12 September 2013

Dear Kenny,

Children and Young People (Scotland) Bill – Revised Funding

I am writing to draw to your attention to a change in the funding for the Children and Young People (Scotland) Bill in light of the Budget this week. This letter should therefore be read alongside the Financial Memorandum.

The Financial Memorandum includes an estimate of £1.1 million for extending funded early learning and childcare to two year olds who are looked after or subject to a kinship care order. Following helpful discussions with COSLA we have decided to increase the amount allocated to local government for this priority area by £3.4 million to a total of £4.5 million. This is to reflect the importance we place on the early learning and childcare agenda and to integrate monies previously provided to support looked after 2 year olds via the Early Years Change Fund.

The Financial Memorandum also includes an estimate of £1.2 million for uprating partner provider payments in line with inflation from 2007. This is in recognition of the fact that local authorities have not increased partner provider payments consistently since Scottish Government advice on payment levels stopped in 2007. We now think this figure should be in the region of £2 million to more accurately reflect the financial pressures on local authorities and partner providers, and this too has been reflected in the Budget.

The early learning and childcare provisions in the Children and Young People (Scotland) Bill represent a significant step towards the Scottish Government’s vision for transformational change in early learning and childcare. I firmly believe that this positive shift in the resourcing of these provisions clearly underlines my commitment to this agenda and to supporting the delivery of this flagship policy.
This letter is copied to the Convener of the Education and Culture Committee.

AILEEN CAMPBELL

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C.c. Stewart Maxwell, MSP
Convener, Education and Culture Committee