

Early Learning and Childcare Expansion Programme: Evaluation Strategy

Scottish Government Children
and Families Analysis

October 2022

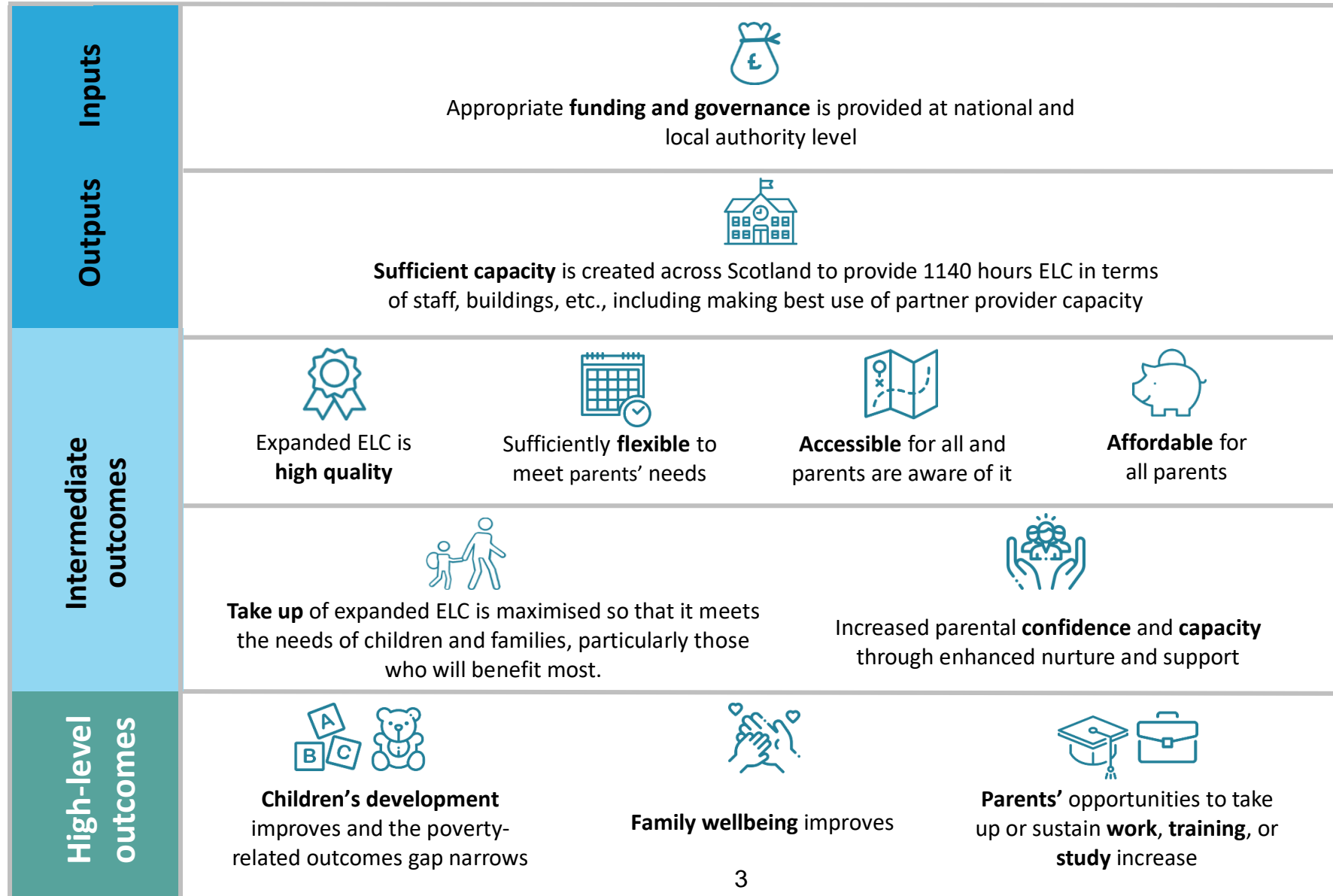


Contents








| | |
|---|-----------|
| Visual Summary | 3 |
| 1. Introduction and background | 6 |
| 1.1. Introduction..... | 6 |
| 1.2. Policy background and delivery of the ELC expansion | 6 |
| 1.3. Intended outcomes of the ELC expansion programme | 10 |
| 2. Overview of the evaluation strategy | 13 |
| 2.1. Development of the evaluation strategy | 13 |
| 2.2. Governance and stakeholder engagement | 13 |
| 2.3. Aims and scope of the strategy | 14 |
| 2.4. Considering the impact of the Covid-19 pandemic on the evaluation..... | 16 |
| 3. Monitoring progress on outputs | 20 |
| 3.1. Delivery assurance | 20 |
| 3.2. Understanding changes in the ELC sector and workforce | 20 |
| 4. Evaluating the intermediate outcomes | 23 |
| 4.1. Introduction..... | 23 |
| 4.2. Accessibility | 23 |
| 4.3. Flexibility..... | 25 |
| 4.4. Affordability..... | 26 |
| 4.5. Quality | 27 |
| 4.6. Take up | 31 |
| 5. Evaluating the impact of the expansion on outcomes for children, parents and families | 34 |
| 5.1. Introduction..... | 34 |
| 5.2. The Scottish Study of Early Learning and Childcare..... | 35 |
| 5.3. SSELC Research design..... | 35 |
| 5.4. Measuring child outcomes in the SSELC | 37 |
| 5.5. Measuring parent outcomes in the SSELC | 41 |
| 5.6. Parental confidence and capacity and family wellbeing in the SSELC | 42 |
| 5.7. Further evaluation research to complement the SSELC | 45 |
| 6. Assessing the economic costs and benefits | 47 |
| 6.1. Introduction..... | 47 |
| 6.2. Outcomes included in the Economic Evaluation | 47 |
| 6.3. Framework for the economic evaluation | 47 |
| 6.4. Delivery of the economic evaluation..... | 48 |
| 7. Outputs | 49 |

Early Learning and Childcare Expansion Programme Evaluation Strategy – Visual Summary





Early Learning and Childcare Expansion Programme – Logic Model



Summary of measures and data sources that will be used to evaluate the ELC Expansion Programme: outputs and intermediate outcomes

| | Output | Evaluation question | Measures | Data sources |
|-----------------------|--|---|--|---|
| Outputs | Sufficient capacity is created across Scotland to provide 1140 hours ELC  | How is delivery of the expansion programme progressing? | No of 2/3 to 5 year olds receiving < 600 funded hrs; % in LA, private partner, childminder settings Capacity for 1140 hours in local authority settings Additional local authority staff in place No of refurbishment, extension, new build projects | Improvement service Improvement service Improvement service Scottish Futures Trust |
| | Understanding changes in the ELC Sector and Workforce  | Ongoing use of range of data sources to explore changes in the composition and capacity of the ELC sector and workforce (including in relation to sector sustainability, Fair Work and pay across the sector, in particular payment of the Real Living Wage). | | Care Inspectorate SSSC data ELC Census |
| Intermediate outcomes | Expanded ELC is high quality  | How has the quality of ELC provision in funded settings changed following the expansion? | % of services providing funded ELC recorded as good, v good, excellent in Care Inspectorate inspections % of ELC staff with a qualification condition by provider sector and job function % of parents reporting they are satisfied with the overall quality of funded ELC | Care Inspectorate SSSC Scottish Household Survey (SHS) |
| | Accessible for all and parents are aware of it  | How has the accessibility of funded ELC changed following the expansion? | % of households who do not use funded ELC because: don't know if child is eligible; not aware; 'Don't know how to apply/find applying too difficult' % households who do not use ELC due to transport difficulties | SHS SHS |
| | Sufficiently flexible to meet parents' needs  | How has the flexibility of funded ELC changed following the expansion? | % ELC services open extended hours/school holidays % of households who do not use ELC due to lack of flexibility/ choice | Care Inspectorate SHS |
| | Expanded ELC is Affordable for all parents  | How has the affordability for parents of both funded and unfunded ELC changed following the expansion? | % of households with ELC-age children who find it easy to afford childcare % of households with ELC-age children saying they have no childcare costs, 'childcare is free/funded' | SHS SHS |
| | Take up of expanded ELC is maximised  | How has the take up of funded ELC changed following the expansion? | No. and % of 2 year olds, 3 & 4 year olds registered for funded ELC No. of 2 year olds, 3 to 4 year olds and 5 year olds (deferrals) accessing funded ELC No. and % of children accessing funded ELC | Current ELC Census Improvement Service New ELC Census |

Summary of measures and data sources that will be used to evaluate the ELC Expansion Programme: intermediate and high-level outcomes

| Intermediate outcomes cont. | Outcome | Evaluation question/s | Measures | Data sources |
|-----------------------------|--|--|--|---|
| | Increased parental confidence and capacity  | What impact has the ELC expansion had on parental confidence and capacity in: engaging with their child's learning and enhancing the home learning environment; and promoting their own wellbeing and confidence? | Home learning environment scale score 'Parental warmth' scale score % parents saying they get enough support with childcare % parents saying they 'always feel I am coping really well' or 'most of the time I feel I am coping pretty well' as a parent | Scottish Study of ELC Parent questionnaire |
| High-level outcomes | Children's development improves and the poverty-related outcomes gap narrows  | What impact has the expansion had on cognitive & language development? What impact has the expansion had on social, behavioural & emotional development? What impact has the expansion had on the poverty-related development gap? What impact has the expansion had on children's physical health and wellbeing? | Children's ASQ scores at the end of ELC (particularly for 'Communication') Children's SDQ 'total difficulties' scores at the end of ELC The gap between ASQ and SDQ scores by SIMD and household income at the end of ELC Children's ASQ 'gross motor' scores at the end of ELC | SSELC - keyworker questionnaires SSELC - keyworker questionnaires SSELC - keyworker questionnaires SSELC - parent questionnaires |
| | Parents' opportunities to take up or sustain work, training, or study increase  | What impact has the expansion had on parents' ability to work, train or study? What impact has the expansion of ELC had on parental health and wellbeing? | % of parents in work (f/t, p/t), study or training Average hours of work for parents in employment % parents whose general health is good or better Parental mental wellbeing scores | SSELC - parent questionnaires SSELC - parent questionnaires |
| | Family wellbeing improves  | What impact has the expansion of ELC had on family wellbeing? | Measure of family wellbeing using Latent Class Analysis. Analysis aims to identify groups of parents who can be categorised on the basis of their responses to relevant questions on: parental health and wellbeing; home environment and parent-child relationship. | SSELC - parent questionnaires |

1. Introduction and background

1.1. Introduction

- 1.1.1. This document outlines the Scottish Government's strategy for evaluating the impact of the early learning and childcare (ELC) expansion programme to 1140 hours. The evaluation work is being led by Scottish Government Children and Families Analysis.
- 1.1.2. This is an outcomes-based evaluation strategy and the primary focus is on measuring outcomes for children, parents and carers, and families as a whole. The approach taken builds on recommendations provided within the Evaluability Assessment conducted by NHS Health Scotland (now Public Health Scotland - PHS)¹. The evaluation work outlined in this strategy consists of three main inter-related parts:
- 1) evaluating the accessibility, flexibility, affordability, quality and take up of funded ELC
 - 2) evaluating the contribution of the expansion programme to outcomes for children, parents and carers² and families, and
 - 3) assessing the longer-term economic costs and benefits of the expansion programme.
- 1.1.3. Policy evaluation is a systematic assessment of a policy's design, implementation and outcomes. In general, it involves understanding how a government policy 'is being, or has been, implemented and what effects it has, for whom and why. It identifies what can be improved, and estimates its overall impacts and cost-effectiveness'.³

1.2. Policy background and delivery of the ELC expansion

- 1.2.1. The Children and Young People (Scotland) Act 2014 ('the 2014 Act') formalised the term 'early learning and childcare' to capture the learning journey that takes place from birth. This term highlights that care and education are closely linked. The 2014 Act increased the statutory entitlement to funded ELC to up to 600 hours per year for all eligible children and expanded the definition of an eligible child to include some two year olds, as well as all three and four year olds. Eligibility criteria have continued to evolve since the 2014 Act and now include two year olds that have experience of care themselves, have a parent with care experience or have a parent who is in receipt of one or more qualifying benefits.⁴

¹ McAdams, R et al. (2017). [Evaluability assessment of the expansion of early learning and childcare](#)

² The shorthand 'parents' is used hereafter: this is meant to include any principal carers of children.

³ HM Treasury. (2020). [Magenta Book: Central Government guidance on evaluation](#).

⁴ [Funded early learning and childcare - mygov.scot](#)

- 1.2.2. In late 2014, the Scottish Government set out a commitment to almost double the hours of funded ELC from 600 to 1140 hours per year by the end of the next parliament (i.e. 2021)⁵. In 2016, the Scottish Government launched a consultation on this commitment - 'A Blueprint for 2020: Expansion of Early Learning and Childcare in Scotland'⁶. Following that consultation, in 2017 the Scottish Government published an action plan that set out a policy framework to realise the expansion by 2020.⁷ The action plan emphasised the importance of a high quality experience for all children and set out how the capacity and supporting structures for the expansion - including infrastructure and the workforce - would be created.
- 1.2.3. Local authorities are responsible for delivery of ELC to the local communities in their area, within a context of providing high quality learning, teaching, care and nurture. It was recognised that existing ELC provision would have to be transformed to deliver 1140 hours by 2020 through an enhanced service model that reflects and is responsive to local needs. During late 2016 and early 2017, a programme of 14 trials took place across the country to test a variety of models for delivering ELC. A report on key findings from the evaluation of the trials was published in May 2018.⁸
- 1.2.4. In March 2017, the Scottish Government published ELC Expansion Planning Guidance for local authorities which offered a framework to support local authorities in developing their initial plans.⁹ It set out key principles such as prioritising and safeguarding quality provision while offering parents a choice of settings, provider neutrality and service models that are flexible and responsive to parental demand. All 32 authorities submitted their first expansion plans in autumn 2017. These plans provided further detail of their approach to phasing in the expansion. Investment in the workforce and infrastructure were phased in from 2017-18 onwards to ensure that the required capacity was in place. This phasing was intended to ensure that those who stood to benefit the most from the expansion benefitted first.
- 1.2.5. In March 2018, the Scottish Government and the Convention of Scottish Local Authorities (CoSLA) consulted jointly on a new service model for delivery of the 1140 hours entitlement.¹⁰ The consultation set out the key features of the Funding Follows the Child policy framework and the National Standard which all providers delivering funded ELC would be required to

⁵ Scottish Government. (2014). [One Scotland: The Government's programme for Scotland 2014-15](#).

⁶ Scottish Government, (2016). [A Blueprint for 2020: Expansion of Early Learning and Childcare in Scotland Consultation](#).

⁷ Scottish Government, (2017). [A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland - 2017-2018 Action Plan](#).

⁸ Scottish Government. (2018). [Early Learning and Childcare Expansion Delivery Trials: Evaluation](#).

⁹ Scottish Government. (2017). [A Blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland - ELC Expansion Planning Guidance for Local Authorities](#).

