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**Expanding Home and Community Based Early Childhood Development Services
for children 0-5 through increasing access to finances:
Development a Funding Model for HCB ECD**

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I. Abbreviations/Acronyms

CASE	Community Agency for Social Enquiry
DSD	Department of Social Development
ECD	Early Childhood Development
ELRU	Early Learning Resource Unit
EPWP	Expanded Public Works Programme
FET	Further Education and Training
FLP	Family Literacy Programme
GHS	General Household Survey
HCB ECD	Home and Community Based ECD
HSRC	Human Sciences Research Council
LETCEE	Little Elephant Training
NIDS	National Income Dynamics Study
NIP	National Integrated Plan for ECD
NPO	Not for Profit Organisation
NSF	National Skills Fund
TREE	Training and Resources for Early Childhood
UNICEF	United Nations Fund for Children

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II. ABSTRACT

The paper reflects on a study undertaken by HSRC as part of a much larger policy research programme on Scaling up Early Childhood Development (ECD) service delivery aimed at improving the evidence base supporting government's implementation of its vision for scaling up quality ECD for children 0 – 4 years as well as expanding employment opportunities in the ECD sector as outlined in the National Integrated Plan for Early Childhood Development in South Africa, 2005 - 2010 (NIP).

The aim of this exercise was essentially to develop a proposal as to how government (and the provincial departments of social development in particular) might frame bids to provide subsidies to the providers of home- and community-based services.

The newly implemented Children's Act and NIP combined would suggest that government funding should favour the expansion of home- and community-based provision. In terms of funding, the amounts allocated by provinces for ECD have increased by much more than inflation over the last few years. (Budlender & Proudlock, 2009). Virtually all the existing and "new" ECD money has been allocated to support centre-based provision, in particular through the child-based centre subsidy.

The absence of a regulatory or support framework or dedicated funding allocation for community and home based programme is seriously impacting on efforts to scale up ECD services. For government to fund such services norms and standards are essential along with clearly defined application procedures. The HSRC study was initiated with the aim of supporting government in development of a funding model for home and community based ECD programmes. The paper outlines the approach and process undertaken towards the development of such a model and outlines some of the critical issues and challenges that need to be resolved in developing a funding model and shares key findings from the study. The paper concludes with some recommendations towards the development of a funding model.

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1. Background and Context

The Human Sciences Research Council's Scaling Up Early Childhood Development Research Programme focus on children 0-4 years emanates from earlier research (2004) undertaken by the HSRC in respect of Employment Scenarios which showed that potentially 350,000 jobs could be created if we met the target of reaching the estimated 2,6 million poor and vulnerable children in South Africa aged 0-4 years.

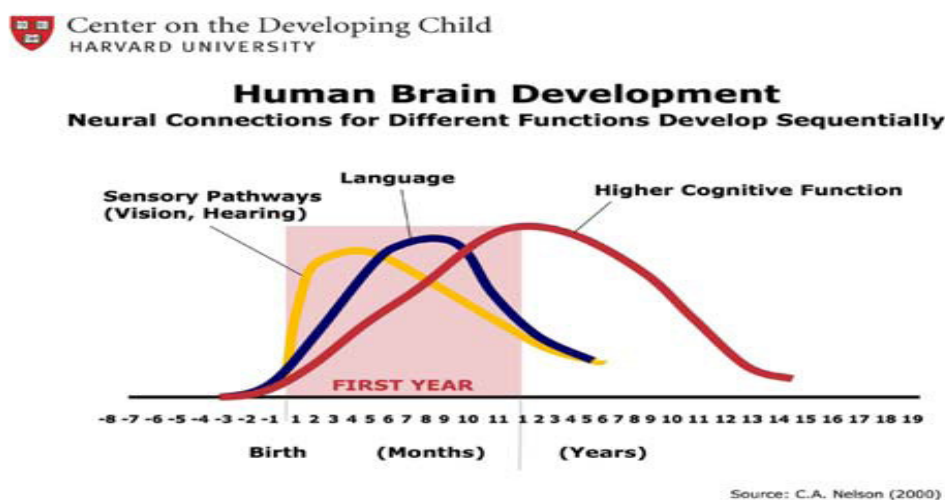
The Scaling Up ECD 0-4 years¹ Research Project, initiated in 2007, involved an in-depth analysis of the state of ECD service delivery in South Africa and between 2007 and 2009 produced a series of 12 research papers which provide the most comprehensive data set of evidence on the state of ECD in South Africa and what might be required to rapidly ECD 0-4 to an acceptable quality to meet current service delivery objectives. The research papers were closely aligned with elements of the National Integrated Plan (NIP) for ECD 0-4 and the Expanded Public Works Programme (EPWP).

