Department of Children and Youth Affairs

-Future Investment in Early Years and School Age Care and Education-

Report on Open Policy Debate

Tuesday, 31st March 2015
Education and Conference Centre, Royal Victoria Eye and Ear Hospital, Dublin 2

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Background

In January 2015, the Minister for Children and Youth Affairs announced the establishment of an Inter-Departmental Group (IDG) on Future Investment in Early Years and School-Age Care and Education. The purpose of this group is to identify and assess policies and future options for increasing the quality, supply and affordability of early years and school-age care and education services in Ireland. The full Terms of Reference for the IDG can be found in the Primer (see Appendix 1). In order to inform the work of the IDG, an Open Policy Debate was held in March 2015 with a range of stakeholders and representatives from the early years and school-aged care and education sector.

This event, which was facilitated by staff at the Centre for Effective Services at the request of the Department for Children and Youth Affairs (DCYA), was held as part of a series of open policy seminars under the Civil Service Renewal Plan to promote a culture of innovation and openness by engaging with practitioners and experts in policy issues.

The purpose of this report, which was prepared by the Centre for Effective Services at the request of the DCYA, is to summarise the key messages that emerged as part of the debate.

Participants

Thirty-four participants (including four representatives from DCYA) from a range of relevant sectors and organisations attended the open policy debate. These included academics, researchers, local councillors, parents and representatives from Government Departments, teachers and early years practitioners. A number of representatives from the community and voluntary sector were in attendance, as were union representatives and community development workers. Two international guests attended in order to provide an international perspective and to provide comment on messages emerging throughout the day. A full list of participants can be found in Appendix 4.

Objectives

The main objectives of the open policy debate were to:

- Propose future policy directions for early years and school-age care and education
- Explore key issues and key questions for early years and school-age care and education policy in Ireland
- Explore and prioritise options for future investment for early years and school-aged care and education

A primer document was prepared by DCYA and circulated to participants prior to the event in order to provide key background and contextual information and as a reference document for participants to support their discussions of the key issues during the event. A copy of the primer can be found in Appendix 1.

Outline of the event

The event was divided into a morning and an afternoon session. The morning session included a panel debate, full-group discussion and round table discussions. The afternoon session also included round table discussions followed by a whole group discussion. The agenda for the open policy debate can be found in Appendix 5.

Panel Debate

The event opened with an address by the Chair, John Bowman, followed by a panel debate. The panel consisted of four members representing different stakeholders within the early years and school-aged care and education sector. Participants in the panel debate spoke to their perspective of early years and school-aged care and education in Ireland and the issues they considered to be core issues/ requirements for future investment. A summary of each panel member's points are provided below:

Advocate perspective – Ciairín de Buis, Start Strong

A number of key issues were identified. First, the current market model is characterised by fragmentation, is variable in quality and is inefficient. Second, current levels of investment are insufficient to achieve quality and affordable childcare. Third, the education and care provided by childminders is neglected both in terms of support and regulation. It was concluded that a new model of early years provision is needed, one that focuses on quality, affordability and accessibility. This new model should seek a professionalised workforce as well as reform of the inspectorate. Such a model should address issues of quality, cost to families, support to parents, and would provide a rationale for public investment.

Parent's perspective – Trish McLaughlin, Sligo

While home is thought to be the best early learning environment for children, it is not a feasible option, as affordability is a major issue for many families. All parents need support regardless of their background or circumstances, from family support-type services through to the provision of good quality universal care and education services. Ongoing support can ensure parental confidence and facilitate the early detection of childhood problems. The sector should focus on and emphasise child development, with the promotion of learning through play. The lack of resources for children with disabilities was also highlighted; it was suggested that children with additional needs require one-on-one support not shared resources.

Provider's perspective – Teresa Heeney, Early Childhood Ireland

Before making any decisions on reforming current expenditure or recommending future investment priorities, it was suggested that the purpose of providing early years care and education needs to be clarified. Is the sector focused on outcomes for children or on labour market activation? The current early years market model is not thought to be viable in the longer term and consideration must be given to what a sustainable sector might look like. There is varying quality within the sector, and where staffing is reliant on community employment schemes there is concern that some staff may not be appropriately qualified. The role of the Government in sector reform is crucial for creating an infrastructure that will allow for high quality service provision. Commitment to changing current maternity leave provision to 12 months paid parental leave is desired.

Policymaker's perspective – Elizabeth Canavan

The importance of high quality service provision is increasingly recognised and understood within research and in policymaking. Prevention and early intervention are central tenets of *Better Outcomes, Brighter Futures* the current national policy framework for children and young people. The development of the sector in recent years is acknowledged as being fragmented and opportunistic. International benchmarks are important drivers for improvement. The free pre-school year was highlighted as being an important baseline for development of the sector. The need to engage with parents is understood, with many parents often having to choose services based on cost rather than quality while others may not be aware what good quality looks like. Future policy development must engage with issues of flexibility, particularly for women. Likewise, a balance must be struck between the State and families over who should pay and how.

Group Discussion

Following the contributions from panel members, the debate was opened to the floor. Four common themes emerged from the whole-group discussion:

Reform

The current debate in relation to future investment and reform was recognised as a moment of opportunity to establish a fairer, more stable early years and school-aged care and education sector for families and professionals alike. The market model of service provision which operates in Ireland was widely agreed to be unsustainable. However, it was also noted that some unintended consequences of reform, while trying to stabilise the market, would likely be inevitable. The need to engage with all practitioners and providers of services, both in the formal and informal sectors, was raised by participants as an important element of reform.

Public engagement

The need for public debate and discussion around the purpose of early years and school-aged care and education provision and the reform of the model was seen as necessary. It was thought that the establishment of the IDG was a positive step but that the debate must now be brought to the public. It was suggested that a public sense of responsibility for the sector needs to be cultivated but that this will be challenging. It was broadly agreed that there is a lack of public understanding of the complexities involved in early years and school-aged care and education services, of what is needed and why.

It was considered that improved quality of services will ultimately have to come from either tighter statutory regulation and/or greater public involvement. It was suggested that there is a political reluctance for State intervention in this debate because of perceptions that raising children in Ireland is a private family matter. This is seen as a barrier to progress and was highlighted as a potential cause of the over-reliance on family members for the provision of informal care. Greater State engagement with the sector was widely welcomed.

Whole of Government approach

The role of policymaking and policy development in relation to the early years' and school-aged care and education sector was discussed. The need for integrated policies across Government Departments and Agencies was highlighted as an important next step. Existing policies were seen as piecemeal and lacking in cohesion, sometimes developed in reaction to Directives and policy developments at an EU-level.

Care and education

Care, as an underpinning principle of provision, was emphasised as an important starting point for change. It was suggested that while other countries may emphasise education over care, the two concepts are inseparable and a caring ethos should be maintained at the centre of the debate. Ensuring that vulnerable groups such as children with English as an additional language and minority children are included was flagged as a key element of prevention and early intervention. It was considered that disadvantaged groups should be catered for, while ensuring that the sector is not overly focused on disadvantage.

Deliberations from the Morning Round Table Discussions

Following the panel debate and whole group discussion, participants were assigned to one of five tables. Five facilitators and note-takers were present at the session. Facilitators were assigned one question to pose to each table. Facilitators and note-takers joined a table, posed their question and facilitated a group discussion on the question for 15 minutes. Facilitators and note-takers then rotated to the next table. The purpose of this session was to elicit group debate on the topics and facilitators sought to achieve agreement and expansion on previous points raised rather than repetition. Participants were provided with background information from the primer document to support and inform them in their discussions (Appendix 2). The five questions posed to each table are outlined below, accompanied by key observations made as well as any recommendations and areas of disagreement.

Question One: What strategies should be implemented by the State to support parents in their childcare choices?

Four main themes emerged from the discussion of question one and these are summarised below.

Agreeing the purpose of early years' and school-aged care and education

It was generally agreed that there is a need to clarify and agree the purpose of early years and school-aged care and education; why do we want/need it? It was suggested that defining its purpose will inform the type of strategies and provision that the State should support. In considering the purpose of early years and school-aged care and education provision, we must decide if reform will cater to what's best for children or whether the focus is on ensuring parents, especially mothers, can return to work.

In addition, in considering what strategies should be implemented by the State to support parents in their childcare choices we must address the issue of individual choice vis-a-vis collective choice. In doing so, as a society we may have to acknowledge that individual preferences may not be compatible with wider collective preferences. It was suggested that sometimes focusing on individual choice leads to fragmentation of policy responses and services.

The role of parents

Participants referred to evidence that suggests it is best that a parent cares for their child in their first 12 months. In this context, the issue of parental leave was discussed. It was considered that Irish maternity leave is currently too restrictive. In addition, the role of fathers in raising their children is considered to be neglected; paternity leave take-up is too low, with a sense that taking this leave may damage career prospects. Fathers have little or no entitlements while mothers are only granted six months paid leave.

The role of society and public opinion was also thought to impact on some childcare choices, with reference to a potential culture of judgment around “good” versus “bad” childcare choices.

Affordability

Participants suggested that in reality parents did not have many childcare choices in the current economic climate. For many families there is no choice due to affordability and accessibility issues. It was further suggested that choice for some families will be reduced again when the One Parent Family Payment is cut. When affordability is the issue, then low cost childcare is often the only option for parents and low cost can sometimes mean low quality. Factors such as proximity, rather than quality and reputation, influence parental ‘choice’. Lack of choice due to affordability also impacts on providers as the high cost of services leads to parental withdrawal of children from community-based services which often means that community services operate at a loss.

It was broadly agreed by all groups that there should be some form of State monetary intervention in the sector as a solution to the current unsustainable market approach. For example, direct investment into the sector means that the State can leverage quality. The current market approach is unsustainable for a number of reasons including: over-reliance on small providers, with a pre-dominantly female work-force mostly earning the minimum wage; quality may be subordinate to low cost provision in order that providers can to compete and generate ‘margins’; provision of care to babies and very young children is not commercially viable due to staff-child ratio requirements; and the significant additional costs incurred by families who require childcare for more than one child.

Quality and Awareness

A lack of public awareness of services and their quality was raised by many of the groups. It was thought that there is insufficient information available for parents to help them in making their choice. It was also suggested that there should be increased public awareness and promotion of what services and supports are available to parents, particularly new parents.