¹⁰ Scottish Government. (2018). [A blueprint for 2020: The Expansion of Early Learning and Childcare in Scotland – ELC Service Model for 2020: Consultation Paper](#).

meet. The consultation was developed by the Service Models Working Group which brought together local authority, COSLA and Scottish Government representatives and sought inputs from a range of providers and stakeholders throughout the development process.

- 1.2.6. In April 2018, a multi-year funding revenue and capital package for the expansion of ELC was agreed by Scottish Ministers and COSLA.¹¹ The agreement was based on finance templates submitted by local authorities in March 2018, as reviewed by the joint ELC Finance Working Group and following adjustments agreed by Scottish Ministers and COSLA Leaders. The distribution methodologies underpinning local authorities' allocations were agreed by COSLA Leaders in April 2018.
- 1.2.7. In September 2018, the [Early Learning and Childcare Joint Delivery Board - gov.scot \(www.gov.scot\)](http://www.gov.scot) was established. The Board was jointly chaired by the Minister for Children and Young People and the COSLA Spokesperson for Children and Young People. The purpose of the group was to provide overall governance of the ELC expansion programme, to manage and monitor progress against the key milestone plan to ensure that the Scottish Government and local authorities delivered the ELC expansion on time and within budget.
- 1.2.8. The Children and Young People (Scotland) Act 2014 (Modification) (No. 2) Order 2019 placed a duty on education authorities to provide the increased 1140 hours of funded ELC to all eligible children from 1 August 2020.
- 1.2.9. In February 2018, [Audit Scotland published an audit of ELC](#). It highlighted a number of risks to the expansion, including increasing the infrastructure and workforce to the levels required. [Audit Scotland's follow up audit of ELC](#) published in March 2020 reported that the Scottish Government and local authorities were making steady progress to deliver the expansion, but that risks remained in relation to 'getting enough people and buildings in place to deliver'. Audit Scotland is due to publish a third performance audit of funded ELC in 2023. A further performance audit will be carried out when there is more data available on the outcomes being achieved by the expansion.
- 1.2.10. In March 2020, when the Covid-19 pandemic struck, the Deputy First Minister announced that all local authority schools and ELC settings in Scotland would close, other than for the provision of critical childcare to the children of key workers and vulnerable children.¹² Childcare providers in the private and third sector were advised they should only remain open to support the children of critical workers and families most in need of support.
- 1.2.11. In April 2020, Scottish Ministers took the difficult decision to delay the full statutory implementation of the expansion of funded ELC. The duty on

¹¹ [Early learning and childcare expansion](#)

¹² [Coronavirus \(COVID19\) – impact on education: Deputy First Minister speech, 19 March 2020](#)

education authorities was revoked.¹³ This was necessary to allow local authorities to deal with the urgent necessities of the pandemic, including the delivery of critical childcare for vulnerable children and the children of key workers. It was also apparent that the national lockdown would have implications for the ability to deliver on key infrastructure projects and recruit the necessary workforce required to deliver the ELC expansion in full (see Section 3 for further discussion of the impacts of the pandemic on the sector and on children and families).

- 1.2.12. Since August 2020, Funding Follows the Child has also been subject to Interim Guidance, reflecting the impact of the pandemic. This has provided a small number of flexibilities for local authorities and providers on aspects of the National Standard. Versions of the Interim Guidance have been published in July 2020, March 2021 and in May 2022. The most recent version of the Interim Guidance sets out the position for 2022-23 and reflects the position agreed by the Joint Delivery Board for a gradual move towards full implementation of Funding Follows the Child and the National Standard.¹⁴ There will be a further review point on implementation of Funding Follows the Child in late 2022, ahead of updated guidance documents being made available in Spring 2023, to support full implementation from August 2023.
- 1.2.13. Throughout the Covid-19 pandemic, the Scottish Government supported local authorities to work towards the delivery of 1140 hours of funded ELC where they were not already doing so. A majority of local authorities did choose to implement expanded hours during 2020-21. The Joint Delivery Board agreed in December 2020 that August 2021 would be the earliest feasible date for the implementation of the full 1140 expansion, following a review of readiness, including discussion with local authorities and the sector. The Children and Young People (Scotland) Act 2014 (Modification) Order 2021 was laid in Parliament on 22 January 2021 to reinstate the statutory duty from 1 August 2021.
- 1.2.14. The policy focus is now on embedding and realising the benefits of the 1140 expansion for children, their families and the sector. In addition, the Provision of Early Learning and Childcare (Specified Children) (Scotland) Amendment Order 2020 was laid in Parliament in December 2020 to entitle all children whose school entry is deferred access to funded ELC by August 2023.¹⁵ Phased implementation of the obligation is underway with ten pilot local authorities during 2021-22 and 2022-23.¹⁶

¹³ [Children and Young People \(Scotland\) Act 2014 \(Modification\) \(No. 2\) Revocation Order 2020 \(S.S.I. 2020-136; The Children and Young People \(Scotland\) Act 2014 \(Modification\) Order 2021 \(legislation.gov.uk\)](#)

¹⁴ [Funding Follows the Child and the National Standard for Early Learning and Childcare Providers: interim guidance - update - gov.scot \(www.gov.scot\)](#)

¹⁵ [The Provision of Early Learning and Childcare \(Specified Children\) \(Scotland\) Amendment Order 2020](#)

¹⁶ [Early learning and childcare access in a deferred year: joint implementation plan - gov.scot \(www.gov.scot\)](#)

1.2.15. The Scottish Government is also currently developing two new policy commitments relating to childcare: to build a system of school age childcare, providing care before and after school, all year round, and supporting parents – particularly on low-incomes – to have secure and stable employment; and to expand funded early learning and childcare to one and two year olds, starting in this Parliament with children from low-income households.¹⁷

1.3. Intended outcomes of the ELC expansion programme

1.3.1. The Scottish Government wants every single one of Scotland’s children to grow up in a country where they feel loved, safe and respected, and able to reach their full potential¹⁸; this is at the heart of the commitment to expanding the funded ELC entitlement. The primary aim of the ELC expansion is to secure improved outcomes for children in Scotland, helping to provide children with skills and confidence to carry into school education and contributing to closing the poverty-related outcomes gap.

1.3.2. The expansion represents an important contribution to Scotland’s national mission to tackle child poverty, as set out in the Scottish Government’s Tackling Child Poverty Delivery Plans for 2018-22 and 2022-26.¹⁹ An important part of the ELC offer is to support the wider family, maximising the contribution to [Keeping the Promise](#) and delivering holistic family support.

1.3.3. The expansion of funded ELC to 1140 hours, therefore, aims to contribute to three high-level outcomes:

- **Children’s development improves and the poverty-related outcomes gap narrows**
- **Parents’ opportunities to take up or sustain work, study or training increase**
- **Family wellbeing improves**

1.3.4. To contribute to these high-level outcomes, our logic model for the programme highlights that the expansion must also achieve six ‘intermediate outcomes’ (see Figure 1 overleaf). These intermediate outcomes reflect four important principles for the 1140 expansion which were set out in the Blueprint in 2017: quality, flexibility, accessibility, and affordability.²⁰ The final two intermediate outcomes reflect the importance of parents taking up the expanded offer, and ELC settings supporting parents’ confidence and capacity.

¹⁷ Scottish Government. (2021). [A Fairer, Greener Scotland: Programme for Government 2021-22](#)

¹⁸ [Children and Young People | National Performance Framework](#)

¹⁹ [Every child, every chance: tackling child poverty delivery plan 2018-2022](#); [Best Start, Bright Futures: tackling child poverty delivery plan 2022 to 2026](#)

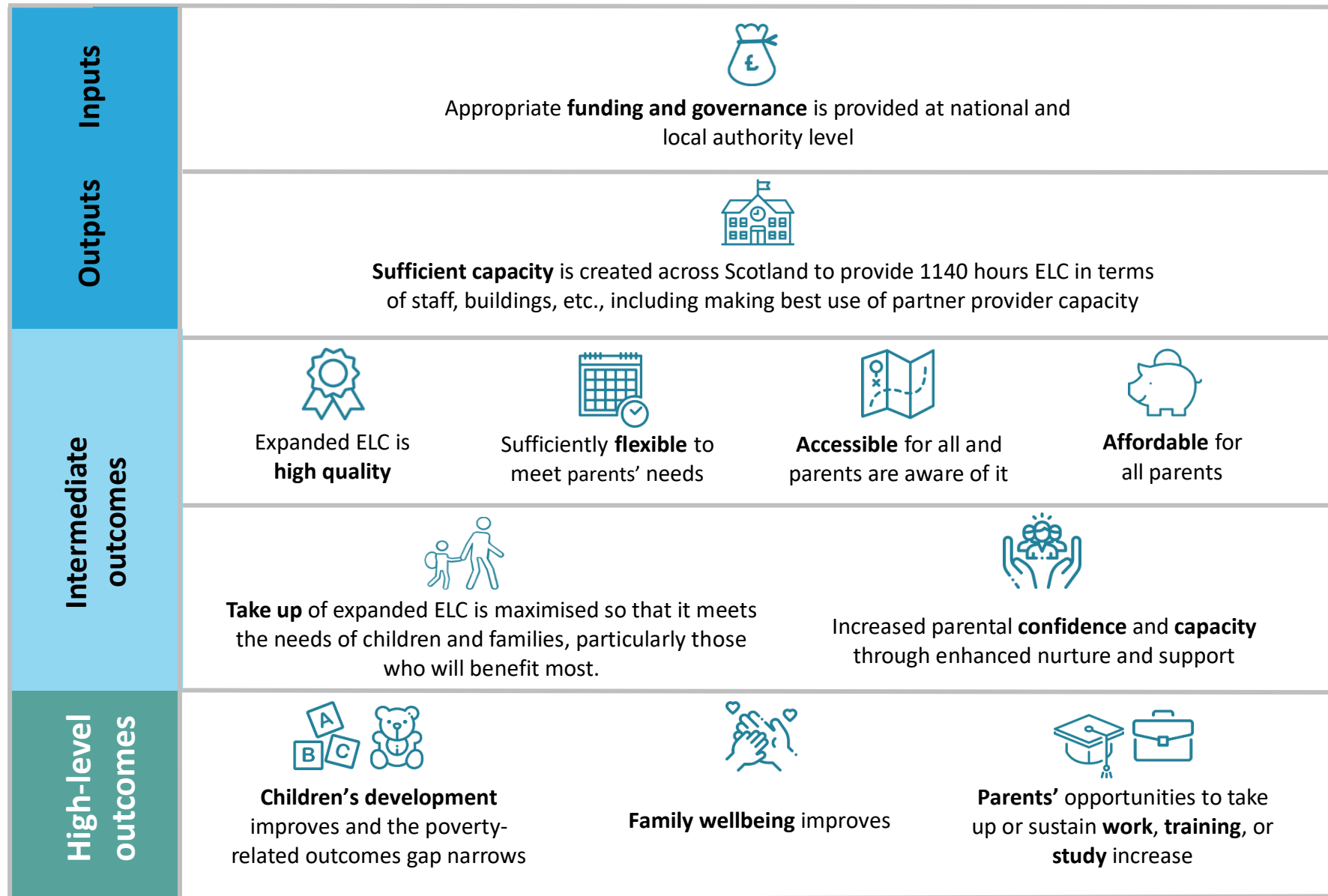
²⁰ Scottish Government. [A blueprint for 2020 - action plan](#), p3.

1.3.5. The six intermediate outcomes for the expansion are defined as follows.

- **Accessibility:** ELC capacity should be sufficient and as conveniently geographically located as possible - particularly in areas of higher deprivation and in rural communities - to support families and enable parents and carers to work, train and study, while also appropriately meeting the needs of children who require additional support.
- **Flexibility:** The expansion should support parents and carers in work, training or study, as well as those with caring responsibilities. Patterns of provision should be better aligned with working patterns whilst being delivering in a way that ensures a high quality experience for the child.
- **Affordability:** The expansion should increase access to affordable ELC, including to help reduce barriers in the labour market participation that parents and carers face and to reduce household costs.
- **Quality:** The expansion should ensure a high quality experience for all children which complements other early years and educational activity to close the outcomes gap and recognises the value of ELC practitioners.
- **Take up:** Take up of expanded ELC should be maximised, particularly among those who will benefit most, so that it meets the needs of children and families.
- **Parental confidence and capacity:** The expansion should support parents and carers in engaging with their child's learning, enhancing the home learning environment and promoting their own wellbeing and confidence.

1.3.6. These six intermediate outcomes are described in more detail in Section 4.

Figure 1: Early Learning and Childcare Expansion Programme – Logic Model



2. Overview of the evaluation strategy

2.1. Development of the evaluation strategy

- 2.1.1. Development of the evaluation framework for the expansion programme has taken place alongside policy development and implementation. This strategy further develops the evaluation framework set out in the Evaluability Assessment undertaken by NHS Health Scotland²¹ and progress reporting,²² including setting out our approach to the evaluation of child and parent outcomes, the measurement of family wellbeing and to assessing the longer-term economic benefits.²³
- 2.1.2. The strategy was being finalised in early 2020, however, publication was put on hold due to competing demands within Scottish Government in response to the Covid-19 pandemic. Research and analysis for the evaluation has continued during this period. The strategy has subsequently been reviewed and updated to reflect the impact of the pandemic, the necessary delay to the statutory implementation of the ELC expansion on evaluation plans and the current policy context.
- 2.1.3. Evidence requirements for the strategy will be kept under review. We will continue to consider, in an ongoing way, if our evidence sources are robust and comprehensive enough.

2.2. Governance and stakeholder engagement

- 2.2.1. In developing the evaluation approach, it was recognised that to be successful the strategy should:
 - be possible to implement within reasonable timescales so learning can feed into policy implementation and development
 - be proportionate, minimise duplication and costs, and utilise existing data as far as possible
 - have a shared vision, understanding and ownership by all stakeholders
 - be flexible and able to adapt to policy changes as the work progresses
- 2.2.2. In line with these principles, the evaluation methodology makes use of existing sources of information and reporting processes, along with commissioning of specific and targeted research. We are aware of the burden of information requests made of providers and local authorities.
- 2.2.3. It is also vital that stakeholders with an interest in the ELC expansion programme have information about the overall strategy, contribute to the

²¹ McAdams R et al. [Evaluability assessment](#).

²² Scottish Government. (2016). [Implementing Early Learning and Childcare under the Children and Young People \(Scotland\) Act 2014: Progress Update](#); Scottish Government. (2017). [The Expansion of Early Learning and Childcare: Evaluation Report](#).

²³ Audit Scotland. [Early Learning and Childcare: follow up](#)

evaluation process and participate in the research being undertaken. Key stakeholders were involved in the initial Evaluability Assessment. Scottish Government has worked very closely with PHS to develop and take forward the evaluation approach. The Scottish Government set up and continues to chair a Evaluation Working Group to oversee the evaluation approach (see Annex A for membership of the group). We are grateful to all those who have contributed time and expertise.