The context for this project is the intersection of two priority programmes of the South African government namely the expansion of Early Childhood Development (ECD) Services for children under 5 years and the expansion of employment through social sector jobs via the Expanded Public Works Programme (EPWP).

The Project is aimed at improving the evidence base supporting government's implementation of its vision for scaling up quality ECD for children 0 – 4 years as well as expanding employment opportunities particularly for low skilled disadvantaged women, in the ECD sector as outlined in the National Integrated Plan for Early Childhood Development in South Africa, 2005 - 2010 (NIP)

There is now wide acceptance in policy making that ECD services aimed children aged 0-4 can contribute to improving human development outcomes and reducing inequalities. Most of the funding support from the state has focused on assisting ECD centre based programmes. The NIP however envisages that home community based ECD services will be a key approach in reaching larger number of and in particular younger children.

According to Statistics SA there are approximately 5,2 million children between the ages of 0-4 years in South Africa with the largest number being African (86%) and the largest numbers to be found in Gauteng, KwaZulu-Natal and Eastern Cape. A large percentage of these children's care and well being is compromised due to poverty, Evidence suggests that children in this age cohort are amongst the most vulnerable with the highest mortality rates within the South African population, unacceptably high levels of stunting and exposure to violence and neglect, all of which impact on the development outcomes for these children. The impact of failing to meet critical needs of children especially in the first few years of their growth is significant in terms of lost opportunities as the graph below indicates.



¹ 0-4 years includes children up to their fifth birthday.

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2. Goals/objectives for developing a funding model for home and community based ECD services

- Improve and increase access to a wide range of home and community based ECD services for vulnerable children, particularly the very young children.
- To improve access to funding streams for home and community based ECD services.
- To support DSD in implementing a funding model for scaling up home and community based ECD services and in submitting bids to treasury for funding allocations for home and community based ECD services.
- To increase the number of people who access employment and/ or learning opportunities in order to enhance quality of ECD provision and to provide effective support to ECD organisations and home community carers.
- To facilitate learning amongst key stakeholders on delivering effective Early Childhood Development interventions that are scalable nationally.

3. Defining Home and Community Early Childhood Development Services

The National Integrated Plan for ECD (NIP) clearly reflects its commitment to supporting early childhood development programmes for children from birth to four years through both formal and home and community based provision of services.

Formal ECD programmes are mainly centre based and include crèches, day care facilities and preschool centres while home and community based ECD programmes² are described by Biersteker as having multiple elements and with an emphasis on integrated and holistic service. She categorises them into the following types -:

- *Location-based integrated ECD strategies*
- *Community child protection strategies*
- *Use of ECD centres as supports for outreach work*
- *Service hub*
- *Parent education courses*
- *Playgroups*
- *Home visiting*
- *Toy libraries*
- *Support to child minders*
- *Care and support for HIV-infected and affected children.*

Furthermore, Biersteker (2007) notes that:

These community and home-based ECD programmes are flexible to the needs of their target populations. Most include multiple elements and have a broad approach to meeting the needs of the young child in the context of the family. Over two thirds of the programmes facilitate access of families to documents and grants, food parcels, referrals to health and social services, and about half include money management/income generation/savings groups/self-help groups or improve food security through gardens.

Some programmes, especially those dealing with high-risk parenting situations, have a greater focus on psychosocial aspects of development than on cognitive development. A limited number of programmes focus entirely on preparation of capacities needed for schooling and helping families to understand these. However, several programmes include early learning activities within a broad approach.

