

# FUNDING MODEL STAKEHOLDER ENGAGEMENT

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## Phase 3 Workshop

July 2021





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## EXECUTIVE SUMMARY

This document summarises the key conclusions emerging from the Phase 3 of stakeholder engagement on a new funding model for ELC and SAC services in Ireland. Phase 3 consisted of two workshops. The first of these sessions was intended to consist of a discussion of stakeholders' own proposals shortlisted from the Phase 2 workshops followed by a resource prioritisation exercise. However, a number of stakeholders indicated significant dissatisfaction with this approach. On foot of this, a revised additional Phase 3 session was designed during which the Terms of Reference for the work were recapped, the discussions held during Phase 2 were summarised and stakeholders were invited to suggest additional proposals or provide a high-level indication of prioritisation between different elements of the future funding model.

### Context

Frontier Economics are carrying out a programme of stakeholder engagement with the Early Learning and Childcare Stakeholder Forum (ELCSF) on behalf of the Department of Children, Equality, Disability, Integration and Youth (DCEDIY) and the Expert Group who are working on developing a new funding model. The Expert Group have been asked to develop a new funding model for early learning and care (ELC) and school aged childcare (SAC) in Ireland to recommend to the Minister and Government.<sup>1</sup> The Expert Group's Terms of Reference include proposing a new Funding Model for ELC / SAC. In delivering on these Terms, the Expert Group is **not** asked to propose changes to the current model of delivery (i.e. privately-operated provision). Therefore, the proposed new funding model will take the current delivery model as given and seek to achieve policy objectives of quality, affordability, accessibility and contributing to addressing disadvantage in a privately-operated market through increased public funding and public management.

The second stage of stakeholder engagement was focused on refining and prioritising stakeholders' own proposals for the new funding model to feed into the Expert Group's work. This third and final phase of engagement involved bringing all proposals made by stakeholders together and inviting participants to fill in any gaps and/or offer thoughts on prioritisation.

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<sup>1</sup> <https://first5fundingmodel.gov.ie/wp-content/uploads/2021/07/Terms-of-Reference-1-1.pdf>

### First Phase 3 workshop

Originally Phase 3 was due to consist of a single workshop. Ahead of this session stakeholders were provided with a shortlist of their own proposals based on the discussions during Phase 2 and detailed material covering ELC/SAC budgets. The plan was for participants to take part in an hypothetical resource allocation exercise. This exercise was designed so that each stakeholder could suggest how they would distribute an ELC/SAC budget uplift across shortlisted proposed elements of a new funding model. During this session it became clear that a significant number of stakeholders did not feel comfortable taking part in this exercise. This reluctance to engage was driven by a number of different reasons which applied differently to different stakeholders.

- Some stakeholders were disappointed that the shortlist of proposals arising from Phase 2 discussions did not include enough new proposals, and that the list was focused on making changes to the existing funding model rather than allowing for a completely new model. Other stakeholders highlighted concerns regarding the process by which the shortlist was generated.
- Some but not all stakeholders expressed a view that the underlying delivery model (private provision with public funding and management) needed to be reconsidered. Moving towards a primary school type model was suggested as a longer term aspiration. However, other stakeholders expressed very different views. They told us that proposals to move towards a public model were inappropriate given that the state does not own the existing infrastructure across the sector or employ any staff directly and that the Terms of Reference were therefore suitable.
- Some stakeholders did not feel comfortable with the idea of prioritisation between different policies.
- Stakeholders' proposals are one input into the Expert Group's decision making. However, some stakeholders wanted more information on the actual recommendations being developed by the Expert Group.

Due to the concerns raised by stakeholders this session was halted and an additional was run session two weeks later.

### Additional Phase 3 workshop

This additional session involved a:

- Presentation from DCEDIY on the scope of the project and the Expert Group's Terms of Reference.
- Presentation from Frontier summarising the findings from Phase 2.

A plenary group discussion followed which allowed stakeholders to note additional points for consideration by the Expert Group and if desired express a high level prioritisation across the funding model elements which stakeholders had previously proposed.

The two key questions where we wanted stakeholders to provide input were:

- What is missing from the Phase 2 proposals which stakeholders put forward previously?
- What are the priority elements for the new funding model?

