



Scotland
National Day Nurseries Association

*Brighter thinking
for early years

Briefing Paper – Welsh Parliament Equality and Social Justice Committee 4 March 2024

Inquiry into childcare and parental employment in February/March 2024

About NDNA

National Day Nurseries Association (NDNA) is the national charity representing private, voluntary and independent (PVI) children's nurseries across the UK. We are the voice of the 21,000-strong nursery sector, an integral part of the lives of more than a million young children and their families. NDNA Scotland is the national representative body for PVI nurseries in Scotland with six networks covering 17 local authority areas.

NDNA provides information, training and advice that support nurseries and their 250,000 employees to deliver world-class early learning and childcare. Working closely with local and national government, we advise and campaign on the cost, choice and quality of childcare to benefit children, nurseries, families and the economy. NDNA Scotland support 324 PVI nurseries from our Edinburgh Office.

It is our understanding that the Equality and Social Justice Committee are undertaking inquiry into childcare and parental employment: the pandemic and beyond. The COVID-19 pandemic brought issues around gender equality, childcare and employment to the fore. This inquiry seeks to address these issues by focussing on the barriers that childcare provision can present for parents, particularly women, entering and progressing in the labour market.

Funded Early Learning and Childcare (ELC) in Scotland

In 2016 the Scottish Government committed to a vision for a universal offer, regardless of financial circumstances, of funded childcare that would almost double the entitlement to funded ELC to 1140 hours per year (30 hours if taken term time, 22 hours if take over a full year) by 2020 for all three and four year olds and eligible two year olds. The criteria for funded early learning and childcare for 2 year olds is based on receipt of one of these benefits: Income support. Income-based Job Seeker's Allowance. Income-related Employment and Support Allowance. That vision continues to be underpinned by the principles of Quality, Flexibility, Accessibility and Affordability. The expansion of funded ELC, was originally intended for August 2020, was paused in April 2020 to give local authorities the flexibility to focus on responding to the COVID-19 pandemic. It was rescheduled for August 2021 and has now been in place for just over 2 years. The Scottish Government also published a joint

implementation plan for funded early learning and childcare places for all children who defer their primary one start in December 2020.

The main aims of the expansion in ELC are to:

- improve children's outcomes and help close the poverty-related attainment gap
- increase family resilience through improved health and wellbeing of children and parents
- support parents into work, study or training

The Committee may be aware that there are ongoing plans to expand funded childcare to 1 and 2 year olds to a wider criteria than is currently offered starting in this Parliament with children from low-income households. This plan was set out in the Program for Government in 2021/22. NDNA Scotland agree with the premise of the current 1140 hours funded childcare policy (high quality, flexible, accessible and affordable). However, NDNA Scotland have warned of the dangers of rushing into expanding the provision as there remain significant challenges with the current offer of universal childcare for 3 and 4 year olds.

Approach Scotland takes to childcare provision in relation to child development

Those who wish to work in childcare in Scotland must register with the [Scottish Social Services Council](#) as a support worker (equivalent qualification in Wales Level 2), practitioner (equivalent level 3 – 5) or lead practitioner (equivalent level graduate – level 6). This ensures that the workforce is qualified to the required standard for the role that they are in. At each level of registration child development is part of the qualification.

New staff into the sector must (if they work in a funded partner provider nursery) complete the [National Induction Resource](#) which encourages self-reflection and draws upon the national practice non-statutory guidance [Realising the Ambition: Being Me](#). (for children Pre-Birth – 8 years) which has a focus on early child development and learning and also the [Curriculum for Excellence](#) which provides a broad general education from the age of 3 to 18. The CfE builds upon the child's development from the early stages to the senior phase of education.

The extent to which the approach taken to pay of childcare workers has helped/not helped with recruitment issues within the sector

In our sustainability survey we asked what the expected increase in staffing budgets would be between last year and this once statutory minimum wages increases, the Real Living Wage and other staffing considerations had been put in place. The average reported increase was 10%.

Also, 55% of providers cited that the funding rates they received was a challenge to meeting the Real Living Wage (RLW) Requirement with 10% reporting that maintaining pay differentials for more experienced staff was a problem. This need to reward staff at levels above the RLW may add to the 10.4% increase reported in staffing budgets.

The Scottish Government recently committed to fully funding support for partner providers to pay at least £12 per hour (the Scottish Real Living Wage) to those staff who are delivering funded childcare.

However, the UK Government at the same time increased the national living wage to £11.44 from April 2024 meaning all staff in the setting will earn almost the same. This causes significant issues for funded providers as £12 per hour often takes practitioners up to the same level of wage as more senior practitioners. The extra funding from the Scottish Government will not be enough to make up the shortfalls.

