

July 2024



An Roinn Leanai, Comhionannais,
Michumais, Lánpháirtíochta agus Óige
Department of Children, Equality,
Disability, Integration and Youth



Core Funding Fee Increase Assessment and Approval Process

Applicant Guidelines

July 2024

Prepared by the Department of
Children, Equality, Disability,
Integration and Youth

Introduction

From September 2024, the funding available through Core Funding will be €331 million, which will facilitate the following changes to Core Funding in Year 3:

- The Base Rates for all age groups are increasing with larger increases in funding for places offered to children under the age of three. In short, all providers currently signed up to Core Funding will receive a higher payment going forward to support their day-to-day costs.
- The flat rate for sessional-only services is increasing from €4,075 to €5,000. This will increase supports to sessional-only services, who typically operate for shorter hours per week and fewer weeks per year.
- The minimum Base Rate allocation is increasing from €8,150 to €14,000 for services (excluding childminders). This is the minimum amount of funding a service will receive through their Base Rate, and ensures a minimum guaranteed income for services. This increases supports for smaller services and services operating in rural areas, who may be subject to fluctuations in demand.
- The maximum Base Rate allocation is decreasing from €600,000 to €500,000. Services will not receive funding through the Base Rate beyond this maximum value. Any service receiving more than this maximum value will see their Base Rate funding reduce to this level.

In addition to these changes, and as part of the progressive development of the fee management system under Core Funding, the Department is introducing two new developments to fee management.

Up to now, services availing of Core Funding have not been allowed to raise their fees above what was charged to parents on 30 September 2021 (or at the point of first signing up for Core Funding if the service did not exist on 30 September 2021).

While this fee freeze will remain in place for the majority of services for year 3 of Core Funding, the Department is introducing a new Fee Increase Assessment and Approval Process whereby a Partner Service meeting certain criteria may apply to increase their fees up to an approved level. The Department is also introducing a cap on fees for services joining Core Funding for the first time this year. A fee cap will apply to all Partner Services from September 2025.

These new developments are in line with Recommendations 21 and 22 in *Partnership for the Public Good*.¹

This document is intended as a guide for services wishing to apply for the Fee Increase Assessment and Approval Process.

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21. Providers that sign up for Core Funding should be required to participate in a new fee management system. Initially, the new fee management system would involve an agreement not to increase parental fees from the September 2021 baseline for the September 2022 to August 2023 programme year; and,

22. The new system should focus first on limiting increases in fee rates. The Department should explore, using the provider cost data gathered under recommendation 20, the management of actual fee rates, including whether it would be reasonable to introduce a common national provider fee structure in the medium term, and including transitional arrangements – for example where all fee rates would have to fall within a specified percentage tolerance range around a given rate.

For more information, please refer to [What's new for Partner Services in Core Funding Year 3?](#)

Who is eligible?

To be eligible for the Core Funding Fee Increase Assessment and Approval Process, a service must meet all of the following basic qualifying criteria:

1.	Submitted completed Income & Expenditure template 2022/23*
2.	Submitted 2024/25 Fee Table and Parent Statement
3.	Activated Core Funding Partner Service Funding Agreement 2024/25
4.	Have at least one fee entry on 2024/25 Fee Table below applicable threshold

* Applicant services that joined Core Funding for the first time in year 2 will need to complete the Year 2 Income & Expenditure template, which is available on the Hive.

This means that all Programme Readiness tasks must be completed as normal for a service to be considered eligible for the Process.

The table of thresholds (see [Appendix](#)) will serve as a benchmark for the initial eligibility check under criterion #4. These values do not serve as a cap or a target for increases, or relate in any other way to the Process beyond this initial eligibility check.

When can services apply?

Applications will open on a phased basis:

Phase 1	Partner Services who have not increased their fees since programme year 2017/18 or before.	Applications open on 31st July 2024.
Phase 2	Partner Services who have not increased their fees from programme year 2018/19 to September 2021.	Applications open on 7th August 2024.
Phase 3	All other Partner Services.	Applications open on 19th August 2024.

Applications are staggered so that services where fees have been frozen for the longest may be assessed first. For services who intend to apply for the Process but are not eligible until Phase 2 or Phase 3, they should start to collect all relevant documentation. This will expedite the Process once they are eligible to apply.

The Fee Increase Assessment and Approval Process will close for applications on **29th November 2024.**

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How can services apply?