There is a need to raise awareness among parents about the importance of choosing high quality services and supporting them to understand what constitutes quality. It was proposed that quality should be evaluated and monitored closely. Complying with minimum standards is insufficient as there is a danger that minimum standards become the norm.

Question Two: Approximately three-quarters (73%) of Ireland's 4,500 centre-based settings are privately owned (i.e. for profit). The remainder, of which one quarter is community-based and one per cent publicly provided through the school system as a result of the Early Start Programme, are not-for-profit. Should the State seek to change this mix? If so: Why? How?

It was considered that irrespective of whether early years and school-aged care and education was provided privately or publicly, the principle of provision should be what is best for children and families rather than profit margins. Furthermore, it was suggested that gaining public support and State investment could result in the promotion of the sector as a public good rather than a private business.

The current mix of provision

The current market model of provision was seen as unsustainable and inadequate. There was discussion, but no consensus, as to whether to accept the market model as a current reality and attempt to improve it or whether a new system is required. It was noted by the groups that the international evidence indicates that quality is much lower in market driven systems. Two different international systems of provision were discussed. The approach adopted in New Zealand was provided as an example of how Government-regulated quality of the workforce through qualification criteria and childcare unions joining forces with teacher unions to promote and recognise the professionalisation of the staff supported systems change. The New Zealand case was considered a rare example of success in improving quality in a market-based system. The Norwegian model was also discussed; in this model of provision, parents pay a capped rate, workers receive a fair wage and the State monitors quality.

Changing the mix of provision

The effect of moving from a market-driven model to one where the State invests in and regulates private and public childcare services was considered. It was considered by many that there needs to be a renegotiated agreement between the State and service providers if the State is to intervene. It was noted that the system is in need of better regulation and planning. For example, it was suggested that in the Irish system all the risk is taken on by the provider whether they are private or community-based. In addition, existing publicly-funded schemes (for early years and after-school services) should be flexible to meet community needs. Public schemes must be accurately costed, adequately funded and open to both profit and not-for-profit services.

It was suggested that if the State is to take responsibility for the early years and school-aged care and education sector, then an assessment of service needs should be established to aid planning.

Public versus private services

There was some debate over the differences between private and community-based providers. Three alternative views emerged from the discussion:

- There is an over-reliance on the private sector
- There is little difference between private and public provision given the variation in quality and the market model under which all providers are operating
- Private providers are community-oriented

With regard to publicly-provided services, concern was expressed that the Community Childcare Subvention (CCS) programme is only available in disadvantaged areas yet research in Ireland indicates that 50 per cent of disadvantaged children do not live in a disadvantaged area.

Meanwhile, there was a suggestion that many private providers, while wanting more access to resources, want to maintain autonomy to run their service as they wish; it was suggested that these two positions were not compatible.

Question Three: Approximately one-in-four pre-school and primary school children are in informal childcare arrangements (i.e. with a childminder or relative). Should the State seek to support and regulate informal provision? If so: Why? How?

Much of the debate on this question focused on childminders rather than other forms of informal care. There was broad consensus that informal family care providers and childminders are not a homogenous group. It was suggested that there is a need to separate the two when considering how to support and regulate the sector. For example, the reliance on family-provided childcare is often dictated by affordability rather than by choice; while in rural areas, formal centre-based care may not be available to parents and childminders may be the only option available. It was also suggested that selecting a childminder is a private parental choice.

It was also noted that informal provision plays a strong role in providing after-school care. It was considered that there is a real opportunity for the State to develop a model of regulation for informal childcare arrangements and to shape and build provision of this sector. Many participants felt that there was a lot of learning to be gained from previous and existing practice, both good and bad.

Support for childminders

It was thought that childminding is an undervalued service and there is a need for greater regulation of and support for childminders given the isolated and changing nature of the role. This type of service provision was seen as a very positive one that potentially offers greater flexibility to families, for example, the ability to collect children from school and provide after-school care, and so should be supported.

Potential incentives and support for informal childcare providers were discussed and once again focused mainly on childminders. It was considered by many that tax liability is a potential barrier to some childminders registering. However, the tax system was considered as a tool for motivation and regulation within the sector. For example, tax breaks could be linked with quality standards and qualifications in order to encourage registration of childminders and regulation of the system. Tax breaks are a form of State intervention, and State regulation is therefore justified. However, the inequity of providing tax breaks for just one type of care provider such as childminders was noted insofar as community-based providers could be disadvantaged as would families who choose to utilise family provided care. In addition, it was acknowledged that the introduction of tax breaks for providers would have little impact on families who cannot afford to access any form of paid childcare.

Regulation

It was noted that many childminders are not registered, do not undergo inspection and are not reviewed in terms of Garda vetting, health and safety, or quality. Regulation was seen as necessary due to the importance of the service and the potential vulnerability of children spending long hours in unregulated care. Furthermore, many childminders are supported by the State through the provision of training and other CPD opportunities and as such it was felt that regulation should be part of the State-provider relationship. In addition, the question of whether family members who are paid for their care-giving might receive a subsidy and opt into national infrastructures of regulation and support was raised.

Suggestions to facilitate the support and regulation of childminders included the restoration of Childminding Advisory Officers within County Childcare Committees (CCCs). These positions were State funded but have been discontinued. It was suggested that they were a positive initiative as they linked childminders into resources such as training, registration and Garda vetting. It was acknowledged that CCCs continue to provide some support for childminders[1].

Question Four: What strategies should be developed and implemented by the State to protect and develop the quality of provision?

The key observations emerging from the five groups in response to this question are summarised below:

Staff qualifications and training

An increase in the number of qualified practitioners was identified as one of the more pressing aspects of quality to be addressed. It was considered that the current quality of staff training and education, from trainee to managerial level, is insufficient. Participants considered that a competent infrastructure and a qualified sector should be established. Within this there should be a clear strategy of why qualifications are needed.

It was suggested that participation in training and continuous professional development (CPD) for managers must be more flexible. In-service training was proposed to counter the burden of training in addition to regular working hours. Appropriate mentoring for trainees was also highlighted as a key issue to address. Concern was also voiced regarding retention of qualified staff insofar as some

[1] The type of supports available through the CCC include advice on setting up a childcare business; childcare information sessions; training courses for those considering a career in childcare; and advice and support on applying for government funding

graduates might view the early years' sector as a stepping stone to a job with better pay and status, for example, in the primary school system.

It was suggested that recognition from a professional body to oversee training be sought. However, until the primary purpose of early years care and education is agreed i.e. is it care or education, or both, there remains uncertainty as to where the professional recognition would come from. There was concern about the current minimum level FETAC qualification[2], which was seen by many as too low.

Quality Standard Frameworks

A need to establish a clear vision of what a minimum standard of quality should be was expressed by the groups. The issue of quality was also discussed from different stakeholder perspectives. It was considered that there is a lack of cohesion within the early years' and school-aged care and education system as to what quality means to parents, to children and to practitioners. Discussions also focused on the existing quality frameworks in the early years and the challenges to their implementation. For example, it was considered that the Síolta and Aistear frameworks are not adequately resourced. The lack of financial resources and the limited nature of other supports such as training for practitioners were highlighted as barriers to the implementation of these frameworks. It was suggested that there is inequality among organisations and services with some receiving more support for the implementation of these frameworks than others, as well as a rural-urban divide. In addition, the lack of a national strategy for the roll-out of the frameworks together with a limited number of trainers were also identified as barriers. A number of actions/strategies were suggested to support the roll-out of the Síolta and Aistear frameworks:

- CCCs are a good resource and should be utilised to provide Aistear training
- The training for both frameworks should be combined
- Quality should be incentivised; currently there is no reward for providers who have embraced quality frameworks and there is no distinction between providers based on performance

Finally, it was suggested that caution be applied to the meaning of quality insofar as the number of qualified practitioners may be an indicator of quality but it is not sufficient by itself to determine quality.

Regulation and Governance

Consideration was given to the governance and regulation of the early years and school-aged care and education sector, particularly in relation to the inspectorate. Many participants felt that the structures required to ensure good governance are not currently in place. This absence was thought to influence regulation and inspection.

[2] For example, the minimum staff qualification required for providers to participate in the Free Pre-school Year in the Early Care and Education Scheme is FETAC Level 5 on the National Framework of Qualifications (NFQ) of Ireland or an equivalent nationally recognised qualification.

From an individual service provider perspective, good leadership was identified as a crucial element of management and governance. However, it was noted that there is an over-reliance on parental responsibility for governance, particularly for community-based provision. Volunteers recruited to management committees often find themselves overwhelmed once the full range of responsibilities emerge.

With respect to regulation, it was suggested that reform of the inspection system was needed for a number of reasons. First, there was wide agreement that informal care such as childminders should be included in the inspection system. Second, it was suggested that many of the current inspectors are not from the early years' sector and may lack a knowledge and understanding of the field that is required to monitor quality provision. Third, the inspection system should encompass all elements of childcare including child development outcomes, not just compliance with regulations. Other points emerging from the discussions included the need to educate parents about their own roles in the development and care of children.

Question Five:

a. How can the State best serve children from disadvantaged backgrounds: what is the preferred model of provision?
b. How can the State best serve children with special needs: what is the preferred model of provision?

Children with Additional Needs

Much of the discussion focused on the need to support and include children with additional needs. The term 'additional needs' was proposed as a more inclusive term than special needs; given the danger that the latter is a barrier for children and families. There is a desire for a framework to be developed that can enable early recognition, diagnosis and provision of services for children with additional needs. It was considered that there are significant risks associated with labelling children too early and a framework could provide guidance as to who can identify difficulties, how referrals on to other services should happen, and what supports will be provided. It was considered that more resources are needed for children with additional needs, particularly for children under the age of five and for those in after-school provision. It was broadly agreed that children with additional needs should not be expected to continue sharing resources and there should be a shift to one-to-one provision.

It was considered that earlier intervention is required as the number of children presenting with additional needs is on the increase. Many practitioners are not adequately trained or equipped to deal with children with additional needs, such as those with English as an additional language. It was also considered that accessibility to the free pre-school year is not equal for children with additional needs. The need to foster inclusion within services was raised by many. It was suggested that engaging with services that already have high levels of inclusion and enhancing their expertise through training may be a good starting point.

