



# Early Learning and Childcare Expansion Delivery Progress Report

September 2019



Scottish Government  
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# Key Messages



- This is the latest in a series of data collections which track the progress towards delivering the expansion of funded early learning and childcare hours to 1140 a year from August 2020.
- This report provides an update on the position as of August 2019, and updated forecasts for the remaining reporting periods, to reflect developments in local expansion plans.
- As of August 2019, all indicators are broadly in line with or ahead of the forecast national position.
- There continues to be significant variability at the local level.
- The data shows that a significant proportion of the expansion was delivered between April and August 2019, reflecting the large jumps in activity that were predicted in the previous data collection.
- The updated forecasts indicate that at the national level there has been a reduction in both the final number of additional local authority staff (FTE) required, and a reduction in the total capacity to be generated in local authority settings due to developments in expansion plans.
- These revised lower forecasts for local authority setting capacity and workforce is reflected in an increased uptake forecast in partner provider settings.
- A significant proportion of the expansion is still forecast to take place between April and September 2020.

# Background and context

The Scottish Government and Local Government are committed to increasing funded Early Learning and Childcare entitlement to 1140 hours per year from August 2020 for all 3 and 4-year-olds and for eligible 2-year-olds. The expansion is a cornerstone in helping every child to fulfil their potential and to close the poverty-related attainment gap.

To provide information on the implementation of this commitment, the Improvement Service (IS) and Scottish Futures Trust (SFT) collect and analyse data on the progress of the delivery of the expansion programmes across local authorities.

The Joint Delivery Board is co-chaired by the Minister for Children and Young People and the COSLA Spokesperson for Children and Young People and is responsible for reviewing progress towards implementation of the 1140 hours offer across all 32 local authorities and for agreeing actions to mitigate risk, respond to emerging issues or put support in place where that may be required.

# Objectives, approach and methodology

In June 2019, local authorities submitted their regular reporting return for Period 2 (October 2018 – April 2019), alongside an extra set of data that projected expected progress on key programme indicators at the One Year to Go milestone.

One of the key objectives of the current data collection has been to establish actual progress made against those projections. As such, this report provides an analysis and informational summaries of progress made with the ELC Expansion at One Year to Go.

To reflect the necessarily dynamic nature of local authorities' expansion plans, a change point was built into the reporting timeline from the outset, at which point it would be possible to update forecast figures for the remaining reporting periods. Originally scheduled for October 2019, this forecast update was recommended for earlier completion in order that measurements of progress are made against accurate forecasts and as such was made part of this data collection. The other key objective of this report is therefore to introduce and analyse updated forecast data.

To collect data, all 32 Scottish local authorities were issued with a template spreadsheet and guidance documents containing instructions for completion and detailed definitions for each of the key readiness indicators to be measured. For each indicator, the forecast figure lays out the plan for the period, whilst the actual data states the results. The actual progress made can be understood by comparing the two. More information on each indicator can be found in Annex 1.

In isolation, the data does not offer insight into why forecasts have or have not been met in each authority and it does not necessarily follow that those who have not met the forecast are behind in their project delivery. As such, local authorities are able to provide a free text narrative along with the data. This allows a space for local authorities to give technical clarification or more detailed explanatory notes to expound their reported figures for each indicator.

Although the IS and SFT have liaised with individual local authorities in seeking to ensure consistency of data returns, they have not undertaken an audit of the data, systems and processes used to capture the data within the 32 local authorities. The data submitted by local authorities is, therefore, presented in good faith without having been audited by the IS or SFT.

SFT collects ELC infrastructure data on a quarterly basis from local authorities.

# Responses

All 32 local authorities provided data for the period. All local authorities provided actual data for August 2019, and either updated their forecasts for the remaining periods or confirmed that no update to their forecasts was necessary.

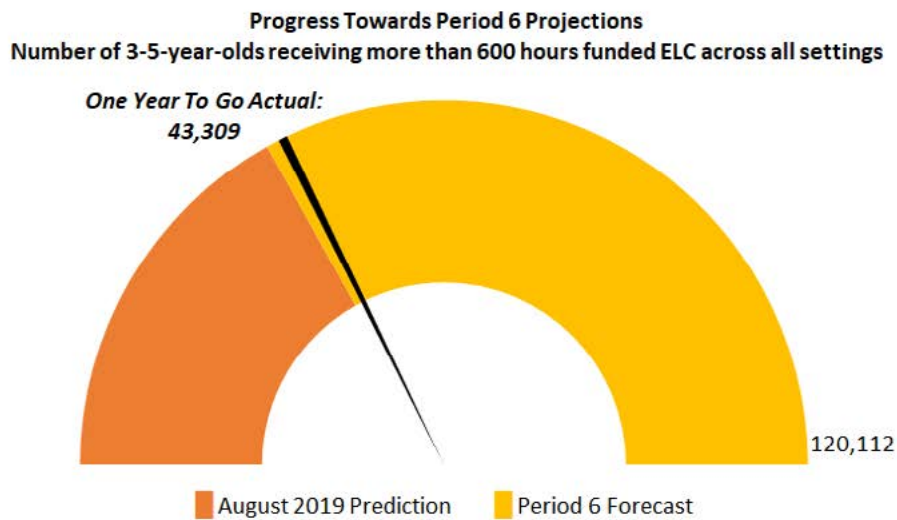
During the June data collection, four local authorities did not provide complete One Year To Go predictions. In this report, the actual value returned in this collection is treated as the predicted value so that that these authorities do not affect the national picture.

The ELC infrastructure data is based on information collected by SFT up to July 2019.

