

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	26 September 2019
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Expansion of Early Learning and Childcare – Phase 2 Projects
<b>REPORT NUMBER</b>	RES/19/358
<b>DIRECTOR</b>	Steve Whyte
<b>CHIEF OFFICER</b>	Stephen Booth
<b>REPORT AUTHOR</b>	Andrew Jones
<b>TERMS OF REFERENCE</b>	Purpose 2 & 5; Remits 1.2.5 & 1.2.7

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### **1. PURPOSE OF REPORT**

- 1.1 To outline details of planned projects within Phase 2 of the Early Learning and Childcare (ELC) expansion programme, and to seek delegation of authority for the Chief Officer - Capital to approve business cases and to undertake procurement in order to successfully deliver these projects within the timescales set by Scottish Government.

### **2. RECOMMENDATION(S)**

That the Committee:

- 2.1 approves funding for the delivery of Phase 2 of the Early Learning and Childcare expansion programme in accordance with the principles of the specific Capital Grant award;
- 2.2 delegates authority to the Chief Officer - Capital, following consultation with the Convener of the City Growth and Resources Committee, the Convener of the Capital Programme Committee and the Head of Commercial and Procurement Services, to consider and approve business cases (including estimated

expenditures) for the following projects for the purposes of Procurement Regulation 4.1.1:

- Cults School – Extension
- Culter School – Extension
- Kingswells School – Remodel Existing Nursery
- Kirkhill School – New Build Nursery
- Broomhill School – Extension
- Charleston School – Remodel Existing Nursery
- Gilcomstoun School – New Build Nursery
- Loirston School – Remodel Existing Nursery; and

2.3 thereafter to procure appropriate works and services, and enter into any contracts necessary for the delivery of the projects subject to due diligence, consistency with the financial model and affordability and regular update on progress against the approved business case at the Capital Programme Committee.

### **3. BACKGROUND**

3.1 The Council is committed to expanding the provision of funded early learning and childcare from 600 hours to 1140 hours by 2020. The expansion should prioritise a high-quality experience for the child to capitalise on the significant contribution that Early Learning and Childcare can make to a child's development and to closing the poverty related attainment gap.

3.2 All Local Authorities were asked to develop an Early Learning and Childcare (ELC) Delivery Plan to guide expansion plans. The Aberdeen City Plan highlights a focus on the provision of outdoor learning to support wellbeing, on accessibility to increase uptake, on delivery of Family Learning to fully capitalise on the expansion programme and on the provision of a 'localised offer' to meet the needs of families within each community.

3.3 In May 2018 multiyear capital and revenue funding was allocated to Local Authorities by Scottish Government. In all £23.04m of capital funding has been allocated to Aberdeen City Council for its ELC Expansion Programme up until 2020/21.

3.4 On 14 September 2017, the Education & Children's Services Committee endorsed a provisional ELC Delivery Plan which detailed three proposed phases of work. A decision was taken by Council on 5 March 2019 to delegate authority to the Chief Officer – Capital to consider and approve business cases for the projects which made up Phase 1 of the Delivery Plan, and work to implement these projects is currently under way.

3.5 The programme is developing at pace in order to meet the implementation deadline of August 2020. Projects which will make up Phase 2 of the Delivery Plan have now been identified, and approval is now sought for delegated

authority to the Chief Officer – Capital to approve these projects, in line with the approach taken for Phase 1 of the programme.

3.6 The planned Phase 2 projects are:

- Cults School – Extension
- Culter School – Extension
- Kingswells School – Remodel Existing Nursery
- Kirkhill School – New Build Nursery
- Broomhill School – Extension
- Charleston School – Remodel Existing Nursery
- Gilcomstoun School – New Build Nursery
- Loirston School – Remodel Existing Nursery

3.7 Project briefs and estimated costs for Phase 3 projects, which largely focus on minor reconfiguration of existing spaces and are therefore smaller in scale and cost compared with those in the first two phases, are currently being compiled, and it is anticipated that details of these along with estimated costs will be reported to the Committee in November 2019.

#### 4. FINANCIAL IMPLICATIONS

4.1 All costs associated with the design, procurement and construction will be funded from the Scottish Government Early Learning and Childcare Multi-Year Revenue and Capital Grants awards. The updated estimated costs associated with each phase of the programme are outlined below.

<b>Overall ELC Capital Grant:</b>	<b>£23.04m</b>
Phase 1 Estimated Capital Costs:	£11.83m
Phase 2 Estimated Capital Costs:	£10.68m
Phase 3 Estimated Capital Costs:	TBC (see paragraph 3.7 above)

#### 5. LEGAL IMPLICATIONS

5.1 All Local Authorities will have a duty to provide 1140 hours of Early Learning and Childcare for eligible two-year olds and all three and four year olds by 2020. This project forms part of the ELC Delivery Plan that will help Aberdeen City Council manage the transformational change necessary to deliver expanded services by 2020.