- 2.2.4. In addition, the work outlined here will feed into the Tackling Child Poverty Evaluation Strategy.²⁴ Expanded ELC is one of the shortlisted policy actions included in the Child Poverty Evaluation Strategy, as it is anticipated that it will contribute to meeting the child poverty targets through influencing two of the three drivers of child poverty (income from employment and costs of living).

2.3. Aims and scope of the strategy

- 2.3.1. The overarching aims of this evaluation strategy are twofold: firstly, to produce robust evidence to assess the contribution of the ELC expansion to 1140 hours to outcomes for children, parents and families and to assess the longer term economic costs and benefits; and secondly, to set out the data that will be drawn on to provide ongoing evidence at a national level to continue to support realising the benefits of the expansion.
- 2.3.2. The aims and core questions for the ELC expansion evaluation have been developed based on the Theory of Change for the expansion programme set out in the Evaluability Assessment. The full Theory of Change is in Annex B. This Theory of Change is based on the principles of Getting it Right For Every Child (GIRFEC) – the Scottish Government's national approach to supporting children, young people and their families. As noted above, Figure 1 provides a simplified logic model for the expansion programme, setting out the framework for the evaluation questions.
- 2.3.3. As underlined in Section 1.3, the logic model outlines that, to achieve its high-level outcomes, the ELC expansion programme needs to *realise intermediate outcomes* of maximising take up of expanded ELC, especially among families who will benefit most. Further, to achieve its outcomes, expanded ELC needs to be high quality, sufficiently flexible and accessible and to increase access to affordable ELC. Finally, expanded ELC services need to support parental confidence and capacity (e.g. to engage with their child's learning, enhance the home learning environment and promote their own wellbeing and confidence). These *intermediate outcomes* rely on appropriate funding and governance being provided at national and local authority level (*inputs*),

²⁴ Scottish Government. (2019). [Tackling child poverty: first year progress report - Annex A – Child poverty evaluation strategy](#); Scottish Government. (2022). [Tackling child poverty delivery plan 2022-2026 - annex 2: child poverty evaluation strategy - updated](#).

which has allowed sufficient capacity – e.g. staff, buildings – to be created across Scotland to provide 1140 hours (*outputs*).

2.3.4. The aims of the evaluation are, therefore, to:

- a) Understand changes in the ELC sector following the expansion, including any unintended consequences:
 - changes in the ELC workforce and capacity to support high quality ELC
 - changes in the composition and capacity of the ELC sector
- b) Evaluate the intermediate outcomes of the ELC expansion:
 - delivering high quality, flexible, accessible and affordable ELC for all three and four year olds and eligible two year olds
 - maximising take up of expanded ELC amongst eligible two year olds and other groups less likely to access their entitlement
 - supporting parental confidence and capacity
- c) Assess the contribution of the policy change to outcomes for children, parents and families:
 - improving children’s development, particularly among those from the most disadvantaged backgrounds, and narrowing the poverty-related outcomes gap
 - increasing parents’ opportunities to take-up or sustain employment, training, or study, in particular parents in disadvantaged circumstances
 - improving family wellbeing, particularly for families in disadvantaged circumstances
- d) Assess the economic costs and benefits of the expansion

2.3.5. The impacts on different groups of children and parents will be considered in relation to these aims e.g. differences in outcomes in relation to levels of area deprivation, urban or rural areas, parents in different income groups, children with different ages, children with additional support needs (ASN).

2.3.6. The evaluation approach set out here is primarily an outcomes evaluation. It does not consider the efficacy of the ELC expansion against other policy options or the counterfactual of “do nothing”. As recognised above, ELC is only one contributing factor to the desired high-level outcomes, and it will not be possible to say the expansion has ‘caused’ specific high-level outcomes. The use of a before and after evaluation study design with different cohorts of children (see Section 5 for more detail on the evaluation methodology), alongside a theory of change where links between the expansion and the intermediate outcomes can more easily be made, will, however, allow an assessment of whether and how expanded ELC contributes to improved outcomes.

- 2.3.7. An evaluation of the pilot implementation of automatic entitlement to funded ELC for children born in August to December who defer their school start is being undertaken separately. It focuses on 1) providing information about implementation of the pilots in order to inform the full roll-out of the policy, including implications for advertising and communications, admissions processes, overall capacity and parental choice in the pilot local authorities; and 2) exploring the impact of the pilots on parental awareness and perceptions of the entitlement.
- 2.3.8. It is also important to note from the outset that isolating the specific contribution and ‘added value’ of the ELC expansion on outcomes for children and families within a complex and fluid policy context is difficult. The development of new childcare policies as well as other Scottish Government policies, strategies and funding streams are expected to contribute to outcomes, most notably: the Scottish Attainment Challenge, Pupil Equity Funding and the expansion of Free School Meal provision; the Promise; the Whole Family Wellbeing Fund; the Fairer Scotland Action Plan and Child Poverty Delivery Plans; Fair Work, including Fair Start Scotland and the Parental Employability Support Fund; Social Security, including Best Start Grants, Best Start Foods and the Scottish Child Payment; and the Inclusive Growth agenda.
- 2.3.9. UK-wide policies will also impact on outcomes for children and families in Scotland, including the ongoing impacts of UK Government welfare reform and EU exit. Further, the wider economic outlook is uncertain, with significant increases in the cost of living and ongoing impacts of the Covid-19 pandemic being felt by the sector and families, with many of these impact being felt most acutely by the most disadvantaged (discussed further in the next section).

2.4. Considering the impact of the Covid-19 pandemic on the evaluation outcomes and data collection

The childcare sector

- 2.4.1. The ELC sector in Scotland has experienced an extremely challenging period since the onset of the Covid-19 pandemic. This has included closure periods, new and regularly updated public health guidance that has had an impact on the operation of some services, and the delay to the statutory roll-out of 1140 hours. Staff have experienced significant challenges in their personal and professional lives, and have supported some children and families through traumatic experiences. Feedback from providers has suggested that changes to parental employment and working patterns have led to reductions in demand that have made it challenging for some services to continue, particularly where public funding accounts for a minority of income or the service does not deliver funded ELC hours.²⁵

²⁵ [Financial Sustainability Health Check of the Childcare Sector in Scotland: Analysis and Evidence](#)

- 2.4.2. The Scottish Government has worked closely with the sector, including through the ELC Covid Reference Group and the Childcare Sector Recovery Group (which later merged with the Childcare Sector Working Group), to understand the ongoing impacts that the pandemic has had on settings and staff. These Groups played a critical role in shaping the development of the Covid guidance for the sector, the overall approach to engagement and communications with the workforce and the financial support made available to providers during the pandemic. Discussions on the impacts of Covid, with a particular focus on case numbers in settings and overall trends, have taken place with public health experts through the sector “Covid Impacts Group”.
- 2.4.3. A survey of private and third sector daycare of children services and childminding services was undertaken in June 2020 to understand the potential impacts of the reopening guidance on settings – in particular the expected changes in staffing, costs, capacity and private income generation.²⁶ Other evidence drawn on to help understand the impact of the pandemic on childcare providers and staff includes reporting by the Care Inspectorate on the number of settings open/closed and trends in overall numbers of registered services as well as surveys undertaken by representative bodies of their members (including qualitative information provided at meetings of the Childcare Sector Recovery Group).
- 2.4.4. A Financial Sustainability Health Check of the sector was published in August 2021. A key source of evidence was a detailed survey of private and third sector daycare of children services and childminders undertaken during April and May 2021 to provide a comprehensive assessment of the current financial sustainability of the sector, including capturing the impacts of the pandemic on services.²⁷ The report set out how Scottish Government will work with the sector and delivery partners to progress a series of actions to enable recovery and to support the long-term sustainability of the sector.

Young children and their families

The pandemic has had a profound impact on the lives of families in Scotland.²⁸ While the long term effects of the pandemic on families and the economy are still not known, the growing evidence from a range of research studies suggests many young children and their families have been negatively affected, especially those who were already disadvantaged.²⁹ For

²⁶ Scottish Government. (2020). [Survey of childcare providers on impact of reopening guidance](#).

²⁷ Scottish Government. (2021). [Financial sustainability health check of the childcare sector in Scotland](#); Scottish Government. (2021). [Financial sustainability health check of the childcare sector: analysis and evidence](#).

²⁸ Scottish Government. (2022). [Coronavirus \(COVID-19\): Advisory Sub-Group on Education and Children's Issues - children, schools, early learning and childcare settings - evidence summary](#).

²⁹ For example: Scottish Government. [Coronavirus \(COVID-19\): Advisory Sub-Group on Education and Children's Issues - children, schools, early learning and childcare settings - evidence summary - gov.scot \(www.gov.scot\)](#); Public Health Scotland. (2022). [Ensuring our future: addressing the impact of COVID-19 on children, young people and their families \(scotphn.net\)](#); Scottish Government. (2021). [Coronavirus \(COVID-19\): children, young people and families - evidence summary - June 2021](#); Public Health Scotland. [COVID-19 Early Years Resilience and Impact Survey](#)

some families with young children the pandemic has had an impact on parental employment and household income. Increases in stress and reductions in parental wellbeing have been found, especially for mothers. Since the start of the pandemic a range of different support and funds have been provided by Scottish Government to families, with many targeted at low income families.³⁰

- 2.4.5. During 2020 and 2021, protective public health measures related to Covid-19 curtailed many interactions young children would regularly have in ELC settings and wider social contexts that provide learning experiences. Studies have suggested negative short to medium term impacts on children's sleep, mood, behaviour and development – especially social and emotional, and speech and language development – among a large minority of young children³¹. There is also evidence, however, to suggest some beneficial impacts for some children and families, for example by creating opportunities for other meaningful interactions at home with family.³² Some more recent studies have suggested that wellbeing improved with the reopening of ELC settings and the gradual removal of protective measures during 2021. We would expect that ELC can play an important role in mitigating some of the negative impacts of the pandemic for children and families. However, it is likely that there will be medium and long-term impacts of the public health measures on the outcomes the ELC expansion seeks to influence.
- 2.4.6. Recent data from PHS, based on Child Health Reviews from the Child Health Surveillance Programme, indicates that there has been a rise in developmental concerns noted at Child Health Reviews at the 13-15 month and 27-30 month points.³³ Similar trends have been found in early primary school. The most recent Achievement of Curriculum for Excellence (CfE) Level statistics report shows reductions in the proportions of primary school pupils achieving the expected CfE levels in literacy and numeracy over the Covid-19 pandemic period.³⁴ The percentage of pupils achieving the expected CfE level in 2020/21 is lower than in 2018/19 for all stages and all organisers, including for the Early Level in the first year of primary school.

Implications for the evaluation

- 2.4.7. The likely ongoing impacts for children and families of the pandemic and mitigating public health measures have implications both for what the expansion of funded ELC can be expected to achieve – for example, if a

³⁰ Scottish Government. (2021). [Coronavirus \(COVID-19\) support in low income households: evaluation - gov.scot \(www.gov.scot\)](https://www.gov.scot/Coronavirus%20(COVID-19)%20support%20in%20low%20income%20households%3A%20evaluation)

³¹ Scottish Government. [Advisory Sub-Group - children, schools, ELC settings - evidence summary; COVID-19 Early Years Resilience and Impact Survey](#); Scottish Government. [Coronavirus \(COVID-19\): Advisory Sub-Group on Education and Children's Issues - children, schools, early learning and childcare settings - evidence summary - gov.scot \(www.gov.scot\)](#)

³² Public Health Scotland. (2020). [The impact of COVID on children and young people: 2 to 4 year olds.](#)

³³ Public Health Scotland. [COVID-19 wider impacts.](#)

³⁴ Scottish Government. (2021). [Achievement of Curriculum for Excellence \(CfE\) Levels 2020/21.](#)

higher proportion of children are experiencing developmental difficulties when they begin funded ELC due to the pandemic – and for the conclusions this evaluation will be able to draw. As underlined previously, isolating the contribution of the ELC expansion to outcomes for children and families within a complex policy context is difficult, and particularly so during a period of societal and economic disruption.

2.4.8. We will continue to review data and evidence to assess the ongoing impact of the pandemic on children and families, and on staff and for the sector. Relevant indicators from the National Performance Framework and Child Poverty Measurement Framework will also be used to help track the ongoing implications for child wellbeing and development and parental employment.

Key indicators include:

- the percentage of children with a concern at their 27-30 month review,³⁵ which will allow us to track changes in social and physical development of children aged between two and three years (before starting or at the beginning of funded ELC)
- child poverty and material deprivation³⁶
- labour market outcomes for households with children, and particularly low income households with children, such as unemployment and underemployment, and average hourly earnings and hours worked³⁷

2.4.9. We will use this and other data to help us contextualise and interpret the findings of the evaluation. We will also consider whether any further contextual data is required on how the pandemic has affected children and families involved in the evaluation.

2.4.10. Covid-19 protective measures have also had a significant impact on what is possible in terms of research methodology and data collection, with both practical and ethical consequences. Face-to-face data collection methods were suspended in March 2020 and only began being phased in for Scottish Government research during spring 2022. Other considerations have included the appropriateness of contacting participants at a specific point in time and how developments as the pandemic unfolded might influence research findings. This has had implications for some proposals originally planned as part of this strategy, including in terms of amendments to proposed methodology and timings; and data availability, comparability and quality. These are set out in more detail in the following sections. We will keep these considerations under review as the effects of Covid-19 continue to be felt.

³⁵ Scottish Government. [Child Social and Physical Development | National Performance Framework](#)

³⁶ [Child Material Deprivation | National Performance Framework](#); Scottish Government. (2021). [Tackling child poverty: third year progress report – Annex A measurement framework](#)

³⁷ Scottish Government. [Tackling child poverty: measurement framework](#)

3. Monitoring progress on outputs

3.1. Delivery assurance

3.1.1. To monitor progress and provide assurance on the delivery of the expansion programme, the Improvement Service and Scottish Futures Trust (SFT) have been collecting and analysing data on progress of delivery across local authorities on behalf of Scottish Government.³⁸ The first data was collected for the period May to September 2018.³⁹ Up to the lockdown of the sector in March 2020, the Improvement Service was collecting data at the beginning and end of each academic year, while the SFT collected infrastructure data quarterly.

3.1.2. The Improvement Service is now reporting on this data for every academic term from August 2020 until April 2022.⁴⁰ The indicators cover the *outputs* in Figure 1 (p7) including phasing, workforce, capacity and infrastructure:

- number of two year olds and three to five year olds accessing funded ELC, and the range of hours being accessed (600 hours or fewer; >600 hours to <900 hours; ≥900 hours to <1140 hours; full 1140 hours)
- number of two to five year olds accessing funded ELC in local authority, funded provider and childminder settings (split by age: two year olds, three and four year olds, and five year olds e.g. children whose school entry is deferred)
- base operating model and Care Inspectorate-registered physical capacity in local authority settings
- local authority staff in place, split by job type (managers, practitioners, care workers etc.)
- number of refurbishment, extension and new build projects ‘complete’, ‘in construction’ or ‘in development’ (collected by SFT)

3.2. Understanding changes in the ELC sector and workforce

3.2.1. The logic model underlines that the delivery of 1140 hours is dependent on having sufficient workforce in place. A skilled ELC workforce is fundamental to achieving the intermediate outcomes – in particular providing high quality ELC – and subsequently achieving the policy’s aims. As noted above, the delivery assurance data collected by the Improvement Service has allowed the monitoring of capacity in terms of physical capacity and local authority staff in place. It is also important to understand how changes related to the ELC expansion itself, as well as to the ongoing impacts of the pandemic, are affecting the sector and workforce.

