

## ABERDEEN CITY COUNCIL

---

<b>COMMITTEE</b>	City Growth and Resources
<b>DATE</b>	05 December 2019
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Expansion of Early Learning and Childcare – Phase 3 Projects
<b>REPORT NUMBER</b>	RES/19/419
<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

---

### 1. PURPOSE OF REPORT

- 1.1 To outline details of planned projects within Phase 3 of the Early Learning and Childcare (ELC) expansion programme.

### 2. RECOMMENDATIONS

That the Committee:

#### Phase 3 Capital Projects

- 2.1 approves funding for the delivery of Phase 3 of the Early Learning and Childcare expansion programme in accordance with the principles of the specific Capital Grant award; and:
- 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) where required for the following projects for the purposes of Procurement Regulation 4.1.1:
- Dyce School – Minor Reconfiguration
  - Danestone School – New Build Nursery
  - Glashieburn School – Minor Reconfiguration
  - Kittybrewster School – Minor Reconfiguration
  - Forehill School – Minor Reconfiguration
  - Fernielea School – Minor Reconfiguration
  - Scotstown School – Minor Reconfiguration
  - Greenbrae School – Minor Reconfiguration
  - Walker Road School – Minor Reconfiguration;

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 approved business cases at the Capital Programme Committee; and

#### Partner Providers Grant Funding Scheme

- 2.3 approves the establishment of a £1 million Partner Providers Grant Funding Scheme, to be funded from and operated in accordance with the principles of the specific Revenue Grant award, to support Early Learning & Childcare Partner Providers to increase quality provision and capacity to deliver the expanded hours for Early Learning and Childcare from August 2020; and
- 2.4 delegates authority to the Chief Education Officer to approve, in consultation with the Early Learning and Childcare Programme Board, specific grants from the Partner Providers Grant Funding Scheme, to individual Early Learning and Childcare Providers, to support infrastructure projects and increase quality provision for the delivery of expanded hours of Early Learning and Childcare.

### **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 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 On 14 September 2017, the Education & Children's Services Committee endorsed a provisional ELC Delivery Plan which detailed three proposed phases of work. Phases 1 and 2 of the Delivery Plan are currently underway. Authority to consider and approve business cases for the projects within the first two phases was delegated to the Chief Officer – Capital, by Council on 5 March 2019 (for Phase 1 projects) and by the City Growth and Resources Committee on 26 September 2019 (for Phase 2 projects).

#### Phase 3 Capital Projects

- 3.4 The programme is developing at pace in order to meet the implementation deadline of August 2020. Projects which will make up Phase 3 of the Delivery Plan have now been confirmed, and approval is sought for delegated authority to the Chief Officer – Capital to approve these projects, in line with the approach taken for Phases 1 and 2 of the programme.

3.5 The planned Phase 3 projects are:

- Dyce School – Minor Reconfiguration
- Danestone School – New Build Nursery
- Glashieburn School – Minor Reconfiguration
- Kittybrewster School – Minor Reconfiguration
- Forehill School – Minor Reconfiguration
- Fernielea School – Minor Reconfiguration
- Scotstown School – Minor Reconfiguration
- Greenbrae School – Minor Reconfiguration
- Walker Road School – Minor Reconfiguration

3.6 With the exception of the planned new build nursery for Danestone School, the Phase 3 projects largely focus on minor reconfiguration of existing spaces, and are therefore smaller in scale and cost compared with those in the first two phases. Individual business cases will therefore not be required for these smaller projects. Details of progress with all projects will however be reported on a monthly basis to the ELC Programme Board, and regular updates will also be provided to the Capital Programme Committee.

#### Partner Providers Grant Funding Scheme

3.7 In addition to the planned capital works aimed at expanding nursery provision within establishments operated by Aberdeen City Council, it is proposed that a one-year grant funding scheme should be established, to support existing and new external partner providers of Early Learning and Childcare, to increase quality and capacity within these settings to also deliver expanded hours from August 2020.

3.8 The purpose of the proposed scheme is to create additional capacity, improve quality and support staff development, to enable our partners to facilitate expansion in areas of need in Aberdeen. This approach is in line with the Scottish Government's expectation that support is offered to partner providers where there is a need to create additional capacity.

3.9 The proposed scheme is modelled on similar schemes to be operated in Aberdeenshire, Moray and Angus.

3.10 It is proposed that a total of one million pounds is made available for grants to partner providers, and that this is funded from the ELC revenue grant award. Grants would be offered to partner providers to undertake infrastructure improvements under six separate categories, as follows:

Category	Grant Criteria	Grant Offer
A	Improve quality and environment to support settings to reach National Standard	Up to the total costs of £5,000
B	Improve quality of outdoor space	Up to the total costs of £10,000

C	Increase capacity up to 20 places/improve outdoor space for those children accessing 1140 hours	Up to the total costs of £10,000
D	Staff training and development to support quality in the delivery of 1140 hours	Up to the total costs of £10,000
E	Improve quality and environment, up to 40 additional spaces created in areas where capacity is restricted	Up to the total costs of £20,000
F	New or innovative type of provision proposed, up to 40 additional spaces created.	Up to the total costs of £25,000

3.11 Applicants would be required to demonstrate that proposed works meet the following criteria:

- Increase the number of place available where demand is greater than current supply
- Support non council provision of high quality, flexible, accessible and affordable early learning and childcare
- Improve the quality of the learning environment
- Invest in staff training, qualifications and development to improve and maintain quality

3.12 All works including necessary planning, building warrant consents, construction works and specification would require to be undertaken by the applicant. It is anticipated that applications from partner providers would be invited between December 2019 and February 2020, with grants being awarded shortly thereafter.

3.13 Applications would be processed in accordance with the Council's updated *Local Code of Practice on Funding External Bodies and Following the Public Pound*, which was approved by the City Growth and Resources Committee on 26 September 2019.

3.14 It is proposed that the grant funding scheme would be operated by the ELC Expansion Team, and it is recommended that the Committee delegates authority to the Chief Education Officer, to approve specific grant awards to successful applicants, in consultation with the ELC Programme Board.

#### 4. FINANCIAL IMPLICATIONS

4.1 For the capital projects listed at paragraph 3.6, all costs associated with design, procurement and construction will be funded from the Scottish Government Early Learning and Childcare Multi-Year Capital Grant award. 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:	£9.05m
Phase 3 Estimated Capital Costs:	£2.14m
Unallocated Grant Remaining:	£0.02m

- 4.2 The proposed grant funding scheme for partner providers, with grants to be awarded up to a total of £1m, would be funded from the 2019/20 Scottish Government revenue grant award.

## 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 where required 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 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.	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 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	L	Work is on-going across The Scottish Government and The Northern Alliance to

	follows the child' model being advocated.		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 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.
<b>Prosperous People</b>	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.
<b>Prosperous Place</b>	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 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.

<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)*

City Growth and Resources Committee, 26 September 2019: *Expansion of Early Learning and Childcare – Phase 2 Projects*

City Growth and Resources Committee, 26 September 2019: *Funding External Bodies and Following the Public Pound - Local Code of Practice Update*

## 10. REPORT AUTHOR CONTACT DETAILS

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