Disadvantaged communities - unequal resourcing

Broad agreement was expressed that there is a disparity in resources for those living in urban and rural areas. Rural disadvantage was raised as an issue particularly difficult to quantify. It was suggested that policies need to reflect that disadvantage is experienced all over the country, not simply in pockets of urban areas.

Children and families living in disadvantaged areas often have limited access to highly skilled and resourced community based services. The lack of individual and wider community resources was raised as a significant problem for those living in disadvantaged communities. It was considered that funding for disadvantaged families is currently provided in a piecemeal fashion and is not accessible to all families who require support. This was also thought to be affecting the sustainability of community providers.

Children's Rights

The right to quality and easily accessible early years' and school-aged care and education services was expressed as fundamental to all children. The sector is viewed as fragmented which is infringing on children's rights. This affects all children but especially those with additional needs. Participants also identified the need to consider children's needs in terms of their individual contexts and for the system to be responsive to this, as well as considering family needs. Participants noted that in relation to disadvantage, there is a concern that services might be viewed as charitable provision rather than understood in the context of meeting children's right to services.

It was suggested that there are good examples of effective models in existence but they are viewed as too costly. However, the quality and the outcomes achieved for children that result from these services are considered desirable.

Finally, the need for better communication between early years' settings and schools was expressed, as it was considered that this would support children in their transitions from pre-school to primary school.

Over-arching Themes Emerging from Morning Round Table Discussions

The morning session concluded with brief feedback from each facilitator on the main observations expressed across the tables in response to each of the questions. Some over-arching themes emerged including:

1. The desire for public engagement about the purpose of early years and school-aged care and education services
2. A clear purpose and rationale for reform of the sector must be agreed and communicated
3. The current market model of provision was recognised as unsustainable
4. Affordability and quality are key concerns and the issues are inter-connected
5. The need to encourage upskilling and professionalisation of the workforce across all levels
6. Greater support and regulation of informal care is needed

7. The lack of resourcing and equality for children with additional needs and for children from disadvantaged areas are pressing issues which must be addressed

Deliberations from the Afternoon Round Table Discussions

Following the morning session participants returned to their assigned tables. Facilitators and note-takers joined one table each and remained with that table throughout the afternoon discussion. The session consisted of facilitators presenting one scenario per table and facilitating a discussion of that scenario. The scenarios consisted of five different potential investment strategies by the State in the early years and school-aged care and education sector. Participants were asked to discuss how they would use the investment set out in their given scenarios in priority areas of funding. Participants were provided with background figures outlining current and potential areas of investment to inform their discussions (Appendix 3). The five scenarios posed to each table are outlined below, accompanied by the key future investment priorities that were identified.

Scenario One: No change to existing investment of €260 million in the early years and school-aged care and education sector

For this scenario, participants were asked to discuss how they would potentially restructure investment in the sector with no increase to the existing budget.

The group considered the current level of funding (€260m) to be insufficient and as such would not recommend any further cuts. The focus instead was applied to how funding is currently allocated and whether restructuring of funding would result in positive change. Two priority areas of funding were identified by the group:

- Funding to provide an audit of quality
- Funding to provide extended parental leave

Participants considered what might be leveraged from other sources to supplement current funding and re-route investment. The group focused on rationalisation within existing programmes and whether this would reduce costs. It was suggested current programmes could be reviewed for rationale, efficiency and effectiveness with a view to redistribution of funding based on perceived success. The key proposals for change to existing programmes were as follows:

- **Community Childcare Subvention (CCS) Programme:** It was suggested that '*money should follow the child, rather than the service'*. There was uncertainty over whether the CCS programme has achieved what was expected and whether the selection process was accurate. It was proposed that the CCS become a more targeted programme focusing on sustainability as well as costs not currently covered.
- **Childcare Education and Training Support (CETS) Programme:** Uncertainty was expressed over the value of this programme. It was considered by some that providers are operating CETS at a loss. It was noted that many parents are unable to return to work after training as they cannot afford childcare.

- **After-School Childcare (ASSC) Programme**: The group proposed ASSC be reconfigured to better reflect and fit need, given the perceived poor take-up of the programme. The ending of this programme was also discussed.
- **Early Childhood Care and Education (ECCE) Programme:** The option of this Programme adopting a more targeted approach, with a focus on disadvantaged children, was discussed. Increasing adult-child ratios in centre-based settings would also yield savings which could be funnelled into other areas; however, it was noted that such an action would have significant consequences for all aspects of service delivery. It was suggested that the quality of services be linked to funding so that funding may be reduced if quality standards are not maintained. It was also suggested that consideration be given to the actual cost of delivering services; the group noted that the 'real value' of State funding is for three hours service to children per day and in that context service provision could be reduced accordingly.

Other options for reconfiguring the investment discussed included analysing administrative costs and abolishing those deemed to have minimal impact. Merging of County Childcare Committees (CCCs) was explored, in order to reduce costs. However, concern was raised that this may underestimate support needs at the local level.

The group also discussed the need to look at existing, wider, Government spending if no new additional resources were available. This included discussion on the considerable Department of Social Protection spend of €2.2billion, especially universal payments directed towards families with children.

Scenario Two: Existing investment in early years and school-aged care and education is increased by €25 million

For this scenario, participants were asked to discuss how they would potentially restructure investment in the sector with an additional €25 million in the budget in 2016. The group expressed concern that this amount of money would be insufficient and does not reflect the importance of this period in a child's life. Notwithstanding this concern, the group identified a number of key priorities to be addressed:

- **Children with additional needs:** More resources are needed for these children and it was proposed that an allocation model be developed for this cohort, one that is based on evidence and focuses on the needs of the child.
- **Establishment of a learner fund:** Evidence indicates graduate-led services are of higher quality in the sector. It was proposed that the establishment of a learner fund would provide and encourage graduate-led services and would enable training and upskilling, including for children with additional needs. This fund would be established at a cost of €5 million.
- **Restore capitation fees:** There was unanimous agreement within the group that the €2 cut in the capitation grant for the free pre-school year should be restored. It was suggested this would help with sustainability and reinforce investment in the sector. This would occur at a cost of €5 million.
- **Development of State programmes:** State-supported after-school service provision was viewed as inadequate and undervalued, with low take-up rates of programmes such as After-School

Child Care (ASCC). Concern was expressed around the conditions of funding for the ASCC Programme such as eligibility criteria and accessibility. It was proposed that increased funding in these services would provide more resources and create more formal provision. It was further proposed the CCS Programme should be extended through private providers to address gaps in service provision and access.

Other strategies for investment proposed included the creation of a grant for the training of community employment workers. It was considered that dependence on the community employment scheme should be reduced and a national survey to assess how many services use CE schemes was proposed. It was suggested that fees be capped at 30 per cent of childcare costs, with State investment meeting the difference. Consideration needs to be given to the investment strategy that yields the best outcomes for children and in that context the group suggested that there may need to change the balance of investment away from parents and towards the provision of resources directly towards providers . A final proposal was a reduction, by €5, of Child Benefit payments to be invested in parental leave. However, there was debate over whether an increase in the duration of parental leave is too costly.

Scenario Three: Existing investment in early years and school-aged care and education increased by €50 million

For this scenario, participants were asked to discuss how they would potentially restructure investment in the sector with an additional €50 million in the budget. The group decided to take a long term approach which would inform short-term investment that could then be built upon.

The ultimate vision proposed was to develop a model that benefits children and is affordable, accessible, offers quality and is sustainable from the practitioner's perspective. The key amendments proposed to investment included:

- **Audit of quality:** It was broadly agreed this would be a suitable starting point for restructuring investment. A survey conducted with practitioners was proposed, as much of the evidence on the quality of available services was considered to be anecdotal. It was proposed quality be linked with the need to address the issue of pay for staff (€0.4 million).
- **Extending the CCS:** It was proposed the Community Childcare Subvention (CCS) Programme should be reformed by extending the Programme to all services (€50 million) ending the annual basis for administering the Programme (€10 million) and the introduction of an additional 100% subsidy band in CCS for families with high levels of need (€18 million). As part of this reform, the Training and Employment Childcare (TEC) Programmes would be absorbed into the reformed CCS. This would result in an administratively simpler, fairer and more accessible Programme targeted at children from disadvantaged families. The current cost of TEC Programmes (€21 million) would be re-directed to meet some of the costs of the CCS Reform. The overall cost of this reform would be in the region of €52 million.
- **Increased parental leave:** Short-term funding to increase parental leave by one or two weeks was suggested. This funding would be subject to a commitment to establish a full year's parental leave in the long term (€10.5 million/ €21 million).

- **Children with additional needs:** Supports for this group was strongly desired. It was proposed funding should also be drawn from the Department of Health and the Department of Education and Skills to enable this.

There was some debate within the group in relation to the desirability of a second free pre-school year. There was a lack of consensus as to whether it is desired by parents and whether it suits service providers. However, it was acknowledged that in order to retain qualified staff the ECCE year may need to be extended.

The group was not in favour of any further increase to Child Benefit.

Finally, the group agreed on the need to commit to the increased professionalisation of the sector and in that context proposed that a commitment be made to a graduate-led workforce within five years.

Scenario Four: Existing investment in early years and school-aged care and education increased by 0.1% GDP (€181 million)

For this scenario, participants were asked to discuss how they would potentially restructure investment in the sector with an additional €181 million in the budget over a three-to-five year period. The two key priorities identified for investment were improved quality and professionalsation of the workforce. It was considered that improvements in these would lead to better outcomes for children. The group identified a number of recommendations for investment in order to achieve these goals:

- **Audit of quality:** Participants agreed to invest in an audit, in order to improve quality; by improving quality better outcomes could be achieved for children. An audit of quality would provide an evidence base for change, act as a baseline and establish the feasibility of services (€0.4 million).
- **Restore capitation:** It was suggested to restore the cut in the capitation grant to provide resources for the free pre-school year (€5 million).
- **Extend the free pre-school year:** Participants were divided whether the service should be increased in terms of sessional or full-day provision and which would be more suitable for young children. There was also some disagreement over the benefit of extending the year to 48 weeks (€83 million).
- **Additional subsidy band for CCS:** The group proposed an additional 100% subsidy band for the Community Childcare Subvention Programme for families with high evidence of need. It was considered that this was necessary in order to support the most vulnerable children and their families (€18 million).
- **Professionalisation of the workforce** should be a key goal. The group suggested that there may be ways of spreading the qualification requirements over a longer period and adjusting the levels of State contribution to individuals taking part in training and up-skilling that might reduce the cost to the Exchequer. However, it was acknowledged that in the longer term, higher salaries would be needed to ensure that qualified staff remained working in the sector. A national salary scale that increases by qualification was suggested. It was considered that this

would be an incentive to remain in the sector as well as providing a pathway for monitoring and regulation of service provision (€80 million).

