



# PLANET Childcare Policy Group

## Community Childcare Services in Disadvantaged Areas Current Review & Future Recommendations

### 1. Introduction

The development of childcare services and structures continues to underpin the work that Partnerships undertake. Concerns raised by community childcare facilities to the Partnerships prompted a set of informal case studies and a questionnaire to be produced. This paper, which sets out to summarise the key current concerns, has been drawn up from the information contained in the studies and questionnaires.

The Policy Group wishes to raise concerns about what it sees as a potential crisis in community childcare. This is made up of four related elements:

- Policy issues arising from the role of community childcare in disadvantaged areas.
- The inability of community childcare to adequately fund and staff facilities.
- The difficulties faced by community childcare as a result of the way programme supports are administered.
- The need for improvement in quality supports.

### 2. The Policy Context of Community Childcare

Core funding for community childcare in disadvantaged areas is provided under the Equal Opportunities Childcare Programme (EOCP), as a **labour market intervention**, to allow parents opportunity to access employment and training for employment. While many parents have availed of training and employment as a result, the reality is, that in areas of high long-term unemployment and social problems, childcare facilities are one part of a wider community and family support function to support families under stress. Community childcare helps families experiencing strain and difficulties to function and support other family members, including children not receiving childcare. For families most under stress, the alternative is often family break-up, and a multiple increase in cost to the State in having to provide more expensive and intensive support services -

such as taking children into care. ***For the providers of services and their communities, community childcare is not just about accessing employment.*** For many families, employment and training are a longer-term ambition yet to be realised.

Childcare supports are an essential element of the progression of families to a situation where adults are able to take up training and employment. ***Moreover quality childcare services are essential in disadvantaged areas for children to receive the developmental support that will prepare them for school.***

With this in mind, PLANET would question whether the DJELR remains, in the long-term, the appropriate government donor to community childcare?

- ✓ In recognition of the core family support role of community childcare it is recommended that the responsibility for funding support be taken on by the Family Support Agency.

### **3. Adequate Resourcing of Community Childcare**

The Policy Group considers that there are a number of significant threats to the resources community childcare facilities have at their disposal. Together these have the potential to undermine the long-term sustainability of services.

Currently, staffing of community childcare is made up of a combination of some or all of the following sources:

- EOCP Staffing Grant
- Job Initiative (JI) Workers
- Community Employment (CE) Programme staff
- Income generated from fees

#### **3.1. EOCP Staffing Grant**

The staffing grant currently operates on the basis of a strict cap within bands. The capping system fails to give any recognition to those facilities which seek to expand services, through a straightforward increase in the number of childcare places being offered and/or a move towards the integration of different childcare services (such as crèche, pre-school and out of school services) in the community. In a situation where greater integration of services and an increase in childcare places are both seen as desirable, it is ***problematic that there is no financial incentive to facilitate services to do this.***

- ✓ It is recommended that the cap on staffing grant be removed, and replaced with a scale that is directly related to the number of places being created, and takes into account the reduced income opportunities for childcare services in disadvantaged areas.

### 3.2.Labour Market Intervention Programmes (CE/JI)

Those community childcare facilities that have had access to CE and/or JI staff have found them to be an ***invaluable support to the services***. However, decisions are being made about these programmes that undermine the ability of childcare management to implement services effectively. These include:

- Effective delivery of services depends not only on hands-on childcare staff, but also through effective management and administration. The ring-fencing of funding for only 'hands-on' childcare staff within CE programmes has meant that community crèches have been unable to replace administration and ancillary staff, whose work is just as essential as that of 'hands-on' childcare workers. It also means that those same childcare workers inevitably have to cover for the created gaps, and are being diverted from their core roles.
- Reliance on CE placements is being further undermined by the increasing time given to training, only some of which is childcare-related. This means that in an area where absenteeism is traditionally high, there is less time given for childcare and more time being spent by the administration of non-childcare related activities.
- Reliance on CE placements comes at the cost of high staff turn-over, which adversely affects quality.
- Doubts over the future of the Job Initiative Scheme give cause for major concern. Put simply, the loss of each JI worker equals the loss of 6 childcare places.

The key conclusion is that Labour Market Intervention Programmes, as currently administered, and in particular the Community Employment Scheme, are not the appropriate vehicle, in the long term, through which to staff community childcare facilities.

A suggested way in which CE might be developed as an appropriate support to the delivery of childcare is outlined below:

- The establishment of special childcare CE schemes whereby participants would undertake accredited training leading to FETAC Childcare Level II qualification over a given period.
- The minimum duration for participants would be 3 years with a maximum annual turn-over of 10%.

