



**New Funding Model for ELC and SAC  
Expert Group Meeting  
Thursday, 12 December 2019  
8.30 – 16.30  
Department of Children and Youth Affairs, Miesian Plaza  
Minutes**

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**In attendance**

Michael Scanlan (Chair)  
Tove Mogstad Slinde  
Edward Melhuish  
Eva Lloyd  
Tim Callan  
Rory O'Donnell  
Niamh Callaghan (Department of Public Expenditure and Reform) (08:30 – 12.30)  
Bernie McNally (Department of Children and Youth Affairs) (8.30 – 12.30)  
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)

**Apologies**

Philip Crosby (Department of Education and Skills)

**Also in attendance**

Gillian Paull (Frontier Economics) (13.30 – 16.30)  
Nuala Connolly (Department of Children and Youth Affairs) (13.30 – 16.30)  
Toby Wolfe (Department of Children and Youth Affairs) (11.00 – 11.45)  
Sinead Reilly (Department of Children and Youth Affairs) (10.00 – 10.45)

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**Welcome**

The Chair welcomed members of the Expert Group back to the Department and opened the second meeting of the Group, noting apologies as listed above.

**Minutes from last meeting**

The minutes from the last meeting (29 – 30 October 2019) were adopted with no amendments (Ref2.2A). It was agreed that the minutes would be published.

**Matters Arising and Secretariat Update**

The Secretariat provided a brief overview of a meeting held on 13 November with Brid Horan, Chair of the Higher Education Authority (HEA) Review of the Funding Allocation Model for Higher Education Institutions. The purpose of this meeting was to identify the learning from a similar project.

The Secretariat asked members to consider whether additional analysis of data gathered through the Early Years Service Profile 2019 would be useful. A copy of the survey would be recirculated. Members were also asked if they wished to propose new questions to be added to the survey in 2020. The possibility of adding questions from surveys used internationally (e.g. ISOTIS) would be explored. In addition, analysis of fees lists would be explored to access data on gross and net fees.

It was noted that the report from the Independent Review of Costs will be finalised shortly and the next Expert Group meeting (22 January 2020) will include a presentation on the findings from this Review.

The Secretariat updated the Expert Group on the ongoing work to establish a public website and private members' portal. It is anticipated that the site will be live for the next meeting.

The Secretariat also informed the Expert Group that visits to early learning and care settings could be organised around the January and/or March meetings and undertook to liaise directly with members on logistics for this matter.

### **Revised papers**

It was agreed that the revised versions of the following papers from the first meeting which had been circulated to members would be published:

- 1.1A Agenda
- 1.2P Background Paper
- 1.3A Terms of Reference
- 1.4A Practical and Logistical Arrangements
- 1.5P Project Plan
- 1.6P ELC and SAC Funding , including Annex I and II

The Chair noted the short briefing paper on the 'Early Start' programme operated by the Department of Education and Skills (Paper reference: 2.6B), which was circulated to members for information only.

### **Policy Objectives, Guiding Principles**

Anne-Marie Brooks presented a paper on policy objectives and principles produced as a follow on from the first paper on principles (Paper reference: 2.8P). This paper summarised the policy objectives for ELC and SAC contained in First 5 and proposed a number of draft guiding principles to underpin future investment.

The Expert Group welcomed the paper, noting the comprehensiveness of the proposed draft principles and their alignment to the policy objectives. It was suggested that certain principles might be grouped together, and that there may be merit in having a core set of common principles for both ELC and SAC while also having some ELC- and SAC-specific principles given the distinction in the policy objectives for both. The value of capturing the wider context within which ELC/SAC operated (e.g. parental leave and family flexible working provisions) was also mentioned.

The Secretariat agreed to prepare a revised draft paper to reflect the discussion and feedback.

### **Review of the Operating Model**

Bernie McNally presented on the Review of the Operating Model (Paper ref: 2.3B). The presentation explained the various actors at a national and local level that make up the Operating Model for ELC and SAC in Ireland. It included an overview of the roles of the Department of Children and Youth Affairs and the Department of Education and Skills (DES), Pobal including Better Start, City and County Childcare

Committees (CCCs), National Voluntary Childcare Organisations (NVCO), and inspectorates in Tusla and DES. The presentation highlighted the need for reform and the plan to move towards an improved Operating Model.

