

EAST AYRSHIRE COUNCIL

EDUCATION COMMITTEE – 12 SEPTEMBER 2006

PRE SCHOOL EDUCATION REVISED ADVISORY FLOOR FOR ACADEMIC YEAR 2006/07 FOR PARTNER PROVIDERS

Report by the Director of Educational and Social Services

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise Members of the Education Committee of the revised pre school advisory floor for academic year 2006/07 further to the letter from the Scottish Executive Education Department of 10 August 2006 and to seek Members approval to implement this revision.

2. BACKGROUND

- 2.1 The Council currently has Service Level Agreements with 14 Partner Providers of pre school education in the voluntary and independent sector.
- 2.2 Children in their pre school year can access 5 x 2.5 hours sessions per week. Three year old children become eligible for a funded part-time place in the term after their third birthday.
- 2.3 Members will recall that at the meeting of the Education Committee on 23rd May 2006, it was agreed that pre school Partner Providers would be paid £1068 per fully loaded place for 39 weeks per year.

3. REVISION OF THE ADVISORY FLOOR

- 3.1 The changes to the advisory floor reflect the Ministerial commitment to increase the level of funding for Partner Providers, for commissioned pre school education places, as set out in the Executive Response to the *National Review of the Early Years and Childcare Workforce*. The Council is awaiting copies of this document which is subject to a consultation period until December 2006.
- 3.2 Ministers have recognised that the level of funding set by the advisory floor does not meet the costs for Partner Providers of delivering a quality pre school education service.
- 3.3 A high quality workforce is essential to deliver high quality pre school education. There is a need for increased investment in staff in the voluntary and independent sector to enable greater staff training and to cover the increasing

costs of recruiting, rewarding and retaining a more professional workforce. Ministers have decided to raise the advisory floor in recognition of this.

- 3.4 The revision represents a 20.5% increase on the 2005/06 figure of £1,037 for a fully loaded place for 33 weeks per year. Therefore, the revised advisory floor for session 2006/07 is £1,250 for 33 weeks per year.
- 3.5 As Education Committee agreed to fund Partner Providers for 39 weeks per year, to reflect the full academic year, the revised payment for a fully loaded place for 39 weeks will be £1,477.32. The new advisory floor is a significant increase on previous years and therefore Ministers are providing additional funding of £5m per year to local authorities through the local government core settlement.
- 3.6 For the avoidance of doubt, Ministers are looking to local authorities to make use of these additional resources to increase the funds and support Partner Providers. In particular, this is to support further investment in their staff and to develop management capacity.

4. NEXT STEPS

- 4.1 The Scottish Executive *Guidance on Pre School Education* will be revised in time for the start of the 2007/08 academic year. The *National Review of the Early Years and Childcare Workforce* also signals changes to the system of paying Partner Providers in the medium and long term.
- 4.2 A period of consultation has been set for the *National Review of the Early Years and Childcare Workforce* and Members should note that a further report will come to a future Committee in this regard.

5. FINANCIAL IMPLICATIONS

- 5.1 To facilitate the revised advisory floor payments and to provide increased support to partner providers, an additional £75,000 will come into the GAE for pre school education in 2006/07. This will increase to £114,000 in 2007/08.

6. LEGAL IMPLICATIONS

- 6.1 The Service Level Agreements already in place with Partner Providers for the academic year 2006/07 require to be amended to reflect the revised payment.

7. POLICY IMPLICATIONS

- 7.1 The revised *Guidance on Pre School Education* and the outcome of the consultation of the *National Review of the Early Years and Childcare Workforce* will have implications for the delivery of pre school education for partner providers in the future.

8. COMMUNITY PLANNING IMPLICATIONS

- 8.1** The provision of a pre school education place for every child whose parent wishes a place is reflected in the Improving Opportunities theme of the Community Plan.

9. RECOMMENDATIONS

- 9.1** It is recommended that Members of the Education Committee:

- (i) agree to reconsider this matter in terms of Standing Order 40;
- (ii) approve the level of £1,477.32 per fully loaded pre school education place for 39 weeks per year;
- (iii) note the increase in funds to the GAE for Pre school Education and;
- (iv) note that a future report will be presented to Committee on the *National Review of the Early Years and Childcare Workforce*.

Graham Short
Executive Director of Educational and Social Services

18 August 2006
KG/JA/SR

LIST OF BACKGROUND PAPERS

1. Letter from the Scottish Executive Education Department, 10th August 2006 Pre School Education Advisory Floor.
2. Scottish Executive (2006) *National Review of the Early Years and Childcare Workforce*.
3. Education Committee 23 May 2006: *Funding for Early Years Partner Providers*.

Members wishing further information should contact Janie Allen, Principal Officer (Early Years Services), Tel: (01563) 578125.

IMPLEMENTATION OFFICER: KAY GILMOUR