# Analysis

## One Year To Go Verification

Number of 3 to 5-year-olds receiving more than 600 hours funded ELC

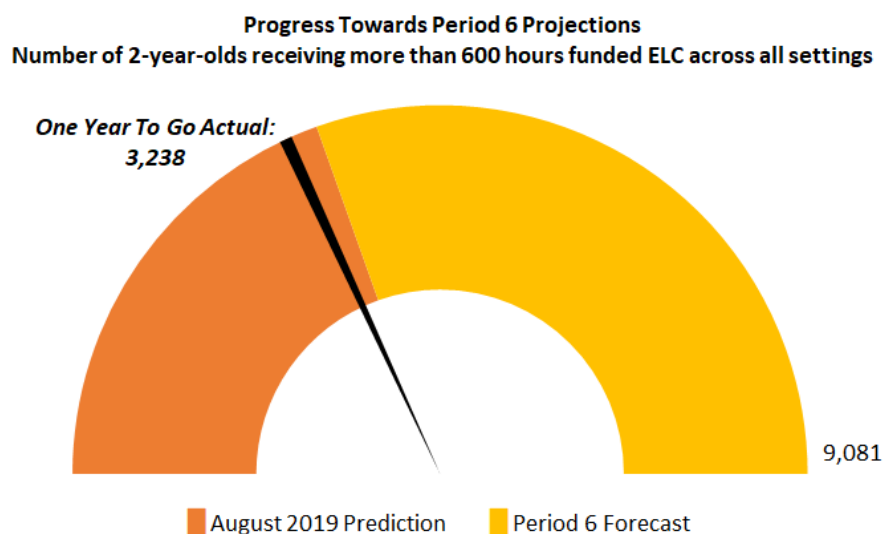


The number of 3 to 5-year-olds receiving more than 600 hours of funded ELC is ahead of the figure predicted for August 2019. The forecast uptake for 3 to 5-year-olds accessing more than 600 hours funded ELC was 40,643 children at August 2019. The actual figure was 6.6% higher than predicted at 43,309 children.

There is seen to be significant variability at the local level, with a number of councils being ahead of forecast position and a number behind.

There has been a significant increase in the expansion between April 2019 and August 2019, assumed to be aligned with the academic summer break. For the number of 3 to 5-year-olds receiving more than 600 hours funded ELC, there was an increase of 139% from 18,120. This equates to 21.0% of the total expansion expected up to the end of April 2021.

## Number of 2-year-olds receiving more than 600 hours funded ELC



At August 2019, the total number of children receiving more than 600 hours funded ELC across all settings (including both 2-year-olds and 3 to 5-year-olds) is reported to be 46,547.

The number of 2-year-olds receiving more than 600 hours of funded ELC is behind the figure predicted for August 2019. The forecast uptake for 2-year-olds accessing more than 600 hours funded ELC at August 2019 was 3,550 children. The actual figure was 8.8% lower than predicted at 3,238 children.

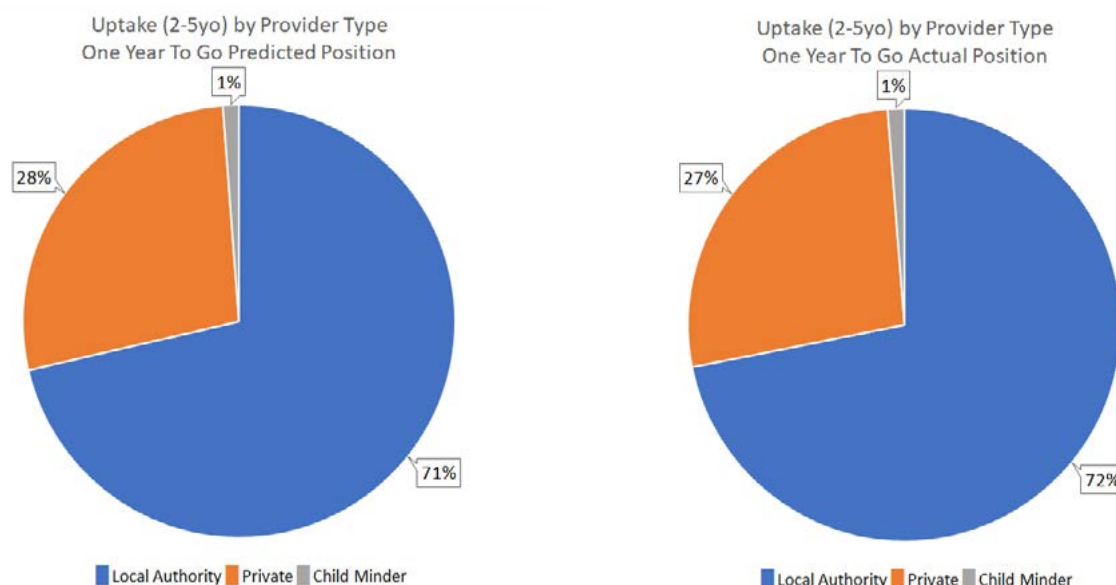
Once again there is significant variability seen across the country, with a number of councils being ahead of forecast position and a number behind.

In the previous delivery progress report, it was noted that a large increase in all indicators was expected between April and August 2019, coinciding with the start of the academic year. This has been realised in the 2-year-old uptake, with a 45% increase (from 2,233 to 3,238) between the figure reported in April 2019 and that reported for August 2019. This equates to 11.1% of the total expansion expected up to the end of April 2021.



## Provision in Local Authority, Private Partner and Childminder Settings

The graphs below show the proportion of uptake by provider types. The first chart shows the position that was predicted for August 2019. The second shows the actual reported split at August 2019.

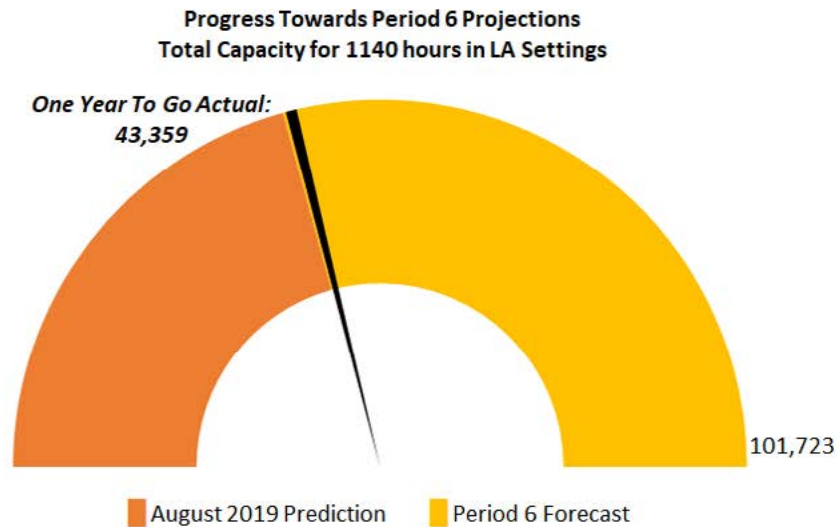


There has been a proportional increase in the provision taken in private settings between April and August 2019. During this period the proportion of provision in partner settings increased from 20% to 27%.