Other strategies for investment suggested by the group included regulation of the childminding sector. It was considered that childminders were in need of support, upskilling and regulation. However, the group suggested that the current training options suggested (First Aid and Quality Assurance Programme) would not be sufficient to meet these needs.

The group also proposed further investment in after-school services.

Recognising that the package of strategies/actions potentially exceeded the €181 million additional budget, the group suggested that a Whole of Government approach would be necessary in order to fund and achieve real change in the sector. The group recommended that each Department consider what it could contribute to early years and school-age care and education.

Scenario Five: Existing investment in early years and school-aged care and education increased to current OECD average of 0.768% of GDP (€507 million)

For this scenario participants were asked to discuss how they would potentially restructure investment in the sector with an additional €507 million in the budget over the longer term (five+ years). The group decided that if the scenario is reflecting a commitment to bring investment to the OECD average, an immediate and a long-term strategy are required. It was proposed that a five-year strategy be established, one with clear goals and that is committed beyond the election cycle. Improving outcomes for children underpin the group's recommendations.

For the immediate to long-term investment, it was proposed to invest in parental leave and increase quality. This strategy would target immediate need with a view to longer-term investment and achieving longer-term gains.

- **Maternity leave:** Increased provision of maternity leave was proposed as one solution to the issue of affordability of childcare, this investment also recognises the research evidence which suggests that children under one year do best when cared for by their parent. It was suggested that such an investment would also improve the sustainability of services as service providers have a greater admittance allowance for children over the age of one. It was proposed that the leave would initially be increased by three months (to nine months, paid maternity leave) with a view to extending up to 12 months over the longer term (€273 million).
- **Professionalisation of services:** It was proposed that staff with qualifications be provided with extra training. After-school services were recommended to include practitioners with qualifications in order to improve the quality of this type of service provision. An increase in pay for qualified staff was further proposed. Investment in upskilling childminders was desired (€274 million).

- **Review of programmes:** It was suggested that the variety of current childcare programmes and schemes be reviewed in order to assess their performance. Restructuring of investment based on the results of this review was suggested.

Other suggestions for this scenario included revising service infrastructure to inform spending. One option suggested was to regulate for minimum size services thereby managing supply and demand, as well as promoting sustainability and focused investment in quality. However, concern was raised as to how this would impact on smaller services and may result in closures. Finally, the group suggested the €5 additional investment in Child Benefit be cut and invested in the early years' and school-age care and education sector instead.

Over-arching Themes Emerging from Afternoon Round Table Discussions

The afternoon session concluded with brief feedback from each facilitator on the main observations and recommendations expressed by each group. Common themes emerged from the discussions of the variety of options including:

1. A review of current State-funded programmes, their up-take and their effectiveness. It was considered that the results of such a review should direct reform and redistribution of funding elsewhere
2. Investment in an audit of quality of services as a first step to assessing how to increase levels of quality in the sector and to provide a baseline against which to measure progress
3. Restoration of the capitation grant, with a view to increasing sustainability of the sector
4. Professionalisation of the sector was identified as a core requirement, with incentives such as higher pay for qualified workers proposed
5. Increase of maternity and parental leave was considered necessary by many and seen as a potential solution to the issue of affordability of childcare
6. The need to support and resource children with additional needs was repeatedly highlighted as a priority area
7. Most groups were not in favour of a further €5 increase in Child Benefit, and the majority of participants considered that this money would be better invested in the early years' and school-aged care sector.

Finally, extension of the free pre-school year was the subject of some debate among participants, with no real consensus achieved on whether or not the free pre-school year should be extended to a second year, extension of the current one-year provision to 48 weeks, or both.

Whole Group Discussion

Following feedback from each table, a discussion was led by the Chair to obtain views and recommendations from the group as a whole. A number of opinions and recommendations were expressed during this discussion. The main issues raised were:

- The need to explicitly identify a purpose for the sector. No consensus was reached on whether children's outcomes or parental issues of affordability, returning to work and labour activation are the guiding principles of reform.
- There is a need for strong leadership from both Government and the early years' and school-aged care sectors. There is a pressing need for collaboration and cross-sectoral working to achieve real change. Leadership cannot come from Department of Children and Youth Affairs alone.
- The Colombian early years' framework was identified as an international example of how to approach systems change. The Colombian framework adopted issues of health, well-being, education, care, and equality and social inclusion as core principles. An inter-departmental group with its own separate budget was established to oversee implementation and a workforce strategy was developed. It was suggested that significant learning could be gained from such a model.
- The need to incorporate parent's perspectives was identified as key. Participants were reminded that children are only young for a short period of time and parents often adopt a "survival mode" in which they only consider the immediate future. The onus is on the State to maintain the focus on early years and school-aged care and education.
- The need to garner public involvement and support of the early years' sector in particular was stressed as key. Public awareness of the benefits of investing in children from birth is seen as critical to transforming this sector.
- Existing maternity leave should be followed by a 6-month paid parental leave which would enable a child to be at home for the first year of their life

Conclusion

A number of common themes and observations emerged throughout the open policy debate. The points considered most salient for future investment priorities are:

- Maintaining a focus on children's outcomes and what is best for them as the key driver of change
- Ensuring children with additional needs receive support and adequate resources
- Engaging with the public on the need for collective debate about what we want as a society from our early years and school-aged care and education sector and our collective responsibility for this sector in terms of the greater public good
- Reforming the current market model through State investment and review of State-funded programmes
- Incentivising professionalisation of the workforce to increase the quality and sustainability of the sector
- Extending parental leave to one year to support the achievement of the best possible outcomes for children
- Reforming the inspectorate to incorporate informal care provision and ensuring regulation of the wider sector
- Commitment to cross-sectoral and Whole of Government working to achieve change

Appendix 1: Primer

Introduction/Context

Under the Civil Service Renewal Programme, the Civil Service Management Board agreed an approach of Open Policy Debates to be hosted by various Government Departments involving networks of practitioners, academics and experts in developing and debating policy options at an early stage. The intention is to promote a culture of innovation and openness in policy developments.

In January 2015, the Minister for Children and Youth Affairs announced the establishment of an Inter-Departmental Group (IDG) on Future Investment in Early Years and School-Age Care and Education to identify and assess policies and future options for increasing the quality, accessibility (including supply) and affordability of early years and school-age (out of school) care and education services:-

- Assessing the returns that can accrue from investing in early years from supporting children's early cognitive, social and emotional development and generating long term returns to the State and society;
- Facilitating parents' participation in the workforce.

(The full Terms of Reference of the IDG are attached). The IDG is holding this Open Policy Debate as one part of the process of consultation to inform its work.

Key Statistics on children

In 2014, there were an estimated 435,747 children aged 0-5 years and 458,665 children aged 6-12 years living in Ireland. Drawing on data from the Census of the Population in 2011, 18.3% of these children are estimated to live in a lone parent household and 5.8% have a disability. In addition, drawing on recently published data from the EU-SILC, 12.9% of children aged 0-5 years and 17.2% of children aged 6-11 years are considered to be at risk of poverty (i.e. living in households with an equivalised household disposable income below the 60% median) while consistent poverty rates (i.e. living in households with an equivalised household disposable income below the 60% median who experienced at least two forms of enforced deprivation) among children of these age groups of children are 7.4% and 11.1% respectively.

Key Evidence: Some Highlights

What is best for children?

It is now well-established that investment in early years improves outcomes for children and families. Research has demonstrated that, inter alia, such investment can support children in benefiting more from school as well as compensating, to a degree, for inequalities in other factors related to disadvantage and parental income. Considering the "private" and the "public" benefits – these have been described as follows:-

- *Private success* – better health, higher income, better employment attributes
- *Public externalities* - lower crime, less social interventions, greater civic contribution as well as economic benefits of a more skilled workforce, higher productivity and direct employment effects.

There is evidence to suggest that the timing of early years provision must be considered. Research suggests, for example, that children benefit from parental care in the first year of life. Indeed, according to the Marmot Review (2010) '*sensitive and responsive parent-child relationships are associated with stronger cognitive skills in young children and enhanced social competence and work skills later in school. It is therefore important that we create the conditions to enable parents to develop this relationship during the child's critical first year… Paid parental leave is associated with better maternal and child health with studies finding and association with lower rates of maternal depression, lower rates of infant mortality, fewer low birth-weight babies ,more breast-feeding and more use of preventative health care*" (Marmot Review, 2010, p. 98).

Research also indicates that '*from the age of 2-3 onwards children do better in high quality care and education services than if they remain at home*' and that 'v*ulnerable children in families experiencing high levels of disadvantage or with complex needs….benefit from early care and education services at a younger age, provided the services are high quality*' (Melhuish 2004, cited Start Strong, 2014, p.9).
Research on the impact of early years provision on children's developmental outcomes does vary for different groups of children but the literature is very clear '*that gains from quality childcare are largest for low-income or immigrant households and those with less educated parents'* (*Gambaro et al., 2014).*

Notwithstanding this evidence, it is to be noted that the amount of time spent in centre-based care must be considered. Indeed, evidence suggests that prolonged periods in centre-based care can have a negative impact on children's outcomes, particularly for younger children (UNICEF, 2008).