The Expert Group were advised that the Review of the Operating Model (along with the development of the Workforce Development Plan) will run in parallel with the development of the Funding Model. Bernie McNally and Anne-Marie Brooks are represented on all three oversight groups and will act as the link between the groups to identify possible opportunities or overlaps. The Expert Group would be updated periodically on this work.

The Expert Group welcomed this Review, noting that an improved Operating Model will support implementation of a new funding model. The Group also commented on a number of perceived strengths in the existing Operating Model, including regional/local actors and the focus on continuous quality improvement through Better Start.

#### **ELC and SAC Quality Assurance Regime**

Toby Wolfe, Principal Officer in the Early Years Quality Unit of the Department of Children and Youth Affairs, presented on the Quality Assurance Regime (Paper Ref: 2.4B). This presentation covered regulatory and contractual requirements, incentivisation, funding to services and practitioners, and measures to support improved working conditions.

Issues which arose during the subsequent discussion included the high staff turnover rates in the sector, the difficulty of ensuring that staff-related funding is passed on to staff, and the challenge of incorporating process quality measures into funding mechanisms. The Expert Group referenced work undertaken by Pauline Slot (CARE) and work in New Zealand (e.g. accreditation) to address the latter.

Toby Wolfe undertook to reflect further on how a new funding model could best drive quality assurance and improvement, and revert to the Expert Group on the matter.

#### **National Childcare Scheme**

Bernie McNally presented on the new National Childcare Scheme (Paper Ref: 2.5B). The presentation provided an overview of the National Childcare Scheme and what it will mean in practice for children, families, providers and the State. The objectives of the National Childcare Scheme include better outcomes for children, poverty reduction, labour activation, reduced cost of ELC and SAC and a platform for future investment.

The Expert Group commented favourably on certain aspects of the Scheme and noted, in particular, the ability of the Scheme to adapt to an evolving policy environment, and to act as a vehicle to implement recommendations arising from this Group in relation to future investment in ELC/SAC. Members also noted some potential challenges including: the risk of subsidies being absorbed into the fees charged by providers in the absence of any fee control mechanism; and the danger that where demand exceeds supply, services might select children based on stability of attendance/number of hours with potential negative consequences for vulnerable children who would benefit most from ELC/SAC.

Bernie McNally explained that a monitoring and evaluation framework was in place for the Scheme and a review of the Scheme would take place within one year of its introduction. This will explore the impact of the Scheme, measure the extent to which objectives of the Scheme were met and identify any unintended consequences arising (e.g. if barriers to access for particular groups emerge).

#### **Facilitated Session with Research Partner**

The Chair introduced Gillian Paull from Frontier Economics, the firm appointed by the Department of Children and Youth Affairs as the Research Partner for the development of a new Funding Model for ELC and SAC.

Gillian Paull made a preliminary presentation on stakeholder engagement, based in part on the initial working paper (Paper Ref: 1.7P) endorsed by the Expert Group. The subsequent discussion included consideration of how the proposed approach would align with other projects, and how existing structures or data can be utilised to maximise efficiency and effectiveness. It was agreed that the Research Partner would work with the Secretariat to prepare a substantive engagement and consultation proposal for Phase 1 in advance of the next meeting.

Gillian Paull also presented proposals for four priority working papers identified by the Expert Group (Paper Ref: 2.9RP). The Expert Group clarified their aims/intentions in relation to the scope of the papers and members suggested a number of countries for comparison/contrast.

Possible timelines for the papers were discussed, with the Expert Group expressing a preference that work on the four papers proceed in parallel so the findings could be considered as soon as possible. The Expert Group gave their overall approval for the Research Partner to proceed with the four working papers, subject to them liaising with the Secretariat on the final proposals including costs and timelines.

#### **AOB**

The Chair advised the Expert Group of an opportunity to engage and consult with providers and practitioners at the forthcoming Early Childhood Ireland Conference on 4 April 2020. The Department suggested that they could hold a funding model workshop at the Conference. The Expert Group supported the idea and agreed it could be a useful opportunity as part of a broader consultation process. The Department undertook to contact Early Childhood Ireland and make the necessary arrangements.

The Secretariat undertook to circulate copies of the presentations delivered over the course of the day.

The Expert Group were advised that initial agenda items for the meeting in January include the independent review of costs and the Research Partner proposal on stakeholder engagement.

The Secretariat will contact Expert Group member on logistical arrangements for the January meeting.

#### **ENDS**