The pie chart on the left shows that for August 2019, nationally it was predicted that 28% of provision would be supplied in private settings, compared to 71% in local authority settings, with the remainder being taken by childminders. The pie chart on the right shows that the actual provision in private settings was in line with this forecast (27%).

This is reflected in narrative collected in the returns, which indicates that for phasing of the expansion, local authorities are tending to involve private and third sector providers in phasing in the expanded entitlement. Narrative also indicated that blended models are proving a popular choice with parents.

## Capacity for 1140 hours in local authority settings

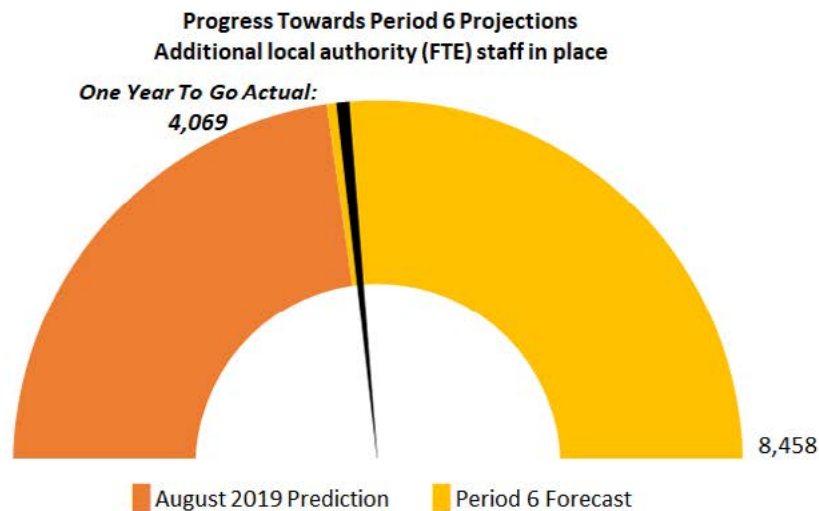


The actual capacity for 1140 hours in local authority settings for August 2019 was above predicted. The predicted total capacity for 1140 hours funded ELC in local authority settings was 42,188 children at August 2019. The actual figure was 2.8% above the forecast at 43,359 children.

Variability at the local level is a continued theme in this indicator, with some local authorities ahead of predicted position and some behind.

Once again, as noted in the previous delivery progress report, a large increase in capacity was expected between April and August, coinciding with the start of the academic year. This has been realised in the measurement of capacity in local authority settings, with a 94% increase (from 22,402 to 43,359) between the figure reported in April 2019 and that reported for August 2019. This equates to 20.6% of the total expansion expected up to the end of April 2021.

## Additional local authority staff in place



Recruitment was higher than predicted at August 2019. The predicted number of additional full-time equivalent (FTE) staff in place in August 2019 was 3,849. The actual figure for the period was 5.7% higher than predicted at 4,069 FTE.

Narrative provided by some authorities tells us that recruitment of some types of roles especially managerial positions remains challenging. Where some local authorities reported additional staff in place to be below forecast, a lower than expected uptake was cited as the reason for not requiring as many staff in August 2019. The returns also note that there is significant movement of staff internally within local authorities.

Variability at the local level is seen within this indicator also.

Similar to the local authority capacity, there has been a significant increase in the expansion between April 2019 and August 2019, assumed to be aligned with the academic summer break. For the additional local authority staff (FTE) in place, there was an increase of 87% from 2,173 over this period. This equates to 22.4% of the total expansion expected up to the end of April 2021.

## Scottish Futures Trust – Infrastructure Commentary

Based on the latest infrastructure data reported to SFT, local authorities are currently planning to deliver 900 infrastructure projects.

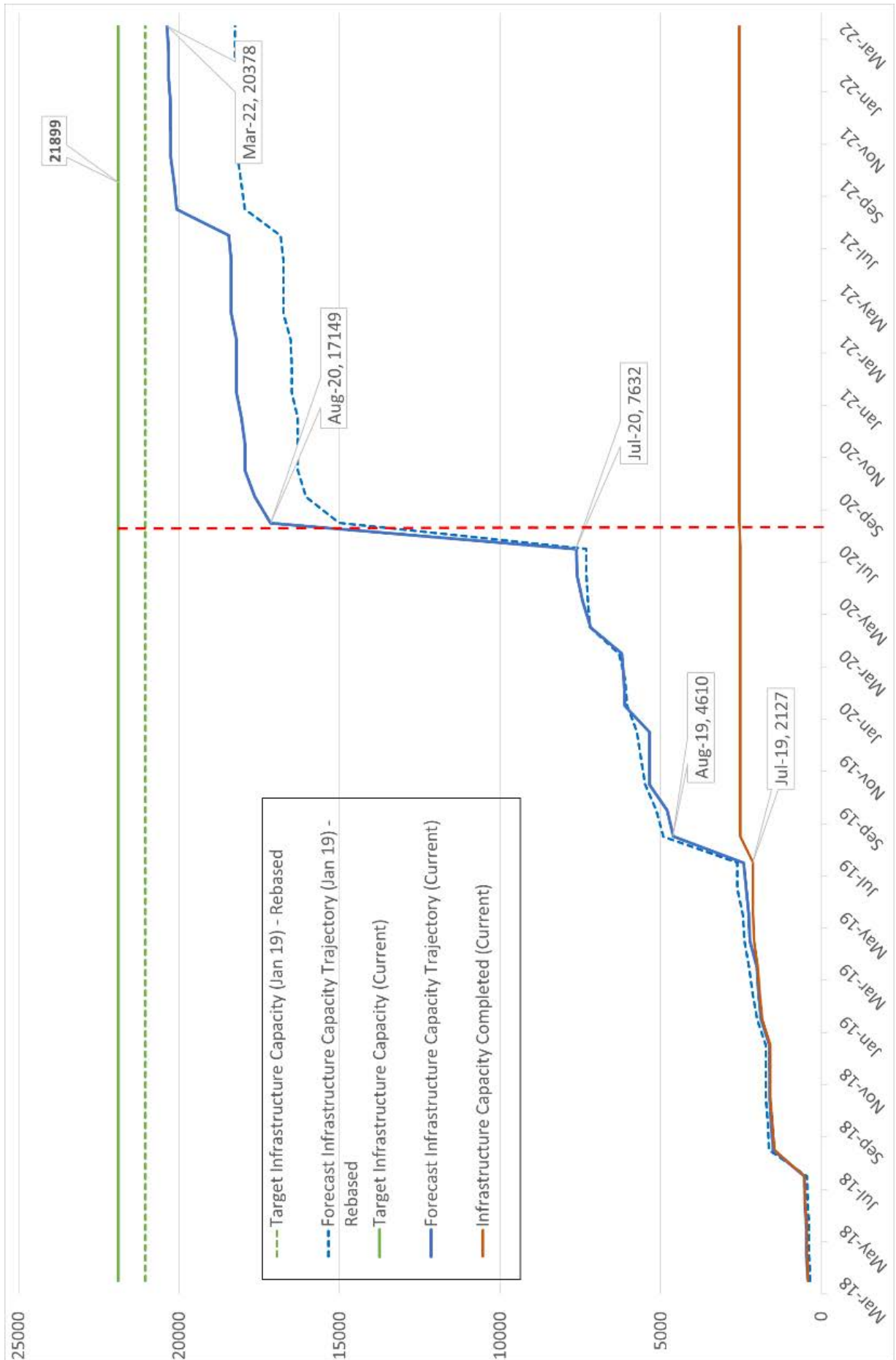
The table below illustrates the progress since January 2019 along with a breakdown of the number of Refurbishment, Extension and New Build projects reported to SFT as being either 'Complete', 'In Construction' or 'In Development'.