Quality

Embedded within the research and increasingly a focus of government and international initiatives is the importance of quality. The European Commission has said '*although access is a key issue, access without quality may even be detrimental to children*' (Rand Europe, 2014). The literature on quality reiterates this:

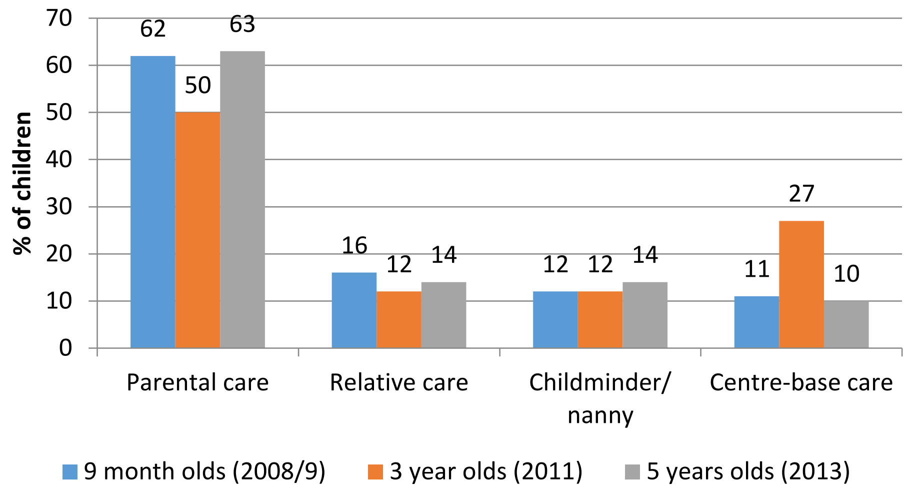
- '*poor quality provision harms children's future prospects' (McCartney, 2004*)
- '*Poor quality care may harm children, and depress their educational and social learning; and conversely, high quality care offers some kind of protective and social educational boost, especially for vulnerable children' (Leseman, 2009).*

Patterns of Parental, Formal and/or Informal Care in Ireland

Pre-school children: Data on the main childcare arrangements for pre-school children are presented in Figure 1. These data are drawn from Growing Up in Ireland and relate to data collection with the infant cohort at three different ages (i.e. at ages 9 months, 3 years and 5 years) and at three different points in time (i.e. 2008/9, 2011 and 2013). At 9 months of age, 62% of pre-school children were cared for at home by a parent and just 11% were in centre-based settings (i.e. formal care). By age 3, the percentage cared for at home by a parent fell to 50% while the percentage in centre-based settings rose to 27%. By 5 years of age, the majority of children in the infant cohort (who had not yet started primary school) were cared for a home by a parent (i.e. 63%) and 10% were in centre-based care. The increase at age 3 relates, in part, to participation in the free pre-school year.

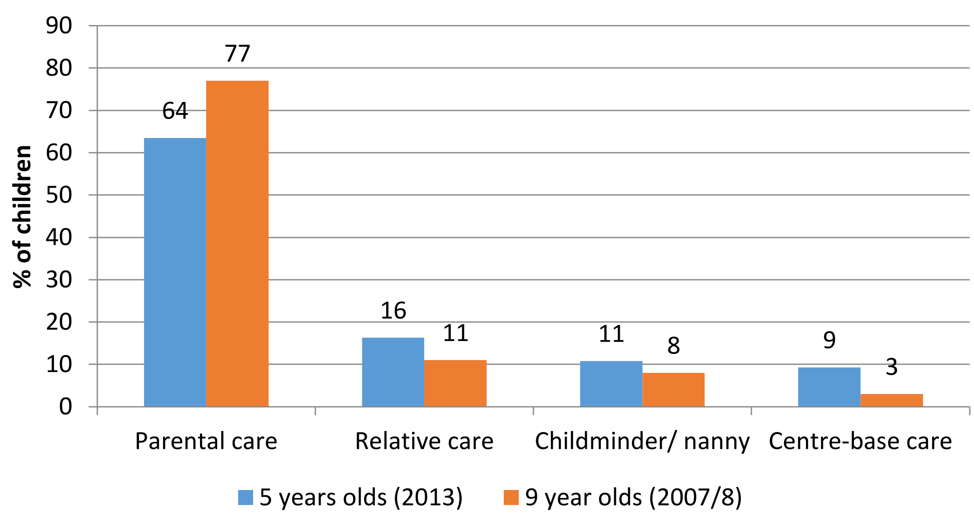
The proportion of pre-school children in informal childcare arrangements (i.e. with a childminder or a relative) remained fairly stable. Approximately one in four children at 9 months, three years and 5 years were in such informal childcare arrangements.

Figure 1: Main childcare arrangments for pre-school children



Primary-school children: Data on the main after-school childcare arrangements for primary-school children are presented in Figure 2. These data are also drawn from Growing Up in Ireland and relate to data collection with the infant cohort (at age 5), which was conducted in 2013 and data collection with the child cohort (at age 9), which was conducted in 2007 and 2008. At 5 years of age, 64% of the infant cohort (who had started primary school) were cared for at home by a parent after school, 27% were in informal after-school childcare arrangements and 9% were in centre-based settings. At 9 years of age, the percentage of primary school children cared for at home by a parent after school was 77% while the percentages in informal and formal after-school care arrangements were 19% and 3% respectively.

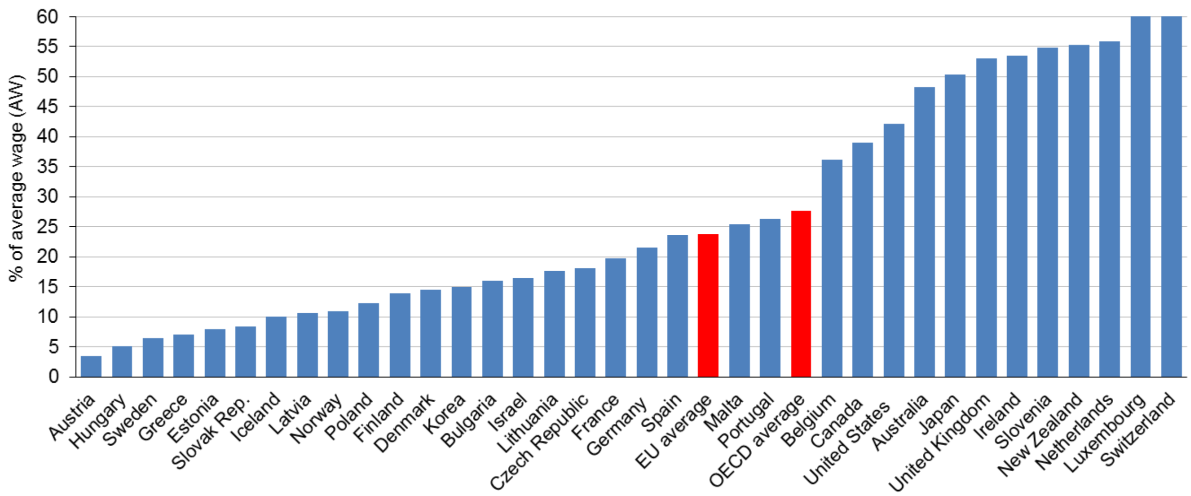
Figure 2: Main after-school childcare arrangements for primary school children



Affordability

The choice of childcare arrangements (parental, formal and/or informal care) is influenced by a large number of factors, with affordability often being among the most relevant. Figure 3 below shows that, across OECD countries, the average 'typical' childcare fee paid for a two-year old in full-time care is just over 27% of the average wage. However, there is wide variation across countries. This amount ranges from around 5% of the average wage or less in Hungary and Sweden to above 50% in Japan, Ireland, Luxembourg, the Netherlands, New Zealand, Slovenia, Switzerland and the United Kingdom. The data here represent the 'typical' fees charged by accredited childcare centres in the country, and ignore variation in childcare fees by type of care, region/municipality.

Figure 3: Gross childcare fees as a percentage of the average wage per two-year old attending accredited early-years care and education services (2012)



Across Member States of the European Union, women who have children under the mandatory school age and state that they do not work or work only part-time for reasons linked to childcare, do so because childcare is too expensive (53%), not available (25%) of insufficient quality (4%) or for other reasons (18%). It is important to note that childcare costs are high in most Member States across the European Union but are offset by similarly high childcare benefits. This is not the case in the United Kingdom and Ireland (Rand Europe, 2014).

Women's Participation in the Labour Force

The European Unit set a target rate for female employment of 60% by 2010, and Ireland had exceeded that figure by 2007. By 2008, there were 921,600 women in employment in Ireland (compared to 1,186,900 men) with an employment rate of 60.5%. However, during the economic crisis the figure dropped significantly, falling to 55.2% by 2012. In 2014, the rate increased slightly to 55.9%.The female unemployment rate was as low as 4% during Ireland's boom years but it more than doubled during the crisis to 8.3% in 2009 and rose to a peak of 11.4% in 2013 before falling back to 9.9% in 2014.

According to the most recent Census of the Population in 2011, just 6.8% of children under 6 and 2.9% of primary school-aged children (aged 6-12) lived in an unemployed household. Further, 65.9% of children under 6 lived in households where the mother was in the labour force. Among children of primary school, 61.4% lived in households where the mother was in the labour force.

The EU set a target rate for female employment of 60% by 2010, and Ireland had exceeded that figure by 2007. By 2008 there were 921,600 women in employment in Ireland (compared to 1,186,900 men) with an employment rate of 60.5%. However, during the economic crisis the figure dropped significantly, falling to 55.2% by 2012. In 2014 the rate increased slightly to 55.9%. The female unemployment rate was as low as 4% during Ireland's boom years but it more than doubled during the crisis to 8.3% in 2009 and rose to a peak of 11.4% in 2013 before falling back to 9.9% in 2014.

Staffing

Staff costs constitute around 80% of the running costs of childcare business, and competition and cost efficiency requires these costs to be kept as low as possible (Start Strong, 2013).

In Ireland, qualification levels and requirements are significantly below European standards (saving the United Kingdom) and compared to comparators in the primary school sector.

According to data from Pobal in 2012 '*a significant proportion of staff in the childcare sector (13% in 2011) were participants in the government employment schemes. This figure is even higher in community-based providers, where staff participating in these schemes accounted for 23% of all staff. A further 4% of staff in the early years sector were unpaid volunteers. The latest Pobal survey also showed a high level of staff turnover in the sector*' [McGinnity et al., 2013).

It should be noted that the Pobal survey does not cover all providers – as private providers not in receipt of government support are not included in the survey. Nor does it cover the wide range of childminder, relatives and other home-based care.

State Supported Child Care Provision – Infrastructural Capacity and Supply Side Supports

The Irish Government currently provides approximately €260 million annually to three support programmes that enable parents of pre-school and primary school children to access quality and affordable childhood care and education. These programmes – the Early Childhood Care and Education (ECCE) Programme, the Community Childcare Subvention (CCS) programme, and the Training and Employment Childcare (TEC) programmes are funded by the Department of Children and Youth Affairs and support the provision of childhood care and education for more than 100,000 children each year.