#### 6. MANAGEMENT OF RISK

	Risk	Low (L), Medium (M), High (H)	Mitigation

<b>Financial</b>	The expansion of funded Early Learning and Childcare will require very careful budget monitoring and financial planning to mitigate the risk of funding being insufficient to realise the expansion.	M	Cost checks will be carried out throughout the design stage to monitored estimates against the allocated budget. These will also be reported monthly to the ELC Programme Board.
<b>Legal</b>	The risk of not being in a position to offer sufficient 1140 hours places from August 2020 as required by the Children and Young People (Scotland) Act 2014.	M	This is being mitigated through early planning, clear governance arrangements and close working between teams across Aberdeen City Council to ensure that the expansion of Early Learning and Childcare is being planned for across all teams. Delegating authority to the Chief – Officer Capital to approve business cases and undertake procurement without the need for further committee approval will help to ensure the targets can be met.
<b>Employee</b>	Not being able to recruit sufficient numbers of Practitioners to support the delivery of the Expansion	M	A detailed workforce development plan has been included within the Delivery Plan. This plan includes the establishment of an Early Learning and Childcare Academy to increase the number of practitioners and also increase the number of routes into the profession to ensure that the risk remains low.
<b>Customer</b>	There are significant benefits for families who will be able to use the extended hours to enable them to return to employment or access training. There is a need to undertake research to	L	The Service will support this work to identify the features of expanded provision most likely to improve outcomes for vulnerable families to ensure that we capitalise on the opportunities offered through this expansion to

	determine how best to design services that will have the greatest impact on children and families to ensure that we maximise the reach of the expansion.		directly improve outcomes for children and families.  Intergenerational approaches will be supported wherever possible due to the significantly positive impact this has on all parties. This approach will ensure that the risk remains low.
<b>Environment</b>	Environmental assessments will be considered prior to confirming any sites for expansion or extension and feasibility studies will be undertaken where appropriate	L	This level of scrutiny and by following of Aberdeen City Council's Building Performance Policy will ensure that environmental risks remain low.
<b>Technology</b>	There is a risk that technology is not in place to support the transformation and particularly the 'funding follows the child' model being advocated.	L	Work is on-going across The Scottish Government and The Northern Alliance to mitigate this risk to ensure it remains low.
<b>Reputational</b>	The reputational risk of not being in a position to offer sufficient 1140 hours places to meet demand from August 2020.	M	This is being mitigated through early planning, clear governance arrangements and close working between teams across Aberdeen City Council to ensure that the expansion of Early Learning and Childcare is being planned for across all teams.

## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous Economy</b>	The projects outlined in this report are part of Aberdeen City Council's Early Learning and Childcare (ELC) Expansion Programme. The

	<p>expansion of ELC requires an investment in our Early Years Estate as well as an investment in staffing to ensure we are providing high quality provision that meets the needs of children and families in all localities. To this end, the proposals within the report support the delivery of LOIP Stretch Outcome 1 – 10% increase in employment across priority and volume growth sectors by 2026. The investment in our estate is interlinked with the investment in our workforce. To staff the expanding estate the Early Years team will contribute to the diversification of the local economy by offering flexible pathways into the Early Years Sector and increasing the number of people employed in this growth sector.</p>
<p><b>Prosperous People</b></p>	<p>The proposal within this report supports the LOIP Stretch Outcome 3 – 95% of children (0-5 years) will reach their expected developmental milestones by the time of their child health reviews by 2026. The projects outlined in this report are designed to support outdoor learning and the free flow of direct access to the outside environment. Outdoor learning, exercise and play benefits pre-school children by encouraging them to be physically active. This will help address many of the health challenges outlined in the LOIP. Children will have daily access to outdoor play and will regularly experience outdoor play in a natural environment as part of their ELC funded offer. Outdoor learning will significantly contribute to a child’s development and wellbeing.</p>
<p><b>Prosperous Place</b></p>	<p>The proposals within this report support the delivery of LOIP Stretch Outcome 13 – No one in Aberdeen will go without food due to poverty by 2026. To deliver the 1140 funded hours necessitates the building of several new ELC settings and a reconfiguration and extension of current provision. Increasing the accessibility of provision will contribute to transforming the lives of families across Aberdeen City. There are gaps in the provision in our three Priority Areas, which are home to the highest proportion of pre-school children and the highest concentration of families living in poverty. Every child attending a funded early learning and childcare (ELC) session will receive a healthy meal. The accessibility of</p>

	provision will lead to an increase in the uptake of the ELC funded offer and help ensure that no child in ELC will go hungry.
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<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Customer Service Design</b>	The proposed delivery model is designed around the needs of each community.
<b>Governance</b>	Clear governance arrangements are in place through the ELC Programme Board
<b>Partnerships and Alliances</b>	The model of delivery is founded on effective GIRFEC practice which requires close partnership working to improve outcomes for children and families.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	EHRIA completed
<b>Data Protection Impact Assessment</b>	Not required
<b>Duty of Due Regard / Fairer Scotland Duty</b>	The Duty of Due Regard applies to all pupils in receipt of early learning and childcare provided under section 47 of the Children and Young People (Scotland) Act 2014. The proposals have been developed with consideration of inequalities of outcomes for those pupils and they incorporate plans to address them, in compliance with the (Education (additional support for learning) (Scotland) Act 2004 Section 3B.

## 9. BACKGROUND PAPERS

Education and Children's Services Committee, 14 September 2017: Early Learning and Childcare Delivery Plan;

Council (Budget Meeting), 5 March 2019: General Fund Revenue Budget (Item 4b)

## 10. REPORT AUTHOR CONTACT DETAILS

Andrew Jones  
Service Manager, Assets & Finance  
[ajones@aberdeencity.gov.uk](mailto:ajones@aberdeencity.gov.uk)  
01224 523042