

## PRESS RELEASE



**An Roinn Leanaí, Comhionannais,  
Míchumais, Lánpháirtíochta agus Óige**  
Department of Children, Equality,  
Disability, Integration and Youth

### **Minister O’Gorman announces details of the new funding €221 million stream for Early Learning and Care and School- Age Childcare providers**

**Monday 7 March**

The Minister for Children, Equality, Disability, Integration and Youth, Roderic O’Gorman, has today (7<sup>th</sup> March 2022) announced the rates and values for the new Core Funding Scheme and launched an online tool that will enable Early Learning and Care (ELC) and School-Age Childcare (SAC) providers to estimate the potential value of this new €221 million Core Funding Scheme for their service.

The development of Core Funding is a significant milestone on the journey towards a new funding model. It aims to transform of the sector and establish a new type of partnership between providers and the State that reflects the importance of ELC and SAC for the public good.

Core Funding is designed to meet the combined objectives of:

- Improved affordability for parents by ensuring that fees do not increase;
- Improved quality through better pay and conditions for the workforce by supporting agreement on an Employment Regulation Order through the Joint Labour Committee;
- Supporting the employment of graduate staff; and
- Improved sustainability and stability for services.

Giving further detail on Core Funding and the new online tool, the Minister stated:

*“I am delighted to be announcing the specific rates of Core Funding which will make clear the value of this investment to ELC and SAC service providers. We are determined to reform the Early Learning and School-Age Childcare sector so that it works for everyone – staff, parents, and providers and most importantly, children. Today’s announcement is an important step in that process.*

*“Core Funding will support services by scaling the level of funding in line with the capacity of services and degree-level qualifications of those working in the service. The online tool or Ready Reckoner that I am launching today will allow ELC and SAC providers to see the potential impact of this funding on their individual service.”*

Core Funding builds on the objectives set out in the [First 5](#) strategy, progresses the recommendations in the recently-published report of the Expert Group to develop a new funding model, [Partnership for](#)

[the Public Good](#), and enables the realisation of goals articulated in [Nurturing Skills](#) the workforce plan for the sector.

The Core Funding value for an individual service will be calculated based on the following information:

- The total service capacity per age range offered
- The hours of operation of the service by week and weeks per year
- The number of ELC graduate Lead Educators in ELC rooms in the service
- If the ELC or combined ELC and SAC service has an ELC graduate as the service manager

The Core Funding Ready Reckoner online tool is accessible to all and is designed to give an idea of what services can expect to receive based on their characteristics and to allow different scenarios of provision to be tested.

Further information is available [here](#) and support, guidance and training is available through [City and County Childcare Committees](#).

ENDS//

### Notes to the Editor

- The total available budget for Core Funding is equivalent to €221 million in a full programme year (€172m of which is new investment). This is largely contingent on an Employment Regulation Order being agreed by the Joint Labour Committee.
- Core Funding will be allocated to services based on their capacity and the qualifications of those working in a service. €183 million of the €221 million will be distributed based on the capacity that the service is offering to provide (child places, age groups, hours and weeks). €38 million will be distributed in line with ELC graduate qualifications of ELC Lead Educators and Managers in ELC or combined ELC and SAC services.
- The key dates in preparation for Core Funding becoming operational for the 2022/2023 programme year are:
  - Today: The online tool (Ready Reckoner) becomes available to provide approximate estimates of potential Core Funding values for individual services
  - Stage 1 of the application process opens in April:
    - Begins with the Sector Profile and Income & Costs Survey, which is a pre-requisite for application for Core Funding
  - Stage 2 of the application process opens in June:
    - Providers define their service's profile and their capacity in detail in an online form
    - Core Funding value is communicated to providers (subject to final verifications and confirmations)
    - The provider contract will be published so applicants can review what they will later be asked to sign
  - Stage 3 of the application process opens in August:
    - Individual contracts will be made available to applicants for signature
    - End August: payments to providers commence. Payments will be made monthly in advance throughout the programme year.
- In the interim period, until April 2022, Early Learning and Care (ELC) and School-Age Childcare (SAC) employers continue to be eligible to access the Employment Wage Subsidy Scheme (EWSS) without having to demonstrate the reduction in turnover which is required of other

employers. EWSS has provided very substantial investment in the sector since August 2020. Following the cessation of EWSS at end April 2022, ELC and SAC providers will have access to a Transition Fund between May and August in advance of the introduction of Core Funding from September.

