Early Childhood Ireland

Early Childhood Ireland Explainers

Core Funding

In December 2021, Partnership for the Public Good: A New funding Model for Early Learning and Care and School-Age Childcare was published. A new funding model was outlined in this report, with Core Funding forming a major part of it. In September 2022, the new funding model was launched as "Together for Better".

Paid directly to providers, Core Funding is intended to improve affordability, quality, inclusion, and sustainability. It is also meant to support the development of a partnership relationship between providers and the State that reflects the public good dimension of Early Years and School-Age Care (SAC).

Core Funding is based on the staffed capacity of service providers. Capacity is the number of children a service can provide a place for while meeting the staffing regulatory requirements for age ranges, session types, space, and ratios. Core Funding rates and how they are calculated can be found here.

Conditions

There are some conditions that providers must follow if they wish to receive support under Core Funding. These conditions include taking part in the annual Early Years Sector Profile, freezing parental fees at September 2021 levels, and implementing practice frameworks. Providers must also develop, implement, and report on a quality action plan and provide transparent and validated financial reports. A Parent Statement must be issued to parents outlining what they can expect. The provider must also offer all eligible children the National Childcare Scheme (NCS) and the Early Childhood Care and Education (ECCE) programme. Only sessional services are exempt from having to offer NCS.

Graduates

The First 5 Government Strategy commits to having a graduate-led ELC workforce by 2028. This means at least 50% of staff who work directly with children in centre-based Early Years settings and coordinators who support the work of childminders, will have an appropriate degree-level qualification.

There are two types of graduate premiums under Core Funding: the Graduate Lead Educator Premium and the Graduate Manager Premium. The Graduate Lead Educator

Premium is paid as a top-up on the number of hours of provision that is led by a graduate with a relevant qualification and three years of experience. The Graduate Manager Premium is also a paid top-up for a service whose manager has a relevant qualification and three years of experience.

At the moment, there is no minimum qualifications requirement and no list of approved qualifications for School-Age Care, which means SAC services cannot avail of a graduate premium. The 'Lead Educator' role does not apply to the SAC sector.

These graduate premiums are replacing the ECCE Higher Capitation. Providers who offer the ECCE scheme but who choose not to apply for Core Funding will no longer be able to access higher capitation funding.

Extra funding to support administration costs is also included in Core Funding. This replaces the Programme Support Payments (PSP) which will no longer be available from the 2022/2023 programme.

Employment Regulation Order (ERO)

An important part of Core Funding was the outcome of a Joint Labour Committee's (JLC) work to agree an employment regulation order (ERO) for the sector's staff. EROs provide a wage-setting mechanism that determines the terms and conditions of employment. It also sets the minimum rates of pay for workers in certain sectors. A JLC was established for the Early Years' Service sector in June 2021.

In September 2022, the ERO was accepted for the sector. It commenced on 15th September 2022 and provides the following minimum hourly rates of pay for various roles in the sector:

Role	Hourly Pay
Early Years Educators/ School-Age Care Practitioners	€13.00
Early Years Lead Educators/ School-Age Care Co-ordinators	€14.00
Graduate Early Years Lead Educators/ Graduate School-Age Care Co-ordinators	€15.50
Deputy Managers	€15.70
Managers	€16.50
Graduate Managers	€17.25

Funding Guarantee

The Core Funding agreement includes a funding guarantee. According to the Department of Children, Equality, Disability, Integration and Youth, a small number of providers will receive less funding under this new funding model than they did before. The guarantee means that providers will receive the same level of funding from Core Funding as they did from Higher Capitation and PSP. This is assuming the numbers of graduate staff and the type of service offered remains the same in the 2022/23 programme year as in 2021/22.