

<i>item:</i>	6
<i>report:</i>	CYP16/07

EARLY YEARS SERVICES

By Bill Alexander

Summary

The report sets out the issues presently facing Early Years Services. It includes proposals for the use of additional funding for teachers in the Early Years and seeks agreement from Members with respect to rates for partner centre provision for the 2007/08 session and the deployment of dedicated Scottish Executive funding for capital projects.

1 Background

- 1.1 The Highland Council Programme for Administration has committed to review and consult on childcare and educational services for young children, to ensure that we deliver and support a sustainable network of quality wraparound childcare and educational services for young children and their families by 2010.
- 1.2 Childcare and educational services for young children include:
 - Funded education of 12.5 hours/week for 3 and 4 year olds for 38 weeks.
 - Breakfast clubs and after school clubs for nursery and school aged children, paid for by parents, but often subsidised by the local authority or through other means.
 - Day care for 0-5 year olds, paid for by parents to allow them to undertake employment or training, which may be subsidised by the authority to encourage employability.
 - Targeted services for vulnerable groups, fully funded by the authority.
- 1.3 Because these services are operated by a range of voluntary, private and local authority providers, there has to be a joined up approach to the organisation and commissioning of provision. This is co-ordinated through a dedicated team of officers, with one in each of the three Areas (and one peripatetic officer).
- 1.4 The rapid development in Highland of childcare and educational services for young children has been a significant success story. However, pragmatic and rapid decisions were made in the late 1990s, to respond to community demands to get services established quickly. This often involved separate provision of childcare and early education,

and also separate provision for three and four year olds. Accordingly, the services that were established do not always meet the needs that are now being expressed by families, and there are major issues about the future viability of some services.

- 1.5** This is an important issue for communities, who value their early years provision, and often regard it as a bedrock of community sustainability. Some recent consultations about possible changes to services, have stimulated significant local reaction, including strong opposition in some localities.

2 Early Years Services: Key Issues

- 2.1 There has been a concerted approach in Highland to provide education places for 3 and 4 year olds, and also to considerably increase the accessibility of childcare, including services for very vulnerable children.
- 2.2 Between 1995 and 2005, there was a rapid growth in these services. Accordingly, there are now 240 centres providing early education, which is around 60 more centres than there are primary schools, with a total capacity of 5300 places for around 4200 children.
- 2.3 Extensive annual mapping exercises are available to members, which illustrate the detail of childcare and early education in each Area on an Associated School Group (ASG) basis.
- 2.4 Given the rapid growth of these services, perhaps inevitably there are now a number of issues that require to be addressed to ensure consolidation and sustainability.
- (i) There are many more early education places available than there are children.
 - (ii) This over capacity contributes to a budget pressure of around £400,000. The Council has agreed to meet £250,000 of this pressure in the current year from its Balances, but has set a further budget target of £133,000.
 - (iii) There are changing demographics across the authority, involving fewer children (and hence smaller budgets) in many communities. There are increasing numbers of children in some communities, and a commitment to provide Gaelic-medium provision where there is evidence of demand – including for childcare and wraparound care
 - (iv) Families increasingly express a demand for wraparound care, with childcare and early education at one location, across the

age ranges. This was recently evidenced by the enormous response to childcare provision at Inshes Primary School and Bunsgoil Ghidhlig Inbhir Nis.

- (v) While the Council has an obligation to provide early education, it has neither the obligation nor funding to transport children to it. The transport of children to nursery, makes a considerable demand on many families, and has been a major issue when changes to provision have been suggested.
- (vi) Many voluntary sector groups are struggling to sustain provision from year to year. They have problems maintaining management committees, and recruiting and retaining staff. In addition, the Care Commission and the Scottish Social Services Council are making increasing regulatory demands, which are proving particularly onerous. It has been necessary to arrange dedicated, peripatetic management for a number of partner centres, through the umbrella organisation, the Care & Learning Alliance (CALA).
- (vii) Other small and voluntary sector providers have had difficulties meeting quality standards and the demands of a developing curriculum, requiring the Council to ensure that the activities of Nursery Co-ordinator Teachers are directed proportionately to those centres that need them most, often in the voluntary sector.

