

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Education Operational Delivery Committee
<b>DATE</b>	26 January 2022
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Evaluation of the Expansion of Early Learning and Childcare
<b>REPORT NUMBER</b>	OPE/22/001
<b>DIRECTOR</b>	Rob Polkinghorne
<b>CHIEF OFFICER</b>	Eleanor Sheppard
<b>REPORT AUTHOR</b>	Louise Beaton and Aisling MacQuarrie
<b>TERMS OF REFERENCE</b>	1.1.1

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### 1. PURPOSE OF REPORT

- 1.1 This report presents Committee with an Evaluation of the Expansion of Early Learning and Childcare Programme as agreed at the Education Operational Delivery Committee of 20<sup>th</sup> January 2021. The report also seeks an instruction to develop an Early Learning and Childcare Delivery Plan for 2022-2024 based on this evaluation.

### 2. RECOMMENDATIONS

That the Committee:-

- 2.1 approve the Evaluation of the Expansion of Early Learning and Childcare available in Appendix A and B;
- 2.2 instruct the Chief Education Officer to prepare a new Early Learning and Childcare Delivery Plan for 2022-24 based on the findings of this evaluation for presentation at the next meeting of this Committee; and
- 2.3 note the reduction of £4.6m in ring-fenced grant funding for the Expansion of Early Learning and Childcare next year and instruct the Chief Officer - Finance to include details of the impact, alongside the other implications of the 2022/23 financial settlement, in the budget report to be presented to the Council on 7 March 2022.

### 3. BACKGROUND

#### **The National Context**

- 3.1 A Blueprint for 2020: The Expansion of Early Learning and Childcare, published in March 2017, outlined the Scottish Government commitment to expanding the provision of funded Early Learning and Childcare (ELC) from 600 to 1140 hours.

- 3.2 Since August 2021 all three and four year-olds, and eligible two-year olds receive 1140 hours of funded ELC per year. This means more funded hours, more choice of where children can go to access their ELC entitlement and more flexible models of ELC are available to support families.

### **The Local Context**

- 3.3 Aberdeen City Council welcomed the opportunity to expand services in recognition of how the expansion of ELC could help reduce the poverty related attainment gap and improve long term outcomes for children and families. The Aberdeen City Council Delivery Plan was approved by the then Education and Children's Services Committee on 16 November 2017.
- 3.4 The Delivery Plan presented an ambitious vision of ELC for Aberdeen City Council which extended beyond the national policy intention in order to ensure that the programme would help support the delivery of outcomes stipulated in the Local Outcome Improvement Plan (LOIP). The Expansion of ELC has been evaluated against the Delivery Plan.
- 3.6 The expansion required the delivery of a multi-faceted cross council programme of work to ensure that families were able to claim their 1140 hours of ELC from August 2021. Following the approval of the Delivery Plan in 2017 the ELC programme was overseen by a Programme Board as part of the Council's executive governance arrangements. Membership reflected the cross council nature of the programme with representation from Education, Capital, Finance, Corporate Landlord, Legal and People & Organisational Development.
- 3.7 The Programme Board governed and provided strategic direction. The Board also monitored the finances and subsequent delivery of benefits, both financial and non-financial.

### **How well did the programme improve quality?**

- 3.8 The restructure of the Early Years team enabled the creation of Locality Lead Officers to oversee both quality assurance and the delivery of professional learning across a community.
- 3.9 There is emerging evidence that the new Early Years structure, provision of Locality Lead Officers, improved quality assurance activity and professional learning to build capacity is successfully driving an improvement in quality. At the time of writing the Delivery Plan in 2017, there was historical trend data evidencing that a higher proportion of Funded Provider settings were securing positive inspection gradings than those of the Local Authority. This trend is no longer apparent with a more even distribution of quality grades.
- 3.10 The inspection regime was suspended in light of the COVID-19 pandemic and resumed in August 2021. Two settings have been inspected since the resumption with both gaining awards of good or better. Both settings have significantly improved gradings from their last inspection.
- 3.11 There is considerable evidence that the focus on quality is helping to improve outcomes for children. Data will continue to be monitored carefully to ensure that an agile approach is taken to continuous improvement. Work undertaken

has successfully delivered the ambition contained in the ELC Delivery Plan of 2017.