We have summarised the key points raised during both Phase 3 sessions below. More detailed conclusions from the workshop then follows in the remainder of the report:

- Some stakeholders highlighted that the Expert Group does not include any provider or practitioner representation.
- Stakeholders emphasised the importance of linking up this piece of work on the new funding model with others initiatives currently underway. These other programmes of work included a review of the AIM programme and the Workforce Development Plan.
- There were specific additional proposals which some stakeholders felt were not sufficiently captured in the Phase 2 write-ups. These included:
  - Extending additional supports for Irish language settings
  - Improving workforce diversity and inclusion
  - Provision of capital grants to improve facilities in certain localities where investment is needed.
- The most commonly expressed priority by stakeholders was to improve staff pay as a mechanism for higher quality provision. Other stakeholders highlighted the importance of rolling out more universal free ELC and SAC offerings to groups of children not currently covered by universal programmes. Some stakeholders also emphasised that the funding model should seek to achieve a balance across multiple policy priorities such as affordability, quality and sustainability.

# 1 CONTEXT

## 1.1 Background to the First 5 project

*First 5: A Whole of Government Strategy for Babies, Young Children and their Families 2019-2028*<sup>2</sup> was published in November 2018 and sets out an ambitious programme of work across Government Departments to improve the experiences and outcomes of children in Ireland from birth to age 5 across all aspects of their lives in the coming ten years.

### 1.1.1 Role of ELC & SAC within *First 5*

One of the major objectives of *First 5* is that babies and young children have access to quality Early Learning and Care (ELC) and School-Age Care (SAC) which is tailored to their stage of development and need.

#### **FIRST 5: OBJECTIVE #8**

Babies and young children have access to safe, high-quality, developmentally-appropriate, integrated ELC (and school-age childcare), which reflects diversity of need.

Allied to that objective, *First 5* identifies as a key building provision of further public funding that enables the best outcomes for babies, young children and their families.

#### **FIRST 5: BUILDING BLOCK #5**

Additional public funding that is strategically invested to achieve the best outcomes for babies, young children and their families.

The Irish Government has committed to at least doubling investment in ELC and SAC on 2018 levels by 2028. As committed to in *First 5*, to ensure that this commitment is realised in a transparent and efficient manner that delivers for children, families and the State a new Funding Model is being developed.

### 1.1.2 Role of the Expert Group

On 18 September 2019 then Minister for Children and Youth Affairs, Katherine Zappone, announced the establishment of an Expert Group to develop a new Funding Model for ELC and SAC. The Expert Group's Terms of Reference are as follows<sup>3</sup>:

<sup>2</sup> <https://www.gov.ie/en/publication/f7ca04-first-5-a-whole-of-government-strategy-for-babies-young-children-and/>

<sup>3</sup> <https://first5fundingmodel.gov.ie/wp-content/uploads/2020/01/Terms-of-Reference-1.pdf>

## EXPERT GROUP TERMS OF REFERENCE

Agree a set of guiding principles to underpin the new Funding Model for Early Learning and Care and School Age.

Review the existing approach to funding Early Learning and Care and School Age Childcare services by the Department of Children and Youth Affairs in terms of its alignment with the guiding principles as well as effectiveness in delivering on the policy objectives of quality, affordability, accessibility and contributing to addressing disadvantage.

Drawing on international evidence, identify and consider options on how additional funding for Early Learning and Care and School Age Childcare could be structured to deliver on the guiding principles and above policy objectives.

Agree a final report including a proposed design for a new Funding Model, with accompanying costings, risk analysis and mitigation and phased implementation plan (with funding likely to become available on an incremental basis) to recommend to the Minister for Children and Youth Affairs and ultimately Government.

In delivering on these Terms, the Expert Group is not asked to propose changes to the current model of delivery (i.e. privately-operated provision) rather the Group should seek to further achieve policy objectives of quality, affordability, accessibility and contributing to addressing disadvantage in a privately-operated market through increased public funding and public management.

