



Together for Better: Guidelines on Fee Management

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

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1. Introduction

Together for Better, the new funding model for early learning and childcare, supports delivery of Early Learning and Care (ELC) and School-Age Childcare (SAC) for the public good, for quality and affordability for children, parents/guardians and families.

Together for Better brings together three major programmes, the Early Childhood Care and Education (ECCE) programme - including the Access and Inclusion Model (AIM), the National Childcare Scheme (NCS) and Core Funding, with a fourth programme under development – the Equal Participation Model.

Under *Together for Better*, Core Funding, is a key pillar of funding to early learning and childcare services that forms part of the new funding model as recommended by an Expert Group 2021 in their report, *Partnership for the Public Good: A New Funding Model for Early Learning and Care and School-Age Childcare*, and approved by Government in December 2021.

Core Funding is funding directly to providers (supply-side funding) and is designed to improve affordability, quality, inclusion and sustainability. Core Funding operates alongside the NCS and ECCE and constitutes additional income for providers on top of funding for these schemes, as well as income from parental fees.

One of the key features of Core Funding is the introduction of a system of fee management, to ensure that affordability measures are passed on to parents/guardians. To achieve this, Core Funding introduced a fee freeze for the September 2022-August 2023 programme year and the September 2023 – August 2024 programme year.

All services which participate in Core Funding must operate their early learning and childcare service in line with the terms and conditions outlined in the [Core Funding Partner Service Funding Agreement](#).

This document, *Together for Better: Guidelines to Support Fee Management*, provides further guidelines to support Fee Management. It does not cover all of Core Funding's terms, conditions or rules. Examples within are examples to assist with the understanding of the fee management conditions.

Please note, this document does not cover all of Core Funding's terms, conditions or rules, nor does it cover issues that operate outside of remit of Core Funding, such as NCS/ECCE co-payment rules, means testing, and the annual level of subsidies or parent's/guardian's eligibility for subsidies.

For information on the Core Funding Fee Review Process please see Appendix 1.

Providers who sign up to Core Funding are required to:

- Follow the fee management system.
- Implement the quality improvement measures under the Workforce Development Plan.
- Implement the relevant practice frameworks.
- Develop, implement, and report on an annual quality development plan.
- Provide transparent financial reports and participate as required in cost surveys and other necessary data-collection exercises.
- Offer the NCS and ECCE programme to all eligible children, including children accessing the NCS through sponsorship arrangements.

2. Key terms

A Core Funding "Partner Service" means an Early Learning and Care (ELC) and/or School Age Childcare (SAC) service which has an active Core Funding Partner Service Funding Agreement with the Minister.

The "Parent Statement for Partner Services" (PSPS) is an integral part of the new relationship that is being built as part of the new funding model through Core Funding and provides clarity and transparency for parents/guardians regarding services delivered and fees charged. Core Funding Partner Services need to complete and submit a PSPS as part of their application for Core Funding. Partner Services are further required to email a copy of the PSPS to all of their service users, and retain proof of that email. The Partner Service has also committed to display the PSPS at all times in an area accessible to parents/guardians as well



as on any online platform maintained by the Partner Service for the purpose of advertising its service or providing information to parents/guardians.

“Fee Policy” means the list of fees contained within the PSPS which are charged for individualised Service Types and the conditions that apply in implementing the list of fees. The Fee Policy will state all of the service type offered; care types, hours of care, applicable age ranges, etc. and the associated fees for each (before the application of NCS subsidies and before and after the deduction of ECCE subsidies). It will also describe any additional services in addition to basic fees and the cost of that additional service.

“Service Type” means a type of ELC/SAC provision offered to parents/guardians defined within the Fee Policy contained within the PSPS and includes within its definition the nature of the service, applicable age range, the typical daily start and finish time and, the number of hours of service provided per day and the number of days per week. A service type represents a service’s offering at a “point in time”. Hence it cannot be added to or taken away from while remaining the same service type. Any change in offering, be it increased or decreased, results in a new service type being added.

“Additional Service” is when something additional to a service type is offered to parents/guardians. Take up of the additional service must be entirely optional to parents/guardians. For example a service provider may offer school collection services in addition to their SAC Service Types.

“New Service Provider” is defined strictly to mean services that were not in existence on 30 September 2021. Services that have made changes such as name, address, owner, or legal structure do not qualify as new service providers.

