

**New Funding Model for ELC and SAC  
Expert Group Meeting  
Tuesday 19 May 2020  
Skype for Business  
Minutes**

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**Participants**

Michael Scanlan (Chair)  
Tove Mogstad Slinde  
Eva Lloyd  
Edward Melhuish  
Tim Callan  
Rory O'Donnell  
Niamh Callaghan (Department of Public Expenditure and Reform)  
Philip Crosby (Department of Education and Skills)  
Anne-Marie Brooks (Department of Children and Youth Affairs)  
Gillian Martin (Secretariat, Department of Children and Youth Affairs)  
Laura Brady (Secretariat, Department of Children and Youth Affairs)  
Aideen Sutton (Department of Children and Youth Affairs)

**Also in attendance (for relevant parts of day)**

Gillian Paull (Frontier Economics)  
Cavin Wilson (Frontier Economics)

**Apologies**

Bernie McNally (Department of Children and Youth Affairs)

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**Welcome**

The Chair welcomed the Expert Group to the first morning of the meeting and noted the apologies as indicated above.

**Minutes from last meeting and matters arising**

The minutes of the meeting of 22<sup>nd</sup> January 2020 were adopted. It was agreed that the minutes and agenda would be published.

**Updates from Secretariat**

**Website and members' portal**

The Secretariat undertook to circulate a list of further papers which might be published on the Funding Model website ([www.first5fundingmodel.gov.ie](http://www.first5fundingmodel.gov.ie)) to the Expert Group as soon as possible. The Secretariat also updated the Group about access and security issues affecting the development of a members' portal for document storage.

**Workplace Development Plan (WDP)**

The Secretariat indicated that, following agreement between both the Funding Model and Workforce Development Plan groups, a proposal on how the groups might interact will be submitted by a member of the Workforce Development Plan group in June and will be shared with the Expert Group upon receipt.

### **Country Specific Recommendations**

The Secretariat updated the Group that the European Semester process was underway and that the Commission had noted the 'substantial progress' made by Ireland towards achieving the Country Specific Recommendation to "increase access to affordable and quality childcare". The Secretariat confirmed that Country Specific Recommendations for 2020 are due for imminent release.

### **SWITCH**

Following Tim Callan's presentation on SWITCH at the January meeting, the Secretariat indicated that the ESRI will be available to work on projects for the Expert Group in phase 2, to possibly test options.

### **Topical Issues**

Anne-Marie Brooks provided an overview of recent topical issues and developments arising from COVID-19 and outlined the Government's responses to the challenges arising from the pandemic. Niamh Callaghan also outlined recent supports to business, such as deferral of commercial rates, launch of a new loan scheme, etc.

Eva Lloyd summarised the UK's response to COVID-19, indicating that some settings remained open to facilitate essential workers and vulnerable children. The target date for re-opening settings in the UK is 1 June and a 50% return rate is expected.

Tove Mogstad Slinde outlined Norway's response to COVID-19, with Norway closing settings for a two-week period. Norway is currently conducting surveys on re-opening and is currently revising its guidance to assist settings to open full-time.

Edward Melhuish indicated that an EU funded project examining inequality amongst young children (ISOTIS) has concluded.

Anne-Marie Brooks indicated that the public health advice in Ireland is that services can start to re-open from 29<sup>th</sup> June.

### **Working Paper 1: Comparative and Contextual Analysis of ELC and SAC Fees, Staff Wages and Public Investment**

Frontier Economics provided an overview of WP1, including a summary of key findings relating to comparative fees, wages and public investment in Ireland and a range of other countries.

The group noted the difficulties involved in seeking to make international comparisons, given the many variations in the ELC systems operated by different countries. Members also noted that the data available to Frontier derived, in many cases, from limited OECD reports and unclear data collection methodologies. It was suggested that the report should make it clear that too much reliance could not be placed on inter-country comparisons derived from such data. The group also cautioned against using GDP for Ireland in comparing public investment; noted the impact of maternity/parental leave on ELC

systems; and discussed the impact of subsidies on gross/net costs. Overall, the group felt Frontier had done a good job with the available data.

Frontier Economics welcomed the comments, responded to issues raised and agreed to consider any further written comments received. The members undertook to revert to the Secretariat with observations in writing on WP1 by 27 May 2020.