### 3.3.Income Generated From Fees

For community-based childcare to be sustainable in the long term there ***needs to be clear vision of the sources of income to maintain the viability of services***. Two major factors mean that community childcare in disadvantaged areas are qualitatively distinct from commercial operations in this regard:

- Clients can only contribute a relatively small proportion of the cost of providing the service.
- Most community services serving disadvantaged areas tend to be located in areas of public housing away from major thoroughfares, and have limited

prospects of a proportionately greater reliance on fees generated by private places.

- Childcare costs provided by training institutions such as VTOS and FAS for parents attending courses are currently capped at €63.50 per week. This meets less than half the actual cost of providing the place.
  - ✓ It needs to be recognised that fees will only ever be able to make up a relatively small proportion of income.
  - ✓ There needs to be a clear view within government, not only where and how the gap between what is reasonable to expect in terms of income and the cost of delivery, but also what is an appropriate benchmark cost per place for community childcare.
  - ✓ A means-tested subsidy, whether payable to parents or to childcare facilities, be put in place based on a sliding scale of rates calculated on the basis of net disposable household income, family size and number of dependent children. The maximum rate of childcare subsidy should reflect the real cost of childcare. (ref. PLANET Policy recommendation 1).

Until agreement is reached with the state funding body as to what constitutes the actual cost of delivery of quality childcare services, and how this cost should be resourced, it will not be possible to determine what an appropriate capitation grant or other form of subsidy should be to meet the gap.

## 4.Supporting Quality Service Delivery

While the prime objective of the EOCP remains the creation of new childcare places, it is also recognised that ***equal importance be attached to the quality of services being provided***. The need for quality in childcare provision raises a number of issues:

### 4.1.An Overall Quality Framework for Community Childcare

At the moment there is no overall common framework for community childcare that would assist services to reach an understanding of what quality entails, how to identify and monitor quality targets, and how to incorporate learning. With the community childcare experience, programme development, and research skills, ***Partnership Companies are well placed to offer models for quality frameworks for community childcare***.

### 4.2.Monitoring Mechanisms and Templates

- ✓ There needs to be a definitive template of guidelines for the sector, on appropriate levels of progress to be expected, around a variety of quality indicators - including the measurement of the wider benefits to the community, structural and organisational development, implementation of policies and procedures, parental involvement etc.

### **4.3. Training and Staff Development**

There is no proper structure to support development of staff and managers. As a consequence, there are great difficulties in retaining staff in the face of high turnover rates and in attracting good personnel into the profession.

While training opportunities do exist for childcare workers, this training tends to be provided in isolation from any performance management structure within the service. Consequently, staff members are not necessarily required to implement learning in their daily work, and managers are not equipped to encourage this to happen.

## **5. Administration of Programme Supports to Community Based Childcare**

As the mid-term review of the EOCP shows, ***there are a number of improvements in the administration of programme supports that can be made.*** Some of the specific issues raised by community childcare facilities include:

### **5.1. Capital Grant Fees**

Currently professional architects and surveyors are working with Community Childcare facilities on a *pro bono*, basis pending the approval of childcare funding. Given the length of time experienced between submission and funding decision, this places a strain on the relationship between management and professionals. Furthermore, in the event that applications are unsuccessful, the programme provides no resources to offer any compensation for professional services contracted in the preparation of applications. This presents a major financial risk for childcare facilities.

### **5.2. Inflation and Cost Increases**

In real terms, childcare services receive a net reduction annually on staffing grants. Not only do grants fail to take into account national pay awards, but also the need to build in increments and rewards for staff.

### **5.3. Small Scale Applications**

Currently these have to go through the same funding procedures as major grants.

- ✓ PLANET would welcome a process whereby quick decisions can be made on small grants - whether this is through devolving grant-giving authority to the City/County Childcare Committees or by some other means.

## **5.4.Administration and Reporting Requirements**

Community Childcare providers find current levels of paperwork to be debilitating. Without earmarked funding for administration, the opportunity cost of meeting this burden is in terms of quality, management, and hands-on childcare hours.

## **6. Recommendations**

In summary, PLANET wishes to make the following recommendations:

- ★ That Central Government recognise the reality that the provision of childcare services should be broader than merely the provision of training/education opportunities to parents, and should be seen as an integral part of the development of children.
- ★ That Government interventions, at all levels of childcare provision, should be proofed in terms of their Social Inclusion impact. This could be achieved through a substantial collaborative research project between PLANET and a relevant research institution, such as The Centre for Early Childhood Development and Education.
- ★ That all agencies involved in childcare recognise and accept the need for an integrated and co-ordinated approach at local level as well as county level.
- ★ That ADM implement a more cohesive and consistent approach regarding childcare across the three main programmes it operates (i.e. EOCP, LDSIP, RAPID) to ensure the continued recognition of their Social Inclusion focus, and that this is adequately supported and progressed in a co-ordinated way.

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