³⁸ Improvement Service - [ELC Delivery Progress Reports](#).

³⁹ Improvement Service. (2018). [Early Learning and Childcare Expansion Delivery Progress](#).

⁴⁰ After April 2022 the Improvement Service will continue to collect data, though it is anticipated that the format of the collection and the level of detail collected will change. This is currently under discussion.

3.2.2. In terms of changes in the ELC sector and workforce, key aspects include:

- changes in the number and composition of services in general and those providing funded ELC places, including public, private, third sector and childminding services
- the sustainability of services
- staff demographics, staff qualifications, and turnover
- wider movement within the social care workforce
- pay and working conditions, including payment of the Real Living Wage and implementation of Fair Work practices and
- views, experiences and wellbeing of staff

3.2.3. A range of data sources are used by the ELC Directorate, working with stakeholders on an ongoing basis, to explore changes in the composition and capacity of the ELC sector and workforce, beyond the local authority workforce data collected by the Improvement Service:

- The **Care Inspectorate** collect information on ELC services, including the number of daycare of children services⁴¹ and of childminders registered, the number of services providing funded places and children registered with services.⁴²
- **Scottish Social Services Council (SSSC)** data provides information on the ELC workforce, including age, gender, qualifications against registration requirements and hours worked.⁴³ This data can be broken down by, for example, employer type (public, private, voluntary) and job function. While the key focus is on ELC services⁴⁴, when considering this data it is also useful to compare ELC Services with the broader children's services and the social services workforce to identify trends.⁴⁵
- The **ELC Census** also collects workforce data on teachers, graduate staff and staff working towards graduate qualifications.⁴⁶

⁴¹ Daycare of children is defined as a service that provides care for children on non-domestic premises for a total of more than two hours a day and on at least six days per year. This includes nurseries, crèches, out of school care and playgroups. These services can be run by the public, private or voluntary sector and require to be registered with the Care Inspectorate.

⁴² [Statistics and analysis \(careinspectorate.com\)](https://www.careinspectorate.com/statistics-analysis)

⁴³ ELC workers are registered with SSSC under the section 'workers in day care of children's services' as managers, practitioners or support workers. This excludes qualified teachers – who are required to register with the General Teaching Council of Scotland – and childminders – who are individually registered with, and inspected by, the Care Inspectorate.

⁴⁴ Defined by SSSC as a subset of day care of children services that receive Scottish Government funding to provide free childcare hours for eligible children as part of the entitlement to 600 hours per year under the Children and Young People (Scotland) Act 2014.

⁴⁵ SSSC. (2021). [Scottish Social Service Sector: Report on 2020 Workforce Data](#); SSSC. (2021). [The Children's Services Workforce 2019 Tables](#).

⁴⁶ [Early learning and childcare statistics - gov.scot \(www.gov.scot\)](https://www.gov.scot/early-learning-and-childcare-statistics)

- The **Scottish Childminding Association (SCMA)** have been collecting information on childminding services delivering funded ELC since the start of the expansion to 600 hours.⁴⁷ Information is gathered from local authorities on use of childminding services. It has provided an important data source on delivery of funded ELC by childminders. In addition, in the December 2020 annual returns, the Care Inspectorate incorporated new questions for childminding services about provision of funded ELC places and becoming a funded service. The new ELC Census will also provide data on children registered for funded hours with childminders (see 4.6 for more detail on the new ELC Census).
- The Financial Sustainability Health Check, published in August 2021, provided a range of detailed information on the whole childcare sector, including factors related to the move, for some services, to delivering 1140 hours.⁴⁸ We will carry out an update of this exercise in the second half of 2022 and are looking to learn lessons to inform our ongoing evidence base on the sustainability of the sector.

3.2.4. Gaps identified in the data and analysis available include: data and analysis to better understand the movement within the daycare of children workforce (e.g. between private, third sector and local authority settings) and the wider social care workforce; movement of childminders into other parts of the childcare sector, or who leave the sector completely and why/where they go; regularly collected data on the views, experiences and wellbeing of staff (in both local authority and private and third sector settings). Work to prioritise and fill these data gaps is being taken forward by the ELC census development advisory group and as part of the development of a Childcare Workforce Strategy.

3.2.5. A programme of work has been developed to strengthen the evidence base on the sustainability of childcare providers in the private, third and childminding sector. Key elements include the Financial Sustainability Health Check, published in August 2021, and the annual collection of information on the sustainable rates set by local authorities for the delivery of funded ELC⁴⁹. These larger scale evidence collection exercises will be supported by regular monitoring of service registration data from the Care Inspectorate and ongoing engagement (and intelligence gathering) with providers and the sector representative bodies. This work also links closely to the economic evaluation of ELC expansion – full details of which are set out in section 6.

3.2.6. In partnership with SCMA and Care Inspectorate, Scottish Government commissioned research to explore the range of factors that may be contributing to the decline in the Scottish childminder workforce in order to identify ways to better recruit, support and retain them. The research,

⁴⁷ SCMA. (2021). [ELC Audit 2021](#).

⁴⁸ Scottish Government. (2021). [Financial sustainability health check of the childcare sector: analysis and evidence](#).

⁴⁹ Scottish Government. (2021). [Early learning and childcare providers - local authority funding and support: overview - gov.scot \(www.gov.scot\)](#)

undertaken by Ipsos, involved a Rapid Evidence Assessment to assess existing data and trends on the childminding workforce and primary qualitative research to understand the views and experiences of current, former and prospective childminders. A report was published in April 2022⁵⁰ and findings will be incorporated into the evaluation.

- 3.2.7. The ELC Census Advisory Group includes representatives from SSSC and the Care Inspectorate, alongside other stakeholders. Together the group is trying to meet the data requirements of the sector, often through considering data already collected such as the Care Inspectorate annual returns, and how this data can be further utilised. This group also advises on the changes to the ELC Census.
- 3.2.8. In the Financial Sustainability Health Check Survey report (see above), Scottish Government committed to the development of a new Childcare Workforce Strategy. This was in recognition of the current and forthcoming challenges facing the sector around capacity, recruitment and retention, in the context of the implementation of the ELC expansion; recovery from the pandemic; and scoping work for the delivery of the new Programme for Government commitments around wraparound childcare and extending early learning to one and two year olds. As part of the work on developing the workforce strategy, Scottish Government are working with SSSC to ensure as complete a picture of workforce information as possible and to consider what further information can be gleaned from existing sources, such as registration data.

4. Evaluating the intermediate outcomes

4.1. Introduction

- 4.1.1. As set out in the Introduction, to achieve its high-level outcomes, the ELC expansion programme needs to realise the six *intermediate outcomes* of providing accessible, flexible, affordable and high quality ELC; maximising take up of expanded ELC; and supporting parental confidence and capacity. The approach to the first five outcomes is discussed in the following section, while the sixth – parental confidence and capacity – is discussed in the later section on evaluation outcomes for children, parents and families as the aspects and measures drawn on are strongly linked to other parent and family outcomes.

4.2. Accessibility

- 4.2.1. The Theory of Change highlights that the intermediate outcome of accessibility for families is a key determinant of take up of ELC. Whether or not ELC is accessible for families includes aspects such as: whether parents know about the entitlement and how to apply, and ease of registration; whether ELC is conveniently geographically located (e.g. in relation to home

⁵⁰ Scottish Government. (2022). [Childminding workforce trends qualitative research report - gov.scot](https://www.gov.scot/resources/documents/2022/04/Childminding-workforce-trends-qualitative-research-report-gov-scot) (www.gov.scot)

or work; travel-related barriers); whether there are barriers in terms of the needs of the child (e.g. ASN, language barriers); the ability to combine childcare for other children of different ages (e.g. finding a place for children who are too young to be eligible for funded ELC, combining collecting children from different childcare providers).

- 4.2.2. To supplement existing data sources, new questions on childcare and ELC use and affordability were added to the **Scottish Household Survey (SHS)** from 2018 onwards.⁵¹ These questions provide a source of annual, population level data to be used as part of the evaluation. They cannot, however, be linked to individual child experiences or attendance at ELC. In particular, the SHS provides annual data about accessibility, flexibility, affordability and satisfaction with funded ELC that are not available from other sources. The wide-ranging nature of the SHS also means that the childcare data can be explored by a number of other characteristics (where the sample size is large enough to allow breakdowns) e.g. household type, household income, SIMD (Scottish Index of Multiple Deprivation). As with other households surveys, the SHS data collection was disrupted by the pandemic and there is a break in the time series.⁵²
- 4.2.3. Table 1 below summarises the measures and data sources that will be used to understand changes in the accessibility of funded ELC. These focus on accessibility in terms of knowledge of the entitlement, ease of applying and geographical accessibility. The new questions in the SHS will provide annual population level data on these aspects of accessibility (and flexibility).⁵³ We will also explore whether it is feasible to develop any additional measures of the geographical accessibility of ELC settings, to complement the data from the SHS.
- 4.2.4. Scottish Government research on 'Parents' views and use of ELC'⁵⁴, published in 2018, provided baseline data on patterns of ELC use prior to the roll out of the expansion. The research explored parents' perceptions of quality, flexibility, accessibility and affordability. This included examining whether parents of children with ASN were satisfied that they had access to ELC that suits their child's needs. It reported on findings from a survey of over 10,000 parents across Scotland, alongside focus groups and interviews with particular groups of interest.

⁵¹ Scottish Government. (2019). [Scottish Household Survey 2018: annual report](#); Scottish Government. (2020). [Scottish Household Survey: childcare topic report - gov.scot \(www.gov.scot\)](#).

⁵² In March 2020, part way through the 2020 SHS fieldwork, the survey moved from being conducted face-to-face to a contact free push to telephone/video approach. This has considerably reduced the sample size for the 2020 survey which, in turn, has significantly limited the analysis that can be produced for the questions on childcare and ELC, as these are already asked to a sub-set of the sample. It is anticipated that a full analysis will be possible for the 2021 data.

⁵³ As highlighted in the previous footnote there are limitations on what can be produced from the 2020 survey as the sample size was not large enough to provide data on these indicators.

⁵⁴ Scottish Government. (2018). [Parents' views and use of early learning and childcare: report](#).

4.2.5. A follow up parent survey was undertaken in April-May 2022 to provide more detailed information on parents' views and experiences of flexibility and accessibility of 1140 hours of ELC after August 2021. As in 2018, the follow up survey collected data on the experiences of parents of children with ASN, including whether their level of satisfaction with, and any difficulties experienced, accessing, funded ELC that meets their child's needs. Qualitative research with parents was also undertaken during 2021-22 to explore parents' decisions about and experiences of using expanded ELC, including in relation to accessibility and flexibility (see Section 5.7 for more detail).⁵⁵ Findings from these strands of research will be incorporated into the evaluation.

Table 1: Evaluating accessibility of funded ELC: questions, measures and data sources

| Evaluation questions | Headline indicators | Data source |
|--|--|-------------|
| <p>How has the accessibility of funded ELC changed following the expansion in terms of</p> <p>a) knowledge of the entitlement, how to apply and ease of registration?</p> <p>b) travel-related barriers?</p> <p>Do parents, in particular for those living in the most deprived and in rural areas, perceive that ELC is becoming more accessible, and meeting their needs in terms of accessibility?</p> | <p>% of households who do not use funded ELC because: 'I don't know if my child is eligible'; 'I was not aware of the availability of funded childcare'; 'Don't know how to apply/find applying too difficult'</p> | SHS annual |
| | <p>% of households who do not use funded ELC because of: 'transport difficulties'</p> | SHS, annual |

4.3. Flexibility

4.3.1. Flexibility is identified in the Theory of Change as an important aspect of whether or not childcare is accessible and supports parents in work, training, or study. The Children and Young People (Scotland) Act 2014 states that education authorities should provide ELC for all eligible children during at least 38 weeks of every calendar year, and that it should be delivered in sessions of 10 hours or less.

4.3.2. The Early Learning and Childcare Statutory Guidance sets out more on the requirements of the flexibility that should be offered.⁵⁶ Education authorities should ensure that families are able to choose from a range of types of setting, offering different patterns of provision and support across their local area. This should reflect local demand and circumstances and it is not

⁵⁵ Scottish Government. (2022). [Decisions influencing early learning and childcare use: understanding social policies and social contexts](#).

⁵⁶ Scottish Government. (2021). [Early learning and childcare: statutory guidance - July 2021](#).

expected that all options will be available in all areas and settings. The range of models and patterns of delivery should be informed by consultation.

- 4.3.3. The provision within the 2014 Act to consult with parents is designed to ensure that there is an element of local flexibility in the availability of funded ELC – in line with the needs of families living locally. While this will not result in all families receiving exactly the provision of funded ELC that they want, it should ensure there is a reasonable balance and mix of provision available locally so parents can access provision that works for their family. For this reason, to provide a rounded understanding of progress with provision of appropriately flexible funded ELC, both objective measures – e.g. of whether specific aspects of flexibility are in place – and measures of parents’ experiences of flexibility are required.
- 4.3.4. Table 2 below summarises the measures and data sources that will be used to evaluate changes in the flexibility of funded ELC. **Care Inspectorate data** on whether ELC settings are open for extended hours and during school holidays will be used as the headline indicator. Data from the **SHS** will provide additional information on whether lack of flexibility in terms of opening hours and the type of childcare available are barriers to accessing ELC for parents.

Table 2: Evaluating flexibility of funded ELC: questions, measures and data sources

| Evaluation questions | Headline indicators | Data source |
|--|--|--------------------------------|
| How has the flexibility of funded ELC changed following the expansion? | % of services providing funded ELC open: extended hours / during school holidays - disaggregated by local authority | Care Inspectorate data, annual |
| | % of households who do not use funded ELC because: ‘Lack of flexibility/choice in opening hours’ and/or ‘Lack of flexibility/choice in types of childcare available’ and/or ‘lack of provision in school holidays’ decreases | SHS, annual |

- 4.3.5. As with accessibility, qualitative and survey research with parents will provide additional data on parents’ perceptions and experiences of flexibility of funded ELC before and after the expansion.

4.4. Affordability

- 4.4.1. The intermediate outcome of affordability in relation to the expansion of funded ELC focuses on affordability for parents. The economic costs and benefits of the expansion of funded ELC will be considered in the economic evaluation described in Section 6. The provision of funded ELC sits alongside wider UK support with childcare costs that parents in Scotland may be entitled to, including childcare elements of Tax Credits and Universal Credit

and the Tax-Free Childcare scheme for working parents.⁵⁷ Therefore, the expansion of funded ELC will likely be one factor in the overall affordability of childcare for many families.

