

Current Government priorities – Childcare (Secretariat Summary Paper)

Since 2015, there have been substantial changes in policies and regulations in State policy on childcare (known as Early Learning and Care (ELC)). Change is ongoing and the Government has also committed to further changes.

What is Early Learning and Care (ELC)?

ELC is defined as any regulated arrangement that provides education and care from birth to compulsory primary school age (which in Ireland is age 6).

This note provides a brief summary of what's currently being done in Ireland and what the Government has said it plans to do in the future.

1. Policy Objectives

First 5 is the Government's strategy for babies, young children and their families published in late 2018. It covers the period 2019 to 2028 and is focussed on affordability, accessibility and quality. Some priorities from this strategy are summarised in the following sections.

2. Funding

In 2020 the Government spent **€638m** on childcare (a 141% increase since 2015). Since 2016, spending has grown to 0.37% of GDP compared with the EU average of 0.63% of GDP. In 2021 Ireland will again spend **€638m**.

In *First 5* the Government says it will at least double investment in ELC and School Aged Childcare by 2028.

The increase in spending follows past under-funding of ELC in Ireland.

As well as saying it will at least double investment by 2028, the Government has said it will develop a new funding model to ensure effective use of this additional funding. An independent Expert Group, established in 2019, is looking at the current funding model and how effective it is. It will also recommend how the State should spend the increased funding, drawing on international best practice. The Group is expected to report by the end of 2021.

This Group has developed draft principles to inform their work. These may be subject to further change before they complete their work. A summary of these principles is in the Appendix to this note.

3. Current Early Learning and Care provision

Almost all ELC providers in Ireland are independent, private sector operators. The sector has grown significantly, and the number of registered ELC providers has increased by 42% between 2013 and 2019. 35% of providers are open for 15 hours or less during term time. In 2016, children before compulsory primary school age (i.e. age 6) spent 25 hours per week on average in ELC centres.

There is evidence that more disadvantaged families and those with lower education qualifications are less likely to enrol their children in ELC. Minority ethnic groups are also less likely to enrol their children.

4. Subsidies

The National Childcare Scheme (commenced in late 2019) **combined and simplified subsidies towards childcare in registered services for children up to 14.** It provides a payment for all children aged over six months up to the time they qualify for ECCE (see below). More generous subsidies are also available to some. These are means-tested and vary according to household income, the child's age, and the working or education status of the parents/guardians.

Early Childhood Care and Education (ECCE) (the free pre-school scheme) provides 15 hours per week of fully funded ELC for all children for the two years before starting primary school for 38 weeks out of the year. **AIM (the Access and Inclusion Model)** enables children with a disability to attend mainstream pre-school. Funding is also available through other channels.

Parental fees for the hours of care not covered by public subsidies are unregulated. Ireland has some of the highest childcare costs (as a percentage of the average wage) among OECD countries. Average weekly fees have increased over the last decade, rising by 8% between 2012-2018/19.

5. Workforce qualifications and training

A Workforce Development Plan is currently in development. The plan should deliver on the commitments in *First 5*, such as ensuring that 50% of staff working directly with children in childcare centres hold an appropriate degree-level qualification by 2028.

Since 2016, childcare providers who work directly with children must hold a qualification in Early Childhood Care and Education at NFQ Level 5. Providers with room leaders with a qualification of NFQ Level 6 are given additional State funding ('Higher Capitation'). However, evidence shows that only 10% of Higher Capitation funding was used for the graduate staff's salaries.

The Government funds a range of Continuing Professional Development (CPD) programmes for the childcare sector. In 2018 the Government introduced a CPD funding initiative which paid service providers whose staff participated in specific CPD courses.

In mid-2018, 94% of staff held a qualification equal to or higher than NFQ Level 5 (up from 71% in 2010). 25% of staff held a graduate qualification (NFQ Level 7/8) in 2019. Since 2016/17, staff turnover has been higher than 20% (although declining

year on year). There are no nationally agreed job titles or occupational profiles for various ELC staff. This is an issue that will be dealt with under the Workforce Development Plan.

6. *Future commitments in the Programme for Government*

The current Programme for Government includes a range of commitments on childcare. These include:

1. Implementing *First Five*;
2. Establishing a new agency (to be called *Childcare Ireland*) to assist in the expansion of high-quality childcare, spearheading leadership, best practice and innovation and professional development, developing career paths and expanding Síolta.¹
A review of the bodies working in the area to support this development is currently underway;
3. Investing in the National Childcare Scheme;
4. Fast-tracking the work of the Expert Group in considering a new funding model;
5. Reducing the regulatory burden on childcare providers;
6. Examining the approach of other European countries to set a cap on parental fees;
7. Examining options to increase flexibility within centre-based cares and accelerate access to subsidies for non-relative childminders;
8. Increasing the range of after-school services;
9. Continuing to support ECCE and, if resources allow, increase the scope of the scheme;
10. Supporting the establishment of a Joint Labour Committee in the childcare sector;
11. Piloting a new apprenticeship model for early-years professionals;
12. Ensuring transparent inspection reporting structure;
13. Fully implementing AIM (the Access & Inclusion model).

¹ Síolta is the National Quality Framework for Early Childhood Education: www.siolta.ie

Appendix: Summary of Draft principles of Expert group²:

- **Strategic** – the model should be based on an acceptance that ELC/SAC is a public good. It should seek to support the delivery of this public value by providing high quality, affordable, accessible and sustainable services.
- **Child-centred** – funding should be allocated in the best interest of children. The funding model should promote partnerships between parents and providers which enhance children's development. It should also provide extra support for children experiencing disadvantage and children with additional needs.
- **Family orientated** – funding should support parents participating in employment, education, or training and should be cognisant of parents' reasonable needs and choices. Funding should mitigate the cost of ELC and SAC to parents, and support families with greater needs while maintaining enough universal support to reflect an overall benefit.
- **Professional and valued workforce** – Funding should recognise that quality of services is reliant on the quality of the workforce. It should promote the recruitment and retention of qualified staff; ongoing professional development; fair pay and working conditions; and a workforce which feels valued and motivated.
- **Competent Sector** – Funding should incentivise quality improvement, innovation and inter-agency working. It should minimise short-term disruption but allow for desired long-term changes. It should be subject to regulation and accountability for public funds. Regulation infrastructure should be cost-effective to maximise funding available for service delivery.
- **Development and Implementation** – the funding model should be developed with input from parents, children, providers, the workforce and other stakeholders. It should be evidence-based, capable of practical application, and as transparent as possible.

² Please note these are summarised and not a verbatim reflection of the draft principles.