Early Childhood Care and Education (ECCE) programme

The free pre-school year under the Early Childhood Care and Education (ECCE) programme was introduced in January 2010. Almost every pre-school service (more than 4,300) in the State is participating with up to 68,000 children, or 95% of the eligible age cohort, expected to avail of the programme in 2015. The objective of the programme is to make early learning in a formal setting available to eligible children in the year before they commence primary school. This programme represents an annual investment of approximately €175 million. The support is provided through capitation payments paid to services in advance of and during each school term. Participating services currently receive a capitation fee of €62.50 per week per qualifying child attending. A higher capitation fee of €73 a week is available to services with more highly qualified staff.

Community Childcare Subvention (CCS) programme

The CCS programme provides funding to community childcare services to enable them to provide quality childcare at reduced rates to disadvantaged and low-income working parents. Parents qualify as disadvantaged or low-income on the basis of means-tested entitlements. In the case of full day care, parents qualifying for the higher rate of subvention under the CCS programme can have up to €95 per week deducted from the overall charge for childcare in the participating childcare service. To ensure that access to subvention funding is not a disincentive for parents to return to employment, the CCS programme allows a parent who is in receipt of the higher level of subvention support, and who secures employment, to retain that level of funding support until the end of that school year in the same service, and also to have a reduced level of funding support for one further school year following that. About 25,000 children are catered for under the CCS each year in almost 900 community childcare services. The programme has an annual budget of €45 million.

Training and Employment Childcare (TEC) programmes include:

Childcare Education and Training Support (CETS) programme

Under the CETS programme, childcare services are contracted to provide childcare places to qualifying Solas or Education and Training Board (ETB) trainees or students for the duration of their courses. This programme also provides part time and after-school places. Under the programme €145, per week is provided towards the cost of a full day childcare place and the service is permitted to charge the parent up to a further €25 per week towards the cost of the place. The Programme has a budget of €17 million per year and in the region of 8,000 children are catered for annually.

After-School Childcare (ASCC) programme

The After-School Childcare (ASCC) programme is designed to support low-income and unemployed people to take up a job, increase their days of employment or take up a place on a Department of Social Protection Employment programme. The ASCC provides after-school care for primary school children of eligible parents for a period of 52 weeks. The programme contributes €40 per week for an after-school place or €80 per week in situations where a pick-up service is required to take the child from school to the childcare provider. The programme also provides a full day care rate of €105 per week, for a maximum of 10 weeks, to cater for school holiday periods. In all cases, the maximum fee payable by parents is €15 per week per child. The programme has a funding allocation of €1.32 million in 2015, which will provide between 300 to 500 places, depending on the mix between after-school and after-school with pick-up places.

Community Employment Childcare (CEC) programme

The Community Employment Childcare (CEC) programme is targeted specifically at participants in the Community Employment (CE) schemes operated by the Department of Social Protection. Under the programme, €80 per week is provided for pre-school places for children up to the age of 5 and €40 per week for after-school places for primary school children up to the age of 13, with a set charge of €15 per week to the parent in either case. The programme also provides a part time day care rate of €80 per week, for a maximum of 10 weeks, to cater for school holiday periods. Places are approved for 50 weeks. The CEC programme has an annual budget of €7.5 million to provide 2,000 places.

Funding is also provided by the Department of Children and Youth Affairs to support local planning; quality development; and to administer the various programmes.

Social Protection Universal and Targeted Income Supports to Parents

Universal Child Benefit is paid in respect of all children up to 16 years of age. The payment continues to be paid in respect of children up to their 18th birthday who are in full-time education or who have a disability. In Budget 2015, the rate of Child Benefit was increased by €5 to €135 per month. Further details on Child Benefit Monthly Rates are presented below.

Table 1: Child Benefit Monthly Rates (2015)

Number of children	Monthly Rate
1 child	€135.00
2 children	€270.00
3 children	€405.00
4 children	€540.00
5 children	€675.00
6 children	€810.00
7 children	€945.00
8 children	€1,080

In addition to the universal Child Benefit payment, the social protection system also provides assistance to low-income families with children through the payment of Qualified Child Increases (QCIs) on primary social welfare payments.

One-Parent Family Payment (OFP) is a payment for men and women under 66 who are bringing children up without the support of a partner. The payment is means tested and is a taxable source of income. The One-Parent Family Payment rates for 2015 are presented in Table 2.

Table 2: One-Parent Family Payment Rates (2015)	
Number of children	**Monthly Rate**
Personal rate (under 66)	€188
Child dependant	€29.80

In 2011, changes were introduced to One-Parent Family Payments. These resulted in a gradual reduction in the maximum age of the youngest child for whom payment can be claimed (i.e. from 18 years to 7 years by 2014 for new customers and 2015 for existing customers) (see Table 3).

Table 3: One-Parent Family Payment: Maximum Age of the Youngest Child for Whom Payment can be Claimed			
	2013	**2014**	**2015**
Payment continues up to age if:			
One-Parent Family Payment commenced before 27 April 2011	Age 17	Age 16	Age 7
One-Parent Family Payment commenced between 27 April 2011 and 3 May 2012	Age 12	Age 10	Age 7
One-Parent Family Payment commenced after 3 May 2012	Age 10	Age 7	Age 7

Family Income Supplement (FIS) is a weekly tax-free income support payment available to low-earning employees with children. It gives extra financial support to people on low pay. To be eligible, applicants must have at least one child who normally lives with them or are financially supported by them. The child(ren)must be under 18 years of age or between 18 and 22 years of age and in full-time education. To qualify for FIS, the average weekly family income must be below a certain amount for the family size. The FIS received is 60% of the difference between the average weekly family income and the income limit which applies to the family. The payment effectively preserves the incentive to take up or remain in employment in circumstances where the employee might be marginally better off than if he or she were claiming other social welfare payments.

Guardian's payment is payable to a person taking care of an orphan. It is not necessary to be a legally appointed guardian. A guardian's payment may be paid if the orphan lives with the person and they are responsible for his or her care. The payment must benefit the orphan. In 2015, the Guardian's Payment (Contributory) is paid at a standard rate of €161 per week and the maximum Guardian's Payment (Non-Contributory) is €161 per week.

Back to School Clothing and Footwear Allowance (BTSCFA) helps meet the cost of uniforms and footwear for children going to school. The parent or guardian must be getting certain social welfare payments or taking part in training, employment or adult education schemes and their child/ren must be aged between 4 and 17 on or before 30 September of the year they apply or aged between 18 and 22 on or before 30 September if in second-level education. The allowance paid for each eligible child aged 4-11 on or before 30 September 2014 was €100. The allowance paid for each eligible child aged 12-22 on or before 30 September 2014 was €200. Children aged between 18 and 22 years must be in full-time second-level education in a recognised school or college.

Table 4: Expenditure on Child Related Payments by Payment Type (2013 and 2014)

	2013	2014
	€000	€000
Child Benefit	1,899,908	1,902,574
Family Income Supplement	261,472	297,707
Back to School Clothing and Footwear Allowance	47,976	42,452
School Meals	36,775	16,572
Other Vote 37 funded Child Related Payments: Guardian's Payment (Non-Contributory) Widowed Parent / Surviving Civil Partner Grant (Non-Contributory)	5,373	5,471
SIF Funded Child Related Payments: Guardian's Payment (Contributory) Widowed Parent / Surviving Civil Partner Grant (Contributory)	17,293	16,664
TOTAL	**2,268,797**	**2,281,440**

Maternity and Parental Leave Arrangements

Since 2007, women have been entitled to 26 weeks paid maternity leave, an increase of 8 weeks over previous provision, and an additional 16 weeks unpaid leave, also an increase of 8 weeks over previous provision. Maternity Benefit is a payment for employed and self-employed people who meet the PRSI contributions' criteria for the tax year relevant to their claim and who are in insurable employment covered by the Maternity Protection Act 1994 immediately before the first day of maternity leave. Maternity Benefit is paid by the Department of Social Protection to women who have a certain number of paid PRSI contributions on their social insurance record and who are in insurable employment up to the first day of their maternity leave. The last day of work can be within 16 weeks of the end of the week the baby is due. Maternity Benefit is paid for 26 weeks. At least 2 weeks and not more than 16 weeks leave must be taken before the end of the week in which the baby is due. Rate of payment for claims beginning on or after 6 January 2014 is €230 which is the standard payment weekly rate.

Adoptive Benefit is a payment to an adopting mother or a single male who adopts a child. Adoptive Benefit is paid for a continuous period of 24 weeks from the date of placement of the child at the same rate as Maternity Benefit.

Table 5: (Estimated) Expenditure on Maternity and Adoptive Benefit (2013, 2014 and 2015)

	Maternity Benefit (€000)			Adoptive Benefit (€000)	
	Expenditure	Recipients	Awarded	Expenditure	Recipients
2013	292,597	22,812	45,173	420	15
[1]Outturn 2014	269,497	21,629	44,282	169	11
[2]REV 2015	254,050	23,660		110	14

[1]Provisional

[2]From Published Revised Estimates Volume 2015

Parental leave provisions are governed under the Parental Leave Act 1998 (as amended). The age of the child for which parental leave can be taken is from 5 to 8 years. In the case of a child with a long-term illness or disability, parental leave may be taken up to the age of 16 years. Parental leave is available for each child and amounts to a total of 18 working weeks per child. Both parents have equal and separate entitlement to parental leave. If both parents work for the same employer, parental leave entitlements may be transferred between parents with the employer's agreement.

References:

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Terms of Reference of the Inter-Departmental Group

Purpose

To identify and assess policies and future options for increasing the quality, accessibility (including supply) and affordability of early years and school age (out of school) care and education services:-

- Assessing the returns that can accrue from investing in early years from supporting children's early cognitive, social and emotional development and generating long term returns to the State and society;
- Facilitating parents' participation in the workforce.

Background

The work of the group will take account of other recent policy initiatives, including the commitments contained in *Better Outcomes, Brighter Futures* – The National Policy Framework for Children and Young People, the development of the National Early Years Strategy, the report *'Right from the Start'* produced by the Expert Advisory group, and the establishment by the Minister for Education of an early Years Education Advisory Group.