[NDNA reported](#) that in its [Financial Sustainability Health Check of the Childcare Sector in Scotland](#) published last year, the Scottish Government found that providers costs were going up by 14% this year. However, in an Freedom of Information investigation, [NDNA Scotland found](#) that only three local authorities reported that their 'sustainable rates' will increase by a similar amount, Clackmannanshire (14.9%), Fife (14.38%) and Shetland Islands (15.48%).

Examples of good practice in addressing issues in access to childcare for particular demographic groups

Rural and Island communities

A new partnership project was launched in April 2022 to support the recruitment and training of more than 100 professional childminders across Scotland. The Scottish Rural Childminding Partnership pilot focused on ten areas across Scotland which were identified as in urgent need of high quality, flexible childcare.

Led by the Scottish Childminding Association (SCMA) aimed to support economic and community development through the creation of more than 100 new professional childminding jobs and up to 900 much-needed childcare spaces for families in remote and rural areas.

This project was so successful that the Scottish Government committed further funding to roll out the project to wider local authority areas.

<https://www.childminding.org/childminder-recruitment>

Access to Childcare Fund

The purpose of this fund was to support childcare solutions that enable more accessible and affordable childcare for families and to help to reduce the barriers parents and carers experience in accessing childcare. These barriers include the cost of childcare, the hours available and accessibility for children with additional support needs.

Grants were awarded to fifteen services and projects in 2020 to seek to address the challenges and barriers encountered and allow parents and carers to have time around the school day and in holidays safe in the knowledge that their child(ren) is being looked after and given opportunities to take part in activities, play or youth work experiences.

They aimed to make services more accessible and affordable for low-income families, particularly the six identified priority family groups most at risk from living in poverty and set out in the [Tackling Child Poverty Delivery Plan](#)

NDNA Childcare Works – East Ayrshire

Following the huge success of Childcare Works in Wales (since 2014) we have recently secured funding to begin a Childcare Works project in East Ayrshire Scotland.

Childcare Works is a supported employment programme for individuals wanting to pursue a career working in childcare. The project supports the development of knowledge, skills and confidence to work in the early years and childcare sector with the aim of participants entering employment following completion of the programme. The project also supports childcare settings with recruitment and retention by providing them with a Trainee Support Worker for 12 weeks, at no cost to the setting, with the opportunity to employ the trainee as a member of staff by the end of the programme.

We hope that this programme will go some way to reducing the workforce issues and support PVI nurseries to be able to provide high quality care and learning to children and families.

Examples of good practice in relation to integrated childcare provision.

Throughout Scotland those working with children and young people work with an approach which is set out in [Getting it Right for Every Child](#). GIRFEC, is a strengths-based approach, that seeks to realise children's rights on a day to day basis and is therefore underpinned by key values and principles. The following values and principles (refreshed in 2021) were developed together with stakeholders including children and young people from across Scotland:

- placing the child or young person and their family at the heart, and promoting choice, with full participation in decisions that affect them
- working together with families to enable a rights respecting, strengths based, inclusive approach
- understanding wellbeing as being about all areas of life including family, community and society
- valuing difference and ensuring everyone is treated fairly
- considering and addressing inequalities
- providing support for children, young people and families when they need it, until things get better, to help them to reach their full potential
- everyone working together in local areas and across Scotland to improve outcomes for children, young people and their families

ELC Professionals work with the [National Practice Model](#) which sets out a shared framework and approach to identification, assessment and analysis of a child or young person's wellbeing needs. The model provides a consistent way for practitioners to work with children, young people and their families to understand the child or young person's individual growth and development in the context of their rights, unique family circumstances and wider world, exploring strengths, resilience, adversities and vulnerabilities.

It is intended to provide a structure to support practitioners, working together with children, young people and families, to make effective use of assessment information. This information will likely have been gathered from multiple sources including regular information gathering processes on the progress of a child or young person with full participation from the child or young person.

(information from [Scottish Government GIRFEC webpage](#))

Scottish local authorities – early adopters

Since October 2022 the Scottish Government have been funding four local authorities to deliver Early Adopter Community (EAC) projects on school age childcare in Port Glasgow (Inverclyde), Drumchapel and Carntyne (Glasgow), South and East Alloa (Clackmannanshire) and Linlathen (Dundee).

There are 2 key drivers of this work – tackling poverty, by helping parents to access and sustain employment, and improving children’s outcomes, by reducing barriers to a range of activities round about the school day and in the holidays, contributing to reducing the poverty related outcomes gap.

The Scottish Government’s new Programme for Government commitment builds on the existing school age childcare work to design all-age childcare offers for families in six early adopter communities. The PfG announced two additional EACs – Fife and Shetland

Scottish Government know that funding childcare alone won’t lead to improved outcomes for low income families or contribute effectively to tackling poverty so the childcare projects are aligned with wider tackling poverty initiatives to combine funded childcare with employability and family wellbeing support

Scottish Childminding Association Early Adopter School Age Childcare Project.