**How well did the programme increase the workforce?**

- 3.12 To support the expansion of ELC, Aberdeenshire, Moray and Aberdeen City Councils collaborated with Training Providers and Funded Providers to establish an ELC Academy in 2017. The ELC Academy supported the recruitment and retention of quality ELC staff in the North East Scotland and was identified as national best practice.
- 3.13 Officers were aware of the wider ELC sector and wanted to limit movement of staff from our Funded Providers. This led to the development of a bespoke in-house traineeship programme, where existing internal council employees, looking for a new challenge, could train to become an Early Years Practitioner, on a secondment basis.
- 3.14 Three cohorts of staff, 76 employees in total, undertook the bespoke and innovative traineeship from across the Council. Of these, 63 have successfully completed the traineeship (83%) and gained permanent Early Years Practitioner roles. This proactive approach to 'growing our own' has significantly aided the Council workforce and financial planning and addressed a potential risk in the delivery of 1140 hours of ELC. Feedback from settings has been very positive about the quality of practitioners.
- 3.15 Staffing structures were reviewed to help provide a wider range of progression pathways in the sector and now includes Support Roles and Modern Apprenticeships. The establishment of an ELC Modern Apprentice (MA) role has provided an opportunity for young people, aged 16-24, to undertake a tailored apprenticeship in Early Years, on an 'earn whilst you learn' approach and has seen the service attract a higher proportion of young people to the workforce.
- 3.16 The Apprenticeship programme has been very successful, to date we have 37 ELC Modern Apprentices, (increasing from 7 in 2019) with a mixture of hours and working patterns, who are supported to complete their qualification by 3 local training providers. The inclusion of Modern Apprentices also allows our current Practitioners to take on the role of a mentor and develop their coaching and leadership skills.
- 3.17 Work to expand the workforce has been varied and has included supporting staff to gain qualifications, develop new skills in the provision of outdoor learning and leadership and amending the contracts of existing staff. Work to amend contracts was delayed due to the COVID-19 pandemic and this was sadly unavoidable and led to new teams being formed for August 2021 which placed pressure on settings to establish routes at pace.
- 3.18 The increase in the workforce and diversification of skills sets has considerably aided our work to expand provision across the city. The provision of a wider range of roles has introduced a clear career pathway with more entry routes. This change is helping to utilise the skills and expertise from a broader demographic and has helped us diversify the workforce. Work

undertaken has successfully delivered the ambition contained in the ELC Delivery Plan of 2017.

### **How effective was communication and engagement?**

- 3.19 A communications strategy was developed and regularly reviewed to ensure that key transformation messages and specific project information were shared with all relevant stakeholders. Moreover, that the views and experiences of stakeholders continued to contribute to the development and delivery of the programme. A series of engagement events took place with different stakeholders – school senior leadership groups, the early years workforce, facilities colleagues, funded providers and families – while the specific interests of each group differed the team sought to ensure that communication was purposeful, clear and of value.
- 3.20 Consultation with families (in 2017 and 2019) was used to help shape the delivery models offered in Aberdeen. Parents told us that they wanted choice in service delivery models with some families keen to secure their full entitlement over a few longer days (8am – 6pm) and others looking for access to daily provision for shorter periods. Some parents and carers were keen to access provision all year round with others preferring a term time only model.
- 3.21 Families wanted to access provision locally with the most favoured option being provision at their local school or in their immediate community.
- 3.22 In November 2021 we consulted again with parents, carers and future parents to seek their views to inform the evaluation report available in the appendices and help develop the next Delivery Plan. Appendix A is the text version of the full evaluation report and Appendix B is the interactive version of the report. Headline points from the 453 returns from November 2021 include:
- 72% of respondents were very satisfied or satisfied with the range of ELC providers and models within their local area (ASG).
  - 75.8% have been able to secure a funded ELC place in their local area/ASG.
  - 82.9% of respondents were satisfied with the location of their ELC provision.
  - 82.4% of respondents stated that they are satisfied or very satisfied with their child's experience of ELC to date.
  - 68.3% of respondents were either satisfied or very satisfied with their child's induction process.
  - The majority of respondents, at almost 65%, identified an improvement in their child's social skills with over half of the respondents seeing an improvement in their child's communication skills.
  - 51.2% of respondents stated that they had more time for other responsibilities as a result of the expansion of Early Learning and Childcare
  - 38.7% of respondents indicated that they had more money/disposable income as a positive impact on their family
  - 28.5% are now considering a return to work or study
  - 26.1% stated improved wellbeing /respite as a positive impact from the expansion of ELC, with 24.3% of respondents finding they now have more time to themselves.