### **Working Paper 3: Review of working conditions for ELC and SAC staff**

Frontier Economics provided an overview of WP3, which examined wages and working conditions of ELC staff in Ireland and seven other countries. They explained, as with WP1, the limitations on the quality of the available data.

The group noted the issues mentioned about qualifications and staff/child ratios; indicated that stability could be provided even to a market with a lot of part-time services; and suggested that it would be necessary to take account of the fact that the ELC market in Ireland was still relatively immature compared to other countries. The Expert Group again pointed out that caution should be exercised in drawing conclusions from the research given the data limitations.

It was agreed that written feedback would be submitted to the Secretariat by 27 May 2020 which would be shared with Frontier Economics.

### **AOB/Close**

The Expert Group expressed an interest in hearing more about the English and Norwegian systems. Tove Mogstad Slinde agreed that a presentation on the Norwegian system would be made at the June meeting (subject to availability).

**ENDS**

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**Apologies**

Bernie McNally (Department of Children and Youth Affairs)  
Niamh Callaghan (Department of Public Expenditure and Reform)

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**Welcome**

The Chair welcomed the Expert Group to the second morning of the meeting and noted the apologies as listed above. The Chair also indicated that the agenda for the day would be slightly different.

**Draft Guiding Principles**

The Expert Group welcomed the latest version of the draft guiding principles and noted the progress made to make them more concise. It was suggested that the guiding principles should include a fundamental public value base for the provision of ELC/SAC, and a reference to inter-agency working. The Chair agreed that the draft guiding principles would be amended to reflect these observations.

**Key Issues and Themes**

The Chair indicated that feedback had been received from two members of the Expert Group and encouraged the rest of the Group to submit input.

**Models of ELC and SAC provision**

The Chair introduced the topic of types of models for delivery of ELC and SAC, including a publicly provided system and asked for discussion on the advantages and disadvantages therein.

Philip Crosby provided an overview of the Irish education system at primary level. He explained the constitutional right to primary education, the fact that the system was publicly funded (with the Department paying teacher salaries and pension) and regulated (curriculum, quality, opening hours, etc.); but that the service is provided on a non-profit basis by individual schools, which recruit and

employ their own teachers, with over 3,200 boards of management, and the increasing difficulty in persuading people to serve on these voluntary boards. The system is highly professionalised and highly unionised, is seen as a public service, and is generally highly trusted by the public.

Eva Lloyd provided an overview of a paper she had written relating to market models, which had been circulated to members previously.

There followed a broad ranging discussion which covered issues such as:

- the importance of recognising that ELC is an essential public service and the need to find ways of ensuring that this public value is enshrined and protected in any delivery system;
- the case for regulations being driven by, and reflecting, this public value concept;
- the need for all providers – public, voluntary and private – to focus on the best interests of children;
- the difference between private and for profit, and the data on profits emerging from the *Independent Review of Costs*;
- the fact that the pandemic has highlighted the key role of the State if the ELC sector is to be resilient and provide this element of critical infrastructure; and
- the composition/scale of the delivery system, including the need to avoid an over-reliance on large corporate providers, the importance of all providers being able to demonstrate financial resilience and the potential benefit of having some public provision in the market.

It was suggested that the group might usefully look at the ELC models in Norway, New Zealand and parts of Germany.

It was also agreed that the group should review the system of care for older persons in Ireland, to identify possible learnings. The secretariat will provide the group with a paper and/or presentation on this system.

#### **Stakeholder Engagement and Project Plan**

Anne-Marie Brooks reminded members about the key elements of the original stakeholder engagement and consultation plan, and asked the group to consider how best to proceed now in the light of the delays created by COVID-19.

The Expert Group decided that it would be wrong to press ahead at this time with the planned consultation given all the issues being faced by the sector; agreed to reflect further on how best to manage the consultation/engagement process; and asked that the secretariat issue a suitable communication to this effect to the sector in the interim.

#### **AOB/Close**

Anne-Marie Brooks indicated that Working Papers 2, 4 and 5 should be available for the June meeting and suggested that the next set of working papers might be agreed then. She agreed to provide a short paper on possible options for the next set of research papers prior to the June meeting.

**ENDS**

