

Aberdeenshire Council

Integrated Impact Assessment

FY25-26 budget savings proposal: Early Years: Removal of ASN rate from Funded Provider payments

Assessment ID	IIA-002761
Lead Author	James Martin
Additional Authors	Natalie Stewart
Service Reviewers	Julia Matthew
Subject Matter Experts	Kakuen Mo, Jane Wilkinson, Ricki Lyon, Jade Fitzpatrick
Approved By	Anne Marie Davies Macleod
Approved On	Wednesday February 19, 2025
Publication Date	Wednesday February 19, 2025

1. Overview

This document has been generated from information entered into the Integrated Impact Assessment system.

Removal of enhanced funded provider (FP) payment rate for children with Additional Support Needs (ASN) additionality. This additional rate is not paid by all local authorities. Aberdeenshire Council pay 2 tiers of ASN rate for FP to support the participation of children with ASN in ELC. The Council has a responsibility to provide a sustainable rate, but there isn't a requirement on Council's to provide an enhanced rate to funded providers.

Aberdeenshire Council chose to provide this rate, in line with a range of other support measures i.e. training and development and resources, when there was adequacy of Scottish Government funding. There is no longer the adequacy of funding.

Aberdeenshire Council pay the 7th highest Funded Provider rate and indeed many other local authorities do not pay any enhanced rate for children with ASN and/or disabilities (as of FY 23/24). The Scottish Government publish information on funded provider rates for all Scottish local authorities, however, not for ASN.

Whether a child with complex ASN is in a local authority setting or a funded provider, there is a requirement to meet the needs of children, in line with the Scottish National Standards for Early Learning and Childcare, which state:

CRITERIA 6 – Inclusion

Sub-criteria 6.1 – The setting must comply with the duties under the Equality Act 2010.

Sub-criteria 6.2 – The setting will be willing to provide appropriate support, including making any reasonable changes to the care and learning environment, to ensure that children's additional support needs do not provide a barrier to them accessing a full range of experiences and meets their individual needs.

During screening 3 of 11 questions indicated that detailed assessments were required, the screening questions and their answers are listed in the next section. This led to 1 out of 5 detailed impact assessments being completed. The assessments required are:

- Equalities and Fairer Scotland Duty

In total there are 0 positive impacts as part of this activity. There is 1 negative impact, of these negative impacts, 0 have been mitigated and 1 cannot be mitigated satisfactorily.

A detailed action plan with 2 points has been provided.

This assessment has been approved by annemarie.daviesmacleod@aberdeenshire.gov.uk.

The remainder of this document sets out the details of all completed impact assessments.

2. Screening

Could your activity / proposal / policy cause an impact in one (or more) of the identified town centres?	No
Would this activity / proposal / policy have consequences for the health and wellbeing of the population in the affected communities?	No
Does the activity / proposal / policy have the potential to affect greenhouse gas emissions (CO2e) in the Council or community and / or the procurement, use or disposal of physical resources?	No
Does the activity / proposal / policy have the potential to affect the resilience to extreme weather events and/or a changing climate of Aberdeenshire Council or community?	No
Does the activity / proposal / policy have the potential to affect the environment, wildlife or biodiversity?	No
Does the activity / proposal / policy have an impact on people and / or groups with protected characteristics?	Yes
Is this activity / proposal / policy of strategic importance for the council?	No
Does this activity / proposal / policy impact on inequality of outcome?	Yes
Does this activity / proposal / policy have an impact on children / young people's rights?	No
Does this activity / proposal / policy have an impact on children / young people's wellbeing?	No
Does the activity / proposal / policy relate to budget proposals?	Yes

3. Impact Assessments

Children's Rights and Wellbeing	Not Required
Climate Change and Sustainability	Not Required
Equalities and Fairer Scotland Duty	No Negative Impacts Can Be Mitigated
Health Inequalities	Not Required
Town Centre's First	Not Required

4. Equalities and Fairer Scotland Duty Impact Assessment

4.1. Protected Groups

Indicator	Positive	Neutral	Negative	Unknown
Age (Younger)		Yes		
Age (Older)		Yes		
Disability			Yes	
Race		Yes		
Religion or Belief		Yes		
Sex		Yes		
Pregnancy and Maternity		Yes		
Sexual Orientation		Yes		
Gender Reassignment		Yes		
Marriage or Civil Partnership		Yes		

4.2. Socio-economic Groups

Indicator	Positive	Neutral	Negative	Unknown
Low income		Yes		
Low wealth		Yes		
Material deprivation		Yes		
Area deprivation		Yes		
Socioeconomic background		Yes		