The Scottish Childminding Association (SCMA) Early Adopter School Age Childcare (SACC) project includes a focus on child poverty via funded, accessible, quality SACC placements in childminding settings. It also addresses the challenge of the declining childminding workforce, and how it impacts on the availability of childminders for SACC, by incorporating the recruitment of childminders linked to our wider dedicated childminding recruitment programme. SCMA are actively working with 4 Early Adopter local authorities, supporting them to ensure that childminders are included in the delivery of SACC and guiding them to develop processes and procedures to take into account childminder requirements, as part of the ongoing Scottish Government’s SACC framework and delivery plans.

SCMA - Family Childminding Partnership

This SCMA service is designed to test the impact and outcomes of a model which supports whole family wellbeing, is targeted at families in need and supports the key commitments of The Promise, through the provision of preventative family support within enhanced, nurturing childminding placements targeted towards 1 year-olds and their siblings. It will also provide key learning for the future Scottish Government Programme for Government ambition to expand ELC funded hours to 2 and 1 year-olds.

What parents say about 1140 hours of funded childcare

According to a Scottish Government survey (Scot Govt, 2022) 98% of Parents were accessing some form of funded childcare, and 73% of parents with a 3 to 5 year old and 52% of those with a 2 year old using funded childcare. This survey does appear to show that parents find the 1140 hours policy useful to them which shows that it has been a success in terms of meeting the needs of parents returning to work, going into training and having financial support. However, this report also shows that 23% of parents were not taking up the full 1140 hours funded childcare as they could not get the sessions that they wanted at their preferred settings.

Parents also reported being dissatisfied with flexibility to match funded hours to their own working patterns to minimise the cost of top-up childcare. The Scottish Government report highlights that the majority of parents are happy with ELC however, there are still issues around flexibility, affordability, and access to places that Scottish Government need to address (Scot Govt, 2022).

The parents' campaign group, Pregnant then Screwed, Scotland say that *"the major issue for many families in Scotland, and across the UK, is the accessibility and affordability of childcare. The increase in funded hours has been hugely beneficial to many parents but there still remains huge issues over costs, particularly for under 3s, and there is a growing problem with accessibility"* (Pregnant then Screwed, Scotland, 2024).

The Scottish Women's Budget Group (SWBG) reported in 2023 that 22% found it difficult to access childcare in their area, with the situation being more acute in rural areas. One respondent said *"So many rural schools in Aberdeenshire miles away from nursery provision so I have to drive to two disparate places and no after school provision"*. Their survey also revealed that 16% were unable to access funded hours due to a lack of flexibility in provision with one respondent saying *"The 30 hours does not fully cover the cost of year-round (private) nursery, and council nurseries offer term time only"*. When it comes to affordability the SWBG survey showed that 30% of women did not find childcare costs manageable, this increased to 47% for single parents, 38% for women from ethnic minorities and 36% for disabled women. 74 % of women said that increase in household costs were making childcare costs more difficult. The report concludes stating that there is a long-standing problem of lack of flexibility and affordability of childcare which has been exacerbated by the cost of living crisis and is putting family finances under pressure.

NDNA Scotland are aware that throughout the UK nursery settings are closing down due to sustainability issues. Scotland is no different, as nurseries close, parental access to funded places becomes more difficult. Parents are beginning to find it difficult to find suitable places to match their childcare needs.

NDNA Scotland – Challenges remaining with 1140 hours policy

It is generally accepted that the aims of the policy are good and will benefit children and families. However, there is also concern that the delivery of the policy is leading to closures due to unsustainable funding and workforce pressures.

For many years now we have heard from members that:

1. Funding does not cover costs
2. Local Authorities have recruited their experienced staff leaving them with either no or inexperienced staff – [NDNA reported](#) that a [SSSC report in 2023](#) found that the staff turnover rate is 29% in private nurseries, 21% in voluntary settings and 11% in public sector nurseries with 26% of managers leaving private sector settings go on to work at a practitioner level in public settings
3. Recruitment and retention is extremely difficult because PVI settings cannot compete with local authority pay and conditions of service due to unsustainable funding rates
4. Many local authorities make it challenging for settings to have cross border or blended places
5. Parents can't always get the nursery of their choice – despite the policy being provider neutral
6. Provision of Additional Support Needs and support for nurseries is sporadic across Scotland

NDNA Scotland continue to urge the Scottish Government to address these issues (and many others), particularly before any further expansion to one and two year olds takes place. The current model of funding is unsustainable and must be addressed going forward as this is often at the heart of many of the challenges the sector are facing.