- 4.4.2. Expanded funded ELC will support affordability for parents if it reduces their need to purchase additional hours of childcare to meet their requirements and any additional costs of ELC. This intermediate outcome is, therefore, primarily relevant to those families who would have previously paid for additional hours (on top of the funded 600 hours). The costs of childcare for other older or younger children who are not entitled to funded ELC is also important in relation to overall household costs.
- 4.4.3. Table 3 below summarises the headline measures that will be used to evaluate changes in the affordability of ELC and wider childcare. Data from the SHS will be used to assess changes in the affordability of ELC for parents.
- 4.4.4. As with accessibility and flexibility, qualitative and survey research with parents will provide additional data on their perceptions affordability of funded ELC before and after the expansion, as well as additional data on expenditure from the survey.

Table 3: Evaluating affordability of ELC: questions, measures and data sources

| Evaluation questions | Headline indicators | Data source |
|---|---|-------------|
| How has the affordability of both funded and unfunded ELC for parents changed following the expansion? | % of households with ELC age children who say they find it 'easy' or 'very easy' to afford childcare | SHS, annual |
| What has been the impact on the affordability of overall childcare costs for parents of ELC age children? | % of households with ELC age children saying they have no childcare costs, 'childcare is free/funded' | SHS, annual |

4.5. Quality

- 4.5.1. Quality of ELC was identified in the evaluability assessment as the key determinant of improvement in children's outcomes. We will, therefore, examine any changes in the quality of ELC in funded ELC settings.
- 4.5.2. A distinction can be made between structural and process aspects of quality. Process quality refers to the actual experiences in ELC settings, such as children's interaction with staff and their day to day activities. Structural quality refers to how ELC delivery is organised, such as leadership, the number and qualifications of staff, physical space and regulations. These structural aspects create the conditions for high quality care and support. A PHS evidence review highlighted a number of structural and process

⁵⁷ [Other help with childcare costs - mygov.scot](https://www.mygov.scot/other-help-with-childcare-costs).

indicators of quality including: staff qualifications; an experienced, competent and confident workforce; good working conditions; and an age-appropriate curriculum.⁵⁸

4.5.3. The National Standard sets out what children and families should expect from their early learning experience in Scotland regardless of where they access their child's funded hours.⁵⁹ It covers 10 criteria:

1. staffing, leadership and management
2. development of children's cognitive skills, health and wellbeing
3. physical environment
4. self-evaluation and improvement
5. parent and carer engagement and involvement in the life of the setting
6. inclusion
7. business sustainability
8. fair work practices
9. payment processes
10. food

4.5.4. High quality ELC not only provides nurturing care for children but also supports their learning and development from an early age. Because of this, both the Care Inspectorate and HMIE have statutory functions which provide them with a role in relation to inspection of some services. All nurseries, childminders and school age childcare services must be inspected by the Care Inspectorate, regardless of whether they provide funded ELC hours, while local authority and private and voluntary nursery settings that provide funded ELC hours can be inspected by both the Care Inspectorate and Her Majesty's Inspectorate of Education (HMIE). The Care Inspectorate's quality evaluations are currently used to underpin aspects of the National Standard, while the development of other aspects was informed by How Good is Our Early Learning and Childcare? the self-evaluation framework used by HM Inspectors of Education.

4.5.5. Table 5 summarises the measures and data sources that will be used to examine any changes in quality of ELC. Care Inspectorate data provide information on the quality of ELC services through analysis of grading data.

4.5.6. SSSC data on ELC staff qualifications will be used to provide information on this key measure of structural quality. As noted in Section 3.2, work is ongoing to improve the workforce data available, and other measures will be drawn on as available and relevant.

⁵⁸ Scobie G and Scott E. (2017). [Rapid evidence review: Childcare quality and children's outcomes](#). NHS Health Scotland.

⁵⁹ Scottish Government. (2018). [Funding follows the child and the national standard for early learning and childcare providers: principles and practice](#).

- 4.5.7. Quality of funded ELC provision in terms of whether it meets the needs of children with ASN and parental perceptions of, and satisfaction with, quality are also important aspects of quality provision. The SHS will provide information on parental satisfaction with the overall quality of funded ELC provision. As for the other intermediate outcomes, qualitative and survey research with parents will provide additional data on perceptions of quality of funded ELC and ELC provision for children with ASN before and after the expansion, including factors that are important when choosing a funded provider and, for parents whose child has ASN, level of satisfaction with whether funded ELC meets their child’s needs (see Section 4.2 on Accessibility for more detail).
- 4.5.8. The Scottish Study of Early Learning and Childcare (SSELC) is also collecting observational data on the quality of ELC settings. The SSELC is the main vehicle within this strategy for obtaining evaluation data on child, parent and family outcomes. It is measuring outcomes for children and parents receiving the existing funded entitlement (600 hours) and comparing them with those who receive the increased funded entitlement (1140 hours) (see Section 5.7 for more detail). The study includes observational assessments of settings attended by sampled children. The observations are being conducted in partnership with the Care Inspectorate, using environment rating scales that focus primarily on process quality. The observations will provide Scotland-level data which will allow exploration of the relationship between a measure of setting quality and children’s outcomes at a national level.

Table 4: Evaluating quality of ELC: questions, measures and data sources

| Evaluation questions | Measures | Data source |
|---|---|--------------------------------|
| How has the quality of ELC in funded ELC settings changed following the expansion? | % of daycare of children services providing funded ELC achieving good, very good or excellent in Care Inspectorate inspections - disaggregated by type of provider / SIMD of the setting | Care Inspectorate data, annual |
| Is there variation over time, by type of setting and geographically? | % of ELC staff with a qualification condition ⁶⁰ by provider sector and job function | SSSC data, quarterly |
| To what extent are parents satisfied with the quality of funded provision? | % of parents who use funded hours reporting that they are very or fairly satisfied with the overall quality of funded ELC - disaggregated by SIMD | SHS, annual |

⁶⁰ Registration with SSSC is qualification-based, however, in most categories individuals can register before achieving the necessary award. In these cases, they are given a ‘qualification condition’ which means that they must achieve the qualification within a specified period (usually five years). The [SSSC registration data](#) does not include GTCS registered teachers or other professions not registered with SSSC.

- 4.5.9. The Care Inspectorate assesses both structural and process quality in its inspections of all childcare providers. Until 2022, grades were given on the basis of four 'Quality Themes': care and support, environment, staffing, and management and leadership.
- 4.5.10. The Care Inspectorate suspended their normal inspection programme in March 2020 in response to Covid-19 protective measures, instead refocusing inspections on a new 'Key Question 5' ('How good is our care and support during the Covid-19 pandemic?'). Full thematic inspections were only carried out during this period settings based on a risk and intelligence basis. Routine quality inspections recommenced on a revised basis during autumn and winter 2020 but were suspended again – unless risk and intelligence indicated an inspection should be undertaken – between December 2021 and March 2022. This means there is a gap in full thematic inspection data on the quality of ELC services for the majority of 2020 and the start of 2022.
- 4.5.11. In March 2022, the Care Inspectorate launched an updated quality framework for daycare of children, childminding and school age childcare settings that focuses on children's wellbeing.⁶¹ From 1st June 2022 five 'Key Questions' replaced the quality themes. Four of the Key Questions directly link to the previous four quality themes (see Table 4 below).⁶² The framework also incorporates elements of Key Question 5 developed at the start of the pandemic to assess how settings support children's health and wellbeing and Covid safety.

Table 5: Care Inspectorate new Key Questions and previous Quality Themes

| New Key Questions | Previous Quality Themes |
|---|--------------------------------------|
| 1: How good is our care, play and learning? | Quality of care and support |
| 2: How good is our setting? | Quality of environment |
| 3: How good is our leadership? | Quality of management and leadership |
| 4: How good is our staff team? | Quality of staffing |

4.5.12. Through inspection, HMIs from Education Scotland aim to:

- provide assurance and public accountability
- promote improvement; and
- inform the development of educational policy and practice

⁶¹ [Quality framework for ELC services \(careinspectorate.com\)](https://www.careinspectorate.com/quality-framework-for-ELC-services/)

⁶² In terms of identifying the services that have declined or improved after being evaluated using the new framework, the comparison in Table 4 would be used. For example, if a service previously had a grade 4 for the Quality of Environment theme and they were then assessed at a grade 3 for the 'How good is our setting?' Key Question, they would be counted as a service that had fallen below the good/very good/excellent standard for that Key Question.

- 4.5.13. ELC settings are familiar with the Education Scotland quality improvement framework, [How good is our early learning and childcare?](#) and are continuing to use the framework and quality indicators (QIs) for their own self-evaluation and planning for improvement. Therefore, HMIs will continue to use this framework as the focus for inspections for session 2022-2023.⁶³ Inspection reports will be considered as part of the wider evidence for the evaluation.
- 4.5.14. Some inspections in ELCs are undertaken by both the Care Inspectorate and Education Scotland. Where a shared inspection takes place, this will be carried out by inspectors from both the Care Inspectorate and Education Scotland. The evaluations of both organisations will be included in the inspection report and the final letter to parents.

4.6. Take up

- 4.6.1. The Theory of Change (p9) highlights that whether parents take up the additional available hours of funded ELC is a key short-term indicator of successful implementation of the expansion and provides an early indicator of the likely impact on child, parent and family outcomes. So it is important to understand how take up of ELC has changed with the expansion. To understand take up of funded ELC requires measuring the proportion of three and four year olds and eligible two year olds who are registered for funded ELC and the number of days and hours of funded ELC used (during school holidays and term-time), as well as the type and amount of other childcare used (e.g. 'substitutes').
- 4.6.2. Table 6 below summarises the measures and data sources that will be used to evaluate take up of funded ELC.
- 4.6.3. The **ELC Census** provides data on children registered for funded ELC by age and, where relevant, by eligibility criterion. The Census is currently completed by the centres that provide funded ELC in Scotland and the analysis possible is limited since it collects aggregated data on children registered for funded ELC, not individual-level data. The current Census data does not provide details on how many hours children are registered for and only very limited information on the characteristics of children registered for funded ELC (e.g. not SIMD or ethnicity).⁶⁴

⁶³ HMIs will use QIs from [How good is our early learning and childcare?](#): QI 1.3 Leadership of change, QI 2.3 Learning, teaching and assessment, QI 3.2 Securing children's progress, and QI 3.1 Ensuring wellbeing, equality and inclusion. These QIs will feed directly into the evidence base for the National Improvement Framework. In addition, inspections will incorporate themes from other QIs to ensure inspectors continue to capture the evidence needed to promote improvement and provide evidence to inform national policy development. The themes used during the inspection are the Learning and developmental pathway for the nursery class or early years setting and QI 2.7 Partnerships in evaluating the impact of parental engagement. Inspectors also continue to have a focus on safeguarding in every inspection.

⁶⁴ Current Census data can be broken down by type of settings, registration stage, whether children have English as an additional language, ASN, children with a support plan, and by local authority.

- 4.6.4. Scottish Government Children and Families Analysis is currently taking forward an **ELC Data Transformation Project**⁶⁵ that aims to improve the data available to monitor ELC take up rates and analyse these by children’s characteristics. It will move the collection of ELC data from an aggregated collection to an individual level census, and include data on ELC delivered by childminders. The new ELC Child Census will have data on how funded provision is being used, which centres children are enrolled at and for how many hours during census week, and how many weeks across the year they are registered for. It will contain information on the characteristics of children registered for the funded entitlement. The new Child Census process is due to take place for the first time in May 2024, and the Staff Census in Sept 2024, with trials in winter 2023/24.
- 4.6.5. As set out previously, to monitor progress on the delivery of the expansion, the **Improvement Service collect data on progress of delivery across local authorities** (until at least 2022). This includes data on the number of two year olds, three to four year olds, and five year olds (deferrals) accessing funded ELC; and (from 2020) the range of hours being accessed. The Improvement Service data collection bridges the gap until the new Census is in place, providing important data on the number of children accessing funded ELC and the number accessing the full 1140 hours.

Table 6: Evaluating take up of funded ELC: questions, measures and data sources

| Evaluation questions | Measures | Data source |
|--|--|---|
| <p>How has the take up of funded ELC changed following the expansion?</p> <p>How does the take up of ELC vary by age of child and geographically?</p> | <p>No. of registrations and % of two year olds, and three and four year olds registered for funded ELC annually</p> <ul style="list-style-type: none"> - at a national and local authority level <p>No. children registered whose home language is not English / with ASN / assessed or declared disabled</p> | <p>Current ELC Census, annual (September – to 2023)</p> |
| | <p>No. of two year olds, and three and four year olds and five year olds (deferrals) accessing funded ELC</p> <ul style="list-style-type: none"> - range of hours accessed and setting type (LA, PVI, childminder) in which most hours accessed | <p>Improvement Service, termly</p> |
| | <p>No. and % of children accessing funded ELC annually</p> <ul style="list-style-type: none"> - at a national and local authority level - no. of hours being accessed / how many weeks across the year <p>characteristics of children, including sex, home SIMD, ethnicity, ASN</p> | <p>New ELC Child Census, annual (May – from 2024)</p> |

⁶⁵ [Early learning and childcare statistics - gov.scot \(www.gov.scot\)](http://www.gov.scot)

4.6.6. The annual **SHS** data also includes information on the types of childcare (formal and informal) used by parents with a child aged between two and five years old (who has not yet started school) and the number of hours used during term-time and school holidays; as well as some data on the number of hours of funded ELC parents used.⁶⁶ The 2017 and 2022 parent surveys also collected information on whether respondents use funded ELC, the hours of funded ELC used and setting type, and whether parents used their full entitlement.⁶⁷

Take up of ELC among two year olds

- 4.6.7. To fully understand take up rates of funded ELC among two year olds, it would be necessary to know the population who are eligible for funded ELC at the point the number of children accessing a place is counted. This would then allow the calculation of a percentage that is comparable over time. This has not been possible as the Scottish Government does not have access to the full UK Government administrative data required to provide a definitive figure for the number of eligible two year olds in Scotland at any one time. This means that meaningful analysis of changes to numbers of 2 year olds registered for a place, as reported in the census each year, is limited.
- 4.6.8. We have modelled an estimated eligible population of 14,500 children each year, based on population projections published by the National Records of Scotland and the eligibility criteria for the two year old offer. While this figure is used when necessary to provide an illustration of the scale of the eligible population against the total two year old population, it cannot be used accurately to estimate actual take up rates. We know the actual eligible population will change each year (and within years) as patterns of benefits take up and care experience will fluctuate.
- 4.6.9. However, having access to data on recipients of UK-level qualifying benefits (which we estimate make up around 90% of the eligible population), will allow an accurate measurement of the eligible two year old population.
- 4.6.10. We anticipate access to data for use by local authorities during 2022-23. [UK Regulations that create a new 'public service delivery' objective under the Digital Economy Act 2017](#) were laid in Parliament on 15 July 2022. This will provide valuable information for local authorities to contact eligible families in their local area and allow them to more accurately estimate their eligible population. We are also working across Scottish Government to gain access to UK-level benefits data, including to allow us to calculate the proportion of eligible two year olds that are registered for funded ELC at the time of the annual ELC census.