To express interest in the Fee Increase Assessment and Approval Process, services should contact their [local CCC](#). For more information on the Process, see the [Application process](#) section below.

How much of an increase might services be eligible for?

The maximum allowable increase will be capped at the equivalent increase in the NCS subsidy from September 2024 (74c per hour, up to a maximum of €33.30 per week for 45 hours of care or more per week).

Any service may be eligible to receive the maximum increase. However, the outcome of the Process will be determined by analysis of a service's financial data, projected enrolments for Year 3 and their existing fee levels. As such, results will vary by the individual circumstances of services.

Following the conclusion of the Process, any increase must be certified by the Department in the form of a written decision letter confirming approval. This letter will also specify the exact amount, which a fee can be increased by.

As per contractual obligations, parents must be made aware of an increase, or a potential increase, 20 working days in advance of a new fee taking effect (see [Step 5](#) below). The Department will provide a template letter to this effect, which services must provide to parents.

Application process

Step 1 – EOI and self-declaration

Upon contacting your local CCC to express interest in the Fee Increase Assessment and Approval Process, you will be furnished with a self-declaration form with a Department letterhead.

On this form, you will indicate:

- i. Your eligibility under the four main criteria;
- ii. How long your fees have been frozen;
- iii. Whether you plan to submit an updated Income & Expenditure template*

When returning your self-declaration to your CCC via email, you should have:

- i. Completed all fields relevant to your service
- ii. Attached your 2024/25 fee table**
- iii. Attached an historical fee list as evidence of how long your fees have been frozen (if available)***


* Applicant services that joined Core Funding for the first time in year 2 will need to complete the Year 2 Income & Expenditure template, which is available on the Hive.

** Fee table 2024/25 must be provided in the standardised PDF format as is downloadable from the Hive.

*** Historical fee lists from 2019 onward may be accessed on the Hive; older fee lists may be inaccessible if you do not have them on file. If you do not have access to the necessary documentation, the Department may submit a request to Pobal for the relevant data at the next step of the process. Please note, however, that it may take up to 5 working days to process this request.

Fee Type Name	Age Range	SIC	ICD	ICD2	Section Start Time	Section Finish Time	Incorporated Services	Chronic Inorganised Services	Additional Information	Fee per Day	Days per Week	Fee per Week	Full Fee	Fee (including OCE - S Fees)	Effective From	Effective To
4 - FULL DENTAL SERVICES (EXCLUDING ORAL SURGERY)	0-18	812	999	0815	1800	Yes	None			0.75	5	3.75	207.1	147.8	18/04/2024	
5 - FULL DENTAL SERVICES (INCLUDING ORAL SURGERY)	0-18	812	999	0815	1800	Yes	None			0.75	5	3.75	251.35	188.81	18/04/2024	
PAAT (PARTIAL) DENTAL SERVICES (INCLUDING ORAL SURGERY)	0-18	812	999	0815	1800	Yes	None			3.25	5	16.25	104.73	90.21	18/04/2024	
4 - FULL DENTAL SERVICES	0-18	812	999	0815	1800	Yes	None			0.75	5	3.75	207.1		18/04/2024	
PAAT (PARTIAL) DENTAL SERVICES	0-18	812	999	0815	1800	Yes	None			3.25	5	16.25	104.73		18/04/2024	
5 - FULL DENTAL SERVICES	0-18	812	999	0815	1800	Yes	None			0.75	5	3.75	251.35	188.81	18/04/2024	

Figure 1. Fee table 2024/25 should be attached to the self-declaration form in PDF format as above.

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Core Funding Fee Increase Assessment Self-declaration form

Date: Select today's date.

Service Reference Number (SRN): Enter your Service Reference Number (SRN)

Previous SRN (if applicable): Enter any previous SRN

Service Name: Enter the name of your service.

1. I have submitted my financial returns for Programme Year 2022/23.

2. I have submitted my fee table for Programme Year 2024/25.

3. I have activated my Core Funding Partner Service Funding Agreement 2024/25.

4. My fee table contains at least one fee entry below the applicable threshold.

My fees have not increased since: Year

I have attached my fee table for programme year 2024/25 alongside this form.

I have attached a historical fee list attesting to my fees being frozen since the year specified above. Select

I was not in contract for Programme Year 2022/23 **OR** my financial circumstances have changed significantly in the intervening years, and I intend to provide an updated income and expenditure template to DCEDIY. *(optional)* Select

I have attached my company's apportionment policy. *(for multi-site services only)* Select

I hereby certify that the information provided in this form is complete, true and correct to the best of my knowledge.