4.3. Negative Impacts and Mitigations

Impact Area	Details and Mitigation

Impact Area	Details and Mitigation
Disability	<p>Withdrawing the ASN rates for Funded Provider could impact on the PVI sector's capacity for supporting children with additional support needs and/or disabilities. These enhanced rates are paid to ensure PVI providers can provide the appropriate level of resource and staffing to support children to participate in ELC. Withdrawing this could undermine the PVI sector confidence and commitment to inclusion and result in children being unable to access preferred settings.</p> <p>There is the potential that a higher cost could be incurred by the Council, as families with children with more complex additional support needs may move to Council settings to access funded ELC rather than the funded providers.</p> <p>The removal of the enhanced rate will disproportionately impact the rural and remote rural funded providers, who have less children and don't offer wrap around care. They will have less contingency funding compared with larger town based funded providers to be able to meet more complex needs of children. This has the potential implications of creating a two-tier system in terms of access to funded ELC and quality.</p> <p>Can be mitigated No</p> <p>Justification While it isn't possible to fully mitigate the impact of the withdrawal of the spend, there is scope to put in place a level of mitigation. Although the local authority currently provides support and training to Funded Providers, it is acknowledged that withdrawing the ASN rates will impact on their staffing and resourcing of their settings.</p> <p>There will be an element of mitigation possible through provision of training and development opportunities. Also, through advice and guidance from the central Early Years Service on support planning, care plans, targeted support, strategies etc. However, the children who are supported through the ASN enhanced rate have more complex requirements, which translates to higher staffing requirements in majority of cases.</p>

4.4. Evidence

Type	Source	It says?	It Means?
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Type	Source	It says?	It Means?
Internal Data	Early Years service	Currently 12 children with ASN and/or disabilities are supported in PVI sector provision through payment of enhanced ASN rates. These children have multiple and/or complex needs. As a result the level of staffing is higher to accommodate the needs of the children. There are multi agency arrangements in place for these children.	The number of children being supported through the funded providers is approx 0.5%.
Internal Data	Funded rate	The current funded rate supports low level asn requirements in terms of staffing and resources. The funded rate doesn't cover settings financially in being able to fund additional staffing and resources to meet the needs of children with multiple and/or complex needs.	Funded Providers may be adversely impacted financially for any children with multiple and/or complex needs who access their setting/s.

4.5. Engagement with affected groups

Given the sensitivity and potential adverse impact of this proposal, no engagement has been carried out. If this budget saving proposal is accepted, engagement with Funded Providers/PVI sectors will be progressed through established forums. Further, discussion with parent/carers of children with ASN and/or disabilities will be progressed through established forums.

4.6. Ensuring engagement with protected groups

N/A

4.7. Evidence of engagement

N/A

4.8. Overall Outcome

No Negative Impacts Can Be Mitigated.

Although the local authority currently provides support and training to Funded Providers, it is acknowledged that withdrawing the ASN rates will impact on their staffing and resourcing of their settings. Also, the ASN rate is to support complex and multiple needs, where the applications are supported with evidence from other services and agencies, i.e. Educational Psychology, Social Work, Health etc

It is acknowledged that removing the enhanced ASN rate will have a negative impact which cannot be mitigated. However, Aberdeenshire Council pay the 7th highest general Funded Provider rate and indeed many other local authorities do not pay any enhanced rate for children with ASN and/or disabilities (as of FY 23/24)

4.9. Improving Relations

N/A

4.10. Opportunities of Equality

N/A

5. Action Plan

Planned Action	Details	
<p>If budget saving proposal is accepted, ongoing monitoring and review of uptake and participation of children with ASN in PVI sector ELC provision to determine.</p>	Lead Officer	James Martin
	Repeating Activity	No
	Planned Start	Friday February 28, 2025
	Planned Finish	Tuesday March 31, 2026
	Expected Outcome	identification of gaps in provision and plans to resolve these gaps.
	Resource Implications	staff time
<p>Engagement & Consultation with relevant stakeholders around the withdrawal of the funding if the saving is accepted.</p>	Lead Officer	James Martin
	Repeating Activity	No
	Planned Start	Friday February 07, 2025
	Planned Finish	Tuesday February 04, 2025
	Expected Outcome	<p>Ensure that families and funded providers are aware of the levels of support. To ensure that funded providers are understanding of policy and statute around Inclusion.</p> <p>To ensure that funded providers are clear on training and development opportunities.</p> <p>That the Council has a plan in place to allow for a withdrawal which mitigates as best as possible, the removal of enhanced rate funding.</p>
	Resource Implications	<p>This will be a project involving a number of central officers in addition to engagement time from funded providers and families.</p>