- 3.23 The restrictions resulting from the pandemic led to greater use of technology to share progress and help families tour buildings when physical visits were not permitted. These innovations were helpful given the constraints in place at the time but Officers are keenly aware of the need to resume 'in person' communication when possible and to support the delivery of 'in person' transition arrangements when restrictions are eased.
- 3.24 A range of communication and engagement methods were utilised but the Covid-19 restrictions did impact on the level of satisfaction of parents and carers in induction arrangements and in staff given the lack of in-person engagement. The team were highly flexible and agile and responded to the pandemic related restrictions positively and in keeping with national Public Health guidance. Despite the challenges, consultation and engagement was in keeping with the Plans set out in the Delivery Plan of 2017.

#### **How effective was the Capital programme?**

- 3.25 At the time of writing the Delivery Plan, it was clear that there were considerable implications for our infrastructure. The previous Aberdeen City Council ELC offer had been delivered using a traditional model based in schools and did not fully utilise space in each building. There was a need to maximise the use of buildings whilst recognising that some buildings would be unable to offer the flexibility so only be able to provide an ELC Offer of 600 hours.
- 3.26 A comprehensive review of the suitability of school based provisions was undertaken to determine local circumstances and inform each local offer based on the agreed delivery models. The provision of a quality outdoor learning environment was prioritised in recognition that such a provision will enable coherent delivery of the curriculum over a mix of sessions. Two sites were also identified for Outdoor Nursery provision which will see Aberdeen City being the only Local Authority to offer two Outdoor Nurseries.
- 3.27 Buildings thought suitable to offer a higher number of ELC places if internal and external spaces were improved were identified in order to make best use of buildings already in place. The feasibility of each was scoped to ascertain the long term efficiency of undertaking this work to ensure that capital resource was spent wisely.
- 3.28 The accessibility of services was analysed. Careful analysis of uptake of services evidenced that some families chose not to access their entitlement as they didn't perceive provision to be accessible.
- 3.29 The completed capital projects span the city with a mix of new build, refurbishment and light internal works to enable the delivery of a flexible model to families across each Associated Schools Group (ASGs). A total of 27 capital projects were delivered in total, a number of which are profiled in the full Evaluation in Appendix A (text report) and Appendix B (interactive version of the report). The considerable increase in the number of children accessing provision (98% of 4 year olds in November 2021 compared to only 91% in 2017 for example) suggests that provisions are well located across the city.

- 3.30 The pandemic led to considerable supply chain issues which triggered a need for value engineering. Despite the challenges, the capital programme has delivered high quality and fully accessible settings which are being enjoyed by our children.

