

**FUNDING MODEL FOR HOME- AND
COMMUNITY-BASED EARLY
CHILDHOOD DEVELOPMENT
SERVICES FOR CHILDREN 0-5.**

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BACKGROUND

- ❑ Since 2007 the HSRC has been leading a Research Project to *Scale Up Quality Early Childhood Development Services (ECD) to children 0-4 years.*
- ❑ The context for this project is the intersection of two priority government programmes -:
 - Improving outcomes for children 0-4 years
 - Enable substantial expansion in employment for marginalised work seekers particularly women in the Social Sector
 - The project focus emanated from earlier research on *Employment Scenarios (2004)* which showed that to halve unemployment between 2004 and 2014 would require the creation of at least 5 million net new jobs and that one possibility for employment generation would be through special employment programmes (EPWP) particularly the Social Sector EPWP (focused on HIV/AIDS care and ECD)



WHY THE URGENT NEED FOR EARLY INTERVENTION AND PREVENTION SERVICES

- 5,2 million children in SA – 0 to 4 years.
- Two thirds live in extreme situations of vulnerability (poverty – 55%, disability – 200 000, chronic illness & HIV/AIDS - 3.6%) Priority targets for govt.
- SA is one of the 12 most lethal countries for a child to be born in – not likely to live past 1st birthday.
- Number of orphans is increasing due to increased maternal mortality.



CONT....

- More than 600 000 maternal orphans (73%) do not receive any grant. (Woolard 2010)
- Growth of 1 in every 5 child under 5 years is stunted.(HSRC 2009)
- Ardington study (2008) shows that outcomes for children if mother is deceased is poorer – even if the caregiver is getting the grant.
- The current situation denies children the right to enjoy all other rights enshrined in the constitution.



NATIONAL INTEGRATED PLAN FOR ECD

- The NIP intended targeting between 2.6 and 3 million of children in the 0-4 years age cohort over a five year period between 2006 – 2010 through a continuum of services- centres to home and community based care.
- 50 % of children – reached through ECD interventions at household level targeting
- 30% of children would be reached via community based services;
- 16-20% of children 0-4 years would be reached via formal ECD programmes.

However at present

- **1,3 m children (26%)** are in ECD programmes (mainly centre based and reaching mainly 3-5 year olds)(NIDS 2008)
- 10 % of poor children accessing ECD subsidy... big provincial variations (E.C - 3% & W.C - 23%)



CONTEXT FOR EXPANDING AND SCALING UP ECD SERVICES

- Implementation of the Children's Act 38 (2005) as amended (2007) – from 1st April 2010. Obligation on state to deliver.
- ECD services covered in several chapters – Early Intervention, Prevention and Partial Care etc.
- Each chapter of the Act includes “provisioning clauses” – these outline govts. obligations in respect of that service.
- HCB ECD services falls within Early Intervention and Prevention – MEC “must provide” and fund these services for poor and vulnerable children.
- However govt. lacks framework for supporting HCB ECD.
- **2009 MTSF in the Presidency target – double number of children 0-4 years in ECD = 2,6m by 2014**



SA GOVERNMENT INVESTMENT IN ECD

- ECD funding streams include -:
 - DoH: primary health care programmes e.g. immunization, supplemental feeding, etc.
 - DoSD: per child subsidy to ECD Centres and programme funding for NPO's to deliver various programmes (very limited)
 - DoE: Grade R; learnerships, training and materials development
 - DPW – EPWP ECD initiative
 - ETDP SETA – funding training
- Substantial increase in funding for ECD over past 5 years. However it constitutes less than 1% of all funds to provincial government (E.S)
- Don't know how much local govt is spending on ECD – e.g. Tshwane spent R15 million, Ethekwini SD Basin – EU funding of R 5m.



HSRC RESEARCH TO DEVELOP FUNDING MODEL FOR HCB ECD

- In 2009 HSRC initiated research to develop a funding model for home and community based ECD in partnership with DSD.
- Follows from **UNICEF study on HCB ECD** which identified 35 service providers, all provinces, urban and rural (on farms as well). (Biersteker 2008)
- **Goals of HCB ECD** – testing integrated models, early intervention for children with disabilities, child protection, early learning and stimulation, household support, access to services, benefits and facilities
- **Focus of HCB ECD** – young children and their families, child minders, orphans, vulnerable children, community leaders, teen moms; at risk mothers (pre and post natal), ECD stakeholders
- **Types of interventions** – play groups, parent education, home visiting, toy libraries, care and support for vulnerable children, referral for services, caregiver capacity building programmes etc.
- **Funding** – majority from donors except WC DSD.