Signature:

Figure 2. Self-declaration form. This must be completed and returned to your local CCC.

Step 2 – CCC verification of criteria 2-4

Having received the self-declaration form and the attached documentation, your local CCC will proceed to verify criteria 2, 3 and 4.

2. *Submitted 2024/25 Fee Table and Parent Statement*
3. *Activated Core Funding Partner Service Funding Agreement 2024/25*
4. *Have at least one fee entry on 2024/25 Fee Table below applicable threshold*

Criteria #2 and #3 will be verified by your local CCC following receipt of your completed self-declaration form. Criterion #4 will be verified through analysis of your 2024/25 Fee Table, which should be attached to your self-declaration form.

Step 3 – Department verify criterion 1

The Department will then check the Core Funding Contractual Requirements Reporting System to verify criterion 1.

1. *Submitted completed Income & Expenditure template 2022/23*

It is the responsibility of the applicant service to ensure that their financial returns are valid, meaning that they are:

- i. Submitted by a registered accountant
- ii. Accurate information provided
- iii. Submitted using a self-submission using an in-house accountant with auditor details provided (as applicable)

For further information, please refer to the [Core Funding Financial Requirements FAQ](#).

If your service was not contracted to Core Funding at any point in Year 1, you must complete a full Year 2 Income & Expenditure template. This template is available on [the Hive](#), under the heading 'Core Funding Reporting Requirement Year 2 (2023/24)'.

Step 4 – Updates and submission

For the next stage, the FTE calculator workbook will be provided to you by your CCC. You will need your service's enrolment records to complete the Child Enrolment Data (CED) element of the FTE calculator.

The CED task requires a projection of the number of children that will avail of care in your service in programme year 2024/25. This data will then be used, alongside your financial returns data, to derive a Full-Time Equivalent unit cost for the delivery of care in your service.

On submission of your signed self-declaration, your CCC will provide you with the FTE calculator workbook, guidance documents and support as required.

If your service was not in contract for any part of Core Funding Year 1, or you have indicated that you wish to supply an updated Income & Expenditure template to reflect changed financial circumstances, the updated financial information should be provided at this stage.

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If you are updating your financial data, you only need to provide the data relating to what has changed in your service since Year 1 through the relevant nominal codes – all unchanged overheads can be left blank on the template.

If you have any questions about the completion of a Year 2 Income & Expenditure template, whether you wish to provide updates to specific nominal codes or need to provide a full template, you should contact [your local CCC](#).

Following the completion of the CED and, if necessary, the submission of any new financial data, your CCC will submit a formal application on your behalf with all of the necessary documentation attached.

Step 5 – Acknowledgement and notice of potential change to parents

Following receipt of the application, the Department will then issue an email acknowledging the beginning of the formal assessment.

A template notice of potential change to parents will be attached to this email. You must provide this to parents.

This notice will specify that a fee increase may occur 20 working days from point of issue, therefore it is a requirement that the service provider retain the cover email sent to parents containing this notice as evidence of the commencement of the notice period.

For example, if a service receives approval for an increase 15 working days into their notice period, they may then proceed with providing the approval letter to parents and increasing their fee 5 working days following approval.

The assessment will need to be completed by the Department, the CCC and the service within this 20 working day timeline in order to ensure the notice period remains valid. As previously noted, no fee increase can proceed without written approval from the Department in any case.

Any updated financial data provided will be included in the assessment by the Department.

Step 6 – Department assessment

The Department will then use your financial information (with updates, if necessary) to complete the assessment.

Combined with the Child Enrolment Data, a Full Time Equivalent (FTE) unit cost will be derived.

The Department will then perform an analysis and make a determination as to whether a fee increase is necessary.

Step 7 – Decision

Both successful and unsuccessful fee increase decision letters will issue from the Department to the relevant CCC, who will then forward directly to the applicant.

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In advance of issuing an approved fee increase decision letter, the applicant will be contacted by their CCC for evidence of their 20 working day notice period to confirm the effective date of the increase.

Step 8 – Next steps

Successful applicants will need to:

- i. Provide the Department's decision letter to parents within the 20 working day timeline
- ii. Update their Fee Table and Parent Statement on the Hive
- iii. Email their updated Parent Statement to parents.