Project Status	January 2019	June 2019	September 2019
Complete	70	119	214
In Construction	28	44	120
In Development	679	738	566
<b>Total</b>	<b>777</b>	<b>901</b>	<b>900</b>

Local authorities continue to refine their capital programmes in response to ongoing assessments of demand, availability of capacity within partners and the implementation of new operating models.

Following the full data collection and review in July 2019, approximately 15% of the planned number of capital projects and 12% of the total planned additional infrastructure capacity was reported as being complete. SFT has since received several interim updates from local authorities to reflect the capital works that have been completed since July. The most recent data (September 2019) suggests that the total number of projects completed has increased to 24% and the additional registered capacity delivered has increased to 19% with 4,149 places. This reflects the step-up in capacity coming online at the start of this academic year.

The forecast trajectory of additional infrastructure capacity becoming available as compared to the baseline of January 2019 is illustrated in the graph below.



## ELC Infrastructure - Key Messages



1. The delivery profile remains back ended with approximately 50% of the planned additional capacity currently programmed to come on stream in between July and August 2020.
2. Most of the capital programme and spend (c.£300m) is forecast to happen over the next 10 months.
3. Approximately 700 new or amended Care Inspectorate registrations are currently forecast over the next 10 months with around 350 requiring approval in August 2020.
4. Around 16% of the total planned additional infrastructure is forecast to be completed after August 2020.
5. Outdoor learning remains a key part of the expansion programme. There are currently 277 facilities looking to register additional capacity via the indoor/outdoor model although not all of these may be required for August 2020.
6. The current plans include 27 fully outdoor facilities and 8 satellite facilities – 3 of these are complete and others are at various stages of development.