The type of ECD services to be accessed by young children are outlined in the NIP and are reflected in the grid below -:

² Biersteker, L. (2007) *Rapid Assessment and Analysis of Innovative Community and Home Based Child minding and Early Childhood Development Programmes in Support of Poor and Vulnerable Babies and Young Children in South Africa*

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Table 1: Continuum of ECD Services

	HOUSEHOLD 50%	COMMUNITY 30%	FORMAL RESOURCES 16-20%
What	<ul style="list-style-type: none"> - Psychosocial care and support - Adequate food/ nutrition - Socialisation - Breastfeeding - Safe housing - Safe water - Hygiene - Registration of birth - Stimulation - Play - Parental support and capacity development - HIV and AIDS - Orphans - Media (e.g. radio, television, newspapers) - Protection 	<ul style="list-style-type: none"> - Immunisation - Access grants - Primary health care - Growth monitoring - Integrated management of childhood diseases - Antenatal care - Nutrition supplementation - Parental education programmes - Information dissemination - Prevention of mother-to-child transmission of HIV - ARV treatment for parents/children - Playgroups 	<ul style="list-style-type: none"> - ECD centres - Crèches - Preschools - Prisons - Child and youth care centres
How	<ul style="list-style-type: none"> - Home visits using an assessment and monitoring instrument - Support of households through community infrastructures - Referrals for services/interventions as required - Training 	<ul style="list-style-type: none"> - Access to basic and development/care/education services through government and non-governmental service providers - Advocacy for the rights and needs of young children - Training 	<ul style="list-style-type: none"> - Stimulation - Nutrition programmes - Quality early learning programmes - Practitioner training - Referral for services - Parent education and support - Subsidies
Who	<ul style="list-style-type: none"> - Develop a cadre of ECD workers that will be able to assess, support, intervene, and refer families and children as needed 	<ul style="list-style-type: none"> - Government departments - Municipalities - NGOs - CBOs - FBOs - Businesses 	<ul style="list-style-type: none"> - ECD practitioners - Training providers - Government departments - NGOs - Municipalities

Source: National Integrated Plan for Early Childhood Development (2006)

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4. Early Childhood Development targets towards scaling up access to ECD services for children 0-4 years

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.

- It estimated that the majority of ECD interventions would be accessed at household level targeting 50% of the 2,6 million children aged 0-4 years;
- A further 30% of children would be reached via community based services;
- Between 16-20% of children 0-4 years would be reached via formal ECD programmes.

Research suggests that between 26 and 29% of children under 5 years currently attend an ECD programme out of home. The National Income Dynamics Study (NIDS, 2008) found that there were 1,3 million or 26% of children under 5 in ECD centres while the .General Household Survey (GHS) 2009 data indicates that 29% of children under five attend an ECD programme out of the home, This reflects an improvement from 2002 when 7.6% of children were enrolled in an ECD Centre and even more recently in 2006 when it was estimated that 16, 6 % of children were enrolled.

Although the results suggest that some progress has been made it is evident that over a 5 year period SA achieved less than half of the NIP target of 2,6 – 3 million and that those predominantly reached were in the 3-5 age cohort.

More importantly according to Gustafson³ by the end of 2007 10% of poor children were being reached by the ECD subsidy from Department of Social Development. However he cautioned that there were vast provincial variations with the Eastern Cape reflecting the lowest access to subsidies at 3% while the Western Cape reflected 23% of poor children who where accessing the ECD subsidy.

5. Why is scaling up of Home and Community Based ECD services important?

In April 2010 the Children's Act 38 of 2005 (as amended by the Children's Amendment Act 41 of 2007) came into operation. The Acts key objective is to give effect to the constitutional rights of children through the provision of a range of services. More specifically the Act requires that Provincial Ministers provide these services for vulnerable children in need. An overarching constitutional principle which the Act reinforces is the obligation to ensure that the best interest of the child must inform our responses.