The full Terms of Reference set out a detailed list of matters that are in scope for consideration by the Expert Group and are available at: <https://first5fundingmodel.gov.ie/wp-content/uploads/2020/01/Terms-of-Reference-1.pdf>

## 1.2 Role of Frontier

Frontier have been commissioned as a research partner to provide support to inform the development of a new Funding Model for Early Learning and Care and School-Age Childcare. This has involved the production of research reports.<sup>4</sup>

As part of our role as research partner Frontier have been commissioned by the Department of Children, Equality, Disability, Integration and Youth (DCEDIY) to carry out a programme of stakeholder engagement on behalf of the Expert Group.

### 1.2.1 Building on previous engagement

At the first meeting of the Expert Group in October 2019 special consideration was given to consultation and engagement, with an options paper presented to and discussed by the Expert Group. In the initial meetings and as outlined in the project plan, it was agreed that consultation and engagement would be composed of three phases:

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<sup>4</sup> <https://first5fundingmodel.gov.ie/publications-2/>



- Phase 1: Identification of key issues. The results from this phase have been published.<sup>5</sup> It consisted of:
  - A public call for submissions, including specific questions on the draft guiding principles
  - A national survey of households of parents with children aged 0 – 15
  - A series of online consultation events taking the form of focused discussion sessions (seven themed sessions with providers and practitioners; two sessions with practitioners only; seven sessions with parents).
  - An opening and closing webinar to launch the consultation and present findings.
- Phase 2: Development of deeper understanding of key issues and generation of suggested proposals by stakeholders. Phase 2 consisted of a series of facilitated workshops (these workshops took place March-May 2020) that brought together a broad range of stakeholders to discuss the issues of disadvantage, quality, affordability and sustainability in-depth and suggest how the new funding model can best support these objectives.
- Phase 3: Testing of stakeholder’s own proposals. Phase 3 is the focus of the remainder of this report.

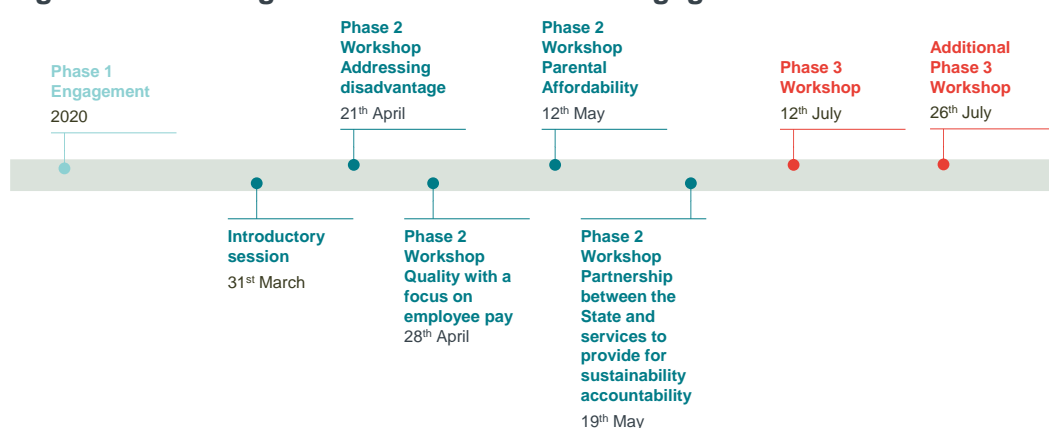
Frontier undertook Phase 2 and Phase 3.

## 1.3 Structure of Phase 3

Phase 3 consisted of two virtual workshop sessions held on 12<sup>th</sup> and 26<sup>th</sup> July. We had two overall objectives for Phase 3:

- Recap proposals made by stakeholders during Phase 2 sessions; and
- Consider prioritisation of elements of the new funding model and the interactions between stakeholders’ proposals.

**Figure 1 Timing of Phase 2 and Phase 3 engagement**



Originally Phase 3 was due to consist of a single workshop. The plan was for participants to take part in an hypothetical resource allocation exercise. This exercise was designed so that each stakeholder could suggest how they would distribute an anticipated notional ELC/SAC budget uplift across shortlisted new

<sup>5</sup> <https://first5fundingmodel.gov.ie/wp-content/uploads/2021/04/1.-Phase-1-Consultation-and-Engagement-Overview-of-Phase-1.pdf>

elements of a funding model. The shortlist presented to stakeholders is illustrated below.