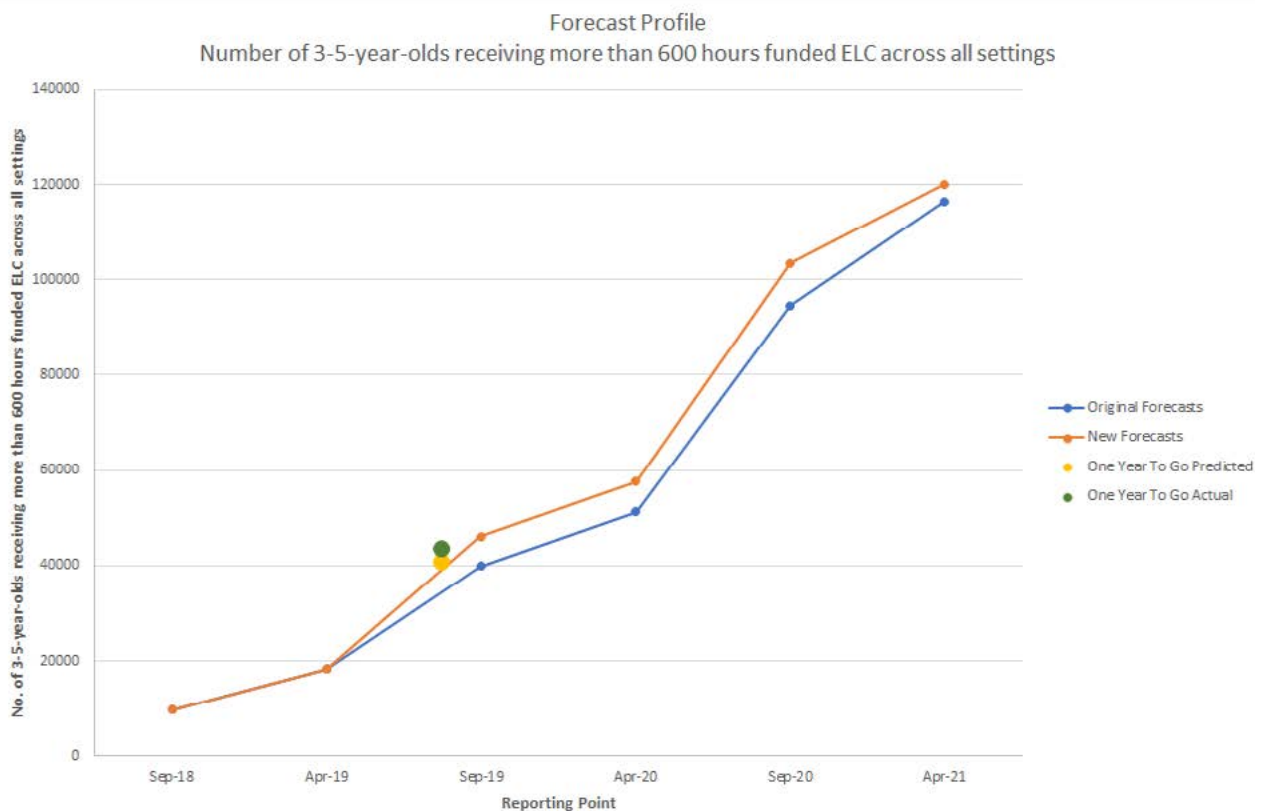
## Key Indicator Forecast Updates

During the previous data collection (Period 2), many local authorities indicated that their implementation plans had changed and that they would welcome the opportunity to update their forecasts to reflect current expansion plans. This was noted as one of the key messages in the Delivery Progress Report from June 2019.

Therefore, as part of this collection, local authorities were asked to provide new forecast data for all indicators for the remaining reporting periods (Periods 3 to 6). Originally scheduled for October, this forecast update was brought forward to ensure that progress with ELC Expansion plans is measured against up to date forecasts.

This section of the report will analyse how the aggregated national forecasts for each indicator have changed between the original submission (October 2018) and this update.

### Number of 3 to 5-year-olds receiving more than 600 hours funded ELC



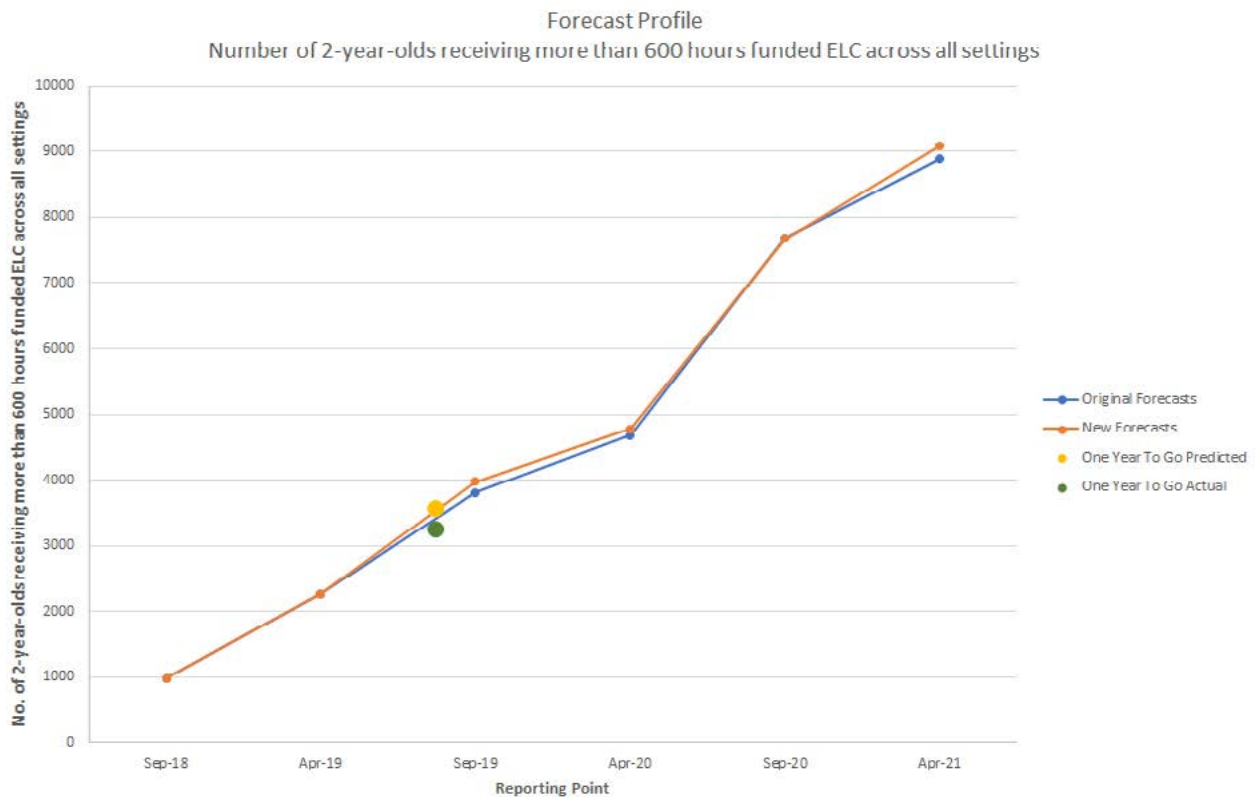
The graph above shows the original forecast (blue line) and the new forecast (orange) for the number of 3 to 5-year-olds receiving more than 600 hours funded ELC across all settings.

Comparing these two profiles shows that 3.1% more 3 to 5-year-olds are expected to be taking more than 600 hours funded ELC in April 2021 than was previously forecast (3,630 more children).

There has been an adjustment in phasing for 3 to 5-year-old uptake. More provision is forecast to be delivered in all reporting periods. Once again, the largest increase in the number of 3 to 5-year-olds receiving more than 600 hours funded ELC occurs between April and September 2020 (reporting period 5). During this period, 38.2% of the total increase in 3 to 5-year-old uptake is forecast to take place.



## Number of 2-year-olds receiving more than 600 hours funded ELC



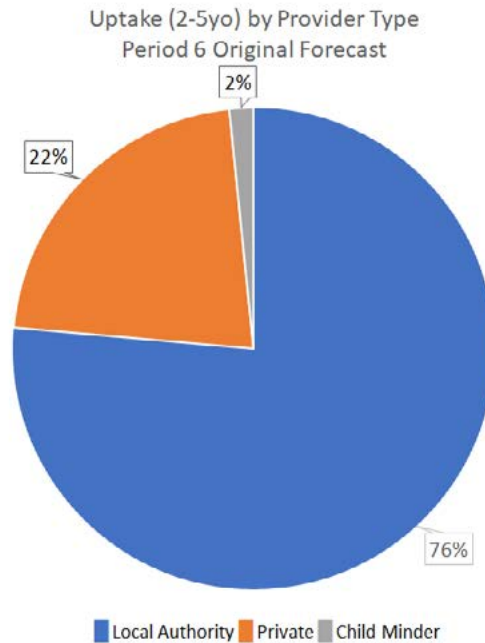
The graph above shows the original forecast (blue line) and the new forecast (orange) for the number of 2-year-olds receiving more than 600 hours funded ELC across all settings.