HSRC RESEARCH APPROACH

- Not a detailed costing exercise but rather to look at a funding model. Based on previous study on costing of ECD centres in WC. (Budlender, 2010)
- **Methodology:** Literature review, concept note, roundtable workshop, presentation to ACCESS Workshop, develop data collection tools, field work, draft report, verification workshop, report.
- **Mock Application form** developed – based on WC DSD system
- **Key Questions - :**
 - What **defines** home and community based ECD?
 - What **activities** could be included in the delivery of home and community based ECD services?
 - What are the **main cost drivers** for home- and community-based services? What rationale for selecting costs to include and which to exclude?
 - What **approach to funding** of HCB ECD services? Should it be a subsidy based or programme based model?
 - How should HCB ECD services be funded by the State? Should the funding strive to provide full coverage for a limited number of providers or partial coverage for a greater number?
 - What should the funding model look like?



STUDY SAMPLE

Organisation	Location	Type of Programme	HCB	ECD
ELRU	WC Urban & rural	Home visiting Community Support Structures		
FLP	KZN Rural	Home visiting		
LETCEE	KZN Peri Urban & Rural	Home visiting		
LESEDI	FS Urban & rural	Home visiting Caregiver capacity building Playgroups Community Support Structures		
Parent Centre	WC Urban	Home visiting Playgroups		
TREE	KZN Urban & rural	Home visiting Caregiver capacity building Playgroups Community Support Structures		





KEY FINDINGS

WHAT DEFINES HCB ECD?

- ***Home visiting*** undertaken by trained ECD practitioners in order to delivery through which support to children and their caregivers is provided;
- ***Caregiver capacity development*** interventions, aimed at enhancing the knowledge, skills and practice of caregivers to ensure they deliver a quality care programme;
- ***Interventions directed specifically to children*** such as playgroups and toy libraries among others;
- ***Community support structures*** and activities such as the child care forums



ACTIVITIES THAT COULD BE INCLUDED IN HCB ECD SERVICES

- **Home visiting:** initial needs assessment, stimulation interventions, counselling services, mobilisation of resources and support services, referral services, monitoring of treatment adherence, sharing of information and knowledge in relation to child wellbeing, nutrition, child rearing, care and development, developmental screening, training and mentoring, supervision and monitoring the well being of the child.
- **Care giver capacity development** included training, support groups, parent education and awareness raising sessions and mother and toddler groups.
- **Playgroup** activities included training and supervision of play facilitators, facilitating play sessions and provision of play resources such as toy libraries.
- **Strengthening community support structures:** Child care forums, community development structures, etc.



MAIN COST DRIVERS FOR HOME AND COMMUNITY BASED ECD

- **People costs** (/stipends/salaries) for the ECD practitioner undertaking any of the activities; This needs to be at a decent level to retain trained staff and to incentivize others to work in the sector.
- **Start up costs** including materials and equipment and more importantly recruitment and initial training of ECD practitioners,
- **Mentoring, supervision and management costs**
- **Travel costs** for both ECD practitioner, the supervisor and in some instances to cover the costs of enabling the caregiver and child to access other services such as a health facility.
- **Catering costs** particularly for caregiver capacity workshops and training sessions and for playgroup activities.
- **Venue costs**, these could be kept to a minimal if other community facilities are utilized.
- **Materials** for ongoing training, monitoring, reporting etc.



APPROACH TO FUNDING: SUBSIDY OR PROGRAMME ?

- **Subsidy system** – based on a unit e.g. the child to allocate funds (if you increase children – you increase subsidy?? not necessarily) Some households may have more than 1 child, some children may need support more frequently – others less. Also assumes one type of service – e.g. home visiting – but we want to encourage diversity and integration of different services e.g. so how would you fund parent or caregiver capacity programmes or playgroups etc. Does not recognise urban and rural differences e.g. travel costs. Should be easier to apply for.
- **Programme system** – proposal to be submitted, allows for different types of interventions to be considered, dependent on discretion of govt official, may reach fewer people as it requires more processing.