⁶⁶ It should be noted that, based on analysis of the 2018 data, some minor changes have been made to the Childcare/ELC questions between 2019 and 2020 to improve the data, particularly to improve the clarity of questions on use of funded ELC.

⁶⁷ A 2017 report on [Drivers and barriers to uptake of ELC among two year olds](#) presented baseline findings from qualitative research examining factors affecting take up of funded ELC for two-year-olds.

5. Evaluating the impact of the expansion on outcomes for children, parents and families

5.1. Introduction

5.1.1. As outlined in the Introduction the primary focus for the evaluation strategy is on measuring how the expansion of funded ELC contributes to outcomes for children, parents and families as a whole. The following core evaluation questions will be used for measuring the three high-level outcomes and the sixth intermediate outcome – parental confidence and capacity.

Intermediate outcome: Parental confidence and capacity

- What impact has the expansion of funded ELC had on parental confidence and capacity in engaging with their child's learning, enhancing the home learning environment, and promoting their own wellbeing and confidence?

Child outcomes

- What impact has the expansion of funded ELC had on children's cognitive and language development?
- What impact has the expansion of funded ELC had on children's social, behavioural and emotional development?
- What impact has the expansion of funded ELC had on the poverty-related development gap, in particular cognitive and language skills?
- What impact has the expansion of funded ELC had on children's physical health and wellbeing and on health inequalities?

Parent outcomes

- What impact has the expansion of funded ELC had on parents' ability to work, train, or study and why?
- What impact has the expansion of funded ELC had on parental health and wellbeing?

Family outcomes

- What impact has the expansion of funded ELC had on family wellbeing, in the context of ELC provision?

5.1.2. Substantial scoping work was undertaken by NHS Health Scotland during 2017 and 2018 to explore options for evaluating the impact of the policy on child and parental outcomes. The scoping considered what outcomes for children and parents should be measured and when, available tools for measuring these outcomes, how to measure inequality and inequity in outcomes, and existing sources of data on the proposed outcomes. The

paper set out three options: 1) use only routine data that is currently available, but possibly link multiple datasets; 2) adjust and expand existing surveys to encompass child health and well-being, attendance at childcare, and family health and poverty/deprivation; or 3) commission a bespoke data collection to specifically address the areas of interest.

- 5.1.3. In this context, the ELC Monitoring and Evaluation Working Group recommended that a bespoke study of child and parent outcomes be commissioned to provide a baseline from which to assess changes following the expansion. The Scottish Study of Early Learning and Childcare (SSELC) was commissioned in 2018.

5.2. The Scottish Study of Early Learning and Childcare

- 5.2.1. As noted above, the main vehicle for obtaining evaluation data on child, parent and family outcomes is the SSELC. The overarching aims of the SSELC are:

- to assess the extent to which the expansion of funded ELC from 600 hours to 1140 hours has improved outcomes for children, particularly those at risk of disadvantage, between the ages of two and five
- to assess the extent to which the expansion of funded ELC from 600 hours to 1140 hours has closed the gap in child development outcomes between children who are most and least advantaged between the ages of two and five
- to assess the extent to which the expansion of funded ELC from 600 hours to 1140 hours has improved outcomes for parents, particularly parents of children at risk of disadvantage
- to assess the extent to which the expansion of funded ELC from 600 hours to 1140 hours has increased family wellbeing, particularly for families in disadvantaged circumstances

5.3. SSELC Research design

- 5.3.1. The SSELC takes a before and after approach, that allows exploration of outcomes as policy initiatives are implemented. Ethical and practical considerations meant that it was not possible to use other evaluation designs, for example a natural experiment. The study has been designed to evaluate whether the ELC expansion programme has achieved its objectives by measuring outcomes for children and parents receiving the existing funded entitlement (600 hours) and comparing them with those who receive the increased funded entitlement (1140 hours).
- 5.3.2. The methodology comprises three linked components: 1) an assessment of children's development outcomes by ELC keyworkers; 2) a survey of parents of the sampled children; and 3) observations by Care Inspectorate staff of the quality of experience within ELC settings attended by sampled children. The latter element provides data which will allow for the effect of setting quality on

child outcomes to be controlled for. The study includes children in group settings (e.g. nursery, playgroup etc.) in both local authority and private and voluntary sector settings.

- 5.3.3. The study has been designed to draw on professional judgement by asking ELC key workers to observe children and provide data on them; and for Care Inspectorate staff to undertake the quality observations of the settings. This approach was considered to have several advantages including: children were being observed by staff who knew them well and understand child development from a professional and experienced perspective; Care Inspectorate staff were familiar with the sector and skilled in systematic observation and evaluation against specified indicators; involving staff would increase buy in from the sector; and the costs of the study would be minimised.
- 5.3.4. SSELC is both a longitudinal and cross-sectional study. In the longitudinal element of the study, data is collected on a cohort of two year olds (and their parents) who are eligible for funded ELC ('Eligible twos') when they begin accessing their funded entitlement and again after they have received one year of ELC. This longitudinal element will provide evidence on the impact of one year of ELC on those children who need it most. Data will also be collected on a nationally representative group of three year olds as they start ELC. This data will enable comparison of outcomes for the Eligible twos when they reach age three to the general population of three year olds in ELC, as well as a comparison of children's development as they begin funded ELC at baseline and follow up. The cross-sectional element of the study will compare the outcomes of groups of children and their parents at the start and end of funded ELC accessing 600 hours in 2018/19 with those accessing 1140 hours in 2023/24 (see Figure 2 overleaf).
- 5.3.5. Overall, the evaluation design represents an innovative approach for an evaluation of this nature. Combining the robust impact evaluation design with a longitudinal element will allow the evaluation to consider both the impact of the expansion programme on all children, and the impact of a year of funded ELC on outcomes for those children who need it most (e.g. eligible Twos). In addition, the focus on parental outcomes, particularly parental health and wellbeing, alongside child outcomes, allows us to consider the impact on the family as a whole. Further, the research design promotes collaboration by relying on the cooperation of the whole sector (Scottish Government, NHS, local authorities, ELC settings and Care Inspectorate).
- 5.3.6. The SSELC is collecting data across several phases from 2018 to 2024. During 2018-19, **phases 1, 2 and 3** collected baseline data on the outcomes of children accessing **600 hours** of funded ELC and their parents (see Figure 2 overleaf).⁶⁸ Now that the entitlement to 1140 hours has been fully rolled out

⁶⁸ Scottish Government. (2019). [Scottish study of early learning and childcare: phase 1 report](#); Scottish Government (2020). [Scottish Study of Early Learning and Childcare - ELC leavers: phase 2 report](#); Scottish Government. (2020). [Scottish Study of Early Learning and Childcare - three-year-olds report](#).

there will be a further three phases of data collection allowing comparison between outcomes for those children and families accessing 600 hours and 1140 hours.

- 5.3.7. It is anticipated that **phases 4, 5 and 6** of the SSELc will collect data on the outcomes of children accessing **1140 hours** of funded ELC and their parents during 2023-24. This will provide a comparison group from which we can determine the impact that the increase in funded hours has had on child and parent outcomes.

Figure 2: Phases of the Scottish Study of Early Learning and Childcare

| | |
|-------------------|---|
| 600 hours | ‘Eligible Twos’, Phase 1 – November 2018 |
| | <ul style="list-style-type: none"> • Baseline data collected on eligible two year olds as they began ELC |
| | ‘ELC Leavers’, Phase 2 – May/June 2019 |
| | <ul style="list-style-type: none"> • Baseline data collected on four and five year olds as they leave ELC to begin school (primary 1) |
| | Three year olds, Phase 3 – November 2019 |
| | <ul style="list-style-type: none"> • Follow-up with the same group of eligible two year olds after one year in ELC • Baseline data collected on three year olds as they begin ELC |
| ----- | |
| 1140 hours | ‘Eligible Twos’, Phase 4 – November 2023 |
| | <ul style="list-style-type: none"> • Data collected on eligible two year olds as they begin ELC |
| | ‘ELC Leavers’, Phase 5 – May/June 2024 |
| | <ul style="list-style-type: none"> • Data collected on four and five year olds as they leave ELC to begin primary 1 |
| | Three year olds, Phase 6 – November 2024 |
| | <ul style="list-style-type: none"> • Follow-up with the same group of eligible two year olds after one year in ELC • Data collected on three year olds as they begin ELC |

- 5.3.8. The follow-up phases of the SSELc were originally planned for 2022-23 – beginning toward the end of the autumn term two years after the original statutory implementation date – to allow the expansion and related changes to the sector to bed in. Due to the delay to full statutory implementation of 1140 hours, we have decided to move phases 4-6 back one year in line with the change to the statutory implementation date. While the impacts of the pandemic are likely to still be being felt, this is considered to balance allowing some time for recovery and changes to bed in, with providing data on the expansion within reasonable timescales.

5.4. Measuring child outcomes in the SSELc

- 5.4.1. The outcomes for children being measured in SSELc are:

- cognitive and language development (e.g. problem solving skills, vocabulary, creativity, etc.)

- social, emotional and behavioural wellbeing (e.g. relations with peers, self-confidence, independence, self-motivation, resilience etc.)
 - physical health and development (e.g. gross and fine motor skills, general health)
- 5.4.2. Data on child outcomes are being collected using a combination of the [Ages and Stages Questionnaire](#) (ASQ) and [Strengths and Difficulties Questionnaire](#) (SDQ).
- 5.4.3. The ASQ is widely used by Health Visitors across Scotland as part of their health reviews of pre-school children – the Scottish Child Health Programme.⁶⁹ Instruments were selected for inclusion in the Child Health Programme following an extensive review by academics and practitioners.⁷⁰ In the SSELC, the ASQ and SDQ questionnaires will be completed by the child’s keyworker at the setting. Information will also be collected via the parent questionnaire (see section 5.5. below for more detail) on child physical health outcomes such as general health and long-term illnesses as well as the presence of developmental risk factors – such as sleep patterns and breastfeeding.
- 5.4.4. The ASQ provides a structured assessment of a range of developmental domains, usually using a parental questionnaire supported by observation of the child at play to identify children at increased risk of developmental problems. There are 30 items split into five different domains: communication, gross motor, fine motor, problem-solving and personal-social skills. By answering ‘yes’, ‘sometimes’ or ‘no’, the respondent indicates whether or not the child can complete the action or provide the response required. Each domain produces a summary score which can be used to indicate whether the child’s development is on schedule, needs monitoring or requires further assessment. While it is designed to be completed by parents, because it is informed by observation of the child it was deemed suitable for completion by the child’s keyworker at their ELC setting.
- 5.4.5. The SDQ is a commonly used behavioural screening questionnaire designed for use with children aged between three and 16. It consists of 25 questions about a child’s behaviour to which the respondent can answer ‘not true’, ‘somewhat true’ or ‘certainly true’. Responses can be combined to form five different measures of the child’s development, namely emotional symptoms (e.g. excessive worrying), conduct problems (e.g. often fighting with other children), hyperactivity/inattention (for example, constantly fidgeting), peer relationship problems (e.g. not having close friends), and pro-social behaviour (e.g. being kind to others). Furthermore, the first four measures can be combined into a ‘total difficulties’ scale.

⁶⁹ Scottish Government (2012). The Scottish Child Health Programme: Guidance on the 27-30 month child health review, Edinburgh: Scottish Government

⁷⁰ Bedford, H., Walton, S., Ahn, J. (2013). *Measures of Child Development: A review*, London: Centre for Paediatric Epidemiology and Biostatistics, UCL Institute of Child Health.

5.4.6. Table 7 below sets out the sub-questions and headline measures that will be used to evaluate the impact of the ELC expansion on child outcomes.

5.4.7. Additional data on the child collected in the parent survey (see below) will include background characteristics (such as sex, ethnicity and household income), attendance at ELC (including number of hours attended in an average day/week, type of setting, use of blended provision, etc.) and experience of home learning activities.

Table 7: Children’s development improves and the poverty-related outcomes gap narrows: evaluation questions, measures and data sources

| Evaluation questions | Measures | Data source |
|---|--|---|
| <p>What impact has the expansion of ELC had on children’s cognitive and language development?</p> <p>How does this vary by demographic group?</p> | <p>Children’s ASQ scores at the end of ELC, particularly the communication domain, but also problem solving and fine motor</p> <p>- by gender, disability, household characteristics</p> | <p>SSELC - keyworker questionnaires, 2018/19 and 2023/24</p> |
| <p>What impact has the expansion of ELC had on children’s social, behavioural and emotional wellbeing?</p> <p>How does this vary by demographic group?</p> | <p>Children’s SDQ scores at the end of ELC</p> <p>- by gender, disability, household characteristics</p> | <p>SSELC - keyworker questionnaires, 2018/19 and 2023/24</p> |
| <p>What impact has the expansion of ELC had on the poverty-related development gap, in particular cognitive and language skills?</p> | <p>The gap between ASQ and SDQ scores for the most and least advantaged children (SIMD and household income)</p> | <p>SSELC - keyworker questionnaires, 2018/19 and 2023/24</p> |
| <p>What impact has the expansion of ELC had on children’s health and on health inequalities?</p> <p>How does this vary by demographic group?</p> | <p>Children’s ASQ ‘gross motor’ scores at the end of ELC</p> <p>Parent reported child’s general health</p> <p>- by gender, disability, household characteristics</p> | <p>SSELC - keyworker questionnaires, SSELC - parent questionnaires, 2018/19 and 2023/24</p> |

5.4.8. The Scottish Government parent research conducted in 2017 (see Section 4.2) found that many three and four year old children were already accessing nearly 30 hours of childcare a week, often through a mixture of funded and unfunded care.⁷¹ For these children the expansion is unlikely to significantly change the amount of childcare they receive, and therefore it is unlikely that their outcomes will change significantly. The largest change is likely to come from children who would have accessed only 600 funded hours or less and who then take up more funded hours as a result of the expansion. Consequently, significant changes in outcomes are most likely to be found in various sub-groups and especially those children from less advantaged

⁷¹ Scottish Government. (2018). [Parents' views and use of early learning and childcare: report.](#)

backgrounds who take up increased funded hours. This issue will also be a focus of the economic evaluation (Section 6) as is it important to ensure that only the benefits of the *expansion* in ELC are measured.

- 5.4.9. Collecting information on additional hours of formal ELC paid for by parents and on any informal care used, will allow the analysis to control for the impact of unfunded hours of ELC when considering any changes in child/parent outcomes. It will also allow exploration of shifts from informal childcare or paid for ELC to funded ELC. However, it is important to recognise that where there is a complex history of childcare this may become more difficult. What we are more likely to achieve in analysis of the SSELc data is an overall view on whether providing expanded hours of funded childcare supports improvements in children's outcomes rather than being able to say exactly the balance of funded/unfunded hours that produces this result.