#### **Funded providers**

- 3.31 The planning and partnership working which has underpinned our work with funded providers has contributed to ensuring there is sufficient capacity across the city to deliver the expansion. Throughout this programme we have been cognisant of the needs of the sector, demonstrated in our approach to identifying the sustainable rate, which was transparent and reflective of evidence of costs of delivery.
- 3.32 The introduction of a concessionaire to occupy and deliver ELC from two of our purpose-built buildings contributes to delivering greater parity of choice within our priority areas. This is particularly the case for families with eligible 2-year-olds. Indeed, successive parent/carer consultations reveal the need for a range of different models and types of provision to meet the varying and evolving circumstances of every family. The recent cross boundary agreement is an extension of these principles - assuring families that the choice available is not restricted by local authority boundaries and there is a level of flexibility to meet the requirements of parents.
- 3.33 As we move forward, it will be vital to monitor the sustainability of providers and their capacity to meet the National Standard. Against the context of workforce challenges (retaining and recruiting staff), the sustainable rate, which enables the payment of the Living Wage, should contribute to creating a more level playing field across the sector. Nevertheless, while funded providers are expected to pay the Living Wage to staff delivering funded hours, this cannot be enforced by the local authority. This observation has also been echoed in the recent Audit Scotland ELC Expansion report (2020). While it cannot be enforced, we seek to encourage partners to commit to the Living Wage. To this end, inflationary and real Living Wage increases to the sustainable rate will be reviewed on a regular basis.
- 3.34 While the commissioning arrangements to deliver the expanded hours have been successfully implemented, they also need to be viewed against the context of workforce recruitment and retention. Workforce challenges, experienced at a local, regional and national level, have the potential to test the sustainability of the private, voluntary and independent sector. These challenges are further exacerbated by the impact of the pandemic. This is a risk that the service will continue to monitor. It will seek to strengthen some of the mitigations already in place – building on the work of the ELC Academy, which showcased clear career pathways into the sector and progression routes; access to the Workforce Development Fund and the Modern Apprentice scheme. The challenges of retention and recruitment serve to underscore the importance of the implementation of the Living Wage to create to greater equity of opportunity across the sector and contribute to attracting and retaining practitioners.

### **Overarching evaluation**

- 3.35 Despite the challenges of delivering the Programme during the Covid-19 pandemic, the Project team have successfully met their objectives. Key achievements include:
- All eligible children were able to access 1140 hours from August 2021;
  - There is evidence of highly effective Programme governance;
  - There is evidence of an increase in the quality of provision;
  - The ELC workforce expanded from 224.16 FTE to 461.30 FTE (expressed in headcount this is an increase from 358 employees in 2017 to 539 in 2021). This is as a result of the inclusion of Support Workers, Modern Apprenticeships and amended contracts of existing staff;
  - The successful delivery of 27 capital projects;
  - 82.9% of parents and carers who responded to a recent survey are satisfied or very satisfied with the location of their ELC provision; and
  - 82.4% of parents and carers who responded to a recent survey are satisfied or very satisfied with their child's experience of expanded ELC to date.
- 3.36 The Programme was delivered on time and on budget as of December 2021.
- 3.37 The evaluative report (Appendix A and B) evidences a multi-faceted and cross Council programme of work delivered to ensure that all families were able to take up their 1140 hours of statutory ELC entitlement from August 2021. Learning points from this evaluation include a need to now:
- Review transition processes to allow in person transition as soon as public health guidance allows
  - Be mindful of the need for early in-person engagement with staff if public health guidance allows
  - There is a need to further promote Gaelic Medium ELC provision
  - Monitor demand for childminders
  - Monitor demand for eligible 2s placements
  - Continue to work towards the delivery of intergenerational support as public health guidance allows
- 3.36 The Local Authority has a statutory duty under the Children and Young People (Scotland) Act 2014 to prepare and publish an Early Learning and Childcare Delivery Plan to set out the strategic direction for the delivery of ELC in the city. The Plan has to respond to local need and reflect the diversity of communities in Aberdeen. It is proposed that this evaluation and the learning points identified be used to inform the development of a Delivery Plan to be presented to the next meeting of this Committee.