Under the European Semester process, to which Ireland is subject, the European Council issued advice in the form of a Country Specific Recommendation (CSR) in 2014 requiring Ireland to make improvements in facilitating female labour market participation, through improved access to more affordable full time childcare facilities. To address this requirement the policy recommendation must have beneficial impacts on labour supply and support the overall productive capacity of the economy. The 2014 CSR required Ireland to update on progress in this regard by the first quarter of 2015. The enclosed terms of reference support compliance with this milestone.

Specific Task

The work of the group will focus on:

1. **Identifying policy objectives to guide investment, including**
   - Improved outcomes for children, including those with special needs, in terms of their learning, wellbeing and development by ensuring access to high quality early years services.
   - Support for parents to care for their children
   - Contribution towards improvements in social inclusion and poverty reduction
   - Support for parents' participation in education, training and employment

2. **Reviewing the current state of play with a view to:**
   - Quantifying current key investment vehicles that support early years care and education provision across all departments, through both direct and indirect investment in terms of both supply and demand side measures;
   - Identifying gaps in provision;
   - Identifying duplication of effort;
   - Examining the fit between the various investment vehicles;

- Identifying any other supports which have an impact on supporting parents with childcare responsibilities; and
- Workforce development.

3. **Analysing evidence and best practice in relation to the modalities of support by governments internationally.**

4. **Identifying and assessing options for investment in early years and school age care and, specifying the costs and benefits of each option. In each case, this should include:-**
   - The developmental benefits of quality education and care in the early years for children;
   - The verifiable impact of the policy option on labour supply, the overall productive capacity of the economy and long-term benefits for the public finances will also be examined.

5. **Making recommendations regarding:-**
   - Principles that should underpin State investment
   - Streamlining of existing policies and programmes to create a coherent investment policy
   - Priorities in respect of future investment

Membership

Department of Children & Youth Affairs
Department of Education & Skills
Department of Social Protection
Department of Jobs, Enterprise & Innovation
Department of Public Expenditure & Reform
Department of Finance
Department of an Taoiseach

Meetings

- It is envisaged that the group will meet on no more than six occasions before reporting this summer
- Meetings will be organised and chaired by DCYA
- Initial topics for the agenda will be generated by DCYA
- Papers and minutes required for meetings will be circulated in advance
- DCYA will provide the secretariat for the group.

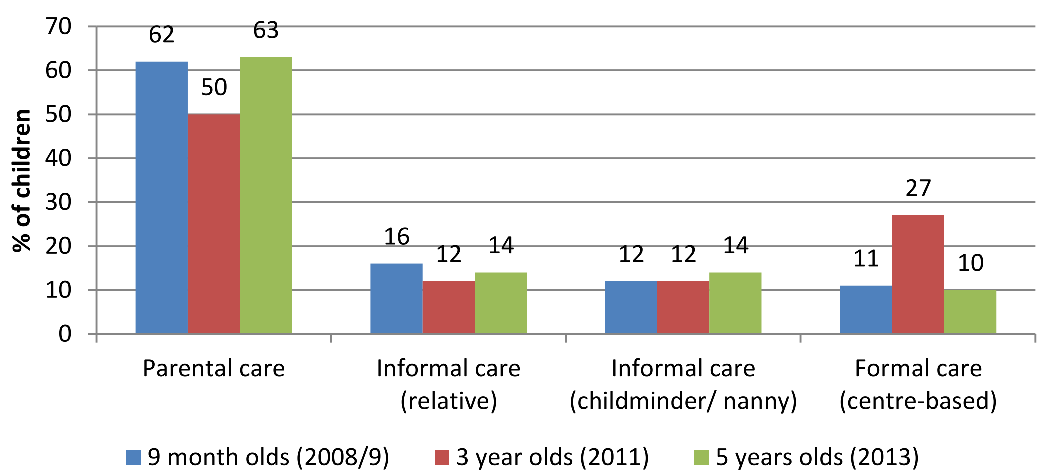
Appendix 2: Questions from morning round table discussions

1. Supporting Parents Childcare Choices (Early Years and School-Age Care and Education)

Data on the main childcare arrangements for pre-school children are presented below (see Figure 1). These data are drawn from Growing Up in Ireland and relate to data collection with the infant cohort at three different ages (i.e. at ages 9 months, 3 years and 5 years) and at three different points in time (i.e. 2008/9, 2011 and 2013).

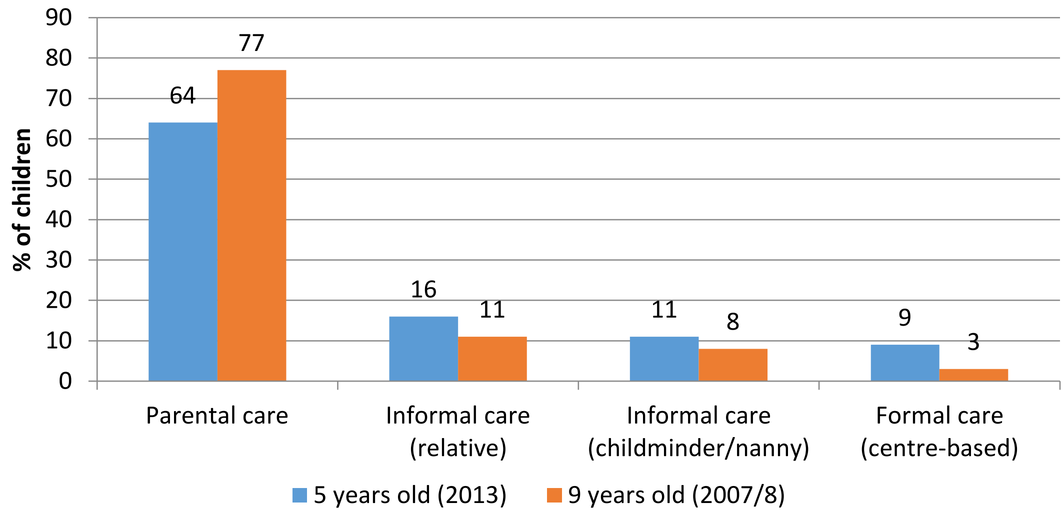
At 9 months of age, 62% of pre-school children were cared for at home by a parent and just 11% were in centre-based settings. By age 3, the percentage cared for at home by a parent fell to 50% while the percentage in centre-based settings rose to 27%. By 5 years of age, the majority of children in the infant cohort (who had not yet started primary school) were cared for a home by a parent (i.e. 63%) and 10% were in centre-based settings. The increase for centre-based care at age 3 relates, in part, to participation in the free pre-school year. The proportion of pre-school children in informal childcare arrangements (i.e. with a childminder or a relative) remained fairly stable. Approximately one in four children at 9 months, three years and 5 years were in such informal childcare arrangements.

Figure 1: Main childcare arrangments for pre-school children



Data on the main after-school childcare arrangements for primary-school children are presented in Figure 2. These data are also drawn from Growing Up in Ireland and relate to data collection with the infant cohort (at age 5), which was conducted in 2013 and data collection with the child cohort (at age 9), which was conducted in 2007 and 2008. At 5 years of age, 64% of the infant cohort (who had started primary school) were cared for at home by a parent, 27% were in informal after-school childcare arrangements and 9% were in centre-based settings. At 9 years of age, the percentage of primary school children cared for at home by a parent was 77% while the percentages in informal and formal after-school care arrangements were 19% and 3% respectively.

Figure 2: Main after-school childcare arrangements for primary school children



The demand for non-parental childcare is high given the high rates of labour force participation among parents. According to the most recent Census of the Population (2011), just 6.8% of children under 6 and 2.9% of primary school-aged children (aged 6-12) lived in an unemployed household. Further, 65.9% of children under 6 lived in households where the mother was in the labour force. Among children of primary school, 61.4% lived in households where the mother was in the labour force. These labour force participation rates are likely to increase as economic recovery gains momentum. Balancing these work commitments with child rearing can be complex for parents, particularly as patterns of working are changing.

What strategies should be implemented by the State to support parents in their childcare choices?

2. **Formal Provision (i.e. Centre-Based Care) (Early Years and School-Age Care and Education)**

According to Growing Up in Ireland data, the proportion of pre-school children in formal centre-based settings varies. At age 9 months, approximately 11 per cent of children were in centre-based settings, this rose to 27 per cent of children when they reached three years of age and fell to 10% when the children (who had not yet started primary school) were 5 years old. The increase at age 3 relates, in part, to participation in the free pre-school year. At ages 5 and 9 years, the percentage of primary school children in centre-based after-school care was 9% and 3% respectively.

Approximately three quarters (approximately 73%) of Ireland's 4,500 centre-based settings are privately owned (i.e. for profit). The remainder - of which one quarter is community-based and one per cent publicly provided through the school system as a result of the Early Start Programme - are not for profit. Should the State seek to change this mix? If so: Why? How?

3. **Informal Provision (i.e. Relative Care and Childminder/Nanny) (Early Childhood Care and Education and School Age Childcare)**

Approximately one in four pre-school children and primary school children are in informal childcare arrangements (i.e. with a childminder or a relative). Should the State seek to support and regulate informal provision? If so: Why? How?

4. **Improving Quality (Early Years and School-Aged Care and Education)**

   Children's participation in high quality care and education has a positive influence on their early and long term development and achievement. The key factors contributing to the attainment of high quality provision include the qualification profile of workforce, adherence to nationally agreed quality and curricular guidelines; effective governance; formative evaluation and monitoring processes.

   What strategies should be developed and implemented by the State to protect and develop the quality of provision?

5. **Improving access for children with additional needs (Early Years Care and Education)**

a. The gains from high quality early years care and education are largest for children from disadvantaged backgrounds.

   How can the State best serve children from disadvantage backgrounds: what is the preferred model of provision?

b. The majority of children with special needs (though not all) avail of the free pre-school year in mainstream centre-based settings.

   How can the State best serve children with special needs: what is the preferred model of provision?

