

Finance and Public Administration Committee**20th Meeting, 2022 (Session 6), Tuesday 21 June 2022****Post-legislative scrutiny of the Financial Memorandum for the Children and Young People (Scotland) Bill****Purpose**

1. The Committee has previously agreed to undertake post-legislative scrutiny of the Financial Memorandum (FM) for the [Children and Young People \(Scotland\) Bill](#), specifically in relation to provisions on the expansion of early learning and childcare.
2. The Committee is now invited to take evidence from:
 - Sarah Watters, COSLA, Matthew Sweeney, COSLA and David Robertson, Chief Financial Officer, Scottish Borders Council; and then from
 - Jonathan Broadbery, Director of Policy and External Relations, National Day Nurseries Association, Graeme McAlister, Chief Executive, Scottish Childminding Association, and Jane Brumpton, Chief Executive, Early Years Scotland
3. In advance of this session, Audit Scotland has provided a written submission, available at Annexe A to the SPICe briefing. A submission has also been received from the Scottish Childminding Association (Annexe B). In addition to this written evidence provided, the Scottish Out of School Care Network, who were unable to attend the meeting, wanted the Committee to be aware of their view that “the main impact of the 1140 hours expansion on the school age childcare sector is a vast churn of qualified staff leaving, for better pay and conditions, to local authority posts.”
4. This session will provide an opportunity to explore the available data on the expansion of ELC in detail before the session with Scottish Government officials on 28 June.
5. This paper should be read alongside Paper 2, which is a SPICe briefing providing further background and includes additional documents provided by the Scottish Government.

Background

6. The Committee selected this FM for post-legislative scrutiny given significant concerns raised by the Session 4 Finance Committee regarding the financial estimates, which had led to a supplementary FM being published and recommendations that expenditure regarding the policy roll-out be monitored.
7. The Session 4 Finance Committee’s report on the FM notes issues in relation to the robustness of the estimates and assumptions upon which the FM was predicated, as well as disparity between the estimates provided in the FM and the

views of local authorities. That Committee's report concludes that "Government needs to develop a more robust methodology for forecasting potential savings from preventative policy initiatives. There is also a need to develop measures to ensure that the actual savings are effectively monitored and reported."¹

8. This Committee has agreed to focus its scrutiny on the specifics around the costs of the expansion of early learning and childcare, including initial financial estimates and monitoring of expenditure following policy implementation. It is hoped that this will help to inform and improve the Scottish Government's development of future Financial Memorandums.

Next steps

9. The Committee will continue taking evidence on the Financial Memorandum on 28 June, when it will hear from Scottish Government officials.

Committee Clerks June 2022

¹ [fir13-ChildrenandYoungPeopleBillw.pdf \(parliament.scot\)](#)