Taking into account the effect of the ELC environment on children's outcomes in the SSELc

- 5.4.10. As noted in Section 4.5, to gather information on the characteristics of ELC settings attended by children in the study, observations of settings are also being undertaken in the SSELc. The observational assessments of settings are being conducted in partnership with the Care Inspectorate, using the Infant / Toddler Environment Rating Scale (ITERS) and the Early Childhood Environment Rating Scale (ECERS), well-established monitoring tools that have been used in Scotland as long ago as 1994. The most recent version of the ITERS (ITERS-3) was selected for two year olds and the ECERS (ECERS-3) for three to five year olds. These tools were developed in the United States by the Environment Rating Scale Institute and are widely used in English speaking countries.⁷² In the United Kingdom, ECERS has been used in other large-scale studies, such as the Effective Provision of Pre-School Education (EPPE) study and the more recent Study of Early Education and Development (SEED) in England.⁷³ In conjunction with academics and the Care Inspectorate, some minor amendments were made to the scales to ensure they were reflective of the aspects of quality that are expected in Scotland (e.g. that rainfall should not prevent outdoor play).
- 5.4.11. The environment rating scales selected have a positive international reputation as a way of assessing the quality of provision in a 'snap-shot' observation and as a tool that gives researchers access to the everyday experiences of children in their educational settings. The scales have high

⁷² Stephen, C. and Wilkinson, J.E. (1995). 'Assessing the Quality of Provision in Community Nurseries', *Early Child Development and Care*. 108: 83-98.

⁷³ See Melhuish, E. & Gardiner, J. (2018). [Study of Early Education and Development \(SEED\): Impact Study on Early Education Use and Child Outcomes up to age four years Research Report](#).

reliability at indicator and item level when used by trained observers.⁷⁴ Validity is also high in terms of their relationship with other ways of assessing quality and to measures children's outcomes.

5.4.12. These tools were selected for use in SSELc for a number of reasons: they centre on observing the experience of the child in the setting; they allow for the effect of setting quality on child outcomes to be controlled for; and they are relatively easy to administer given that only one three hour observation is required. They can also be used to see if particular characteristics of settings contribute to differential outcomes in children. The observations will provide Scotland-level data to allow exploration of the relationship between children's experiences and outcomes at a national level.

5.4.13. It is important to note, however, that these tools are not the only method of assessing setting quality in Scotland. Indeed, the Care Inspectorate ratings provide a broader measure of the quality of practice and policy within settings that have also been found to be related to children's outcomes in Scotland.⁷⁵

5.5. Measuring parent outcomes in the SSELc

5.5.1. The outcomes being measured for parents are:

- participation in employment, training, or study
- physical and mental health and wellbeing

5.5.2. It should be noted that evidence from others studies has shown that there may not be an immediate impact seen on parents' work, training, or study following the expansion.⁷⁶ For this reason, the evaluability assessment recommended extending the period of the evaluation and also capturing some of the shorter term characteristics we would expect to see on 'trajectories into employment', such as more time to oneself and to think about what one may do in the future, feeling less stressed, improvements in mental wellbeing, undertaking voluntary work. It will be important to consider wider contextual influences in understanding any changes in parent outcomes; for example, family context, number of younger children (aged 0-one year olds), caring for elderly relatives and so on. The pandemic is also likely to have significant long term impacts on parental employment opportunities.

5.5.3. Data on parent and family outcomes are collected through a paper self-completion questionnaire which includes questions on parents' employment status, reasons for using ELC, perceived changes in feelings because of their child attending ELC (e.g. more time to oneself, feeling less stressed,

⁷⁴ Care Inspectorate staff attended training with academic colleagues on how to use the ITERS-3 and completed their first observation in pairs to ensure consistency of scoring.

⁷⁵ Bradshaw P, Lewis G and Hughes T. (2014). [Growing up in Scotland: Characteristics of pre-school provision and their association with child outcomes.](#)

⁷⁶ Joseph Rowntree Foundation. (2016). [Creating an anti-poverty childcare system](#); Institute for Fiscal Studies. (2016). [Does free childcare help parents work? | Institute for Fiscal Studies \(ifs.org.uk\).](#)

undertaking voluntary work, caring for other family members) and health and wellbeing. ELC settings were encouraged to offer support to parents in completing the survey, where they had capacity to do this and felt support might be needed, while being mindful of the private nature of some questions.

5.5.4. Table 8 below sets out the sub-questions and headline measures that will be used to evaluate the impact of the ELC expansion on parental outcomes.

Table 8: Parents’ opportunities to take up or sustain work, study or training increase: evaluation questions, measures and data sources

| Evaluation questions | Measures | Data source |
|---|--|---|
| <p>What impact has the expansion of ELC had on parents’ ability to work, train, or study and why?</p> <p>How does this vary by demographic group and geographically?</p> | <p>% parents in work (f/t, p/t), study or training</p> <p>Average hours of work for parents in employment</p> | <p>SSELC - parent questionnaires, 2018/19 and 2023/24</p> |
| <p>What impact has the expansion of ELC had on parental health and wellbeing?</p> <p>How does this vary by demographic group?</p> | <p>% parents saying their general health is good or better</p> <p>parental mental wellbeing scores (SWEMWBS)</p> | <p>SSELC - parent questionnaires, 2018/19 and 2023/24</p> |

5.6. Parental confidence and capacity and family wellbeing in the SSELC

5.6.1. Family wellbeing was added as an aim for the expansion programme, and therefore the evaluation strategy, at a later stage, after the initial scoping work on child and parent outcomes was completed. The third aim was based on the recognition that ELC can play an important role in the overall wellbeing of families with whom they are involved, and is closely linked to the sixth intermediate outcome – parental confidence and capacity which is also covered in this section for that reason. The expansion to 1140 hours is likely to provide greater opportunities for ELC settings to support parents and families. This support may, in turn, positively affect the primary aim of improving child development outcomes, particularly for those children living in disadvantaged circumstances.

5.6.2. Wellbeing is a wide-ranging concept which is used in a range of contexts and fields. Broadly, it is about feeling good and functioning well.⁷⁷ The Children and Young People (Scotland) Act 2014, which includes key parts of the Getting it Right for Every Child approach (GIRFEC), defines Child Wellbeing

⁷⁷ [What is wellbeing? - What Works Wellbeing](#)

in terms of 8 indicators of wellbeing: Safe, Healthy, Active, Nurtured, Achieving, Respected, Responsible and Included (SHANARRI).⁷⁸

- 5.6.3. The concept of family wellbeing is similarly broad and covers a range of policy areas beyond the reach of ELC. The Wellbeing Outcomes Framework for Children, Young People and Families being developed by the Directorate for Children and Families provides an overarching framework for understanding and measuring children and families' wellbeing. There is, however, potential for ELC settings to provide support to parents and families through high quality interactions and by offering a responsive and caring environment. The expansion in funded ELC hours can also potentially offer parents greater opportunities to pursue employment or training opportunities, or to have more time for themselves. In addition to the expansion in hours, other elements of the expansion programme will impact on families – for example the Equity and Excellence Leads, food provision and healthy eating in ELC settings. Thus, there is real potential for the overall expansion programme to help reduce stress and improve parental health and wellbeing, bringing benefits to the family as a whole.
- 5.6.4. Some of the ways through which ELC could support parental confidence and capacity and family wellbeing include:
- supporting parents in their relationships with their children and in their role as parents
 - supporting parents in engaging with their child's learning and in enriching the home learning environment
 - supporting parents to make wider life changes to benefit their family's wellbeing and broadening the range of experiences (learning, caring, cultural, domestic, eating) that children and their parents can enjoy together

Measuring parental confidence and capacity

- 5.6.5. Based on the above, key dimensions of parental confidence and capacity in relation to this evaluation are: parenting and the parent/child relationship, parental confidence and capacity in terms of supporting their child's learning and enriching the home learning environment and parents ability to promote their own wellbeing.
- 5.6.6. Data for the intermediate outcome parental confidence and capacity is also collected through the parental questionnaire as above. Table 9 below sets out the sub-questions and measures from the SSELC that will be used to evaluate the impact of the ELC expansion on parental confidence and capacity.

⁷⁸ [Wellbeing \(SHANARRI\) - Getting it right for every child \(GIRFEC\) - gov.scot \(www.gov.scot\)](http://www.gov.scot/Wellbeing%20(SHANARRI)%20-%20Getting%20it%20right%20for%20every%20child%20(GIRFEC)%20-%20gov.scot)

Table 9: Parental confidence and capacity: evaluation questions, measures and data sources

| Evaluation questions | Measures | Data source |
|--|--|---|
| <p>What impact has the expansion of ELC had on parental confidence and capacity:</p> <ul style="list-style-type: none"> - in engaging with their child's learning and enhancing the home learning environment? - in promoting their own wellbeing and confidence? | <p>Home learning environment scale score</p> <p>Parental warmth scale score</p> <p>% parents saying they get enough 'support with childcare'</p> <p>% parents saying they 'always feel I am coping really well' or 'most of the time I feel I am coping pretty well' as a parent</p> | <p>SSELC - parent questionnaires, 2018/19 and 2023/24</p> |

Measuring family wellbeing using SSELC data

5.6.7. 'Family wellbeing' is a multi-faceted and nuanced concept and direct questions to families using the term cannot accurately capture its presence or absence. There are, however, a number of questions asked in SSELC that, when considered in combination, can give valuable insight into the area. Measures most relevant to family wellbeing can broadly be split into three groups; parental health and wellbeing, home environment and parent-child relationship. Table 10 below sets out the contributing factors and measures identified in the SSELC.

Table 10: Family wellbeing: evaluation question, factors that contribute, measures, data sources

| Evaluation question | Family wellbeing contributing factors | SSELC measures | Data source |
|---|---------------------------------------|---|--------------------------------------|
| <p>What impact has the expansion of ELC had on family wellbeing?</p> <p>How does this vary by demographic group?</p> | <p>Parental health and well-being</p> | <p>Question on perception of general health</p> <p>Whether parent has a long-term health condition</p> <p>SWEMWBS (mental wellbeing) scale score</p> <p>Life satisfaction scale score</p> <p>Question on whether they get enough support with childcare</p> | <p>SSELC – parent questionnaires</p> |
| | <p>Home environment</p> | <p>CHAOS ('confusion, hubbub and order scale') score</p> <p>Home learning environment scale score</p> | |
| | <p>Parent-child relationship</p> | <p>Question on perception of how they are coping as a parent</p> <p>Parental warmth scale score</p> | |

5.6.8. Latent Class Analysis is a useful methodological approach to use when the phenomenon under investigation is difficult to detect or measure with one indicator. The Office of National Statistics uses the approach to explore individual 'wellbeing' since it acknowledges that this is a 'latent concept' that

is made up of a combination of measurable factors (anxiety, happiness, satisfaction and worthwhile-ness). It is much more straightforward to gather information on each of these four component parts of wellbeing than it is to ask about the concept itself. This prevents difficulties in terms of different interpretations of 'wellbeing' (the latent variable) and also avoids the question of measurement or scale. The Latent Class Analysis approach is useful because it identifies homogenous groups of respondents (respondents with similar attributes) based on patterns of characteristics to a series of categorical variables. This can provide a detailed understanding of the nature of the concept being considered, as well as the ways in which each of the groups of respondents or 'latent groups' interact with it.

- 5.6.9. Latent Class Analysis will be used to identify groups of parents who can be categorised on the basis of their responses to all of the questions identified as contributing to family wellbeing (Table 9 above), as opposed to their questions to each of the questions individually. The aim is that this will provide a picture of the extent to which family wellbeing exists within the sample of families. This analysis will set out a baseline for the nature of family wellbeing within the context of 600 ELC hours. We will then use the same approach to explore whether the family wellbeing groupings have changed for those accessing 1140 hours.

5.7. Further evaluation research to complement the SSELC

- 5.7.1. SSELC is the main evaluation research study designed to provide the required data on child and parent outcomes. However, some key gaps in evaluation evidence were identified, including on outcomes for children attending childminding settings and their parents, and understanding different groups of parents 'decisions about, and experiences of, using funded ELC. Additional research has been commissioned to enhance our understanding in these areas.

The impact of childminders on child and family outcomes

- 5.7.2. One of the limitations of the SSELC is that it only collects evidence on child, parent and family outcomes for children attending formal group settings. Given the importance of childminding services and blended models within the ELC expansion programme, it is important to understand the specific contribution childminders make to child, parent and family outcomes.
- 5.7.3. Alongside the SSELC, Scottish Government commissioned research on perceptions of the impact of childminding services, including blended models, on child, parent and family outcomes. This qualitative research explored which aspects of childminding services are perceived to contribute to improved outcomes for children and their families in Scotland. In-depth interviews were conducted by telephone with 26 childminders and 26 parents using childminders in March and April 2021. Findings were published in

September 2021, and these will be drawn on in the evaluation.⁷⁹ The report describes several key features of childminding that participants identified as supporting children and parents, as well as highlighting a lack of awareness of, and knowledge about, childminding as an option and of what childminders can offer.

Understanding decisions about ELC use

- 5.7.4. Policy evaluations such as the SSELC can tell us whether or not a particular policy is realising its ambitions; but understanding reasons why this is may require evidence that explores the lived realities of people who the policy intends to reach. A gap in the current research on ELC is how decisions about use of ELC are made in relation to a host of other factors and, therefore, how other social policies in Scotland might influence decisions. These decisions vary according to different people and especially for families in disadvantaged circumstances.
- 5.7.5. The Scottish Government commissioned research to address these gaps by focusing on the lived realities of families making decisions about ELC. This qualitative research is intended to complement the SSELC by identifying potential systemic barriers to the three desired outcomes of the ELC expansion and understanding the inequality dimensions of those outcomes. It aimed to explore the lived experience of parents as they decide whether, how and when to take up funded ELC and whether and when to take up work, study or training. Findings were published in June 2022, and these will be drawn on in the evaluation.⁸⁰

Child-centred evidence/children's experiences

- 5.7.6. The evaluation work described in the strategy takes account of parents' and professionals' views of the ELC expansion. The impact of expanded hours of ELC on children's wellbeing is incorporated through the use of the SDQ to measure children's social, behavioural and emotional wellbeing before and after the expansion is implemented. Children's SDQ scores have been shown to be correlated with their ASQ scores, showing a close relationship between socio-emotional wellbeing and cognitive and language development. However, incorporating children's experiences of ELC is an important component of our wider work on realising the benefits of the expansion. We will continue to work with stakeholders and experts to ensure the voices and experiences of children are heard in policy development, delivery and evaluation.

⁷⁹ Scottish Government. (2021). [Perceptions of the impact of childminding services on child, parent and family outcomes: research findings](#).

⁸⁰ Scottish Government. (2022). [Decisions influencing early learning and childcare use: understanding social policies and social contexts](#).