3. Core Funding Fee Rules

Partner Services must comply with these rules in both Programme Year 2022/2023 and Programme Year 2023/2024.

3.1. Fee Documentation Retention

The Partner Service is responsible for guaranteeing the accuracy of and retention of the record sources related to fees. Partner Services must retain Fee Documentation that supports fees charged to parents/guardians and information on fee policies shared with parents/guardians for the 2021/22 , 2022/23 and 2023/24 programme years. In addition, the Partner Service is responsible for guaranteeing the accuracy of and retention of the following documentation related to fees:

- ◆ Parent Statement for Partner Services
- ◆ Fees Lists both current and past
- ◆ Sample of Parents Agreement Letters for NCS and CCSP for the 2021/22, 2022/23 and 2023/24 programme years
- ◆ Evidence of fees charged to parents/guardians for the 2021/22, 2022/23 and 2023/24 programme years
- ◆ Any information to parents/guardians which references fees.

Fee Documentation must be available for verification, inspection and review.

3.2. Fee Increases are not permitted

3.2.1. Fees must be not increased above what they were on 30 September 2021. An increased charge of any kind for an existing and unchanged Service Type will be in breach of Core Funding rules. The Fee Policy submitted with the Parent Statement under the Core Funding Partner Service Funding Agreement must match the Fees charged on 30 September 2021.

3.2.2. In cases where a service was awaiting approval of a fee list on this date and the CCC approved the list later, the approved list takes precedence and cannot be deviated from once it has been put into effect. It must be put into effect as soon as possible; waiting longer than four weeks to



put it into effect invalidates this provision. The four week window is required to allow for the appropriate notice to be given to parents/guardians.

- 3.2.3. Where the actual fee charged to parents/guardians on the 30 September 2021 differed from the registered or published fee list (e.g. due to an error in the fee list or a service choosing not to put into effect the approved fee list), the actual fee charged takes precedence provided there is documentation that can be given as evidence.
- 3.2.4. A change to a Fee Policy after 30 September 2021 which results in an increased charge to parents/guardians and which is not proportionate, or is not entirely optional to parents/guardians, is considered to be a breach of the rules. For example, a service that offered a multiple child deduction on 30 September 2021 cannot remove it.
- 3.2.5. All discounts that were available on 30 September 2021 must remain in places, provided that they are available to all children in that Partner Service. A Partner Service may choose to discontinue discounts that applied to individual children on a temporary and/or exceptional basis.
- 3.2.6. The charges for items and services which were offered to all parents/guardians in a service for free or at discounted rates on 30 September 2021 cannot be increased beyond these levels. This covers both service types and additional services offered on 30 September 2021. For example, a service which had reduced their fee to all parents/guardians during the Covid-19 pandemic, or had postponed a fee increase due to Covid-19 pandemic, may nonetheless not increase their fees beyond those in place on 30 September 2021.
- 3.2.7. Anything that had been included as part of the 30 September 2021 fee cannot now be charged for individually unless there is a proportionate reduction in the original fee, and the new individual charge is entirely optional to parents/guardians. For example if meals were included in the original total fee and the service now wishes to charge for them individually, the service must reduce their original fee by 10% (as per 3.3.7 below), and make the new offering of meals entirely optional to parents/guardians.
- 3.2.8. A Partner Service that has any Service Types that have not changed since 30 September 2021 may reduce a fee for any of those Service Types. They may also increase provision without increasing charges, or introduce a change in fee policies if that change would reduce the charge to parents/guardians, e.g. introduction of a multiple child discount.
- 3.2.9. For any Service Types introduced after 30 September 2021, the same rules regarding subsequent fee increases apply as do to those in existence before 30 September 2021, e.g. changes in provision must result in proportionate changes in fees charged.

3.3. New Service Types and Proportionality

- 3.3.1. Partner Services may create a new Service Type and agree that the fee for any new Service Type will be calculated as not more than a proportion of the closest equivalent fee extant on September 30th 2021 which, all other things being equal, would apply to the eligible child. The proportion of the fee cannot exceed the relative proportion of the Service Type.
- 3.3.2. Where a Partner Service increases the level of service offered, a higher fee can be charged for this, but the higher fee must be in direct proportion to the increase. For example, for an



increase in full-day care from 40 hours/week to 50 hours/week represents an increase of 25%, a higher fee can be charged for this but it cannot exceed an increase of 25% of the previous fee that was charged to parents/guardians as of 30 September 2021.

