Together for Better

Early Learning and Childcare

Understanding the Annual Core Funding Grant Allocations

Programme Year 3: September 2024-August 2025

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What is Core Funding?

In September 2022, Together for Better, the new funding model for early learning and childcare was launched. This funding model supports the delivery of early learning and childcare for the public good, for quality and affordability for children, parents, and families as well as stability and sustainability for providers.

Together for Better brings together previously established programmes; the Early Childhood Care and Education (ECCE) programme, including the Access and Inclusion Model (AIM) and the National Childcare Scheme (NCS), alongside two new programmes; the Core Funding scheme and Equal Start (which began in September 2024).

The primary purpose of Core Funding is to improve pay and conditions in the early learning and childcare sector as a whole and improve affordability for parents whilst ensuring a stable income to early learning and childcare providers.

The Minister secured additional funding of €44 million (15 per cent increase) in Budget 2024 for Year 3 of Core Funding, bringing the total budget for Core Funding Year 3 to €331.04 million. 92% of eligible services signed up to the scheme.

What is the Core Funding Grant Allocations List?

This is the third of a yearly list of the annual Core Funding Grant allocations. The list provides the approved Core Funding allocations for all Partner Services who participated in Core Funding for all or part of the third Programme Year (September 2024-August 2025).

The Core Funding Grant Allocation list for Programme Year 3 (2024/2025) includes:

1. The service name,
2. The service address,
3. The county a service operates,
4. The service types as per the Tusla register,
5. The maximum capacity as per the Tusla register, and
6. The 'contracted weeks'.

How was Core Funding distributed?

The majority of Core Funding is based on a service's capacity – the opening hours, opening weeks and the age group of children for whom services were provided as well as number of places available.

Distributing Core Funding primarily based on capacity meant that services had a Core Funding grant that did not fluctuate in line with children's attendance.

The list contains Core Funding Grant allocations that are based on the information provided by the applicant through the application process.

Why is the list of Core Funding grant allocations being published?

The move towards high levels of transparency and openness is an integral part of the funding model. The publication of this list is in line with Expert Group report *Partnership for the Public Good* which recommended greater transparency and accountability for public funds.

The Core Funding Grant Allocations published refer to values for Programme Year 3 (2024/2025), operated from September 2024 to August 2025. The list is published annually. The publication of the list aligns with the wider Government strategy on providing data and transparency. The Open Data Strategy 2023 -2027 states: "Open data is a powerful instrument to increase transparency in public administration, improving the visibility of previously inaccessible information, informing citizens and business about policies, public spending and outcomes."

The list includes the names of Partner Services, their service addresses, and the number of weeks each Partner Service was in contract for Core Funding in Year 3. Partner Services are paid only for weeks they are contracted for the Scheme.

The list also includes the maximum capacity of the Partner Service and the Service Type recorded on the Tusla register[1] and captured in the Core Funding application. These data fields provide important context for understanding the diversity of Core Funding allocations. The capacity has a direct relationship with the Core Funding Grant allocations. Larger services who open for longer hours and operate for more weeks per year, received more Core Funding in proportion to the higher cost of delivering more services.

Will published Core Funding grant allocations in the list change?

The process for making changes to a Core Funding application from Programme Year 3 (2024/2025) has closed. The Core Funding Grant allocations published, however, may change in instances where allocations may need to be updated by the Department.

[1] Tusla is the independent statutory regulator for early years services and is responsible for maintaining the register of services under the Child Care Act 1991.

Does this list show Partner Services' total income?

No, this list solely reflects the funding in respect of Core Funding.

A Partner Service's total income in the Programme Year 3 (2024/2025) might comprise funding from:

- Core Funding,
- Early Childhood Care Education (ECCE) programme,
- National Childcare Scheme (NCS),
- Access and Inclusion Model (AIM),
- Equal Start,
- Community Childcare Subvention Plus (CCSP),
- Parental fees, and
- Other governmental schemes, including the Building Blocks Scheme.

Why did some Partner Services get more Core Funding than others?

A Partner Services' Core Funding grant is related to their costs of delivery.

The majority of Core Funding is allocated to Partner Services based on their capacity, the number of child places available, the age group/s of children for whom those places are available and the number of hours of provision.

Importantly, Core Funding is based on staffed capacity: it does not matter whether the places offered are subsequently occupied or vacant, but there must be a minimum of one child per session, for staff in place to satisfy the minimum staff to child ratios as set out in the Regulations. Services with graduate-led provision can also attract a graduate premium. These are the primary drivers of services costs and are therefore the most proportionate and transparent manner to allocate funding.

Core Funding contributes to all Partner Services' sustainability and significantly increases income for most services whilst providing greater funding stability.

By basing this funding scheme on staffed capacity, providers have a stable income source based on the service they deliver, not on the number of children that attend their service.

Higher levels of funding are available for capacity for younger children, to support the higher operating costs for these children arising from the higher staff ratio requirements.

Services opening longer hours, open for more weeks of the year, or offering more staffed places receive a higher value from Core Funding than other services. This is designed as such because operating costs for delivering longer hours for these services, are higher. Moreover, services who have more graduates working in leadership roles in their service also receive more Core Funding.

In year 3 of Core Funding, a flat rate allocation of €5,000 was given to all services registered on the Tusla Register of Early Years Services as sessional only. This allocation was in addition to the services base rate and graduate premium. This allocation was made to sessional

services regardless of the level of Core Funding they received.

Additionally, a minimum base rate allocation of €14,000 was introduced in year 3, for all Partner Services except childminders. This is the minimum amount of funding a Partner Service received from their Core Funding base rate and the flat rate allocation for sessional services where applicable.