3 Current policy

- 3.1 Governance arrangements for early years services have been devolved to the Joint Committee on Children & Young People, and the funding for all early years services, including NHS Highland elements, is located within the pooled budget. Given the significance of these issues for elected members, there has often been parallel reporting through the Education, Culture & Sport Committee.
- 3.2 Through the Joint Committee, The Highland Council agreed a strategy for early years services that was based on:
 - A continuing mix of Local Authority, Voluntary Sector and Private Sector provision.
 - A reduction in the overall number of services, but a consequent improvement in quality, achieving the range of services that families want across an Associated School Group (ASG).
 - Wherever possible, the local Primary School as the focus for the delivery of services.
 - Achieving a balanced budget.
- 3.3 There has been recognition that a 'one size fits all' solution is rarely applicable in Highland due to the diverse nature of our communities. There must be a community by community approach to these issues,

identifying local need and consulting families and other stakeholders about the consolidation and sustainability of the services that they want.

- 3.4 Accordingly, a Pre-school and Childcare Framework is being prepared in consultation with the independent sector. This sets out the model of a partnership arrangement in local communities that can deliver these services through a mixed economy of provision (attached as an addendum).
- 3.5 While the framework was being produced, Council officers were asked to delay any further changes to provision. There have of course been some changes because of the development of new schools and as a consequence of market pressures.

4 Financial Implications: funding of teachers

- 4.1 As stated above, there is a budget pressure of around £400,000 in early education. The Council has agreed to meet £250,000 of this in the current year, although there is a continuing outstanding budget target of £133,000 – making an actual total pressure of £283,000.
- 4.2 This budget pressure has been met for a number of years from other areas of children's services, and the requirement to move towards a balanced budget involved a decision to reduce the number of Nursery Co-ordinator Teacher posts from this financial year.
- 4.3 The announcement of an additional £280,000 in 2007/08 (and a further £140,000 in 2008/09) for teachers in Pre-school and Primary 1–3, will provide the necessary support to review and possibly increase the number of Nursery Co-ordinator Teachers, while also boosting the number of teachers in the early primary years.

5 Financial Implications: funding of partner centres

- 5.1 In addition to the additional funding detailed above, the Scottish Executive has increased the funding available for partner centres, which is managed through a mechanism known as the advisory floor, to address many of those difficulties being faced by that sector that are identified in this report.
- 5.2 In 2006/07, the advisory floor was set at £1250. Because of the large number of centres in Highland, only private providers and the smallest voluntary sector providers received this level of funding.
- 5.3 The advisory floor has been increased by 24% in the current year, to fully fund both 38 weeks early education (funding was only previously provided for 33 weeks) and to “support further investment in staff in

partner provider settings”. This involves £708,000 for Highland in the current year and £1.062m next year.

- 5.4 Officers have been in discussion with CALA about the best possible use of this funding. CALA state that the recruitment and retention of staff at both practitioner and manager levels has never been more problematic. Partner centres are indicating that they currently cannot fill posts. The CALA staff bank is under constant pressure and cannot meet the growing demands for relief cover. CALA itself has vacancies for 10 play staff, with recruitment now being taken forward for a third and in one situation a fourth round.
- 5.5 CALA believes that this situation is largely because voluntary sector pay levels have fallen significantly behind those in the local authority, as shown below.

Voluntary Sector	Current £ per hour	Local Authority Sector	Current £ per hour
Senior Playworker	7.15	Nursery Assistant	10.32
Playworker	5.60	Nursery Auxiliary	8.21

- 5.6 In addition, playworkers in the voluntary sector do not have access to public holiday entitlement, sickness benefits or pension schemes.
- 5.7 Also, models of supportive management have been introduced by CALA, and these peripatetic management models are increasingly recognised as a successful means to sustaining community based services. The current cost of this peripatetic management is £3,060 per annum per centre.
- 5.8 Appendix 1 proposes rates for partner centres in Highland in 2007/08, based on these various factors and the revised advisory floor. This would enable an increase in the hourly rate for a Senior Playworker to £8.00, and for a Playworker to £7.00.
- 5.9 Last year, 1682 children received their pre school education from a partner centre, and the cost of partner centre education to the local authority was approximately £1.9 million. If there are a similar number of children this year, these rates would involve additional costs in a full year of around £700,000 – which can be met from the additional funding that has been made available.
- 5.10 These various changes would be taken forward as part of an action plan that ensured continued quality services as a consequence of this increase in rates, as shown at Appendix 2.

6 Financial Implications: Childcare and Play Capital Fund

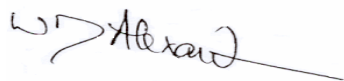
- 6.1 The Scottish Executive has announced a childcare and play capital fund for 2007/08. The purpose of this fund is to improve the quality and accessibility of early years, childcare and play facilities and provide scope for extended and integrated service delivery. At least 20% of the fund must be spent in the voluntary and community sector.
- 6.2 Highland's share of this fund is £388,000.
- 6.3 In order to ensure that this capital grant is expended by 31 March 2008, the following priorities have been identified:
- (i) new childcare facilities to support voluntary sector provision at Kinmylies Primary School;
 - (ii) improved and extended facilities to support voluntary sector provision at Dalneigh Primary School;
 - (iii) improved and extended facilities at Drakies Primary School;
 - (iv) enhanced outdoor play space at the Averon Centre and Mulbuie Primary School;
 - (v) general minor improvements Highland-wide based upon the conditions set out in the criteria for the grant.

