



October 2024

Dear Provider,

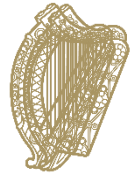
On Tuesday, I announced a total of €1.37 billion in funding under Budget 2025 for early learning and childcare. This allocation represents a 24% increase on last year's funding or an additional €266 million. The specific detail of the allocation includes:

- an additional €160.7 million for the NCS, bringing investment in that Scheme up to €529.8 million in 2025. This allocation builds in the growth that we are seeing in the uptake and use of NCS as well as the increased subsidy rate to €2.14 per hour. It is estimated that 216,000 children will benefit from this NCS in 2025 and they will be using an additional 14 million subsidised hours. Among these beneficiaries will be an estimated 3,000 children in childminding settings.
- an additional €13.1 million for the ECCE programme, bringing investment in that programme up to €269.25 million in 2025, that reflects an increase in the numbers of children in the programme and an increase in their pattern of enrolment, with higher numbers enrolling for the full five days per week.
- an additional €23.4 million for AIM, which will have a total allocation of almost €81 million in 2025. This will support an estimated 7,800 children with a disability requiring AIM supports to access and participate in the ECCE programme in 2025 and 2,500 to benefit from AIM Plus
- an additional €12.7 million for Equal Start, bringing investment in Equal Start to €17.2 million in 2025. €8.7 million of this additional allocation will meet the full year cost of Year 1 Equal Start measures, while €4 million will support the roll out of enhancements in Year 2 – from September 2025, including an Enhanced Nutrition Programme in Equal Start Priority Settings. The full year allocation for these enhancements in Year 2 will be €12 million.

In addition, over €350m will be allocated for Core Funding in 2025, an increase of almost €50m on the 2024 investment in the scheme. This increase on the 2024 allocation will support continued implementation of the scheme for the third programme year and will also support further increases into the fourth programme year from September 2025.

With additional funding being made available for year 4 of the Scheme, the full year allocation for year 4 of Core Funding will be €351m, an increase of just under €20m, or 6%, on the current allocation of €331m.

The 2025 allocation also includes a further €15 million from September 2025 which has been ring-fenced specifically to support employers to meet the costs of further increases to the minimum rates of pay in the sector. This €15 million translates into full



year costs of €45 million for programme year 2025/2026 (September 2025 to August 2026).

Combined, and contingent on the third successive Employment Regulations Orders, the Core Funding allocation will exceed €390 million in year 4, approximately 20% higher than in year 3.

I believe the allocation secured in this Budget will allow my Department consolidate and continue to build on the progress we have made to the benefit of children and their families, of educators and practitioners, and of providers.

Accompanying this letter, please find a post Budget Frequently Asked Questions document, for your information.

Roderic O'Gorman, TD

Minister for Children, Equality, Disability, Integration and Youth.