Comparing these two profiles shows that 2.2% more 2-year-olds are expected to be taking more than 600 hours funded ELC in April 2021 than was previously forecast (195 more children).

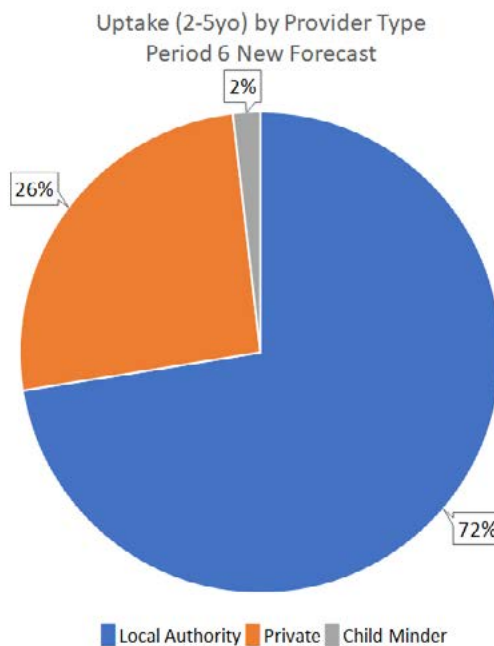
The periodic increases towards that final figure are similar to those originally forecast. The largest increase in the number of 2-year-olds receiving more than 600 hours funded ELC occurs between April and September 2020 (reporting period 5). During this period, 31.8% of the total increase in 2-year-old uptake is forecast to take place.

At April 2021, the total number of children receiving more than 600 hours funded ELC across all settings (including both 2-year-olds and 3 to 5-year-olds) is forecast to be 129,193. 2-year-old uptake is forecast to make up 7.0% (9,081 children). This is the same proportion as reported at August 2019.

## Forecast Provision in Local Authority, Private Partner and Childminder Settings



The chart above shows the proportion of uptake that was originally forecast for the various provider types at the end of reporting period 6. Nationally, original forecasts were that 22% of provision would be supplied in private settings, compared to 76% in local authority settings, with the remainder being taken by childminders.

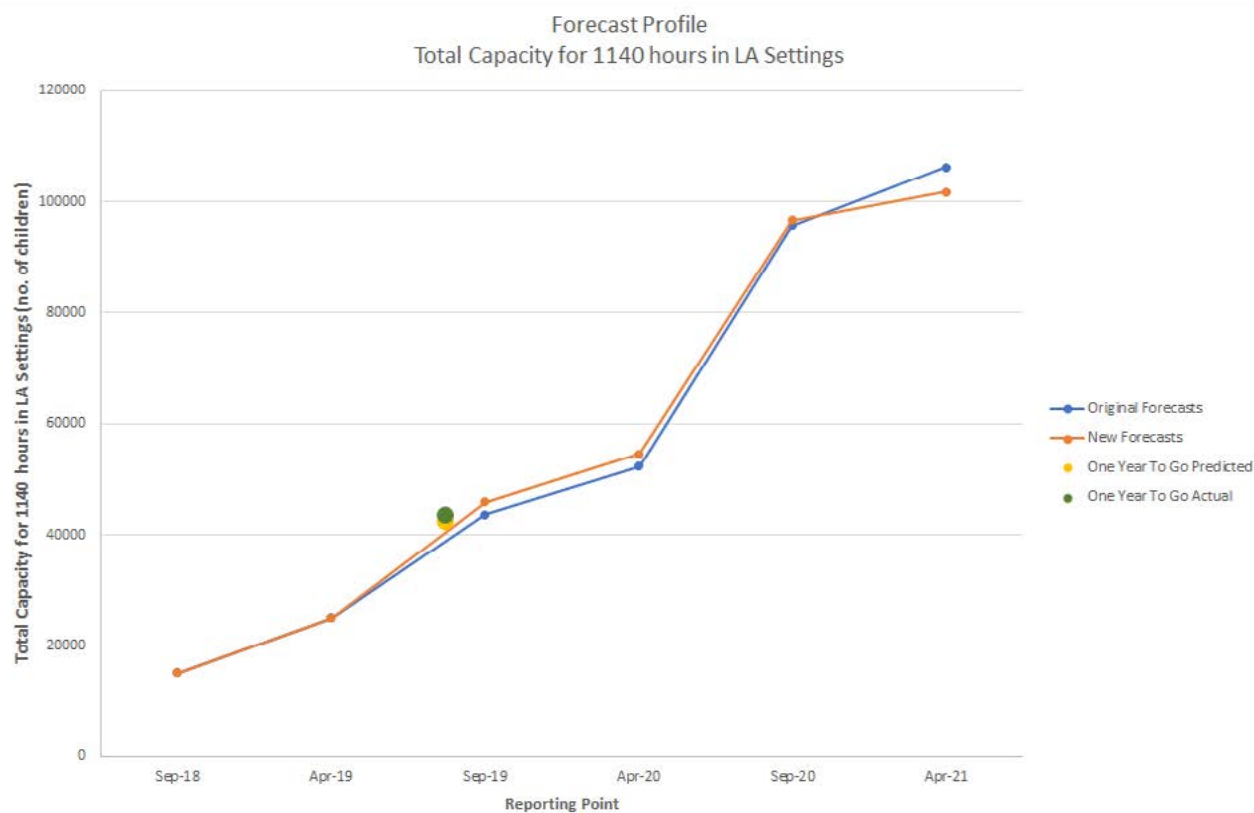


The chart above shows the proportion of uptake that is now forecast for the various provider types at the end of reporting period 6 (September 2020 to April 2021) as per the updated forecasts.