## **4. FINANCIAL IMPLICATIONS**

- 4.1 Aberdeen City Council, as primary guarantor of quality and key enabler of flexibility and choice, is currently funded by a specific grant from the Scottish Government to deliver ELC. Officers have worked with finance colleagues to ensure that our plans realised a sustainable ELC provision based on the known funding constraints. In December 2021 the Local Government financial settlement for 2022/23 was published as part of the Scottish Budget and officers

are currently collaborating to ascertain the impact of a reduction in like for like ring-fenced revenue grant funding of £4.6m. In 2021/22 the ring-fenced funding is £25.1m and for 2022/23, on a like for like basis the value is £20.5m. Officers continue to consider the implications of this reduction in preparation for the Council budget setting meeting. The impact of this reduction will have to be incorporated into the 2022/23 budget, and the Council will make decisions on this on 7 March 2022.

- 4.2 Reciprocal arrangements are in place via a Cross Boundary Agreement with Aberdeenshire Council. This means that an equal number of ELC places will be provided by each neighbouring Local Authority. For example, if Aberdeen City Council provide more funded ELC places than Aberdeenshire Council, the additional places will be recharged to Aberdeenshire Council in line with the Reconciliation and Payments part of the Cross Boundary Agreement on a quarterly basis. This ensures equity and Best Value for both Authorities, whilst offering flexibility and choice to families from both Authorities.
- 4.3 The selling of surplus places is currently being explored as a way of income generating for the Council. We may be able to sell additional hours / sessions of ELC to parents and carers who require additional wrap around care (subject to the availability of places). In our most recent consultation, we asked if parents and carers would be interested in purchasing additional hours / sessions over and above the statutory 1140 hours funded entitlement. Nearly one third of respondents said, that if made available they would purchase extra hours of ELC, with a further third of respondents indicating that they would possibly purchase additional hours of wrap around care should they be available in the future.

## 5. LEGAL IMPLICATIONS

- 5.1 The expansion of ELC has brought a number of duties on the Local Authority under the Children and Young People (Scotland) Act 2014:
- Aberdeen City Council will retain the statutory responsibility for ensuring that funded ELC entitlement is available to all eligible children in the city.
  - Aberdeen City Council will continue to be the primary guarantor of quality and key enabler of flexibility and choice, ensuring that there is a range of options for all families in the city.
  - Aberdeen City Council is responsible for engaging and consulting with parents and carers on a regular basis (minimum of every 2 years) on the provision of ELC delivered locally.

## 6. MANAGEMENT OF RISK

Category	Risk	Low (L) Medium (M) High (H)	Mitigation
<b>Strategic Risk</b>	Risk of not delivering on legal obligations by August 2021 given the supply chain	Low	Mitigated by the work of the ELC Programme Board and 'one team' approach to delivery.



	issues and pressures of the Covid-19 pandemic.		
<b>Compliance</b>	Risk of not meeting statutory obligations around 1140 hours	Low	Mitigated through regular meetings of the Programme Board to identify and address issues at pace.
<b>Operational</b>	Risk of not designing an offer around the needs of our customers.  Risk of not attracting enough new practitioners into the workforce.	Low  Low	Mitigated through consultation with communities and the creation of Early Learning and Childcare Locality Lead Officer posts which support ELC in each Locality. Mitigated through the activities being undertaken as approved in Aberdeen City: Workforce Delivery Plan – Early Learning and Childcare approved by Education Operational Delivery Committee on 6 December 2018.
<b>Financial</b>	Risk of building a financially unsustainable model.	Medium	Care has been taken to redesign ELC around improving quality rather than simply doubling to reflect the additional hours and a more sustainable staffing model has been put in place.  Now that the financial settlement is known Officers are considering the implications of this on our delivery model and will describe these as part of the Council budget report for 2022/23.
<b>Reputational</b>	Risk of not delivering on legal obligations by August 2021	Low	Mitigated by the work of the ELC Programme Board and associated projects.
<b>Environment / Climate</b>	Risk of not utilising the expansion to develop awareness in our youngest learners.	Low	Mitigated through the development and roll out of Mud, Mess and Magic and on-going support for the development of outdoor learning spaces.