Frontier prepared this list based on the Phase 2 discussions and ideas suggested by participants. The proposals included in the shortlist generally received significant levels of support from stakeholders during the previous four workshops and were also in-scope according to the Expert Group’s Terms of Reference.

**Figure 2 Shortlisted funding model proposed for consideration by stakeholders**

Category	Proposal	Explanation
Staff pay / quality	Funding to raise pay of low paid staff	Funding provided to services in line with staff numbers (and expected demand) to assist settings raise pay of low paid staff to agreed rates. The goal of this funding would be to boost staff retention and increase quality of provision. Funding would be contingent on settings paying a minimum rate.
Staff pay / quality	Funding to support staff pay	Funding provided to services in line with staff numbers (and expected demand) to assist settings increasing pay of all staff proportionally. The goal of this funding would be to boost staff retention and increase quality of provision. Funding would be contingent on settings increasing current pay rates by a certain %.
Staff pay / quality	Introducing sector wide qualifications premium for staff with degree qualification	Offer funding premia (a certain % uplift) for staff with degree qualifications.
Staff pay / quality	Non-contact time funding	Additional funding to meet cost of non-contact time as a % of total staff time.
Tackling disadvantage	Agile and responsive application-based system to deal with additional needs of disadvantaged children	Specific additional resources for targeted children, as applied for by services, to deal with additional needs.
Tackling disadvantage	Evidence-based targeting of additional resources to certain settings which disproportionately cater for disadvantaged children	Settings deemed eligible for these targeted supports would benefit from funding that could allow for supports such as higher qualifications, additional training for staff and practical supports for children.
Tackling disadvantage	Establishment of hubs	Hubs could be established which settings could access. These hubs could act as centres of experience and expertise that individual settings who are trying to provide for the needs of disadvantaged children could use.

Parental Affordability	Widen scope of ECCE	ECCE currently covers two 38-week programme years for 15 hours per week. Children must be 2 years and 8 months of age or older by August 31 <sup>st</sup> of the year of entry. This funding could allow ECCE funding to be paid over more hours per week or weeks per year, or extend ECCE funding to younger children. Note: there are regulatory and capacity implication to increasing the hours per week.
Parental Affordability	Expand universal NCS payments to children of all ages	Widen eligibility for universal NCS payments to all children (currently available to children from age 24 weeks – ECCE age only).
Parental Affordability	Increase universal rate of NCS	Increase universal subsidy rate so that families currently eligible for the universal subsidy (current available to children from age 24 weeks -ECCE age) see a reduction in costs (current universal rate is €0.50 per hour).
Parental Affordability	Increase maximum income threshold for targeted NCS supports	Increase €60,000 threshold so that more families are eligible for subsidies under NCS.
Partnership for sustainability and accountability	Include additional funding so providers can offer more flexible services to parents	Provide support to settings so they can operate sustainably at lower levels of occupancy which would enable them to provide more flexible part time offerings to parents. According to the Review of Cost, services have an average normal occupancy of 83%.
Partnership for sustainability and accountability	Provide additional supports for full year / full day care	Encourage more full day care by providing additional resources to incentivise longer opening or more places for children under 3.

Source: *Frontier summary of stakeholder proposals put forward during Phase 2 stakeholder engagement*

During this session it became clear that several stakeholders did not feel comfortable taking part in this exercise (further detail on the specific points raised are included in Chapter 2).

As a result this session was not completed and we ran a subsequent additional session. This additional session involved a:

- Presentation from DCEDIY on the scope of the project and the Expert Group's Terms of Reference.
- Presentation from Frontier summarising the findings from Phase 2.

A group discussion followed which allowed stakeholders to note additional points for consideration by the Expert Group and, if desired, express a high level prioritisation across the proposed funding model elements.

## 1.4 Attendees

The Minister for Children, Equality, Disability, Integration and Youth has established an Early Learning and Childcare Stakeholder Forum (ELCSF). The ELSCF's members include representation from a range of constituent organisations.