WHAT LEVEL OF FUNDING?

- **Partial or Full coverage** –if you request full coverage will limit number of children who will be accessed – urgent need to reach large numbers of children now (Refer to CSG scaling up)
- Recommended partial coverage
- However need to recognise that not likely to raise funds via fees
- Need to ensure that we retain trained and skilled ECD practitioners – decent salary levels and employment conditions
- Hence proportion of funds allocated should not be too low to compromise quality.



WHAT SHOULD THE FUNDS COVER?

- Recurrent expenditure – salaries/stipends, management cost, transport, food etc.
- Once of start up costs should be sourced from DSD if it has resources or from other sources e.g. equipment for toy library
- Training costs should be sourced from SETA's and DoE.



WHAT COSTS DID THE STUDY IDENTIFY?

- Not able to make direct comparison of costs as programmes ran differently e.g. no. of visits to hh; stipend level paid, location and reach to community
- Home visiting costs were the largest programme costs – up to 69% of total costs.
- Stipends/salaries – largest costs; ranged from R 300 pm to R 3800 pm
- Inservice training costs 20 – 55% of total costs
- On average per child costs ranged from R 64 to R 369 (average R 189) pm



Table 12 - Total budgets across all types of home- and community-based ECD services

	Parent Centre	FLP	Lesedi	ELRU	TREE	LETCEE
Home Visits	1070764	382872	1368560	901237	850990	462000
Caregiver Capacity Building			7680		130880	
Playgroups and Related	52072		262400		198400	
Community Support Structures			64290		59600	
Other			83125			
TOTAL	1122836	382872	1786055	1032117	1108990	462000
Home visit percentage	95%	100%	77%	100%	69%	100%

COMPARISON WITH OTHER COSTINGS

- **ECD Centre** based subsidy R 12 pd x 20 pm = R240 pm (per year x 264 days = R 3168)
- **Isibindi Programme**
 - The average unit cost per child R919.72 per annum for an Isibindi package of services.
 - The average number of **children served per site is 749**. This is based on actual data, and includes items such as food parcels and educational costs, on the grounds that where there is a delay in obtaining grants, and children's health and education are compromised, Isibindi staff need to act. The package consists of the following costs:
 - **Start-up costs:** These include the initiation (R26.27) of the Isibindi programme, training of CYCWs (R252.79);
 - **Annual expenses:** Staff (R363.56), transport (R30.33) and administrative costs (R68.34) at the operating sites, plus professional support from NACCW (R64.36).
 - **The “other recurrent” costs (R114.08)** allow for the different programmatic requirements per site.



COMPARISONS CONT.

- **Home Instruction for Parents of Pre-School youngsters (HIPPY)**

- The average unit cost **per family is R1147.20** per annum
- The average number of families **served per site is 390**. This is based on actual data, and includes costs of the food gardens, refreshments for workshops, materials, events such as family outings, monitoring and management, staffing costs and administration.
- **Per child per day** costs comes to R 4.50

- **Foundation for Community Work – Family in Focus Programme**

- This programme is currently funded by the Department of Social Development in the W. Cape. Their home visiting programme costs approx R 900 per child per annum.



SOURCING FUNDING OPPORTUNITIES FOR SCALING UP

- EPWP Social Sector Phase 2: R 4,5 billion
- Community Work Programme – COGTA – to reach 200 000 people by 2013
- DoE Learnerships
- FET enrollments to be doubled – training opportunities



RECOMMENDATIONS AND NEXT STEPS

- Finalise norms and standards for quality HCB ECD
- Immediately implement WC system - programme based funding approach. The mock application form could be modified and used with immediate effect in this regard.
- National Minister for Social Development to motivate for additional funding from Treasury to ensure that HCB ECD services reach 1,3 million children within 2 years.
- Finalise a subsidy based funding model be developed which addresses the concerns noted.
- Match HCB ECD scaling up to the EPWP Employment Incentive. This could provide a unique opportunity to expand employment opportunities for women, particularly low skilled and often rural women.
- Leverage funding streams available for training and capacitation of caregivers via the SETAs and the Department of Education.
- Develop and implement effective monitoring and evaluation systems into ECD programming and the evidence base for actual costs and benefits.