## 7. OUTCOMES

<b><u>COUNCIL DELIVERY PLAN</u></b>	
	<b>Impact of Report</b>
<b>Aberdeen City Council Policy Statement</b>	The proposals within this report support the delivery of Policy Statement 3 (People) – To work with the Scottish Government to provide flexible and affordable childcare for working families on the lowest incomes.
<b>Aberdeen City Local Outcome Improvement Plan</b>	
Prosperous Economy Stretch Outcomes	<p>The Expansion of Early Learning and Childcare will have a positive impact on this priority theme and will help to deliver the LOIP Stretch Outcome 1 ‘10% increase in employment across priority and volume growth sectors by 2026’.</p> <p>Example:</p> <p>The workforce has increased significantly in order to deliver the increase in ELC provision.</p> <p>63 Aberdeen City Council employees retrained as Early Years Practitioners over 3 cohorts of a Retraining Programme, gaining an SVQ Level 3 qualification. We have also recruited 110 Early Learning and Childcare Support Workers.</p> <p>In addition, we have introduced a Modern Apprenticeship position into our ELC staffing structure. This involves training young people to become Early Years Practitioners as part of our ‘Grow Our Own’ workforce strategy. This is a new role in our Local Authority ELC settings and provides a positive destination and career pathway for our young people as well as strengthening our workforce. We currently have 37 Modern Apprenticeships working across the city.</p>
Prosperous People Stretch Outcomes	<p>The provision of high quality Early Learning and Childcare will help to deliver 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’.</p> <p>Example:</p> <p>The provision of high quality Early Learning and Childcare will support early speech, language and literacy; will ensure that families receive the parenting and family support they need; and will</p>

	<p>better enable families to take up employment and training opportunities.</p>
<p>Prosperous Place Stretch Outcomes</p>	<p>The provision of high quality Early Learning and Childcare will also help to deliver the LOIP Stretch Aim 13 'No one in Aberdeen will go without food due to poverty by 2026'</p> <p>Example:</p> <p>The increase in funded ELC will enable more families to take up employment and training opportunities, thus reducing poverty. More hours will be available in Local Authority ELC settings and Funded Provider ELC settings will be an option for many families who could not afford this previously.</p> <p>Furthermore, every child who attends Early Learning and Childcare receives a minimum of one free meal per session attended as part of their statutory entitlement, as well as a portion of milk and fruit or vegetables daily via the Scottish Milk and Healthy Snack Scheme.</p>
<p><b>Regional and City Strategies</b></p>	<p>The proposals within this report support the Strategic Development Plan by supporting the workforce. The provision of high quality Early Learning and Childcare will:</p> <ol style="list-style-type: none"> <li>1. Support families to take up employment and training opportunities;</li> <li>2. Develop the Young Workforce; and</li> <li>3. Support business to recruit and retain staff.</li> </ol>
<p><b>UK and Scottish Legislative and Policy Programmes</b></p>	<p>The report sets out the Evaluation of the Expansion of Early Learning and Childcare in Aberdeen to date.</p> <p>As well as reviewing the expansion programme and its impact to date, this will also meet our statutory duties under the Children and Young People (Scotland) Act 2014 to:</p> <ol style="list-style-type: none"> <li>1. Deliver 1140 hours of funded Early Learning and Childcare per annum to all eligible 2 year olds and all 3 and 4 year olds whose parents wish to take up this statutory entitlement;</li> <li>2. Consult with parents and carers on a regular basis; and</li> <li>3. Prepare and publish an Early Learning and Childcare Delivery Plan which will set out the strategic direction for the delivery of ELC in the city for the next 2 years, responding to</li> </ol>

	local need and reflecting the diversity of communities in Aberdeen.
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## 8. IMPACT ASSESSMENTS

Assessment	Outcome
Impact Assessment	Not required
Data Protection Impact Assessment	Not required

## 9. BACKGROUND PAPERS

- Education and Children's Services Committee – Thursday 14<sup>th</sup> September 2017 ECS/17/042 Early Learning and Childcare Delivery Plan

## 10. APPENDICES

- Appendix A – Evaluation of the Expansion of Early Learning and Childcare (text version)
- Appendix B – Evaluation of the Expansion of Early Learning and Childcare (interactive version)

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