

PE2111/A: Fund early learning and childcare from 9 months

Scottish Government submission, 29 July 2024

Background

High quality childcare that is flexible, accessible and affordable plays a critical role in our society. It is vital to giving children the best possible start in life, to supporting families to thrive, and to ensuring that parents and carers can work, train or study. That is why the Scottish Government has nearly doubled the hours of funded early learning and childcare (ELC) for eligible children, from 600 hours to 1,140 hours per year.

Scotland is the only part of the UK to already offer 1,140 hours a year of funded ELC to all three and four-year-olds and eligible two-year-olds regardless of their parents' working status – putting children first. This offer has been in place since August 2021 and equates to 30 hours per week term time, or 22 hours per week if used all year round. If families paid for our funded ELC offer themselves, it would cost them more than £5,500 per eligible child per year. Through the £1 billion a year we already invest in high quality ELC there is funding for councils to make the ELC offer available to around 25% of families with a two-year-old.

Uptake of funded ELC remains high – according to the ELC Census estimated uptake for 3- and 4-year-olds was 97% in 2023. Independent research has also shown that 97% of parents were satisfied with the quality of funded ELC they were receiving. In the representative Scottish Household Survey of 2022, over half (53%) of respondents with a child aged 0-11 found it was 'easy' or 'very easy' to afford childcare, while 14% said it was difficult or very difficult.

As the petition notes, the planned UK Government offer is not an expansion of universal childcare for all children under three. Under the previous UK Government's plans, the new entitlements for working parents with children under two should start to be offered to working families in England from September 2024 if sufficient numbers of staff are in post and places can be made available.

The Institute for Fiscal Studies (IFS) has made clear that, despite billions of investment in the new entitlements in England set out by the previous UK Government, 'the poorest one third of families will see almost no direct benefit from them. The IFS has also highlighted that "the new hours will also not apply for families who are in education, training or looking for work".

The Scottish Government has committed to working with local government and partners in the sector to expand our childcare offer, including developing a targeted one and two year old offer and work to start building a system of school age childcare. Supporting families is not only the right thing to do, it is critical to the First Minister's priorities of eradicating child poverty, providing excellent and sustainable

public services and growing the economy by supporting parents and carers into work, and creating new employment opportunities.

Progress on developing our offer for younger children

We are working on the initial stages of an expanded national offer for more families with two-year-olds, focusing first on those who will benefit most. We know that the needs of younger children are different to those aged 3 and 4 and in developing a new offer we will be guided by what the evidence tells us is best for children and families.

It is therefore important that the Scottish Government takes the time to get the design of a new offer for younger children right. In 2024-25 our focus is on insights and engagement, which includes piloting new approaches through the Whole Family Wellbeing Fund and learning from the six early adopter communities.

Expanding the School Age Childcare early adopters and activities provision

On 22 May 2024, the First Minister announced new investment of £16 million over two years within six Early Adopter Community (EAC) projects to tackle poverty and help families give their children the best start in life by expanding access to childcare services.

We are already delivering innovative school age childcare services to around 600 children from 500 families through EAC projects in Glasgow, Inverclyde, Clackmannanshire, and Dundee through the Early Adopters. Over the next two years, we will continue to build on these projects – expanding into new communities in Fife and Shetland and supporting families with children from the early years to the end of primary school. We will explore the childcare needs of families in these communities to inform local systems of funded childcare for families who need it most. The EACs will be a leading source of evidence, data, insights and evaluation relating to the impact, approach, and economic outcomes associated with place-based, people-centred systems of childcare.

We are also doubling our investment in 2024/25 to a further £4 million to deliver free breakfast, afterschool and holiday clubs to around 3000 children across Scotland each week through our 'Extra Time' programme in partnership with the Scottish Football Association.

The recent Budget was one of the most difficult since devolution but we are moving as far and as fast as we can to deliver a further expansion to funded childcare, building on the £1 billion a year we already invest to provide high quality funded ELC. In this context, developing and delivering a high quality childcare offer will require decisions to be made about how best to target resource, ensuring that policies are clearly evidence based and are effective at reaching those families who will benefit most.