3.3.3. If a Partner Service is offering a Service Type to a new age range with the same hours as their existing Service Types, the fee should match the fee of the existing Service Type closest to that age range. If the hours are also higher, the fee may be set in proportion to the increase in hours above the closest equivalent Service Type as above, but it may not exceed this due to the different age range.

3.3.4. Where a Partner Service removes a Service Type and replaces it with a new Service Type, for example stops offering Part-Time and replaces this with Full-Time only, the fee for the old Service Type must also be removed and the fee charged for the new Service Type must be proportionate to that which was charged for the previous Service Type.

3.3.5. Partner Services that are sessional-only services which have been offering ECCE only, and who wish to increase provision and introduce a fee for the additional 30 minutes can do so, provided they follow these rules:

- i) Those that declared nothing in the “fee excluding ECCE” column in their approved ECCE Fee List can charge up to a proportion of the standard rate but not in excess (i.e. €11.50 per week for the additional 30 minutes per day, as a proportion of the standard capitation rate of €69).
- ii) Those that declared a “fee excluding ECCE” lower than standard capitation rate can charge up to the standard rate but not in excess.
- iii) Those that declared “fee excluding ECCE” the same as the standard capitation rate can charge up to the standard rate but not in excess.
- iv) Those that declared a higher “fee excluding ECCE” than the standard capitation rate can charge a proportion of that rate.

3.3.6. Where the amount of service offered is decreased, the fee charged must also decrease by at least the same proportion. If a new Service Type with shorter hours is introduced, the fee charged should be set in proportion to the closest existing Service Type, as above for cases where the Service Type has longer hours.

3.3.7. Where a Partner Service stops offering meals which were previously included in the fee charged to parents/guardians, they must decrease the fee charged by 10%. Where a service stops offering snacks which were previously included in the fee charged to parents/guardians, they must decrease the fee charged by 5%.

3.3.8. Where a Partner Service stops offering transport that was previously included in the fee charged to parents/guardians, that fee must be reduced by the equivalent cost of the element that has been removed. For example, if a fee policy included an overall fee of €200 per week including transport that cost €20 per week, and that Partner Service stopped offering transport, the overall fee must be reduced from €200 per week to €180 per week.

3.4. Additional services

Partner Services can continue to offer services in addition to early learning and childcare, subject to the following conditions.

3.4.1. Partner Services cannot introduce or extract an extra charge for any Additional Service (such as meals) which was included in the fees on 30 September 2021.



3.4.2. Any new Additional Services can be charged for, with fees set at the provider's discretion, but they must be genuinely optional for the parent (e.g. if a service begins offering meals where it had not before, it may charge for these but must allow parents/guardians to supply a packed meal instead).

3.4.3. If an additional service charge is introduced to fund a tour or outing, for example, a parent must be able to refuse this offer on the basis that they will still receive the early learning and childcare they would be entitled to if the tour or outing had not taken place.

3.4.4. Additional Services cannot be added to ECCE-only Service Type, these can only offer Optional Extras as defined in the DCEDIY Childcare Funding Programmes Optional Extras Guide.

3.5. Donations and Fundraising

3.5.1. There is no barrier for Partner Services to fundraise arising from their participation in Core Funding. There may be tax implications arising for that business or for the person making the donation due to the absence of charitable status.

3.5.2. Clause 5.1.9 of the Funding Agreement states that "the Partner Service agrees that they will neither request nor accept any donations, voluntary or otherwise from parents/guardians, in respect of the early learning and childcare services being provided", this provision relates to all Partner Services both with or without charitable status and is concerned with donations from parents/guardians in respect of the early learning and childcare services being provided.

3.5.3. Partner Services may not impose fee increases by stealth, for example by the introduction of a weekly/monthly/ annual contribution which, in reality is compulsory or semi-compulsory rather than voluntary. Partner Services may not introduce fee increases in the form of "voluntary contributions" which are obtained from all parents/guardians or the majority of parents/guardians availing of the service and where there is any form of pressure exerted on those parents/guardians to make that contribution.