Nationally it is forecast that at the end of period 6 there will be an increased proportion of provision being supplied in private and third sector settings (from 22% to 26% of all uptake). This indicates an additional 5,577 children being catered for in private and third sector settings compared to the original forecasts. Therefore, provision in private and third sector settings in April 2021 is forecast to be 20% higher than originally predicted.

This pattern is supported by the narrative provided in the data returns which stated that evolving expansion plans were tending to increase the number of children receiving funded ELC in partner provider settings.

## Capacity for 1140 hours in local authority settings



The graph above shows the original forecast (blue line) and the new forecast (orange) for the total capacity for 1140 hours in local authority settings.

Comparing these two profiles shows that 4.3% less capacity for 1140 in local authority settings is expected to be generated by April 2021 than was previously forecast (4,572 fewer).

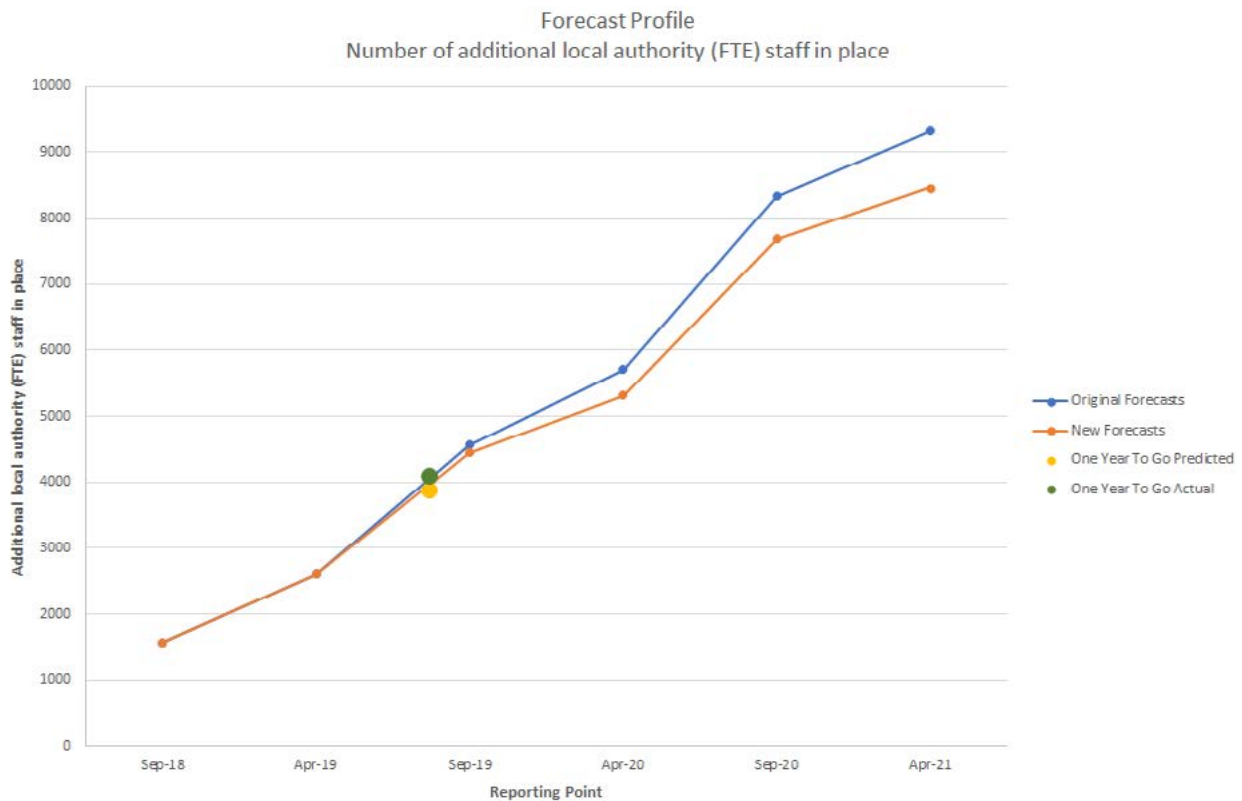
Despite this overall reduction in the anticipated capacity for 1140, the periodic increases to that final figure are similar to those originally forecast with the exception of the final increase between September 2020 and April 2021 when expansion is forecast to slow.

Narrative provided along with the data collections indicated that the main reason for the reduction in total capacity to be generated is a change in service delivery models whereby more funded ELC is provided in partner provider settings than was originally forecast, as seen above.

While final capacity for 1140 in local authority settings is lower than was originally forecast, the uptake measurements as identified above show that this is not forecast to impact the ability of children to access provision.

Once again, the largest increase in capacity for 1140 in local authority settings occurs between April and September 2020 (reporting period 5). During this time, 41.4% of the total capacity generation is forecast to take place.