At the outset of Phase 2 stakeholder organisations were asked to nominate one single representative to attend each session, including Phase 3. This helped ensure consistency across Phases 2 and 3, as the nominated representatives built-up a thorough understanding of the issues and proposals being put forward by others in the group throughout the process. The following organisations were represented during Phase 3 session:

**Figure 3 Phase 3 attendance**

<b>Organisation</b>	<b>First Phase 3 session</b>	<b>Additional Phase 3 session</b>
ACP	YES	YES
Barnardos	YES	YES
Better Start	YES	YES
BLÁTHÚ Steiner Early Childhood Association	YES	NO
Childhood Services Ireland	YES	YES
Children's Rights Alliance	YES	YES
Community Providers Forum	YES	YES
Comhar Naionrai na Gaeltachta	NO	YES
Disability Federation of Ireland	YES	YES
Early Childhood Ireland	YES	YES
Early Years - the organisation for young children	YES	NO
Federation of Early Childhood Providers	YES	YES
Gaeloideachas	YES	YES
IBEC	NO	YES
ICTU	YES	YES
Men in Childcare Network	YES	YES
National Parents Council	YES	NO
National Women's Council	YES	NO
NCN	YES	YES

Organisation	First Phase 3 session	Additional Phase 3 session
OMEP	YES	YES
One Family	YES	YES
PLÉ	YES	YES
Pobal	NO	YES
Seas Suas	YES	YES
SIPTU	YES	YES
SVP	NO	YES
National Travellers Women's Movement	YES	YES
Treoir	YES	NO

*Note: In a small number of cases different representatives from the same organisation attended each Phase 3 session*

Engaging with this broad base of stakeholders allowed us to incorporate a variety of different perspectives across key constituent groups which ensured that the discussions were balanced. In addition, the experience and expertise of stakeholders meant that all suggested proposals were robustly tested.

In keeping with Phase 2 representatives from DCEIDY attended both Phase 3 sessions in an observatory capacity. In addition, as described above DCEDIY gave a presentation on the scope of the project during the additional Phase 3 session.

## 1.5 Structure of this document

The remainder of this document is structured as follows:

- In Chapter 2 we summarise stakeholders' views from the initial Phase 3 session.
- In Chapter 3 we summarise stakeholders' views from the additional Phase 3 session

## 2 RESULTS FROM INITIAL PHASE 3 WORKSHOP

### 2.1 Issues with the suggested stakeholder proposals

#### Some stakeholders raised concerns about how the shortlist was generated

Some stakeholders told us that the shortlist may not be fully representative of the rich and varied discussions that had taken place in Phase 2. In addition, certain stakeholders queried the process by which the shortlist had been generated and felt that the process could have been more transparent.

As noted above Frontier prepared this list based on the Phase 2 discussions and ideas suggested by participants. The proposals included in the shortlist generally received significant levels of support from stakeholders during the previous four workshops and were also in-scope according to the Expert Group's Terms of Reference.

#### Some stakeholders felt that there were not enough 'new' elements in the shortlist. Other expressed different views.

Some stakeholders were disappointed with the shortlist of proposals that was generated based on the Phase 2 discussions that they had taken part in. Many felt that these proposals represented 'tweaks' to the current funding model rather than the substantial changes they felt were required. We were told that the Phase 2 proposals that Frontier had summarised based on stakeholder's own input were not radical enough, and lacked vision. Some stakeholders described the current system as 'broken', and that additional money into this broken system would not address underlying issues.




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I am very disappointed that the proposals seem to be tinkering with the edges of a broken system rather than making substantive change

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Several stakeholders talked about wanting to see a new funding model designed from first principles. One example provided by a stakeholder was to start by considering which types of service provision should be free and which should be subsidised. Extension of universal free provision of ELC through the ECCE scheme and further subsidising ELC / SAC provision at both a universal and targeted level through NCS were both incorporated in shortlisted funding model elements that were put to stakeholders. However, these two options were linked to existing schemes (ECCE and NCS) which may have been contributed to a reluctance to engage.

A number of stakeholders felt that the funding model should be totally new rather than enhancing the current model and making changes at the margins.

Stakeholders understood that some of the proposals suggested as part of Phase 2 were not part of the shortlist because they were out of scope of the Expert Group's Terms of Reference. However some representatives felt that the Expert

Group's Terms of Reference were too narrow. One stakeholder felt the Terms of Reference were missing the short-term immediate needs of the sector and should be focussed on near-term solutions that can help prevent settings closing down imminently.