- The exact formula to calculate Core Funding per service is as follows:

- **Main Base Rate**

- Number of child places in an age group *multiplied by* Value that applies to age group (see table below) *multiplied by* Hours of operation per week *multiplied by* Weeks open per year

Plus

- **Graduate Lead Educator Premium (if applicable) (for ELC only)**

- Number of rooms/sessions led by a graduate *multiplied by* Hours per week *multiplied by* Weeks open per year *multiplied by* Graduate Lead Educator premium rate
- Maximum one Graduate Lead Educator premium per ELC room

Plus

- **Graduate Manager Premium (if applicable) (for ELC or Combined ELC and SAC only)**

- Hours of operation per week *multiplied by* Weeks per year the service operates *multiplied by* Graduate Manager premium rate
- Maximum one Graduate Manager premium per service

= Core Funding amount

- The values and rates for Core Funding are as follows :

Age of child	Value of Core Funding per place per hour
Full-time (5+ hours per day) and Part-time (3.5 hours – 5 hours per day)	
0-1 year of age	€1.66
1-2 years of age	€1.07
2-3 years of age	€0.92
3-6 years of age	€0.68
Sessional (up to 3.5 hours per day)	
0-1 year of age	€1.66
1-2.5 years of age	€1.07
2.5-6 years of age	€0.65
School-age	
Any age	€0.55

Graduate premium rates per hour	
Graduate Lead Educators in ELC	€4.44
Graduate Managers in ELC or combined ELC and SAC	€4.44

- Given the large variation in service model in operation across the sector, it is not possible to give a generic answer for what Core Funding will mean for individual services.

- The following sample scenarios may provide a broad indication of the value of Core Funding in examples of different types of services.

Sample service 1: Large ELC service

- Open 9 hours/day, 50 weeks/year
- Offering places for 63 children
  - Nine 0-1 places in a room with a Graduate Lead Educator
  - Ten 1-2 places in a room with a Graduate Lead Educator
  - Twelve 2-3 places in a room with a Graduate Lead Educator
  - 32 full-time 3-6 ELC places in 2 rooms with Graduate Lead Educators
  - Manager is also an ELC graduate
  - (11 staff plus out-of-ratio manager)

**€191,430 in Core Funding**

Sample service 2: Medium ELC service

- Open 8 hours/day, 50 weeks/year
- Offering places for 33 children, some graduate led
  - Five 1-2 places
  - Six 2-3 places in a room with a Graduate Lead Educator
  - 22 full-time 3-6 ELC places in a room with a Graduate Lead Educator
 (4 staff, 2 are graduates)

**€69,420 in Core Funding**

Sample service 3: Small ECCE-only service

- Operating 3 hours/day, 38 weeks/year
- Offering sessional places for 22 ECCE-age children
- No graduate Lead Educators or ELC graduate manager  
(2 staff)

**€8,151 in Core Funding**

Sample service 4: SAC-only service

- Open 3 hours/day during term (38 weeks) and 6 hours/day outside of term (12 weeks)
- Offering places for 36 children  
(3 staff)

**€18,414 in Core Funding**

**Important note:** In all the examples above, the other funding streams such as ECCE (standard capitation), NCS, AIM, CCSP and TEC as well as parents fees all continue to be available to services in addition to the Core Funding allocation. However, Programme Support Payments and ECCE Higher Capitation are no longer available as they are incorporated into Core Funding.

**Issued by the Press and Communications Office at the Department of Children, Equality,  
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