6. Assessing the economic costs and benefits

6.1. Introduction

- 6.1.1. As outlined in Section 2, one of the four main aims of the evaluation strategy is to assess the economic costs and benefits of the expansion of funded ELC.
- 6.1.2. The purpose of an economic evaluation is to compare the value of the outcomes of a policy to the overall costs of that policy. In the case of the economic evaluation of the expansion of funded ELC, the aim is to compare the outcomes resulting from the expansion from 600 hours to 1,140 hours of funded ELC (i.e. the additional 540 hours) with the costs of providing this, in order to determine the value for money of the programme. This section sets out the plan to undertake the economic expansion of ELC Expansion.

6.2. Outcomes included in the Economic Evaluation

- 6.2.1. The economic evaluation will focus on the main intended outcomes of the ELC 1140 hours expansion policy. These are:
- Children's development improves and the poverty-related outcomes gap narrows
 - Parents' opportunities to take up or sustain work, study or training increase
 - Family wellbeing improves
- 6.2.2. The key intermediate outcomes (set out in Section 1.3) will be important to the main high-level outcomes but, as these are to be covered in the overall evaluation and have a less direct link to economic outcomes, these will not be explicitly covered in the economic evaluation.

6.3. Framework for the economic evaluation

- 6.3.1. In order to produce a robust and comprehensive economic evaluation, the economic evaluation of ELC expansion will combine two main forms of economic analysis - Cost Benefit Analysis (CBA) and Cost-Consequence Analysis (CCA) - and supplement this with consideration of displacement and distributional effects.
- 6.3.2. **Cost Benefit Analysis (CBA)** involves attaching monetary values to the outcomes (or expected outcomes) of a policy intervention and directly comparing these to the costs of that intervention. This works well for scenarios in which it is possible to attach monetary values to outcomes, and it allows analysts to reach a net present value figure (which is particularly useful for comparing potential future interventions). However, while it will be possible to attach monetary values to some of the outcomes of ELC expansion (by establishing the relationship between ELC expansion and development/educational outcomes; linking this to later life outcomes such as employment and use of public services; and attaching a monetary values to changes in these factors), there are some outcomes that it will not be

possible/appropriate to attach monetary values to. For this reason, it is proposed that the economic evaluation of ELC expansion should combine the use of CBA with a form of analysis common in health economics – **Cost-Consequence Analysis**.

- 6.3.3. **Cost-Consequence Analysis (CCA)** aims to present a comprehensive summary of all of the different costs and ‘consequences’ (outcomes) of a policy intervention. But, unlike in CBA where the overall monetary impact of all outcomes are combined and directly compared to overall costs, CCA reports outcomes separately. CCA provides a transparent evaluation and is useful when the outcomes of a policy intervention cannot be expressed in monetary values. Combining CBA and CCA within the economic evaluation will allow all outcomes to be captured and will avoid an disproportionate focus on those outcomes which can be most easily assigned a monetary value.
- 6.3.4. The economic evaluation will also include a section specifically analysing the distributional impacts of the expansion, looking at outcomes by socio-economic group. This is important to include because it will allow the economic evaluation to account for any displacement effects (where the expansion of funding hours of ELC may be ‘crowding out’ use of privately funded ELC).

6.4. Delivery of the economic evaluation

- 6.4.1. Many of the outcomes of the ELC expansion which are most relevant to the economic evaluation are longer term outcomes that will not be possible to consider for a number of years. However, there are elements that can be completed earlier, and careful phasing of the work will be important to ensure that foundations for a robust evaluation are established early. For this reason, the economic evaluation will be split into three distinct phases:
- **Phase A:** A comprehensive evidence search in order to identify literature and datasets linking ELC expansion to longer-term outcomes
 - **Phase B:** Detailed development of the overall study design - building on the evidence that was found in phase A - and analysis of the baseline
 - **Phase C:** Full economic evaluation considering the effects associated with 1140 hours compared to 600 hours – drawing on the post-implementation results from SSELG alongside other evidence
- 6.4.2. The economic evaluation will be distinct from the overall evaluation, and will be contracted separately. However, the economic evaluation will, along with the wider evaluation, be overseen by the Monitoring and Evaluation working group mentioned in section 2. The economic evaluation will complement the range of ongoing work to assess and support the sustainability of the ELC sector and to ensure that Fair Work practices are in place throughout the sector. More information on that work is set out in Section 3.2.

7. Outputs

- 7.1.1. Baseline data on many of the measures described in Sections 3 and 4 on the ELC workforce, quality, accessibility, flexibility and affordability of ELC was published in the 2017 Evaluation Report. Descriptive analysis from each phase of the SSELC baseline data collection has been published: the Phase 1 report was published in August 2019⁸¹, the Phase 2 report in August 2020⁸² and the Phase 3 report in December 2020⁸³. Reports on other outputs related to additional proposed research will be published as they are finalised.
- 7.1.2. A SSELC baseline 'synthesis' report will be published in 2022 drawing together the SSELC baseline data on child, parent and family outcomes across phases 1-3, and presenting new analysis on children's development and family wellbeing. An Interim Evaluation Report is planned in early 2024. The interim report will include analysis reporting on the intermediate outcomes, and on the sector and workforce, using the latest available data and findings from relevant qualitative and survey research to provide an evidence-based picture of how things stand during the first year after full implementation of 1140.
- 7.1.3. Similarly, the Final Evaluation Report will present findings from analysis of the full SSELC dataset on changes in child, parent and family outcomes. Alongside this would be analysis reporting on changes in the take up, quality, and accessibility of funded ELC, and in the sector and workforce, using data from 2023-24 to align with the SSELC. The Final Evaluation Report is due to be published in late 2025.
- 7.1.4. Scoping on measuring child and parent outcomes (see Section 5) also outlined some possible options for how we could continue to understand the impact of ELC on child outcomes longer term using routine data collections i.e. the new ELC Census, data collected by Health Visitors, and possible data linkage with school and health data. This work is at an early stage of development. Scottish Government Children and Families Analysis and PHS will undertake further scoping work to fully consider the feasibility, acceptability, data protection implications etc. of options for longer term monitoring.

⁸¹ Scottish Government. (2019). [Scottish study of early learning and childcare: phase 1 report](#).

⁸² Scottish Government. (2020). [Scottish Study of Early Learning and Childcare - ELC leavers: phase 2 report](#).

⁸³ Scottish Government. (2020)., [Scottish Study of Early Learning and Childcare - three-year-olds \(phase 3\): report](#).

Annex A: Monitoring and evaluation working group membership

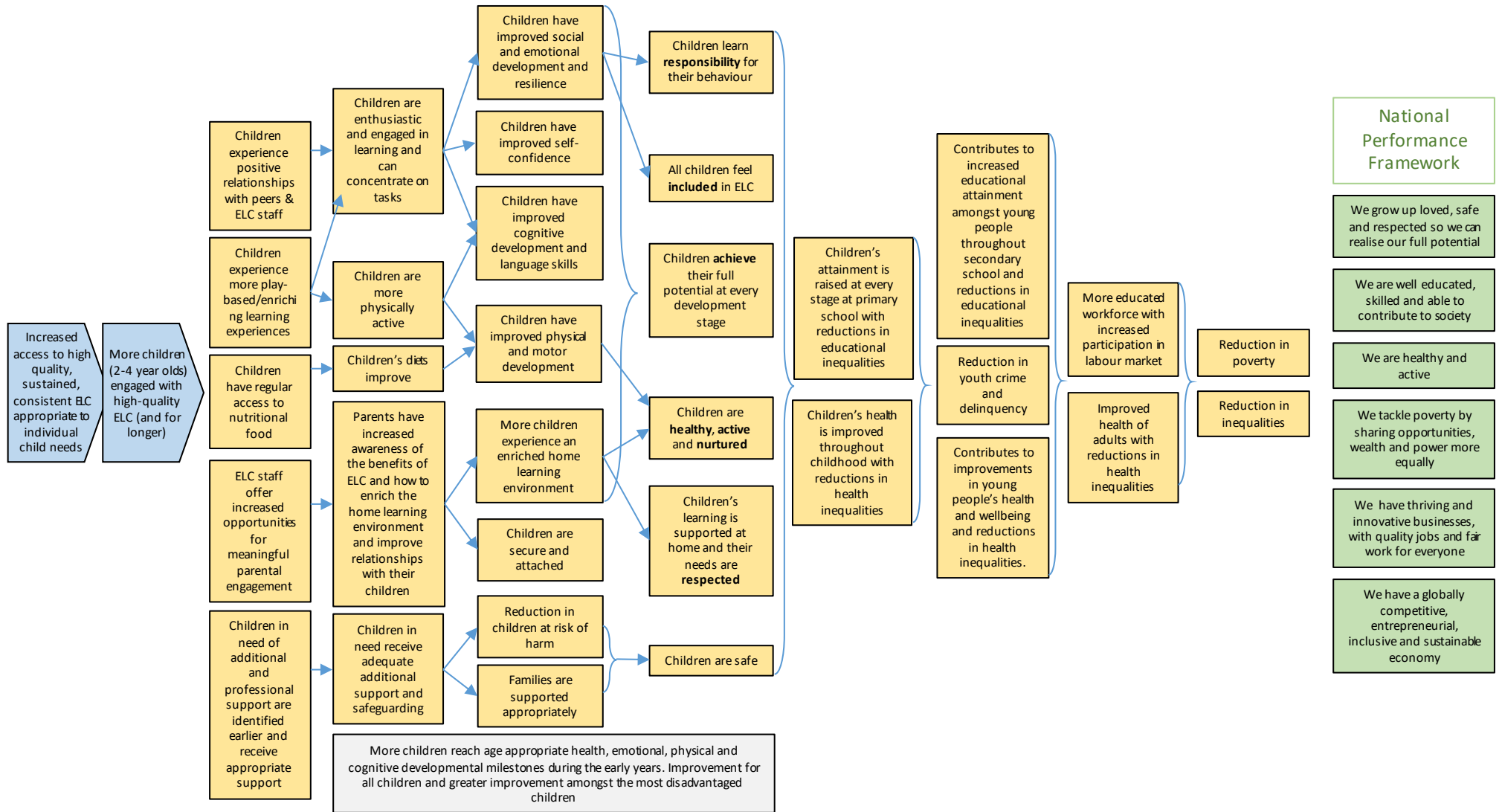
- Scottish Government (policy and analytical representation)
- Public Health Scotland (PHS, previously NHS Health Scotland)
- Care Inspectorate
- Early Years Scotland (EYS)
- Education Scotland
- Improvement Service (IS)
- National Day Nursery Association (NDNA)
- Scottish Childminding Association (SCMA)
- ADES Early Years network representation
- Professor Alison Koslowski, University of Edinburgh - to 2021
- Dr Christine Stephen, University of Stirling - to 2021
- Dr Sandra Mathers, University of Oxford - from 2022
- Dr Lucy Thompson, University of Aberdeen - from 2022

Other experts who have provided advice on the SSELC

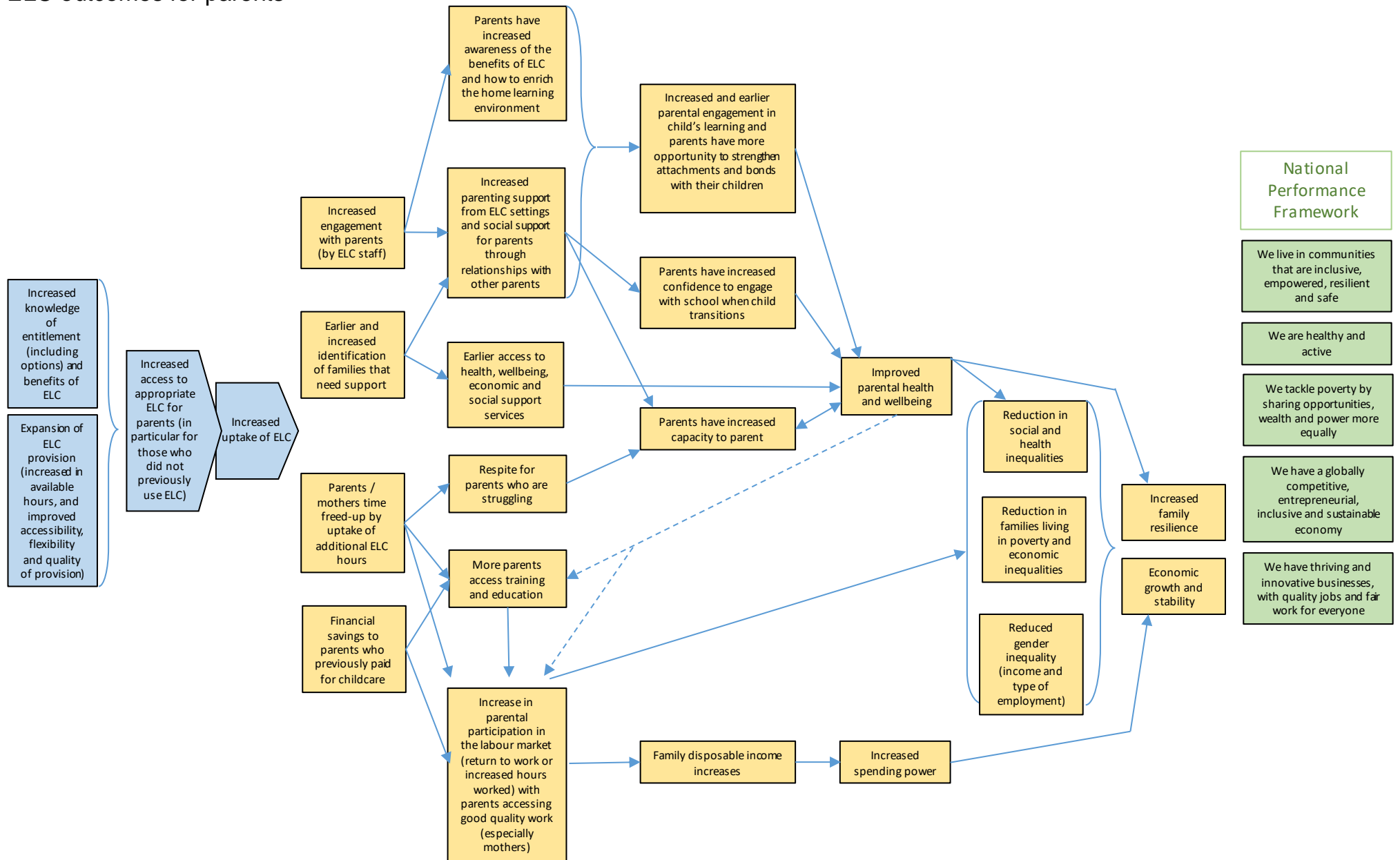
- Professor Aline-Wendy Dunlop, University of Strathclyde
- Professor James Law, University of Newcastle
- Professor James Lewsey, University of Glasgow
- Dr Louise Marryat, University of Edinburgh

Annex B: Evaluation Theory of Change

ELC outcomes for children



ELC outcomes for parents





© Crown copyright 2022

OGL

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3 or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at

The Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

ISBN: 978-1-80435-918-1

Published by The Scottish Government, October 2022

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA
PPDAS1148942 (10/22)

W W W . g o v . s c o t