Appendix 3: Scenarios, Existing DCYA Investment, Expenditure on Child-Related Payments and (Selected) Options for Future Investment

Table A3a: Scenarios			
Table	**Scenario**	**Timeframe**	**€ additional**
1	No change to existing DCYA investment of €260 million	Short-term	€0
2	Existing DCYA investment increased by €25 million	Short-term	€25 million
3	Existing DCYA investment increased by €50 million	Short-term	€50 million
4	Existing DCYA investment increased by 0.1% of GDP	Medium-term	€181 million
5	Existing investment increased from 0.488% of GDP (which includes Ireland's expenditure including 4-5 years at primary school) to current OCED average (i.e. to 0.768% of GDP)	Long-term	€507 million

Table A3b: Existing DCYA Investment (2015)	
	€
Early Childhood Care and Education (ECCE) Programme	€175 million
Community Childcare Subvention (CCS) Programme	€45 million
Childcare Education and Training Support (CETS) Programme	€17 million
After-School Childcare (ASCC) Programme	€1.5 million
Community Employment Childcare (CEC) Programme	€7.5 million
Various (local planning, quality development and administration)	€14 million
TOTAL	**€260 million**

Table A3c: Expenditure on Child Related Payments by Payment Type (2014)	
	€000
Child Benefit	1,902,574
Family Income Supplement	297,707
Back to School Clothing and Footwear Allowance	42,452
School Meals	16,572
Other Vote 37 funded Child Related Payments: Guardian's Payment (Non-Contributory) Widowed Parent / Surviving Civil Partner Grant (Non-Contributory)	5,471
SIF Funded Child Related Payments: Guardian's Payment (Contributory) Widowed Parent / Surviving Civil Partner Grant (Contributory)	16,664
TOTAL	**2,281,440**

In addition, expenditure on maternity and adoption benefit in 2015 is estimated to be in the region of €250 million.

Table A3d: Selected Options for Future Investment		
Proposal	**Details**	**€ (estimate)**
Paid parental leave	6 months' paid parental leave, for children aged 6-12 months, to follow paid maternity leave. Payment at same rate as Maternity Benefit	**€273m**
	Each month of paid parental leave, if introduced incrementally, month at a time.	**€42m** for each 4 weeks of paid parental leave introduced.
	Each week of paid parental leave, if introduced incrementally, week at a time.	**€10.5m** for each week of paid parental leave introduced.
Better-paid Maternity Benefit	66% of previous earnings, for the 26 weeks of paid maternity leave, instead of the current €230 flat rate per week.	**€284m**
Paid paternity leave	2 weeks, paid at same rate as (current) Maternity Benefit	From **€19m** (if 66% take-up) to **€28m** (if 100% take-up)
Restoring the €2 cut in the capitation grant for the existing Free Pre-School Year (**)	Raising the capitation grant from €62.50 to €64.50 per child per week, and raising the Higher Capitation Grant from €73 to €75 per child per week.	**€5m**
Second Free Pre-School Year	Assuming it is delivered on the same basis as the current Free Pre-School Year.	**€175m**
	Assuming hours and weeks the same as the first year, but the €2 capitation grant cut restored. (**)	**€181m**
Extending the (single) Free Pre-School Year	Keeping just one Free Pre-School Year, but extending it to 3.5 hours per day, and to 48 weeks per year	**€83m**
Second Free Pre-School Year AND extension of both years	Two Free Pre-School Years, both offered for 3.5 hours per day, 48 weeks per year	**€341m** (i.e. €83m extra for the 1st year, and €258m for the 2nd year)

Table A3d: Selected Options for Future Investment		
Proposal	**Details**	**€ (estimate)**
Lowering the adult-child ratio in the Free Pre-School Year (**)	Restoring the adult-child ratio for the Free Pre-School Year from 1:11 to 1:10 (as it was before September 2012). Cost increase arises from increasing the capitation grant 10% (€6.25) to compensate services for reduced numbers.	**€17m**
Lowering the adult-child ratio in the Free Pre-School Year (**)	Lowering the adult-child ratio for the Free Pre-School Year from 1:11 to 1:8, to match the ratio for 3-6 year olds in part-time and full-time day-care. Cost arises from increasing the capitation grant 37.5% (€23.44) to compensate services for reduced numbers.	**€65m**
Extend CCS subvention to all early years services (*)	Extend CCS-subsidised places, using current subsidy bands, so that subsidised places are available in all services (both community and private)	Up to **€50m**
End annual basis for administering CCS (*)	Enable all eligible families to take up CCS-subsidised places at any time of year, rather than asking families to wait until the following September/October	Between **€5m** (current CCS) and **€10m** (if CCS extended to all services)
Additional 100% subsidy band in CCS for families with high levels of need (*)	Provide a 100% payment subsidy for families identified as having a high level of need, with referral through a variety of routes (e.g. GP, Public Health Nurse, social worker), possibly linked to Tusla Local Area Pathways	Up to **€18m**
Upskilling of childminders	Once-off costs of supporting all paid childminders to achieve basic training (e.g. QAP and First Aid), e.g. if introduced as a condition of regulation.	Once-off costs of between **€3.9m** and **€5.8m**
Professionalisation of centre-based early years workforce	Once-off costs (which might be spread over several years) of bringing the existing workforce up to international levels of qualifications (60% graduates).	Once-off (over several years) costs of up to **€80m**

Table A3d: Selected Options for Future Investment		
Proposal	**Details**	**€ (estimate)**
	On-going, annual higher employment costs for graduate-led workforce as above. Parity with primary school teachers for equivalent qualifications.	**€274m**
Professionalisation and the Free Pre-School Year	1. Payment to all services delivering the Free Pre-School Year of a capitation grant equivalent to the cost of delivering the Early Start programme (with 50% of staff primary school teachers, with primary teacher salaries).	**€55m**
	2. Payment of the Higher Capitation Grant (with the €2 cut restored) for *all* services delivering the Free Pre-School Year (assuming a graduate leader in every service).	**€17m**
Second Free Pre-School Year AND extension of both years AND professionalisation	Two Free Pre-School Years, both available 48 weeks per year and 3.5 hours per day, but also assuming that all services receive the Higher Capitation Grant, with the €2 cut in capitation also restored. (So all services receive €75 per week capitation.)	**€391m** (i.e. €108m extra for the 1st year, and €283m for the 2nd year)
Audit of quality	Baseline assessment of the quality of provision in a representative sample of providers (centre-based and childminders) based on observations of practice, as well as data-gathering and survey-analysis.	**€0.4m**
Tax relief for childcare costs (***)	Lower rate of tax relief for all childcare costs, both centre-based and childminding, both pre-school and after-school.	**€630m**
Increase in Child Benefit	Increase Child Benefit rate by €5 to €140 per month.	**€70m**

Note: All cost figures in the table are additional costs, to be incurred over and above current costs.
Unless otherwise stated, all cost figures are annual cost figures for the Exchequer, e.g. for 2016.
Most of the costings are updated cost estimates based on: Goodbody Economic Consultants (2011) Children 2020: Cost-Benefit Analysis. The updated figures follow Goodbody's methodology, using more up-to-date figures in the financial models. Costings marked (*) are instead drawn from Start Strong (2014) Pre-Budget Submission 2015. Costings marked (**) are new estimates prepared by Start Strong. Costings marked (***) are Department of Finance estimates.

Appendix 4: Table Plan

Table	Delegate	Facilitator/ Notetaker
Table 1	Heino Schonfeld, Barnardos	Claire Hickey, Centre for

	Regina Bushell, Grovelands Childcare David Joyce, Irish Congress of Trade Unions Eva Lloyd, University of East London Joe Rynn, Dublin City CCC Marian Quinn, Association of Childhood Professionals Fergal Lynch, Department of Children and Youth Affairs	Effective Services/ Meg Stapleton, Centre for Effective Services
Table 2	Ian McKenna, St Nicholas Montessori Society of Ireland Áine Uí Ghiollagáin, Curám June Tinsley, Barnardos Sheila Garrity, National University of Ireland, Galway Avril McMongale, Donegal CCC Maresa Duignan, Department of Education and Skills	Katie Burke, Centre for Effective Services /Marion Martin, Department of Children and Youth Affairs
Table 3	Bernadette Burke, Childminding Ireland Maura McMahon, An Cosan Ciarín de Buis, Start Strong Roisin McGlone, Sligo Institute of Technology Trish McLoughlin, Sligo Treasa Quigley, Cavan CCC Anne-Marie Brooks, Department of Children and Youth Affairs Bernie McNally, Department of Children and Youth Affairs	Niamh Farren, Centre for Effective Services/ Annie O' Doherty, Pobal
Table 4	Laura Rawdon, Forbairt Naíonraí Teo Denise McCormilla, The National Childhood Network Fran McGinnity, ESRI Aine Gahan, Carlow CCC John Carr, QDOSS Audry Deane, St. Vincent de Paul Simonetta Ryan, Department of Social Protection	John Bamber, Centre for Effective Services/ Jenny Eades, Pobal
Table 5	Teresa Heeney, Early Childhood Ireland Larry Fleming, Irish Primary Principal's Network Dharragh Hunt, National Disability Authority Mathias Urban, Early Childhood Research Centre University of Roehampton Sue Power, Waterford (Childminder) Niall Egan Department of Social Protection Tony Monks, Department of Children and Youth Affairs	Aisling Sheehan, Centre for Effective Services/ Eva Mills, Centre for Effective Services

Appendix 5: Agenda

10.00-10.30 Registration

10.30-10.40	***Welcome and introduction*** *(John Bowman, Chair)*
	Opening address (Fergal Lynch, Department of Children and Youth Affairs)
10.40-11.40	***Panel Debate***
	'Future policy directions for early years and school-age care and education' ▪ An Advocate's Perspective (Ciairín de Buis, Start Strong) ▪ A Provider's Perspective (Teresa Heeney, Early Childhood Ireland) ▪ A Parent's Perspective (Trish McLaughlin, Sligo) ▪ A Policy Maker's Perspective (Liz Canavan, Department of Children and Youth Affairs)
	This will be followed by moderator-led whole group discussion
11.40-13:00	***Round Table Discussion 1*** 'Exploring the key issues and key questions for early years and school-age care and education policy in Ireland'
13.00-13.45	**LUNCH**
13.45-14.00	***Feedback from Round Table Discussion 1***
14.00-14.15	***Overview of options for future investment in early years and school-age care and education*** (Liz Canavan, Department of Children and Youth Affairs)
14.15-15.15	***Round Table Discussion 2*** 'Exploring and prioritising options for future investment for early years and school-age care and education'
3.15-3.45pm	***Feedback from Round Table Discussion 2***
	This will be followed by moderator-led whole group discussion
15.45-16.00	***Next steps and close*** *(Fergal Lynch, Department of Children and Youth Affairs)*