3.6. Deposits:

A Partner Service agrees that they will not charge any non-refundable deposits to parents/guardians in the respect of their early learning and childcare service where the parent/guardian takes up the service for which the deposit was paid.

3.7. New Partner Services

3.7.1. New Partner Services that were not in existence on 30 September 2021 may set fees at their own discretion, but must adhere to their fees as set on the date that they signed their Core Funding Partner Service Funding Agreement. To sign up for Core Funding, new Partner Service must submit their fee policies, outlined in their PSPS, and adhere to the fee freeze, proportionality, and all other fee management rules from the point of signing the agreement.

3.7.2. Partner Services that came into existence after 30 September 2021 and signed up to Core Funding, must adhere to their fees as set on the date that they signed their Core Funding Partner Service Funding Agreement. Partner Services that are new Partner Services must adhere to the fee freeze, proportionality, and all other fee management rules from the point of signing the funding agreement.



Appendix 1 – Core Funding Fee Review Process

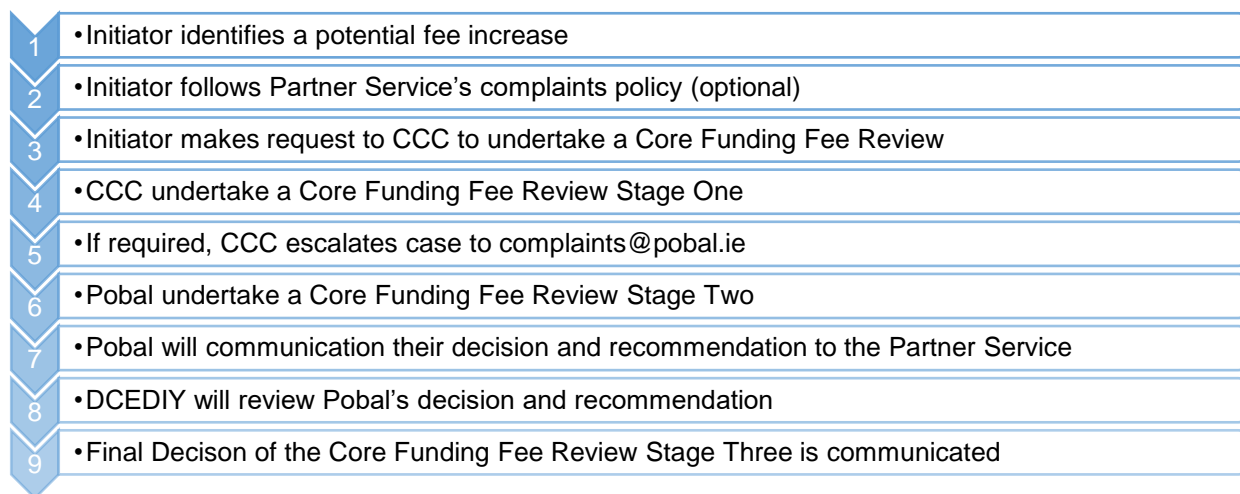
Background

Core Funding is a payment to Partner Services designed to support quality, sustainability, and enhanced public management, with associated conditions in relation to fee control and cost transparency, incorporating funding for administration and to support the employment of graduate staff.

Partner Services must uphold their contractual obligations regarding their fees charged to parents/guardians as laid out in the Core Funding Partner Service Funding Agreement.

Where an individual identifies a case of a potential breach of Core Funding fee rules by a Partner Service, they may seek to have this examined and a conclusion reached through the Core Funding Fee Review process outlined below. The individual that has initiated this process will hereafter be referred to as the initiator.

Core Funding Fee Reviews may be progressed through three stages. The first point of the process is with the City/County Childcare Committees (CCCs), the second is Pobal, and the final is the Department of Children, Equality, Disability, Integration and Youth (DCEDIY).



Partner Service Complaints Policy

Where the initiator is a parent/guardian and has identified a change to a Partner Service's fee policy potentially breaching the Core Funding Partner Service Funding Agreement, the issue may be addressed in the first instance by the initiator using the Partner Service's complaints policy. In certain cases, this step may allow for the quick resolution of the case between the Partner Service and the parent/guardian without engagement with the CCC, Pobal or the Department.

Please note that the pre-fee review stage is optional. For circumstances where a parent/guardian does not wish to engage with the service with their concerns or questions around Fee Management, a parent/guardian can move straight to Stage 1 and raise the case directly with the relevant CCC.

