# Good for them

Reforms to Ireland's early education system have recently led to increased pay and a greater number of childcare places. How did they do it? By **Eva Lloyd**, emeritus professor of early childhood, University of East London

or a country with 5.3 million inhabitants, of which some 350,000 are birth to four year olds, Ireland has recently been punching above its weight in terms of its early education system.

While headlines in the UK have been about underfunding, lack of staff and fears that the expansion in places will not materialise as a result, Ireland's childcare system has been focused on improving the status and conditions of early years workers.

The introduction of a new funding model in 2022/23 has seen improved pay for 71 per cent of early years practitioners, an increase in the number of childcare places available, especially for under-threes, and a greater number of graduates working in the sector.

Other benefits have been parental fee caps, with greater understanding and transparency about providers' costs of delivering places, and additional financial support for providers disproportionately impacted by system reform, such as sessional providers. The net result is that setting closures are at their lowest level in five years.

What is relatively unusual about this is that the Irish government, in close collaboration with a range of early years stakeholders, is taking a more prominent public management and public funding role, and forging a transformed partnership with providers.

A key element of the new funding model is Core Funding, an optional 'supply-side' funding stream that is paid directly to providers, with conditions attached, such as a parental fee freeze.

Core Funding is a central government payment designed to support quality and sustainability. The amount settings receive is calculated on the basis of provider



**Setting closures** are at their lowest level in five years in Ireland

capacity, not occupancy. It complements two pre-existing 'per child' funding streams, one for providers to deliver early education and childcare entitlements, and one for parents to help with the costs of additional childcare, or childcare for younger children.

By August 2023, some 4,200 providers had signed up to Core Funding, representing 95 per cent of group-based providers.

### THE NEED FOR **TRANSFORMATION**

Ireland has always lacked any form of public early years provision, such as nursery classes or schools.

Initially, it responded organically to a growing demand for early education services and childcare provision to boost mothers' employment. The result was a mixed market of private (75 per cent) and community, not-for-profit early education and childcare providers (25 per cent), operating with little

The Irish **government** is forging a transformed partnership with providers

government support. Childminders also played a significant role.

All this began to change gradually with the publication of Ireland's first national childcare strategy in 1999, developed by the Department of Justice, Equality and Law reform. Within the context of the European Union equality policy framework and with EU funding, this department pursued an integrated, national early years policy, including support for early years infrastructure, such as the workforce. The origins of Irish public support for early years provision can be traced back to the promotion of gender equality in the labour market.

### **FIRST FUNDED ENTITLEMENT**

The national childcare strategy led to the 2010 establishment of the Early Childhood Care and Education (ECCE) programme for children aged two years and eight months to five years and six months. Similar to England's childcare entitlement, this offers 15 hours of early years provision during term time, funded with a provider subsidy. For now, up to one-third of early years providers deliver only the free ECCE programme and no additional subsidised childcare or out-ofschool provision.

Among the strategy's other achievements was the promotion of early years workforce professionalisation, with a higher level of qualified practitioners, including graduates, than in the English workforce. It also preceded the creation of a government department for children and young people in 2011, led by a full cabinet minister, reflecting the increasingly high profile of early years policy.

Nevertheless, childcare market dynamics meant that parental demand continued to outstrip

# international

supply, workforce pay rates remained stubbornly low, parental childcare fees became some of the highest among Organisation for Economic Co-operation and Development (OECD) member states, and mothers' employment rates stayed among the lowest.

#### **MOVE TO REFORM**

For more than 15 years, civil society actors campaigned with great determination for fundamental Irish early years system reforms. Stakeholders included the Children's Rights Alliance, the Start Strong Coalition and National Women's Council of Ireland, among others.

Ireland's early years policy developments also took inspiration from reviews, guidance and templates produced elsewhere, such as the OECD and the European Commission.

Change accelerated. In 2018, the Irish government published *First 5:* A Whole-of-Government Strategy for Babies, Young Children and Families 2019-2028. This committed it to reform of the early years funding model and a doubling of public investment in the early years system.

### **NEW FUNDING MODEL**

The following year, 2019, saw the launch of a new funding model, the National Childcare Scheme (NCS). An increasing number of parents are accessing childcare costs support through it: 90 per cent more children were benefiting in the first half of 2023 than in 2022.

The NCS offers:

■ A 45-hour weekly incomerelated subsidy for employed parents of children aged 24 weeks to 15 years with net household income not exceeding €60,000, including parents who are studying, and multiple child discounts.

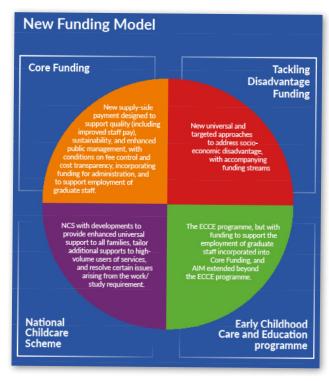
- A universal non-income-related 20-hour weekly subsidy for families with children aged 24 weeks to 15 years, where one parent is not working/studying.
- Sponsorship arrangements to cover parental childcare costs for families experiencing disadvantage.

An independently chaired Expert Group, which I was a member of, set up to help the government deliver the funding reforms required by the First 5 strategy. Our report, Partnership for the Public Good: A New Funding Model for Early Learning and Care and School-Age Childcare, contained 25 recommendations, including for Core Funding, and was accepted by the Irish government in 2021. A rapid implementation began.

Core Funding was one of four funding strands in the new model, which also included universal and targeted funding to enable children growing up with disadvantage, including children with SEND, to access early years provision. It also offered providers extra support for increased administration and the employment of graduate staff, as part of each individual provider's Core Funding contract with the government.

Whereas the new funding model was overall well received by the sector, the implementation of the Core Funding element was not uniformly welcomed. Private sessional providers were concerned about its benefits, and their protests took the form of several public demonstrations, with complaints about excessive regulation and insufficient funding, particularly for the ECCE scheme.

Providers were also unhappy about the impact of the two-year parental fee freeze, especially in the context of the cost-of-living crisis.



Graphic taken from Partnership for the Public Good: A New Funding Model for Early Learning and Care and School-Age Childcare (November 2021) Core Funding's conditions concerning early years workforce pay required two legally binding Employment Regulation Orders issued by the Irish Labour Court. These orders set out workforce career structure alongside minimum remuneration and other terms and conditions and are annually determined via a collective bargaining process between employer and employee representatives on an Early Years Joint Labour Committee.

Two new private sector organisations, the Federation of Early Childhood Providers Ireland and Childhood Services Ireland, have been involved in these discussions since the early years funding reforms took shape. In 2023/24, the second year of Core Funding, protracted negotiations were required to get a pay deal across the line.

## Ireland versus the UK

Recent developments in Ireland appear to diverge from current English early years policy trajectory. The enablers of this transformation include:

- 1. The view held across successive governments of early education and care as a major contributor to the public good and its key role in society.
- An equal emphasis on policies promoting child development and family economic wellbeing.
- 3. Increased policy attention on inclusion,

- with special reference to poverty.
- Clear recognition of the crucial role of the early years workforce in ensuring provision, quality and outcomes.
- 5. Recognition of the need for a partnership with providers, underpinned by a values-based approach to the delivery of provision.
- Acknowledgement of the importance of a supply-side funding stream, separate from per capita financing, to maintain provision sustainability and

enable improved workforce pay and conditions.

These developments in Ireland ought to offer opportunities for learning and enriching discussions about routes to early years reform in England.

Source: Lloyd E. (2023) A Public Good Approach: Learning from Ireland's Education and Childcare Reform. Report for the Early Education and Childcare Coalition