

REPORT TO: Cabinet

MEETING DATE: 11 March 2014

BY: Depute Chief Executive (Resources and People Services)

SUBJECT: Partnership Arrangements with Pre-school Providers

1 PURPOSE

- 1.1 The purpose of this report is to provide guidance on how East Lothian Council chooses to enter into partnership with any new private pre-school education providers and to provide clarity on funding for existing pre-school providers, all in order to manage and meet the obligation on East Lothian Council to provide pre-school places for children.

2 RECOMMENDATIONS

- 2.1 Cabinet is asked to:
- i. Approve guidance on how East Lothian Council chooses to enter into partnerships with private or voluntary pre-school education providers, as set out in paragraph 3.5 and 3.6 below.
 - ii. Agree that the Partnership Pre-School Provider Contracts entered into between East Lothian Council and the private or voluntary pre-school education providers should provide as determined by East Lothian Council, for the setting of an annually allocated number of pre-school education places at each nursery in each school year.

3 BACKGROUND

- 3.1 In terms of the Education (Scotland) Act 1980 (as amended by the Standards in Scotland's Schools Act 2000), section 1(1) states that:

“It shall be the duty of every education authority to secure that there is made for their area adequate and efficient provision of school education and further education”

The Act also states:

“(1C) An education authority shall have power in relation to pre-school children to secure for their area the provision of such school education, other than that which they are required by subsection (1) above to secure, as they think fit.”

East Lothian Council, as the education authority, meets this duty and, in terms of pre-school education, is required to provide adequate free, part time places for eligible children in East Lothian whose parents wish a place.

- 3.2 Currently all children eligible for pre-school education (ie those aged 3-5 years) are entitled, under current legislation, to 12.5 hours of pre-school education every week of the school year (a total of 475 hours per year). The Scottish Government has indicated that the provision of pre-school education hours will increase to 600 hours of pre-school education per year from August 2014 and include certain categories of two year old children (see 3.7).
- 3.3 East Lothian Council currently commissions pre-school education places from various providers within the East Lothian area, including the private, voluntary and independent sectors. This is to ensure that there is an adequate and efficient provision of pre-school education for eligible children. These places are commissioned by means of annual contracts with the private or voluntary providers, known as Partnership Agreements.
- 3.4 There are currently 16 partnership centres in East Lothian. Places at these Centres supplement the provision offered by East Lothian Council's own pre-school nurseries. Current contracts for partnership providers stipulate that funding for pre-school places will only be provided if there is a minimum of six eligible children attending that centre. There is currently no maximum limit to the number of children that could receive funding in a partnership centre.
- 3.5 To continue to ensure that East Lothian Council provides adequate and efficient pre-school education and that this continues to be offered through a combination of partner providers and local authority nurseries, it is imperative that the pre-school partnership budget is sustainably managed. It is therefore proposed that the Partnership Agreements for 2014/15 shall stipulate the allocated number of children that the Council will fund in each partnership centre. Funding will only be released to Partner Providers when children access their provision. This figure will be determined taking account of demand for places in the authority, the physical capacity of the partnership centre and the staffing resources of the partnership centre. The calculation detailed in 3.7 below will also inform the maximum number of places offered to a partnership centre.

- 3.6 To ensure East Lothian Council can continue to provide adequate and efficient pre-school education and sustainably manage its pre-school budget, it is proposed that the Council approve new requests for partnerships with new providers when all local authority nurseries in East Lothian have a projection of at least of at least 95% places filled by the academic year end.
- 3.7 Each year, based on projected need, East Lothian Council will award, as part of its strategy to manage capacity, a specific number of places to each approved partnership nursery. This number will be the actual projection plus a 10% margin to allow for:
- inward migration
 - children attending nursery not at their nearest provision
 - choice for working parents

Example: the authority has a need for 2,500 places.

The current usage/capacity in the authority nurseries is projected at 2131 places.

Partnership nursery places 'awarded' is $369 + 10\% \text{ margin} = 406$ places. In addition, further places will be awarded, (estimated at 150 – 200 places), for new provision for '2 year olds in workless families'.

4 POLICY IMPLICATIONS

- 4.1 The introduction of guidance on the criteria for entering into new partnership arrangements and the setting of a maximum number of children to be funded at each partnership centre will ensure a more equitable distribution of resources across East Lothian and a more efficient use of such resources to sustain an adequate provision of pre-school education places. This guidance complies with legislation and current Scottish Government guidance.

5 EQUALITIES IMPACT ASSESSMENT

- 5.1 It is acknowledged that this may mean that a very small number of individual families may not be able to be accommodated at their first choice provider, but there are a number of alternative options for all families.

6 RESOURCE IMPLICATIONS

- 6.1 Financial – the introduction of a maximum limit on the number of funded pre-school partnership provider places will ensure better control of the pre-school budget for future years. Setting criteria for entering into a contract with any new providers will also assist in budgetary control.

6.2 Personnel – None

6.3 Other - None

7 BACKGROUND PAPERS

7.1 Minutes of the Petitions Committee held on 12 September 2013 – link attached

http://www.eastlothian.gov.uk/meetings/meeting/5407/petitions_committee

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