Stage One

If the case is raised with the CCC, the CCC will engage with the initiator, which may be a Partner Service, a CCC, a parent/guardian or third party such as the Department or Pobal, to clarify the facts of the case. Where the issue can be resolved through the provision of more information or clarifications the CCC will endeavour to do so. If the case cannot be resolved at this point, the CCC will examine the case further using information, which may include:

- Parent Statement for Partner Services
- Fees Lists both current and past
- Parents Agreement Letters for NCS, ECCE and CCSP for the 2021/22, 2022/23 and 2023/24 programme years
- Evidence of fees charged to parents/guardians for the 2021/22, 2022/23 and 2023/24 programme years, e.g., notice of fee increases, bills/invoices, proof of payment etc.

The CCC may request more information, if required, from the initiator and/or their Pobal Development Coordinator (DC).



If the CCC believe a breach of the Core Funding Fee Management **has not** taken place, this information should be communicated to the initiator. If the CCC believe a breach of the Core Funding Fee Management **has** taken place, or they do not have sufficient information to come to a decision, the CCC will **notify and obtain permission from the initiator** before escalation to Pobal through complaints@pobal.ie.

If the initiator does not agree with the findings of the CCC, they can ask that their complaint be escalated by the CCC to Pobal to seek a Core Funding Fee Review Stage Two of the case.

Where appropriate, the CCC will contact the Partner Service to advise them that a Core Funding Fee Review process is commencing. Where a CCC informs the Partner Service, the anonymity of the initiator will be guaranteed. Please note, **the initiator of a review may request to remain anonymous**. It is important to note that their anonymity will be protected with the Partner Service, but that their information may be shared with Pobal and/or DCEDIY as part of the review process.

The Fee Management Review process aims to protect the anonymity of the initiator from the Partner Service to whom their complaint relates. CCCs, Pobal and DCEDIY will at each stage protect the anonymity of initiators where possible, however anonymity cannot always be guaranteed given the variability in size of services and specific nature of individual cases. Where anonymity is to be protected, any documents issued to Pobal **must** contain the term **'Information given in confidence'** in the subject line. All anonymous complaints about specific services received by CCCs will be recorded and brought to the attention of Pobal complaints team.

Stage Two

Having received the case from the CCC, the complaints team in Pobal will confirm receipt of the Core Funding Fee Review Form by return email within **2 working days**. The email will outline the process that will continue within Pobal and DCEDIY, and the expected timeline of up to **30 working days** from receipt of the review request to receipt of Pobal's recommendation. The Partner Service will also be notified that a Core Funding Fee Review has commenced through a service request on the Early Years Hive.

If the Partner Service is contacted for additional information, this should be provided within **10 working days**. If a Partner Service does not engage, Pobal reserve the right to determine the next stages and consider what the consequences maybe up to and including placing Core Funding payments on hold. The Partner Service will be notified of the timeline and possible impact to payments when the information is requested. A reminder will be issued to the Partner Service on day 5 if the requested information has not been received within the timeline outlined.

The Complaints team will review all documentation and may request further information from the CCC, or Partner Service where required. Please note, if the required information is not provided by the Partner Service, the investigation will continue, however, limited information may impact the recommendation made.

Pobal will communication their decision and recommendation to the Partner Service through the service request on the Early Years Hive. The communication will inform the Partner Service that the recommendation will be forwarded to DCEDIY for consideration and the Partner Service has **5 working days** from the date of issue in which to raise a review of the Stage Two decision.

Stage Three

DCEDIY will review Pobal's decision and recommendations and will endeavour to reach a decision on the foot of Pobal's recommendation within **10 working days** or less. Please note this decision is final and not subject to a second review or appeal of the decision.

Pobal will formally communicate the outcome of Core Funding Fee Review Stage to the Partner Service, including any action that may be required. The outcome of the Core Funding Fee Review Stage will also be shared with the CCC, who will inform the initiator.

A Partner Service must provide evidence of remedy of the breach of the Core Funding Fee Management to Pobal's Service Delivery Centre (SDC) Appeals and Complaints within the allowed time period **30 working days**. Failure to do so may result in the Minister terminating the Core Funding Partner Service Funding Agreement immediately.