In respect of ECD services the Children's Act makes reference to a comprehensive range of ECD programmes under Chapters 5 focusing on partial care (centre based ECD services), Chapter 6 focusing on ECD programmes (such as play groups etc) and Chapter 8 which focuses on early prevention and intervention services. (The latter two categories are where home and community based ECD services would fall.)

Given that over half of South Africa's 5,16 million the children in the 0-4 age cohort live in extreme situations of vulnerability due to poverty, disabilities and/or infected or affected by the HIV/AIDS pandemic the imperative to reach the NIP target and beyond is even more pressing. It is recognized that timely ECD interventions to this group can significantly impact the survival, growth and development potential of these children and contribute to enabling the realization of their rights. At the current rate of scaling up it would take probably two decades or more to reach the NIP target of 2, 6 million children a situation which is clearly untenable.

In the context of poverty, unemployment, low income levels, chronic illnesses and maternal mortality there is a critical need to ensure that larger numbers of young children are reached more rapidly through interventions at a household and community level.

³ Gustafson, M. (2009), Policy note on Pre-Primary Schooling

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6. Institutionalising Home and Community Based ECD Services

South Africa has a rich tapestry of innovations in home and community based ECD provisioning being implemented largely by the nonprofit ECD sector and supported mainly through donor funding. There are a few exceptions where government is providing financial support e.g. Western Cape and Eastern Cape Provincial Departments of Social Development, however these are few.

Despite the fact that the NIP recognizes a variety of forms of provision of ECD services state funding currently is limited to centre based ECD services which is reaching mainly 4-5 year old children and for which norms and standards, implementation mechanisms and regulatory frameworks have been established. This is not the case in respect of the home and community based ECD services and this presents a key barrier to expanding state support to these kinds of services.

While funding for ECD has increased substantially over the last few years via the equitable share allocation to provinces this money has been largely expended in expanding centre based ECD provisioning. (Budlender and Proudlock, 2009).

In order to contribute to the rapid scaling up of implementation of the NIP for ECD a study to define funding model for home and community based ECD services to children 0-4 years was initiated by HSRC. It was informed by a rapid appraisal study commissioned by UNICEF⁴ in partnership with the Departments of Education and Social Development which found that there were a range of home and community based ECD services which required government to recognise, fund and regulate in order to facilitate expansion of such services.

7. Research towards the development of a funding model for home and community based ECD services.

In 2008 the HSRC undertook a study⁵ wherein it sought to understand the actual costs of providing an ECD centre based service. The study was aimed at deepening our understanding of the actual costs of providing ECD centre based services to children under five and to identify innovations that could contribute to cost efficiencies particularly as the state was committed to scaling up ECD services in a climate of scarce resources. The study also sought to identify issues impacting on the ability of centres to access the state subsidy system and generate revenue for providing quality services. At the time there were many requests for a similar study to be undertaken in respect of home and community based ECD services.

In responding to these requests the HSRC envisaged undertaking a costing exercise in respect of home and community based ECD services. The approach adopted for this exercise was slightly different in that the focus was not on a detailed costing of the delivery of such services but rather on investigating the key costs of delivering this service and making recommendations on how government may frame a bid to Treasury to access increased resources for expanding home and community based ECD programmes.

HSRC commissioned an economist, Dr Debbie Budlender, a researcher at CASE to undertake the research into developing a funding model which has informed further thinking about the funding model which has been presented in this paper. A copy of that paper has been disseminated and is available on request.⁶

⁴ Biersteker, L. (2008), Rapid Assessment and Analysis of Innovative Home and Community Based Childminding and Early Childhood Development Programmes in support of Poor and Vulnerable Babies and Young Children in South Africa

⁵ Carter, J. et al (2008) *Costing Centre Based Early Childhood Development Programmes for children under age five: Case Studies from the Western Cape*, HSRC

⁶ Budlender, D. (2010) Developing a funding model for HCB ECD services for children 0-4 years.

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a. Research Methodology

The research methodology involved a desktop literature review, development of a concept document to facilitate stakeholder engagement, a roundtable workshop with selected stakeholders from civil society and government to inform the design of the research project, primary data collection of costs of delivering the service with a sample of 6 service providers as well as key informant interviews. A workshop to present findings and recommendations was held during which study findings were verified and recommendations were consolidated.

