year-olds who are receiving funded early learning and childcare, showing that demand for eligible places is equal to the maximum capacity available in Council settings.
- In view of the rising demand for these places from eligible families, it has been necessary to continue to prioritise the allocation of these places, which has consequentially reduced the availability of baby and 2s places, for non-eligible children.

#### 5.4 National Survey of Private Childcare Providers on Sustainable Rates

- The Scottish Government, COSLA, The Improvement Service and the various national professional associations have, for several months, been collaborating over conducting a national exercise to survey the private (PVI) childcare sector, to enable local authorities to be provided with up-to-date information to enable the review, re-assessment and setting of sustainable rates.
- An external organisation has recently been commissioned to conduct this survey and it is now in progress.
- This approach demonstrates best value and aims to ensure that there is consistency and transparency of approach and negates the risk of different approaches being adopted by individual local authorities if they undertook this work on their own.
- Further details of this will be provided once the outcome of the survey is known.

#### 5.5 Childcare Sector Omicron Impacts Fund

- The Scottish Government have recently announced £9.8m of funding support for the private childcare sector.
- This Fund will make one-off grants available to all private and third sector day care of children providers and all childminding services who were registered with the Care Inspectorate on 31 December 2021.
- The grants are based on the registered capacity of each establishment and have 6 levels ranging from £ 950 to £4,500.
- In a similar manner to the process adopted for the Transitional Relief Schemes that were operating during 2021, COSLA have agreed that local authorities will administer the application, assessment, and payment processes for the private and 3<sup>rd</sup> sector day care of children and larger child-minders (11 or more registered places). Child-minders with 10 or less registered places will be directed to a separate process via the Scottish Government.
- Within Falkirk, the Early Years Team will undertake this work and there is an administration fee available to support any additional costs that are incurred.
- The Fund was open for applications from 8 March to 17 March 2022.
- Falkirk has been allocated **£126,100** of funding (£122,900 for grants and £3,200 for administration costs).

#### 5.6 Consultation on the Delivery of Early Learning and Childcare

- As previously reported, Section 50 of the Early Learning and Childcare Statutory Guidance (2021), confers a duty upon local authorities to consult on and review plans every two years on the delivery of ELC.
- Falkirk's current Consultation period ran for 6 weeks and ended on 21 March 2022. It aimed to gather the views of parents across the following areas:
  - About You
  - About Your ELC Needs
  - Communication
- Officers are currently assessing the responses and a report on the key findings will be presented to a future EC&YP Executive Meeting.

## 5.7 Cross Boundary Agreements

- Officers are still consulting with neighbouring authorities to see if an Inter-Authority Cross Boundary Charging Agreement can be progressed.
- Further details of this will be provided at a future EC&YP Executive Meeting.

## 5.8 ELC 1140 Budget 2022-23

- As reported in Sections 5.2.5 and 5.7.7 of the Council Budget Report (2 March 2022), the Scottish Government have conducted a redetermination of the overall ELC 1140 funding.
- Discussions on the approaches to this were previously undertaken with COSLA and the national professional associations including SOLACE, ADES, and the Director of Finance.
- The key aim was to reassess the initial assumptions made in 2017 regarding projected numbers of 3 to 5-year-olds and births and to realign the funding to reflect current local authority positions more accurately.
- For Falkirk, this has resulted in a **£1.7m** reduction in the core ELC1140 funding (which is presently ring-fenced) for 2022-23. This means that funding for 2022-23 will reduce to **£16.8m**.
- Officers are currently considering how best to realign our current ELC provision to reduce our cost base in line with budget. The options around this will be reported to a later meeting of the EC&YP Executive.

## 6. Consultation

- 6.1 Officers will continue to consult with appropriate stakeholders including parents, trade unions and colleagues working on the Strategic Property Review as required, as the Expansion Plans continue to be developed and rolled out.

## 7. Implications

### Financial/Resources

#### 7.1 Summary of Current Financial Position – Revenue 2021/22

Core Budget 2021-22	Expenditure Projection to 31/3/22	Projected Underspend at 31/3/22
£18.520m	£16.720m	(£ 1.800m)

#### Note:

- The above position takes account of a CFCR Adjustment of **£1.2m** which is also shown in Section 7.2 below.
- The £1.8m projected underspend will be carried forward and included with the ring fenced funding for 2022-23.

