



Federation of Early Childhood Providers

Ladies and gentlemen,

Thank you for the opportunity to address this esteemed Committee today.

I stand before you as a representative of the Federation of Early Childhood Providers (FECP), an independent collective voice advocating for the future of viable and quality-driven childcare services in Ireland. I would like to take this time to draw your attention to the critical challenges faced by the early years sector in Ireland. These challenges not only impact the providers themselves but also have far-reaching consequences for staff, children and parents who rely on high quality childcare services.

Financial viability remains a paramount concern, particularly for early years services. These providers often face geographical constraints that hinder their ability to operate at full capacity to maximize benefits of Core Funding . Unfortunately, the current funding model fails to address the unique circumstances faced by these services, leaving many owners struggling to make critical business decisions. Consequently, we must demand that the funding model acknowledges and accommodates the diverse range of provision types, ensuring the viability and success of these smaller providers. We would like to highlight the fact that Core Funding was based on findings from Crowe Report (2020), however data in the report was collected in 2017. Initial reports

stated that the findings would be available within 10 months, however the report was finally published in 2020. “The findings from this Review provided a rich understanding of the childcare market and a sound analytical underpinning to inform future funding decisions. “ Statement by Minister O Gorman, 19/10/2020 We owe it to all parties involved who put their heart and souls into the sector day in and day out to bring forth a thriving early years sector. New services are opening, with an option to introduce realistic fee structures, as opposed to existing services whose fees are frozen since 2017. This results in an unequal basis for operating a similar business model. A thriving sector is attainable with equal guidelines applicable to all services regardless of business start date. Although spirits are low within the sector, a thriving sector like the one I describe is not out of reach. We need to work together for the betterment of all. As providers, staff, parents and children all need to be respectfully catered for.

Staffing challenges continue to plague our sector, making recruitment and retention increasingly difficult. One of the main contributing factors to this issue is the tendency for graduates to use the early years sector as a stepping stone to other career paths. This leaves providers in a constant state of flux, struggling to attract and retain qualified staff. While the introduction of the Early Years Employment Regulation Order (ERO) was a positive step, specific funding increases must accompany this development to ensure its effectiveness. “ The JLC for Early Years Services is continuing to meet in relation to possible further increases in minimum rates of pay and additional funding will be made available from Sept. 24 which will support any further negotiated improvements in pay through the JLC process” (FAQ’s Budget 24)

Moreover, the burden of new pension contributions, the introduction of the new chartered account system and increasing sick days are contributing to an already financially challenged sector.

Recently the Dept have introduced a Core Funding Chart Of Accounts, this is at present adding to an already top heavy administrative burden on managers and providers. The reporting template will only be available at end of Nov and a date in mid Jan has been given as a submission date signed off by accountant at an additional cost to provider. Accountants are voicing concerns re the duplication of financial accounts. This is adding to the ever increasing financial and administrative burden on providers, ultimately impacting the overall availability of funds to pay both themselves and staff, resulting in viable and sustainable services.

It is crucial that the government addresses these concerns promptly, safeguarding the delivery of services and ensuring accessibility for parents.

The administrative burden placed upon providers has reached a breaking point, diverting their focus away from the children in their care. Excessive paperwork and administrative pressures have left providers drowning in a sea of red tape, leaving them with little time and energy for direct interaction with the children.

We call for streamlined inspection processes and a significant reduction in paperwork requirements, allowing providers to dedicate more time and energy to their primary role of nurturing and educating young children. The toll on providers' and staff's mental health and well-being cannot be ignored.

The constant scrutiny, financial uncertainty, and administrative workload has left providers overwhelmed, stressed, and financially struggling. We must recognize the invaluable role they play in shaping our children's lives and strive to create an environment that fosters their well-being. It is essential that we prioritize mental health support for providers and staff, ensuring they have the resources and assistance they need to maintain their own well-being while providing quality care to our children. The childcare sector is pivotal to a functioning workforce and economic development nationwide.

Furthermore, we must address the challenges faced in supporting children with additional needs. While the Access and Inclusion Model (AIM) has made strides in improving inclusivity, it falls short in terms of availability and access to professional supports. The Aim report has been completed and has not been published to date. Why has this not been published?

Funding constraints, staffing issues, and long waiting times for assessments hinder our ability to provide inclusive and comprehensive care to all children. It is imperative that we allocate the necessary resources to ensure that every child, regardless of their needs, receives the support and care they deserve.

In light of these challenges, we call upon this Committee to take decisive and immediate action.

Moreover, we request a commitment to rectify the imbalances caused by the Fee Freeze, involving provider groups such as ourselves in evaluating costs and establishing a more efficient and inclusive discussion platform. This will allow for an open and transparent forum where solutions can be made to assist the struggling services who are stuck with fees dating from 2017 back as far as 2010. This is severely hindering their ability to run a viable business with the current ever increasing costs of running an early years service in Ireland.

We believe that providers should have a more proactive voice in shaping the policies and decisions that directly affect their operations and the children they serve. By acknowledging their expertise in evaluating service operating costs and creating a platform for meaningful dialogue, we can foster an environment of transparency, fairness, and collaboration.

The future of the early years sector in Ireland depends on the sustainability of ELC and SAC services. Immediate action is required from the government to address

the financial, staffing, administrative, and mental health challenges faced by providers. Without such support, the consequence of service closures on families, communities, and the future of Ireland's children could be dire. By incorporating the voices of providers and addressing their concerns, the government can take the necessary steps to create a more sustainable and supportive environment for the early years sector.

Together, let us raise the bar and demand the support our early years sector needs and deserves. Our children, our providers, staff and our society depend on it.

Thank you for your attention, and I look forward to engaging in a fruitful discussion on these critical matters.