An outcome of the roundtable workshop was the structuring of the data collection tool in the form of a mock application form which the selected organisations in the sample were requested to complete. The form was a modification of an existing application form that is currently in use in the Western Cape.

b. Research Sample

A sample of 6 organisations was selected from a larger sample identified in a previous study⁷ with the selection criteria being that the sample of service providers represented some provincial spread, urban and rural sites and those a diverse range of the home and community based ECD services including home visiting, play groups, mother and toddler groups and parent education and support programmes.

Name of Organisation	Location	Type of HCB ECD Programme Reviewed
Early Learning Resource Unit (ELRU)	WC Urban & rural	Home visiting Community Support Structures
Family Literacy Programme (FLP)	KZN Rural	Home visiting
Little Elephants Training Centre for Early Education (LETCEE)	KZN Peri Urban & Rural	Home visiting
LESEDI Educare Association	FS Urban & rural	Home visiting Caregiver capacity building Playgroups Community Support Structures
Parent Centre	WC Urban	Home visiting Playgroups
Training & Resources for Early Education (TREE)	KZN Urban & rural	Home visiting Caregiver capacity building Playgroups Community Support Structures

c. Research Questions

The study sought to explore the following questions -:

- What defines home and community based ECD?
- What are the menu of activities that 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?

⁷ Biersteker, L.(2007) *Rapid Assessment and Analysis of Innovative Community and Home Based Child minding and Early Childhood Development Programmes in Support of Poor and Vulnerable Babies and Young Children in South Africa*

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d. Research Findings

What constitutes Home and Community Based ECD services (HCB ECD)?

The study found that the wide range of activities could be broadly categorised as being home and community based ECD services as outlined by Biersteker (mentioned earlier in this report) and Berg⁸. Through the stakeholder consultation for this study we identified 4 broad categories into which all home and community based ECD interventions could fall namely -:

- 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

What are the Menu of Activities that could be included in HCB ECD services?

For home visiting the core activities identified by the study included 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.

Core activities in respect of 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.

The study found that home visiting activities dominated the budgets for HCB ECD work among the 6 organisations. In their response to the questionnaire LETCEE explained that due to the integrated nature of their work it had been simpler for them to reflect the costs against home visiting work rather than to separate it for each activity.

This does not however suggest that only home visiting should be covered by funding but rather any or all of the activities outlined above. Given the integrated nature in which many of these programmes operate it will probably be argued that home visiting activities will be more effective as part of a package of other services and interventions such as caregiver capacity development.

What are the main cost drivers for home and community based ECD and what cost elements should the state fund?

The main cost drivers for delivery of HCB ECD services are -:

- 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.

⁸ Berg, L. (2008), *Reconciling employment creation and childcare services through early childhood development: A comparison of selected models of provision*

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What approach to funding – subsidy or programme funding?

Budlenders research⁹ strongly recommended that the funding for home and community based ECD services should be a programme based and not a subsidy based. Here an NGO would submit to provincial government a proposal or complete an application form, similar to the mock application form which the study used for data collection.

The programme approach to funding is currently the manner in which the Isibindi Orphan and vulnerable child care programme being implemented nationally by the National Association of Child Care workers is funded. Currently over 50 000 children are reached through this programme funded by contributions from both provincial DSD departments and donor funding.¹⁰

However there are concerns that the programme approach as applied to HCB ECD will limit who could access the funding as compared to subsidy model approach through which over 300 000 children are reached currently.

The subsidy model as previously indicated has its own limitations particularly since it relies heavily on norms and standards which use the “child” as the denominator against which funding is allocated and which in relation to HCB ECD services would be problematic. Such a model would suggest that if the number of children serviced increased then the subsidy level should increase, which would not necessarily be a valid conclusion as several children may be serviced through a single home visit without additional costs involved and in other instances while the number of children may not have increased the frequency of home visiting to homes may vary depending on the needs in a particular household and a focus on numbers of children may not address this.

