

## Draft guiding principles to underpin a new Funding Model

### **Strategic**

The funding model should be based on an acceptance that ELC/SAC is a public good, which embodies both an essential investment in child wellbeing and development, and an important support for economic growth and social equity. It should seek to support the delivery of this public value through the provision of high quality, affordable, accessible, and sustainable ELC and SAC services. Within that framework, it should seek to address the real issues facing children, parents, providers, workers, and the State.

While recognising the reality of the existing “marketized” approach to ELC and SAC, the funding model should address any perceived deficiencies in this approach by supporting best use of available public management tools.

The funding model should, where possible, support other known forthcoming developments in the sector (such as the workforce development plan and review of the operating model) and should seek to remedy issues with existing funding approaches.

### **Child-centred**

Funding should be allocated in the best interest of children.

Given the role of parents as primary educators, funding of ELC and SAC should promote partnerships between parents and providers which enhance children’s development.

Funding should provide additional support for children experiencing disadvantage and children with additional needs in order to enhance equitable access to, participation in, and benefit from ELC and SAC.

### **Family orientated**

Funding of ELC and SAC should support parents participating in employment, education or training and should, in so far as possible, be cognisant of the reasonable needs and choices of parents.

Funding should provide progressively greater support to families that have greater needs but also maintain enough universality to reflect the overall benefit of, and shared investment in, ELC/SAC (i.e. progressive universalism).

Funding should mitigate the cost to parents of ELC and SAC.

### **Professional and valued workforce**

Funding should recognise that the quality of ELC and SAC is centrally reliant on the quality of the workforce delivering those services. Accordingly, it should seek to promote the recruitment and retention of staff with the necessary qualifications; ongoing staff training and development; fair pay and working conditions; and a workforce which feels valued and is motivated to deliver the best possible service to children.

### **Competent Sector**

Funding should incentivise continuous quality improvement, innovation, and inter-agency working.

The funding model should be evolutionary: it should minimise short-term disruption but also allow for/support desired long-term changes. For example, while respecting the existing diversity of scale and service offering, it should allow for longer-term changes required to support a sustainable sector.

Funding should reflect the reasonable costs to providers of providing the required service (including the differential costs of delivery for different ages).

Funding should be subject to robust regulation and accountability for public funds, but regulation and accountability should be cost effective in order to maximise the funding available for actual service delivery.

### **Development and Implementation**

The funding model should be developed with input from parents, children, providers, the workforce, and other stakeholders.

The funding model should be evidence-based, informed by existing data, research and literature, as well as international models of best practice. It should also incorporate mechanisms for future data collection, evaluation and review.

The funding model should be realistic and capable of practical application.

The funding model should be as transparent as possible, incorporating variables that are objective and measurable on a consistent basis across the system.