

## POSITION OF FECP

*Like any other business, private ELC and SAC services operate on commercial principles and need to make critical business decisions. They require immediate clarity about the future plans for the ELC and SAC sector so they can decide on the type/ model of service they can provide, or whether they can provide any service at all.*



## REASONING BEHIND POSITION

Many private providers have become merely a 'funnel' to facilitate the provision of ELC and SAC services on behalf of the state. As with all privately-owned businesses, owner/ managers of private ELCs and SACs are expected to operate normal, private, independent, services with all the requisite regulatory and contractual duties and responsibilities that this entails towards both clients and staff.

However, unlike almost any other sector, there is a significant level of control being placed on private ELCs' and SACs' ability to operate within the sector through, for example, accessing core funding, the introduction of EROs and a 'freeze' on fees. As a result, many private operators have legitimate concerns that they are carrying the normally expected burden of private businesses in terms of clients and staff, but, at the same time, are also having their 'control' over their businesses effectively eroded to the extent that they are merely running their businesses to meet the duties and needs of the state.

To financially support both staff, parents and families, the EROs and the 'freeze' on fees have been introduced, which also impose additional financial burdens upon ELCs and SACs. In return, access to core funding has been promoted as a means to 'reward' private services for the imposition of these, and other, additional duties and regulations.

However, it has become very evident from trends within the sector that, due to the structure of these 'rewards', for many private providers, the only way to achieve viability will be, or has been, to adopt a strict service model that focuses purely on the provision of very limited services, e.g., strictly ECCE and/ or SAC or the dropping of sessional, ECCE and SAC entirely in favour of full-day care services. The latter is a similar model to that being adopted by many of the larger franchise chains in Ireland recently, with the availability of ECCE and sessional services now being removed entirely. As a result, many private providers within the ELC and SAC sector in Ireland are, and will be, facing stark choices regarding the future of their businesses in terms of the structure and model that they can operate, or whether to keep operating at all and close their businesses.

To plan for the future of their businesses private providers need clarification from the state regarding the future of the ELC and SAC sector. Put simply, **is the intention to continue along the current path, with a funding programme that primarily supports the adoption of strict service models?** For example, strictly ECCE or SAC (or a combination of both) or the dropping of sessional, ECCE and SAC entirely in favour of full-day care services.

If this is the case, then this needs to be acknowledged, and private owner/ managers can make their decision regarding the viability and sustainability of their business, and the potential model they may adopt; or decide to close. (In terms of the wider sector, i.e. parents, families and children, a plan would need to be put in place on how the sector can possibly meet the needs of the significant number that require an adaptable model that is more suited to their changing needs and lifestyles. This, however, is beyond the scope of the FETC.)

If this is not the case, then the state needs to give clear guidance as to how the above trend is to be addressed, and quickly. There is no more time available to review the effectiveness of the current ELC and SAC programme. Private ELC and SAC services are businesses, subject to the same commercial principles that govern other businesses and must make similar business decisions to any other entity. They need immediate confirmation regarding the plan for the ELC and SAC sector, based upon real trends that have emerged, so they can decide upon the type/model of service they can provide, or whether to provide any service at all

## SUMMARY OF SURVEYS CARRIED OUT BY FECP IN 2022/2023



**Federation of  
Early Childhood  
Providers**

### SUMMARY OF CHALLENGES IDENTIFIED IN FECP SURVEYS

1. Concerns about financial viability, with owner/ managers progressively having a reducing amount of control over decisions that can impact the viability of their own businesses, as a result of increased regulation regarding access to core funding, the introduction of the ERO, and a 'freeze' on fees.
2. Stress and burnout for owners, managers and staff, arising from the administrative, operational and financial burdens for owners/ managers and staff. Many owners have made the decision to close their services, and there is a worryingly high turnover of staff within ELCs and SACs that is unsustainable within the sector.
3. An ongoing staffing crisis, with services experiencing considerable difficulty in recruiting staff (whether to replace staff, find additional staff or access support staff), which has a direct impact upon the number of places available for parents, families and children trying to access ELC and SAC services.
4. ELCs and SACs face numerous challenges in meeting the growing and diverse needs of children with additional needs, from funding constraints and staffing issues to limited resources and long waiting times for assessments. While AIM meets some of the challenges arising, it is limited in terms of availability (hours and types of service) and does not address the difficulties in accessing professional supports.
5. Although it is acknowledged that regulation from various departments is in place for the safety and welfare of children, this also places a great demand on providers to monitor regulations and needs to be viewed and funded separately for the time constraints outside of direct contact.
6. General feeling of lack of recognition and respect by managers and staff, which extends beyond financial concerns.

### SURVEYS CARRIED OUT

The surveys carried out in the past year included the following:

| Survey Title  | Responses to Survey |
|---|---------------------|
| <b>Urgent Survey of Services, 2023</b>                                | 622                 |
| <b>Survey regarding the impact of the Employment Regulation Order</b> | 562                 |
| <b>Survey into the staffing crisis in the sector</b>                  | 526                 |
| <b>Survey into the use of the word 'Education' in the sector</b>      | 731                 |
| <b>Survey of Sessional Services</b>                                   | 315                 |
| <b>Survey regarding the impact of the Employment Regulation Order</b> | 562                 |
| <b>Survey into impact of AIM</b>                                      | 326                 |
| <b>Survey regarding the impact of Insurance</b>                       | 430                 |