Interestingly in a more detailed costing exercise undertaken in respect of the Isibindi Model it was found that in the costing of the Isibindi Model¹¹ it was shown that while services don't have to be identical from site to site the proportion and types of core cost drivers remain similar and comparable. The study also showed that it is possible to develop average costs for the different types of services provided in different settings (urban, rural, semi rural and peri urban) and that the averages can be calculated based on a mix of numbers of children and caregivers reached and frequency of contact as a result of mixed case needs.

What level of funding for HCB ECD Services from the State?

The Children's Act 38 of 2005 as amended in 2007 came into implementation on the 1st April 2010. The Act has specific chapters (outlined earlier) which relate to ECD provisioning. Of specific note is the fact that each chapter of the Act has a “provisioning clause” which outlines Provincial government's obligations to provide that particular service. ECD services fall under the chapters on Prevention and Early intervention services which stipulate that the MEC for Social Development “*must*” provide and fund these services. Many of the interventions included in Home and Community Based ECD services are deemed to be preventive or early intervention focussed. If however the National Minister prescribes prioritization of such services then the MEC may be compelled to provide support. In respect of partial care which relates to centre based ECD services the provisioning clause indicates that the MEC may fund these services.

In addition to the above Section 4(2) of the Children's Act states that all government departments must take reasonable measures to enable the realisation of the provisions of the Act and goes further in noting that if an area of service is prioritised then where families lack the means to provide such services themselves then the state must prioritise funding of these services.

In the context of great need, it can be argued that almost all of the 5 million children in this age cohort would require state support, it is suggested that expecting the state to fund the service fully would mean that fewer children will be reached than is required.

⁹ Budlender, D (2010) Budlender, D. (2010) *Developing a funding model for home and community based ECD services for children 0-4 years.*

¹⁰ The Isibindi Model essentially involves the training and deployment of child and youth care workers in communities as an outreach programme providing developmental support to vulnerable children and families.

¹¹ Kvalsvig et al (2008)

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Hence it is proposed that state funding for home and community based ECD *partially contribute* towards the costs of running the programme although the amount provided should be large enough to ensure that quality is not compromised or that the amount provided makes it feasible for the organisation to deliver the service.

In proposing this cognisance must be taken of the limited ability of parents to contribute towards cost recovery and the need to balance this with the need to ensure quality in the delivery of services. Evidence suggests that when resources are scarce quality can often be compromised through payment of low salary levels and through compromising the level of training and skills required to deliver a particular service.

What should actually be funded and how should organisations access the funding?

The study suggested that primarily recurrent costs should be covered and where resources allow some contribution towards start up costs particularly those relating to the initial training.

A decent level of remuneration of ECD practitioners would need to be determined and the contribution towards that should be sufficient to enable the organisation to pay that level.

In order to apply for funding via the programme approach the study suggested that the mock application form be adapted to serve as an application form. NGO's would apply for these funds to provincial departments and in doing so indicate how many children, caregivers and households they intend to reach and through what activities they would reach these target groups.

8. Leveraging current policy initiatives to support the expansion of Home and Community Based ECD services

In the context of a global recession and the high unemployment and poverty rates in South Africa it is clear that there are strong competing demands on the national Treasury particularly for social development spending.

Myers¹² suggests that there is a need to leverage as much financial support from government and the private sector. It is here that the need to facilitate greater integration across government programmes and to find synergy between different government priorities namely the commitment to enhancing outcomes for children 0-4 years while also addressing unemployment particularly for women and youth. This is dealt with further on in this paper.

There are funding streams available from government which could support the expansion of different sorts of ECD (0-4) services. The majority of support available currently for ECD is focused on assisting centre based ECD programmes. However, the national policy envisages that home community based ECD services will be the main approach in reaching small children.

South Africa is currently implementing one of the largest public works programmes worldwide aimed at scaling up service delivery while at the same time expanding the service delivery capacity. One potential funding stream for expanding ECD is the Expanded Public Works Programme (EPWP) which is the vehicle for creating jobs and career paths for low skill workers in the social sector and for which there is a great deal of pressure to expand quickly. In this current phase the EPWP 2 has a budget of over R 4.5 billion, representing a substantial funding stream for the social sector in particular. The Social Sector EPWP 2 programme is focused on two areas namely Home and Community Based Care (for chronically ill people) and Early Childhood Development Services.