Finally, the maximum base rate allocation of €500,000 was introduced in year 3. Partner Services did not receive base rate funding beyond this maximum value. This measure affected a small number of services.

Why would two similar services have different Core Funding grant allocations?

While the list includes important contextual information for understanding Core Funding grant allocations, it is not possible to include every factor that can influence the total annual Core Funding allocation in a readable list.

There are several other factors that could result in different Core Funding grant allocations being allocated to Partner Services that otherwise look quite similar. These variables may explain why some Partner Services that otherwise appear very similar from the data provided might have been allocated funding relative to each other. To clarify this the list does not contain:

- The number of hours worked by graduates in leadership roles in each Partner Service. A substantial amount of Core Funding was allocated to support the employment of graduates in the sector via the Graduate Manager Premium and Graduate Lead Educator Premium. Any difference in the number of graduates employed as managers or lead educators, or the hours they work, changes the amount of funding two otherwise similar services would be awarded.

- The opening hours per week and operating weeks per year of Partner Services. Services that have longer sessions which are open for more weeks per year receive more Core Funding than those with shorter sessions open for fewer weeks per year. The Tusla Service Type is provided to give an indication of the amount of session hours provided by services, but this might not account for important differences in the length and amount of service offerings between services.

- The ages of the children in the service. Because operating costs are higher for younger age groups with higher staff to child ratios, Core Funding allocates different amounts for different age ranges. Two services that otherwise appear similar may be catering to different age groups.

- Staffed capacity as declared on the application. The maximum capacity as per the Tusla register is being displayed on this list. Services had approval to offer up to this maximum capacity at any one time, but the number of places they actually offered could have been less than this. Two services with the same maximum Tusla capacity could have different levels of capacity on their Core Funding applications due to different staffing levels in their service.

- Application Changes. The capacity details provided for context are correct as of the time of publication. However, many Partner Services may have made changes to their applications during the programme year as their circumstances changed, and this could result in changes to their Core Funding allocations as they are presently.

What was different between Year 2 and Year 3 of Core Funding?

The Minister secured additional funding of €44 million (15 per cent increase) in Budget 2024 for Year 3 of Core Funding, bringing the total budget for Core Funding Year 3 to €331.04 million. This substantial increase allows for important changes in the Core Funding allocation model, making further progress on the objectives of the scheme.

This increase facilitated the following changes from September 2024:

- The Base Rates for all age groups increased with larger increases in funding for places offered to children under the age of three.
- The flat rate for services registered on the Tusla Early Years Register as sessional-only (a pre-school service offering a programme for a total of not more than 3.5 hours per session) increased from €4,075 to €5,000.
- The minimum Base Rate increased from €8,150 to €14,000. This is the minimum amount of funding a centre-based service (not childminders) will receive through their Base Rate and ensures a minimum guaranteed income for services.
- The Maximum base rate allocation decreased to €500,000. This maximum does not apply to the Graduate Premiums, which may still increase a Partner Service's total allocation beyond this maximum base rate allocation.

How can I check if a service is in Core Funding?

There are two ways to check.

A list of Partner Services, updated monthly, is published by the Department on: gov.ie - How to Find a Partner Service

Alternatively, a Core Funding 'Partner Service' flag has been added to the NCS Childcare Service Search, located at: https://www.ncs.gov.ie/en/childcare-search/

What was the Core Funding Allocation Model in Year 3 of the Scheme?

Main Base Rate

Number of child places in an age group multiplied by value based on ratio that applies to age group in table below multiplied by hours of operation per week multiplied by weeks open per year.

Graduate Lead Educator Premium

Number of rooms led by a graduate multiplied by hours per week multiplied by weeks open per year multiplied by Graduate Lead Educator premium rate of €4.44, with a maximum of one Graduate Lead Educator premium per ELC room.

Graduate Manager Premium

Hours of operation per week multiplied by weeks per year the service operates multiplied by Graduate Manager premium rate of €4.44, with a maximum of one Graduate Manager premium per service.

Age of child **Full-time (5+ hours per day) and** **Part-time (3.5 hours – 5 hours per day)**	**Value of Core Funding per place per hour**
0-1 year of age	€1.86
1-2 years of age	€1.23
2-3 years of age	€1.06
3-6 years of age	€0.76
Sessional (up to 3.5 hours per day) 0-1 year of age	€1.86
1-2.5 years of age	€1.23
2.5-6 years of age	€0.72
School-age 4-15 years of age	€0.59
Graduate premiums	
Graduate Lead Educators in ELC	€4.44
Graduate Managers in ELC or combined ELC and SAC	€4.44

Sessional Flat Rate Payment

An annual flat rate allocation of €5,000 was given to all Partner Services registered on the Tusla Register of Early Years Services as sessional only. This additional measure was only available to Partner Services with no other Tusla registration including School Age Registration on the Tusla School Age Register. This allocation was in addition to the services base rate and Graduate Premiums (Graduate Manager and Graduate Lead Educator). This allocation was made to sessional-only services regardless of the level of Core Funding they receive.

Minimum Base Rate

The minimum base rate allocation applied to centre-based Partner Services only, i.e. not Childminder

Partner Services. The minimum base rate allocation was set at an annual value of €14,000 (or €269.23 per week) for all Partner Services except Childminders. All Partner Services delivering centre-based provision, regardless of the size of their service, received at least this minimum base rate allocation. All sessional services received at least €14,000, (base rate and flat rate allocation combined), if they were in Core Funding for the whole programme year.

Maximum Base Rate

There was a maximum base rate allocation of €500,000. Partner Services did not receive base rate funding beyond this maximum value, including the flat rate allocation for sessional only services. This maximum did not apply to the Graduate Premiums, which could have still increased a Partner Service's total allocation beyond this maximum base rate allocation.