In line with comments made throughout the Phase 2 process some stakeholders expressed a view that the underlying delivery model (private provision with public funding and management) needed to be reconsidered. Moving towards a primary school type model was suggested by some stakeholders as a longer term aspiration.

However, as we noted above this view was not held universally and other stakeholders felt as though this shift was not appropriate. In particular some stakeholders noted that they had engaged in the process on the basis of the stated Terms of Reference. They told us that proposals to move towards a public model were inappropriate given that the state does not own the existing infrastructure across the sector and is not a direct employer of staff.

### The budget was not seen as enough to make sufficient change

It was noted by some stakeholders that even after a doubling of ELC/SAC funding, Ireland would still be contributing public funding at a rate which is below the OECD average. We were told that current targets and commitments may therefore not be enough to see the substantial change in the sector that is required.

## 2.2 Uncomfortable with idea of prioritisation

### Issues with the prioritisation exercise were expressed

A number of stakeholders explained that they did not feel comfortable taking part in the prioritisation exercise. Some stakeholders felt that they could not make these sort of prioritisation decisions. A number of stakeholders noted that picking and choosing priorities was inappropriate in the context of ELC/SAC.

### Stakeholders wanted more information

A number of stakeholders felt that they needed more information from the Expert Group before they could consider prioritising the proposals that the stakeholders themselves put forward during Stage 2. Stakeholders said that they would like to see more details on the Expert Group's current thinking before providing more input.

This issue potentially represents a misunderstanding of the exercise as the shortlist was generated by Frontier solely based on stakeholders' own inputs and did not come from the Expert Group in any way.

Other stakeholders asked for more information on how the Expert Group's recommendations for this funding model would fit into the wider context of other recommendations for the sector that have already been published.

## 3 RESULTS FROM ADDITIONAL PHASE 3 WORKSHOP

As described previously the additional Phase 3 workshop consisted of:

- Presentation from DCEDIY on the scope of the project and the Expert Group's Terms of Reference. This covered the background to *First 5* including specific commitments that are relevant to this work. Information was also provided on the composition of the Expert Group and their Terms of Reference. An overview of the principles that will underpin the new funding model that the Expert Group have developed was also provided.<sup>6</sup> Finally, next steps were summarised in terms of the Expert Group's work.
- Presentation from Frontier summarising the findings from Phase 2. Frontier provided an overview of the key messages emerging from the four Phase 2 sessions held to date and how these were provided as an input for the Expert Group. In advance of the session Frontier circulated detailed write-ups for each of the individual sessions.
- Plenary discussion to clarify any questions on context, highlight any missing stakeholder proposals, suggest high-level priorities for the new funding model.

### 3.1 Clarification of context / scope

#### The composition of the Expert Group was questioned

Some stakeholders highlighted that the Expert Group does not include sufficient provider or practitioner representation. We were told this represents a missed opportunity and the on-the-ground experiences of those who work in the ELC and SAC sectors need to be incorporated.

Part of the rationale for carrying out this detailed multi-phase stakeholder engagement process was to ensure that the views of providers and practitioners (as well as other sector stakeholders) could be incorporated as an input into Expert Group decision making.

#### Stakeholders noted the importance of “knitting together” the various programmes of work that are currently underway

Stakeholders emphasised the importance of linking up this work on the new funding model with others initiatives currently underway. These other programmes of work include a consultation on the current AIM programme and the efforts underway on a Workforce Development Plan.

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<sup>6</sup> <https://first5fundingmodel.gov.ie/wp-content/uploads/2021/02/Draft-Guiding-Principles-for-the-new-Funding-Model.pdf>



## 3.2 Additional stakeholder proposals for consideration

In addition, to all of the proposals that were put forward by stakeholders during Phase 2 stakeholders did make a number of suggestions for proposals that were not sufficiently captured during previous engagement.

### Tailored support for Irish language services

Some representatives noted that Irish language services face higher delivery costs. We were told that this is not reflected in the current funding model and further consideration of additional resources to support this group of service providers was needed.