7 Recommendations: outcomes

- 7.1 The Council has made clear the need to review and consult on childcare and educational services for young children, to ensure that we deliver and support a sustainable network of quality wraparound provision by 2010.
- 7.2 The draft Pre-school and Childcare Framework is recommended to members as a model whereby agreement can be reached in local communities about the nature of the partnership arrangement between providers, that is necessary to deliver on this commitment.
- 7.3 It is proposed that services should be organised on an Associated School Group basis, such that the full range of provision is available within every ASG. Inevitably, this will mean some changes to current services, including amalgamations and closures, or changes to management arrangements.
- 7.4 Members are asked to agree the need to further review the number of Nursery Co-ordinator Teachers required across the authority, as part of the increased teaching capacity being funded by the Scottish Executive.
- 7.5 Members are further asked to increase the rate to partner centres, as detailed in Appendix 1.
- 7.6 Members are also asked to agree the allocation of the childcare and play capital fund as detailed in paragraph 6.3.

8 Recommendations: process of consultation

- 8.1 It is recommended that consultation on the review of childcare and educational services is organised in Areas around Associated School Groups.
- 8.2 It is recommended that this consultation should take place in a number of stages:
- Preparatory meetings with managers of services within an Associated School Group, to brief managers on the mapping of local provision, and consider options about the future organisation of services.
 - Presentation of mapping exercise and recommendations to meetings of Councillors in those Wards that may be significantly affected, followed by meetings of Ward Forums.
 - Meetings with parents in any communities that may be significantly affected, where options can be further considered.
 - Presentation of conclusions and recommendations to meetings of Councillors in the Wards.
 - Presentation of conclusions and recommendations to the Joint Committee on Children & Young People.
- 8.3 This process needs to have reached a conclusion by March in any given year, when children are enrolled for admission to pre-school in the following August. Members are asked to consider not only the process, but whether it is achievable before March 2008.



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Appendix 1

Proposed Partner Centre Rates in 2007/08

Voluntary Centre Block Grant (up to 10 children)	£16,797.00
With Qualified Manager	£17,691.00
Voluntary Centre Block Grant (11 to 16 children)	£17,457.00
With Qualified Manager	£18,351.00
Voluntary Centre Block Grant Payment per child (17 children and over)	£1,350.00
Private Centre Payment per child	£1,500.00

The above payments include a rent element of £3158 which is not payable to centres operating from school premises.

Appendix 2: Action Plan - Partner Centre Grant Review August 2007

Requirement	Reason	Action	When	Responsibility	Review	Outcome
Improve conditions of employment for staff working in voluntary centres under agreement with the Highland Council	Recruitment and retention crisis within voluntary sector Widening gap between LA staff and voluntary sector External requirement for Level III/IV equivalent for all staff	Increase hourly rate to £7.00 for playworker and to £8.00 for senior playworker	Backdated to 1 st August 2007	Early Education & Childcare team & CALA	February 2008	Recruitment gaps filled Centres remain open Staff retained and further develop skills and qualifications
Increase number of days (pro-rata) holiday entitlement	Statutory requirement	Grant increased to meet cost of additional 4 days (pro rata) for playstaff Highland Council SLA reflects new terms	From October 2007	Early Education & Childcare team & CALA	February 2008	Centres meet legal requirements Staff access improved conditions of service
Ensure all centres meet QA indicators and external standards (Care Commission & HMIE)	Scottish Executive quality improvement directive	Increase paid hours by 1 per week to meet mandatory staff supervision and Quality Assurance/ Development Planning needs	From October 2007	Early Education & Childcare team & CALA	February 2008	CC, HMIE and HC QA inspection reports highlight centre progression as overall standard improves
Strengthen the number of partner centres with committee run management	Longer term improved budget implications for Highland Council Strengthened community	Identify and target 10 committee managed centres able to take on fuller management responsibilities.	From January 2008 As above	Early Education & Childcare team	February 2008	Reduced budget implication Capacity of local communities improved. Increased

	capacity developed	Establish additional contracts with those Partner Centres accessing additional support				ability to undertake additional roles e.g. extension of wrap around care.
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