## Additional local authority staff in place



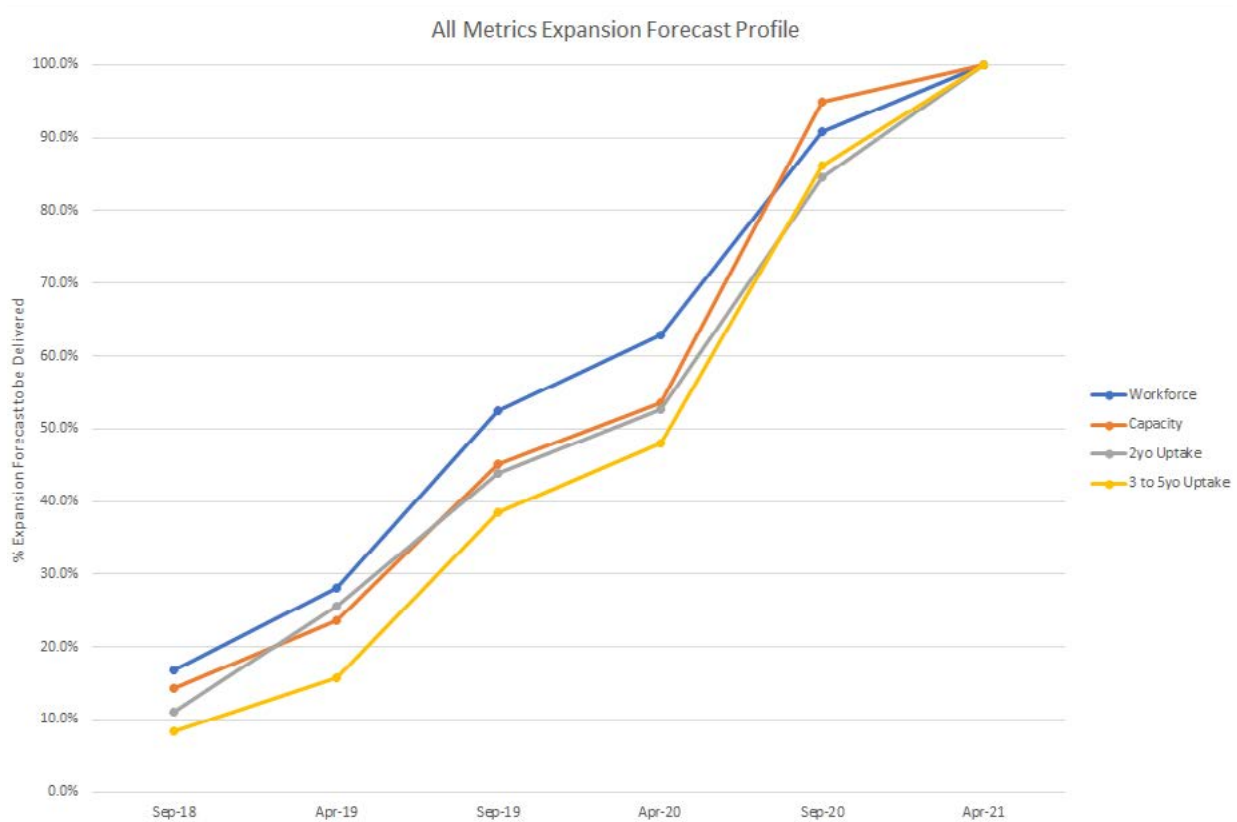
The graph above shows the forecast profile for the additional local authority staff (FTE) in place. Shown in blue is the original forecast profile, and in orange is the new profile taken from updated forecasts provided in this data return.

Comparing these two profiles shows that 9.3% fewer additional local authority staff (FTE) are expected to be required at the end of the expansion than had been previously forecast. This is a reduction of 862.3 (from 9320.8 to 8458.5) additional FTE being required nationally by April 2021.

Narrative provided in the data collection indicates that the primary reason for this is due to ongoing development of staffing models and team restructuring to increase staffing efficiency and reduce the overall additional local authority staff (FTE) required to deliver the provision. This is alongside the increased proportion of provision being taken in private and third sector settings.

As with all other indicators, the largest increase in additional local authority staff occurs between April and September 2020 (reporting period 5). During this time, 28.1% of the total increase in local authority staff is forecast to take place.

## Overall Expansion Profile



The graph above shows the relative forecast profile for all indicators, based on the updated forecast figures. For all indicators, there is relatively slow growth between September 2019 and April 2020, before a sharp rise between April 2020 and September 2020, coinciding with the academic summer break, when the biggest increase is forecast to take place.

It is noteworthy that the enabling indicators (capacity and workforce) are consistently forecast to increase faster than the uptake indicators for the remainder of the expansion.

## Conclusions and Next Steps

Data on the progress of the delivery of the ELC expansion will continue to be collected bi-annually by the IS, with reports published tracking the progress towards the delivery of 1140 hours funded ELC. The next data collection is scheduled for November 2019.

This will be complemented by SFT's quarterly tracking of progress on ELC infrastructure delivery. The next ELC Infrastructure data collection is scheduled for late September 2019.

The data collection will be subject to ongoing refinement with an understanding that a balance needs to be maintained between improvement and continuity and the ability to conduct an analysis across periods to show how the expansion is progressing.

The data collected now and going forward will inform discussions at the Joint Delivery Board for the Expansion of Early Learning and Childcare Programme and influence actions taken at a Programme level.

## Appendix 1 – The Indicators

Topic	Indicator	Definition	Source
<b>Workforce</b>	Additional local authority (FTE) staff in place	Local authorities were asked to provide the forecast and actual figures for the total number of additional full-time equivalent (FTE) local authority staff required to deliver more than 600 hours of funded ELC. It should be noted that local authorities were given the freedom to define FTE according to their own classification, and that this varied across authorities.	Provided to IS by each local authority.
<b>Capacity</b>	Total capacity for 1140 hours in local authority settings (no of children) (i.e. based on service delivery model)	Local authorities were asked to provide the forecast and actuals for the expected total capacity for 1140 hours funded ELC on a typical week in local authority settings. ‘Capacity’ is the total number of children that can be accommodated based on the service model used. As such, this figure may be different to the Care Inspectorate registered space depending on the service model deployed.	Provided to IS by each local authority.
<b>2-year-old uptake</b>	Number of 2-year-olds receiving more than 600 hours funded ELC in local authority settings, partner provider settings and childminders	Local authorities were asked to provide the total number of 2-year-olds forecast to receive and actually receiving more than 600 hours funded ELC. This includes all eligible 2s and 2s ‘in need’. Authorities were asked to provide figures for local authority settings, partner provider settings and childminder settings.	Provided to IS by each local authority.



Topic	Indicator	Definition	Source
<b>3 to 5-year-old uptake</b>	Number of 3, 4 and 5-year-olds receiving more than 600 hours funded ELC in local authority settings, partner provider settings and childminders	Local authorities were asked to provide the total number of 3 to 5-year-olds forecast to receive and actually receiving more than 600 hours funded ELC. Authorities were asked to provide figures for local authority settings, partner provider settings and childminder settings.	Provided to IS by each local authority.
<b>Infrastructure</b>	Number of capital projects completed, in construction and being developed by local authorities.	Local authorities were asked to provide the total number of capital projects completed, in construction and in development within their local authority.	Provided to SFT by each local authority.



Improvement Service  
iHub  
Quarrywood Court  
Livingston EH54 6AX

T. 01506 282012  
E. [info@improvementservice.org.uk](mailto:info@improvementservice.org.uk)  
W. [www.improvementservice.org.uk](http://www.improvementservice.org.uk)



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[gov.scot](http://gov.scot)

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