### Ensuring workforce sustainability and diversity

Multiple stakeholders emphasised that currently the sector is experiencing severe staffing shortages (primarily due to low pay) which may get worse over time. This issue was seen to be widespread but one stakeholder noted that it is particularly acute in relation to workers who are supported by AIM funding. One proposed (temporary) solution to this issue was the reduce the qualification requirement for AIM staff.

In addition, we were told that promoting inclusion within the ELC and SAC sector is only possible when the workforce has a certain level of awareness regarding diversity and disadvantage. We were told that this may need specific attention during the recruitment process for new staff entering the sector.

### Streamlining current inspection regimes to achieve cost savings

Some representatives suggested that currently providers are subject to multiple inspections by separate bodies. It was felt that this has led to additional cost and duplication. Some stakeholders suggested that this could be centralised to some degree which could potentially lead to cost savings that could be reinvested into the sector.

This suggestion falls outside of the core objectives of the new funding model and is therefore not in scope for this specific piece of work.

### Increasing the level of capital grants available in certain locations

Other stakeholders highlighted that some children are currently attending ELC or SAC services in substandard facilities that are in need of investment or repair. We were told that this was particularly likely in certain parts of the country where deprivation was a major concern. It was suggested that the new funding model could include greater capital funding to meet the costs of these upgrades.

### 3.3 Prioritisation

Some (but not all) stakeholders did express a view that certain elements were particularly high priority from their perspective.

#### Greater state support for improving staff pay

For those who chose to comment on prioritisation, the most commonly expressed priority was to improve staff pay as a mechanism for higher quality provision. We were told that low pay is currently contributing to the staffing issues described above. Some stakeholders noted that additional funding in this area needed to be accompanied by:

- a new mechanism to allow for these extra resources to flow to providers; and
- conditions to ensure that staff benefit from this uplift.

#### Greater universal free provision

Other stakeholders highlighted the importance of rolling out more universal free ELC and SAC offerings to groups of children not currently covered by universal programmes. Stakeholders again emphasised that in the future no child should be unable to access an ELC / SAC space. Other stakeholders noted that any form of provision that is free at the point of use will not be cheap to provide. They suggested therefore that appropriate public funding is needed to support this form of provision and existing capitation rates may also need to be increased.

We were also told by some stakeholders that an increase in universal subsidy rates that are currently part of NCS would be a higher priority from their point of view than increasing targeted supports.

#### Ensuring balance across priorities

We were told by other stakeholders that from their point of view there are multiple priorities which all need to be addressed together. For example, they agreed that providing public funding to support salaries (especially those of lower paid workers) was essential but that this needed to be accompanied by funding which will directly help parents with ELC and SAC costs (some stakeholders did express a preference for fee controls), as well as resources to help providers tackle current sustainability issues.

## 4 REFLECTIONS AND NEXT STEPS

Throughout both Phase 2 and Phase 3 of the stakeholder consultation process the level of engagement shown by all participants has been very high. Frontier are very grateful for the time that stakeholders have dedicated to the process and the constructive attitude that was adopted. There is a shared desire to improve the functioning of the current ELC/SAC sector in Ireland which stakeholders passionately articulated.

Due to ongoing COVID-19 restrictions that were in place during Phase 2 and Phase 3 it was not possible to convene the group physically. However, this did not undermine the structure or content of the discussions.

In addition, as we described above we adapted the original plan for Phase 3 following open conversations with the entire stakeholder group. The feedback we received informed the revised process and ensured that all stakeholders felt comfortable taking full part in Phase 3.

As noted above the ELCSF includes representation from a range of constituent organisations. The group collectively offers a significant depth of ELC/SAC experience and expertise which is highly valuable. The proposals that stakeholders put forward throughout the process have been shared with the Expert Group and form an important input into their recommendations.

As we have noted in this report and the individual Phase 2 reports there are certain issues which the majority of the stakeholders agree on and other areas where no clear consensus can currently be found. Careful consideration of different perspectives and understanding of the nuanced positions of different ELC/SAC stakeholders is needed for the implementation of any changes.

Further engagement with the ELCSF will continue to be important going forward. In particular publication of the Expert Group's own report in the coming months and Government decision making may offer opportunities for to gather further input. However, this is subject to future decision making within DCEDIY.