Unsuccessful applicants will need to inform parents that no fee increase will occur.

Only written approval from the Department can certify a fee increase. The decision letter will indicate the new maximum fee for the relevant offering. The service is under no obligation to increase to this maximum value.

If you need any additional assistance you should **contact your local City/County Childcare Committee (CCC)**. You can find the contact details of your local City/County Childcare Committee at this link <https://myccc.ie/>

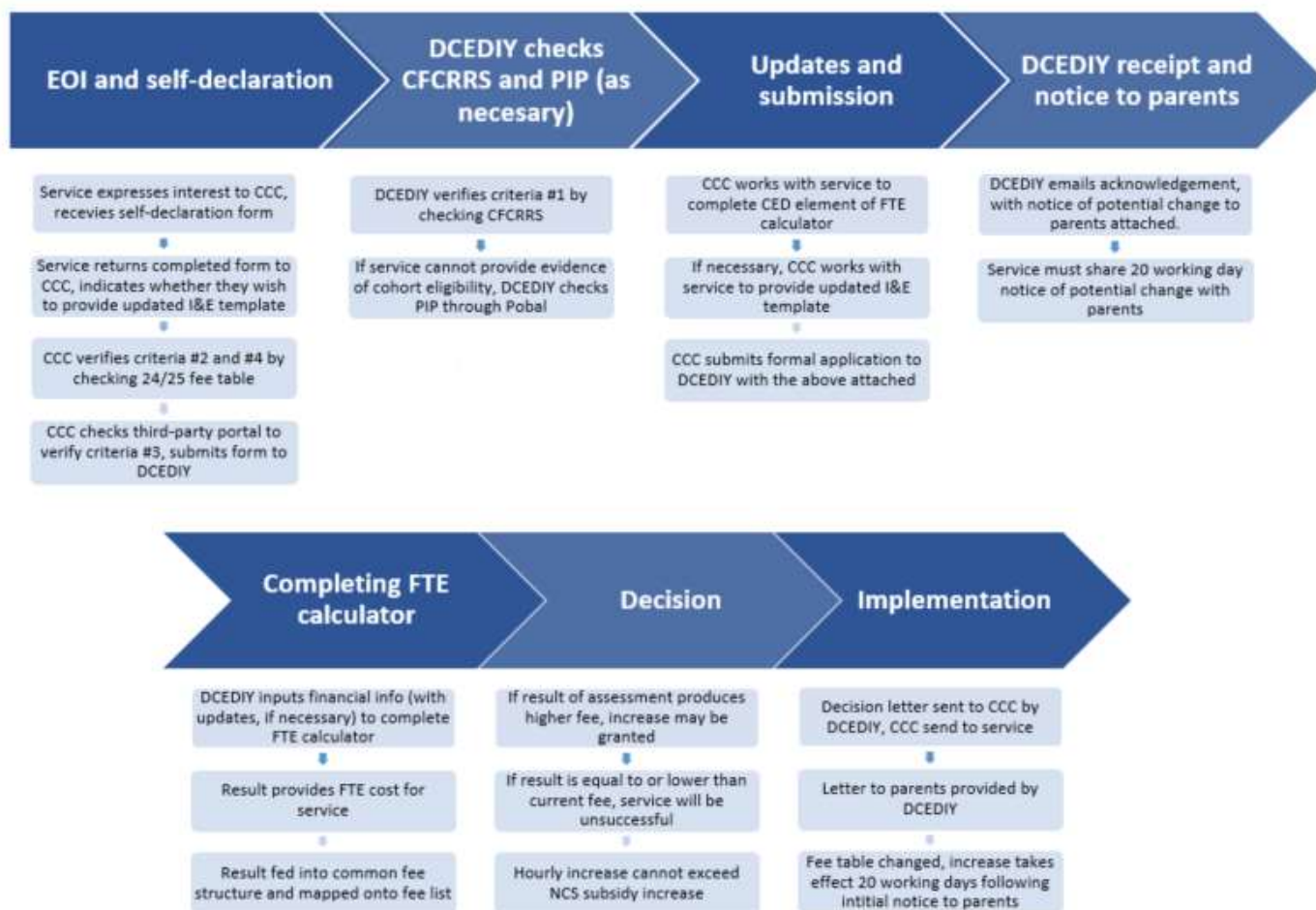


Figure 3. Process map for the Fee Increase Assessment process.