## 7.2 Summary of Current Financial Position – Capital 2021/22

	<b>Current Budget</b>	<b>Expenditure</b>	<b>£ 7.648m</b>	<b>Notes</b>
Add:	CFCR Planned Adjustment	£ 1.200m	£ 8.848m	
Less:	Current Expenditure (ledger)	£ 6.511m	£ 2.337m	at 18Feb22
Less:	Estimated Additional Expenditure for Projects <ul style="list-style-type: none"> <li>Inchlair, Woodburn, Carronshore</li> <li>Maddiston &amp; Denny</li> <li>Carron, Head of Muir, Woodlands &amp; Borrowstoun</li> </ul>	£ 1.025m £ 0.539m £ 0.250m	£ 1.312m £ 0.773m £ 0.523m	
Less:	Internal Fees	£ 0.309m	£ 0.214m	
	<b>Balance for Contingency</b>		<b>£ 0.214m</b>	

### Legal

- 7.3 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

- 7.4 The key inherent risks associated with this major project are:
- delivery of infrastructure expansion projects on-time;
  - ensuring that planned expenditure is kept in line with resources;
  - ensuring we have sufficient staff recruited on-time;
  - disruption to the material supply chain being experienced currently within the construction sector overall;
  - increased material prices being experienced by the construction sector overall;
  - the potential impact that any current or future COVID/lockdown decisions may have on all aspects of the overall expansion plans; and
  - Officers are considering and reviewing contingency plans in liaison with external providers.

### Equalities

- 7.5 The current plans for early intervention strategies aim to provide more targeted and prioritised support to those children who have additional support needs and strengthen the interface and linkage with vulnerable families.

### Sustainability/Environmental Impact

- 7.6 All project infrastructure work has been developed in a way that supports and enhances the quality of our school estate. Many aspects of this work have also augmented and improved energy efficiency targets and our overall aim to meet national climate change ambitions, this has included the replacement of older equipment, heating/lighting systems and buildings.

## **8. Conclusions**

- 8.1 As the infrastructure element of this challenging project reaches completion, Officers will focus their attention on assessing, reviewing and progressing the other important workstreams that are referenced in the report. This will include a post project implementation review, capacity and staffing realignment to meet the revised budget and the appraisal of feedback from the parental survey.

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### **Appendices:**

Appendix 1 - Remaining Infrastructure Projects to be Completed.

### **List of Background Papers:**

EC&YP Executive – Previous ELC1140 Update Reports.

### Section 1 – Remaining Infrastructure Projects to be Completed (4) – March 2022

WARD	ESTABLISHMENT/ PROJECT	UPDATE	EST. OPENING DATES	CAPACITY	EST. PROJECT COST	CONTINGENCY PLANS
3	Denny PS	<ul style="list-style-type: none"> <li>Final phase of work in progress.</li> <li>Handover scheduled at Easter 22.</li> <li>Current timeline is that pupils will move in w/c 9 May 22.</li> <li></li> </ul>	w/c 9May22	56 - 3-5yr olds	<b>c£1.1m</b>	<ul style="list-style-type: none"> <li>N/A - 40 children will be accommodated at Denny PS and 16 children currently being accommodated at Nethermain PS.</li> </ul>
4	Inchlair Amalgamated Site	<ul style="list-style-type: none"> <li>On-site challenges with trees affecting the incoming power supply.</li> <li>Switchgear due on-site end of March to allow meter installation.</li> <li>Connection to sub-station date TBC.</li> <li>Contractor reviewing sprinkler tank location.</li> </ul>	Summer 22	80 - 3-5yr olds 40 - 2yr olds 12 - Babies	<b>c£1.1m</b>	<ul style="list-style-type: none"> <li>N/A - 1140 will continue to be delivered at Larbert Day ELCC until new build is ready.</li> </ul>
4	Carronshore PS	<ul style="list-style-type: none"> <li>Modular unit internal work all but complete save final painter work and commissioning which requires electrical connection.</li> <li>Switchgear due on-site end of March to allow meter installation.</li> <li>Final works on finishes, sprinkler system and external landscaping is due to be completed in April.</li> </ul>	May/June22	56 - 3-5yr olds	<b>c£0.85m</b>	<ul style="list-style-type: none"> <li>N/A - Children are being accommodated in existing nursery class.</li> </ul>
6	Woodburn ELCC	<ul style="list-style-type: none"> <li>Modular units have been installed on-site.</li> <li>Switchgear due on-site early April to allow meter installation. This will allow internal finishing work to be completed.</li> <li>External works still to be completed.</li> </ul>	Summer 22	48 - 3-5yr olds 20 - 2yr olds	<b>c£1.1m</b>	<ul style="list-style-type: none"> <li>N/A - 1140 will continue to be provided at Queen Street ELCC until new building is complete.</li> </ul>
	<b>SECTION 2</b>	<b>FUTURE WORK PROJECTS (1)</b>				
8	Westquarter PS	<ul style="list-style-type: none"> <li>Expansion on site is limited.</li> <li>The school is due to have its primary capacity extended (Capital Programme) so early years capacity expansion will be considered as an integral part of that overall school foot-print re-design work.</li> </ul>	TBC	48 - 3-5yr olds	<b>TBC</b>	