With the adoption of EPWP II in government, there is now a commitment for national government, through Department of Public Works, to introduce an employment incentive for infrastructure related programmes in 2009/2010 and then to extend this to other programmes (such as in the Social Sector) in 2010. This incentive will be implemented by reimbursing government bodies that implement EPWP projects and programmes a fixed amount for every person-day of work created for the EPWP target group.

¹² Myers, R. 2007. *Thoughts on costs and costing of early childhood care and development programs*. A paper prepared for the Consultative Group on Early Childhood Care and Development and the Bernard van Leer Foundation.

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It is proposed that the employment incentive be available to non-state programmes and projects that meet the objectives and criteria of the EPWP access this funding stream to cover the largest cost driver for HCB ECD service delivery. Currently EPWP stipends pay between R 1000 and R 1300 per person per month which would make a substantial contribution to the funding of Not for Profit Organisations (NPO) currently implementing HCB ECD programmes.

Other funding possibilities

One possible means to address the funding gap would be to ensure that such programmes operate from an existing hub/base such as a health facility or an existing ECD centre or other such community facility that exists in the area where the service is to be provided. This in itself could encourage efficiency and greater integration of service delivery across different government departments and different spheres of government.

Another opportunity which may contribute to increasing the number of trained ECD practitioners and improving the quality of ECD provisioning through improving the skills in the ECD sector is the national commitment to doubling Further Education and Training institutions (FET) enrolments, whether in the private or public institutions. It is anticipated that substantial funding will be made available for bursaries. In addition there is also still significant funding available in the National Skills Fund (NSF) for learnerships that offer opportunities for scaling up these programmes. This is important as the ECD sector is not attracting in younger or skilled people, and most services appear to be offered by older service providers with low skills levels. In the long term this is not sustainable. It is important that this development occur alongside the expansion of employment opportunities in the sector and the payment of decent wages.

9. Conclusion and Recommendations

In order to take forward the development of a funding model and to explore opportunities for leveraging financial resources to ensure the rapid scaling up of Home and Community Based ECD services HSRC proposes the following -:

- a. In the short term the programme based funding approach which is currently in use in the Western Cape be implemented across the country to support NPO's in sustaining and implementing HCB ECD services. This is also the approach that is currently being utilized for the funding by DSD of the Isibindi Programme. The mock application form could be modified and used with immediate effect in this regard.
- b. The National Minister for Social Development is urged to motivate for additional funding from Treasury to ensure that HCB ECD services reach at the least the same funded level as centre based ECD services are receiving presently.
- c. In the longer term (within the next 2 years) a subsidy based funding model be developed which addresses the concerns noted above as it has greater potential for scaling up and reaching a larger number of children. The costing exercise for the Isibindi Model provides some useful guides in this regard. In support of this process a process for developing norms and standards for HCB ECD must be initiated.
- d. The need to urgently consider matching of HCB ECD scaling up to the EPWP Employment Incentive is argued. This will require strong support to both the Provincial Departments of Social Development and the NPO's to whom the Employment Incentive will be channeled. This could provide a unique opportunity to expand employment opportunities for women, particularly low skilled and often rural women.
- e. The funding streams available for training and capacitation of caregivers needs to be leveraged via the SETAs and the Department of Education.
- f. Critical to the successful implementation of this funding model is the need to build effective monitoring and evaluation systems into ECD programming and the evidence base for actual costs and benefits. These would be vital to the support the Scaling up ECD agenda in South Africa.

Raising the level of priority of ECD in general and HCB ECD in particular in budgetary processes is the next step in governments is now urgently required. Promoting stable employment, enabling access to decent income and improving access to services are crucial to young children's wellbeing. This intervention is intended to respond to all three of these challenges

Expanding Home and Community Based Early Childhood Development Services for children 0-5 through increasing access to finances

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