Table 1. Table of thresholds, broken down by county and Fee Bands.

County Division	Band A Less than 10 hours a week	Band B Between 10 hours and 19 hours 59 minutes a week	Band C Between 20 hours and 29 hours 59 minutes a week	Band D Between 30 hours and 39 hours 59 minutes a week	Band E Between 40 hours and 49 hours 59 minutes a week	Band F 50 or more hours a week
Carlow	€ 31.52	€ 63.04	€ 94.57	€ 126.09	€ 157.61	€ 189.13
Cavan	€ 34.07	€ 68.13	€ 102.20	€ 136.26	€ 170.33	€ 204.40
Clare	€ 34.29	€ 68.58	€ 102.88	€ 137.17	€ 171.46	€ 205.75
Cork City	€ 42.64	€ 85.28	€ 127.93	€ 170.57	€ 213.21	€ 255.85
Cork County	€ 40.90	€ 81.79	€ 122.69	€ 163.58	€ 204.48	€ 245.38
Donegal	€ 35.17	€ 70.33	€ 105.50	€ 140.66	€ 175.83	€ 211.00
Dublin City	€ 45.17	€ 90.34	€ 135.50	€ 180.67	€ 225.84	€ 271.01

DL-Rathdown	€ 52.80	€ 105.61	€ 158.41	€ 211.22	€ 264.02	€ 316.82
Fingal	€ 47.13	€ 94.26	€ 141.39	€ 188.52	€ 235.65	€ 282.78
South Dublin	€ 46.86	€ 93.72	€ 140.57	€ 187.43	€ 234.29	€ 281.15
Galway	€ 35.64	€ 71.27	€ 106.91	€ 142.54	€ 178.18	€ 213.82
Kerry	€ 36.90	€ 73.80	€ 110.69	€ 147.59	€ 184.49	€ 221.39
Kildare	€ 42.36	€ 84.71	€ 127.07	€ 169.42	€ 211.78	€ 254.14
Kilkenny	€ 34.54	€ 69.08	€ 103.61	€ 138.15	€ 172.69	€ 207.23
Laois	€ 34.77	€ 69.54	€ 104.32	€ 139.09	€ 173.86	€ 208.63
Leitrim	€ 30.34	€ 60.68	€ 91.03	€ 121.37	€ 151.71	€ 182.05
Limerick	€ 34.92	€ 69.85	€ 104.77	€ 139.70	€ 174.62	€ 209.54
Longford	€ 34.03	€ 68.05	€ 102.08	€ 136.10	€ 170.13	€ 204.16
Louth	€ 37.28	€ 74.56	€ 111.84	€ 149.12	€ 186.40	€ 223.68
Mayo	€ 34.05	€ 68.11	€ 102.16	€ 136.22	€ 170.27	€ 204.32
Meath	€ 39.84	€ 79.68	€ 119.53	€ 159.37	€ 199.21	€ 239.05
Monaghan	€ 31.07	€ 62.14	€ 93.22	€ 124.29	€ 155.36	€ 186.43
Offaly	€ 36.78	€ 73.57	€ 110.35	€ 147.14	€ 183.92	€ 220.70
Roscommon	€ 34.77	€ 69.53	€ 104.30	€ 139.06	€ 173.83	€ 208.60
Sligo	€ 34.28	€ 68.56	€ 102.85	€ 137.13	€ 171.41	€ 205.69
Tipperary	€ 33.13	€ 66.25	€ 99.38	€ 132.50	€ 165.63	€ 198.76
Waterford	€ 34.89	€ 69.79	€ 104.68	€ 139.58	€ 174.47	€ 209.36
Westmeath	€ 37.53	€ 75.05	€ 112.58	€ 150.10	€ 187.63	€ 225.16
Wexford	€ 36.73	€ 73.45	€ 110.18	€ 146.90	€ 183.63	€ 220.36
Wicklow	€ 45.44	€ 90.88	€ 136.33	€ 181.77	€ 227.21	€ 272.65

Table 2. The common fee structure, which is being introduced in Year 3.

Fee Band	Hours per week offered under fee option
A	Less than 10 hours
B	10 hours to 19 hours 59 minutes
C	20 hours to 29 hours 59 minutes
D	30 hours to 39 hours 59 minutes

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E	40 hours to 49 hours 59 minutes
F	More than 50 hours