

Minister Reilly announces reform of the Higher Capitation payment made to providers of free pre-school to support building further capacity and quality

24th February, 2016

The Minister for Children and Youth Affairs, Dr James Reilly, today announced the reform of the Early Childhood Care and Education (ECCE) Higher Capitation model to support capacity building and quality development across pre-schools. The changes will take effect from September 2016.

From September 2016 in ECCE services, Higher Capitation will be paid to individual ECCE sessions (or rooms) which are led by Early Years professionals with a relevant Level 7 qualification or higher. This changes the current model where the higher capitation rate is only paid if all sessions / rooms in the service are led by staff qualified at Level 7 or higher. This reform will allow more services to benefit from extra capitation. From September, services that have multiple ECCE rooms, but only one with a Pre-school Leader with the necessary higher capitation qualification, can avail of this higher funding for part of their service.

When the ECCE programme was first launched in 2010, the Higher Capitation model was introduced as a quality development measure to encourage the development of a qualified workforce to deliver an education focused curriculum to children in pre-school settings. A limited number of childcare staff at the time had higher level qualifications in early childhood care and education. Today, approximately 38% of services participating in the ECCE Programme are currently in receipt of the Higher Capitation grant. These services meet the ECCE Higher Capitation requirements in all of their ECCE Rooms. It is expected that from September 2016 up to 50% of services will qualify. The sector has asked for this change for some time and believes that it will encourage services to expand and to further develop the quality of their service.

The reform of the Higher Capitation model is one of a number of measures being taken by the Department of Children and Youth Affairs to encourage an increase in the number of ECCE places available to meet increased demand from Sept 2016. From then, all children will be eligible for free pre-school from the time they turn 3 until they start in primary school. Children will be eligible to enter pre-school at three entry points after they turn three, September, January and April. The number of places will need to expand from 67,000 in 2015 to 127,000 by April 2017. Minister Reilly recently announced €4million in capital funding, aimed also at expanding the number of ECCE places.

Minister Reilly stated “Reforming the current Higher Capitation funding model will not only help to support the expansion of the ECCE programme that I announced as part of Budget 2016, but also, it gives recognition to the fact that there are increasing numbers of higher qualified staff working in the early childhood care and education sector. As part of the Budget, I also announced the increase in the Higher Capitation rate from €73 to €75 euro per child from September of this year.”

From September, the ECCE Higher Capitation rate will be passed on to services, based on the number of children allowed to participate in the qualifying Higher Capitation room.

Minister Reilly added “Attracting and retaining higher qualified staff into the Early Years sector is good for both children and services. The provision of this higher capitation rate to more services may provide an opportunity for employers to consider passing some of it on to their graduate staff. I am aware that some employers in existing services in receipt of Higher Capitation already do this.”

The Department of Children and Youth Affairs has begun preparing for the administration of this reform and details of qualifying criteria and the application process will be communicated before August 2016.

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