An Roinn Leanaí, Míchumais agus Comhionannais
Department of Children, Disability and Equality

Overview of Action Plan for Childcare

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Shaping the Future: Early Years Action Plan

Phase 1 Report

Overview

Shaping the Future sets out the Government's approach to build an affordable, high-quality, accessible early learning and care and school-age childcare system.

It aims to deliver key commitments outlined in the Programme for Government – over the lifetime of the Government.

The key focus are measures to improve affordability, access and achievement of quality.

It covers both early learning and care and school-age childcare. It encompasses both centre-based services and childminders.



Phased approach

Phase 1:

- Short-term actions to be taken in 2026.
- Allows rapid action to be taken, while Phase 2 consultation and planning is under way.

Phase 2:

Longer-term reforms for 2027-2029. To be informed by:

- Broad public consultation.
- Analysis of new and existing data sources.



Objectives

1. Reduce parental fees to a maximum of €200 per month over the lifetime of the Government.

2. Increase the supply of places.

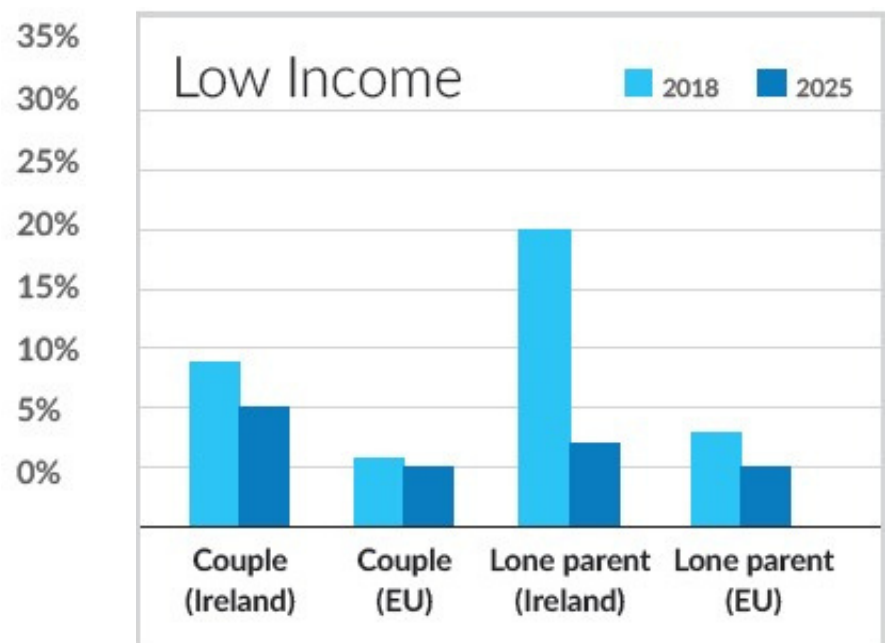
3.Widen opportunities for children with disabilities.

4. Contribute to the reduction of child poverty.

5. Enhance the quality of provision.



Context: Affordability



Early learning and care costs as a % of net income for a low-income family – couple and lone parent. Showing change from 2018 to 2025, Ireland and EU average

Significant progress in improving affordability in recent years through:

a) enhancements to subsidies under the National Childcare Scheme
b) fee-freeze
c) fee-caps for Core Funding Partner Services.

However, significant **variation in fees** between services/regions remains.

Affordability – Phase 1 actions

New **lower maximum fee caps** to be announced when full details of Core Funding for year 2026/27 are announced.

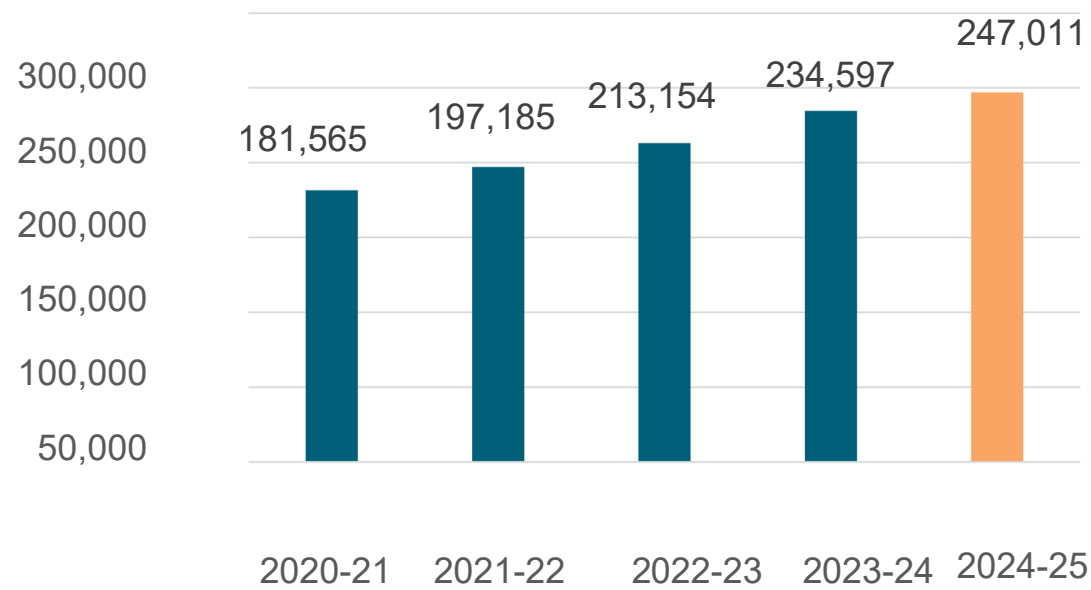
Reduce fees for lower-income families through income-assessed subsidies under National Childcare Scheme in autumn 2026:

- Lower income threshold €26k → €34k.
- Upper threshold €60k → €68k.
- Multiple child deduction from €4,300 to €5,500, and from €8,600 to €11,000.

Importantly, families below relative income poverty line get maximum subsidies.



Context: Access



Number of children enrolled in ELC and SAC services

The number of children taking part in Early Learning and Care and School-age Childcare has increased from **182,000** in 2020/21 to an estimated **247,000** in 2024/25 but there continues to be under-supply in certain areas.

Equal Start for children at risk of disadvantage and Access and Inclusion Model for children with disabilities continue to support widening of participation.

Supply of places depends on ensuring sustainability, increasing size of workforce, and capital investment. Childminding is also key.

The workforce grew 27% between 2020-2024, and Employment Regulation Orders were introduced.

As fees fall, **demand rises**, increasing pressure on supply.

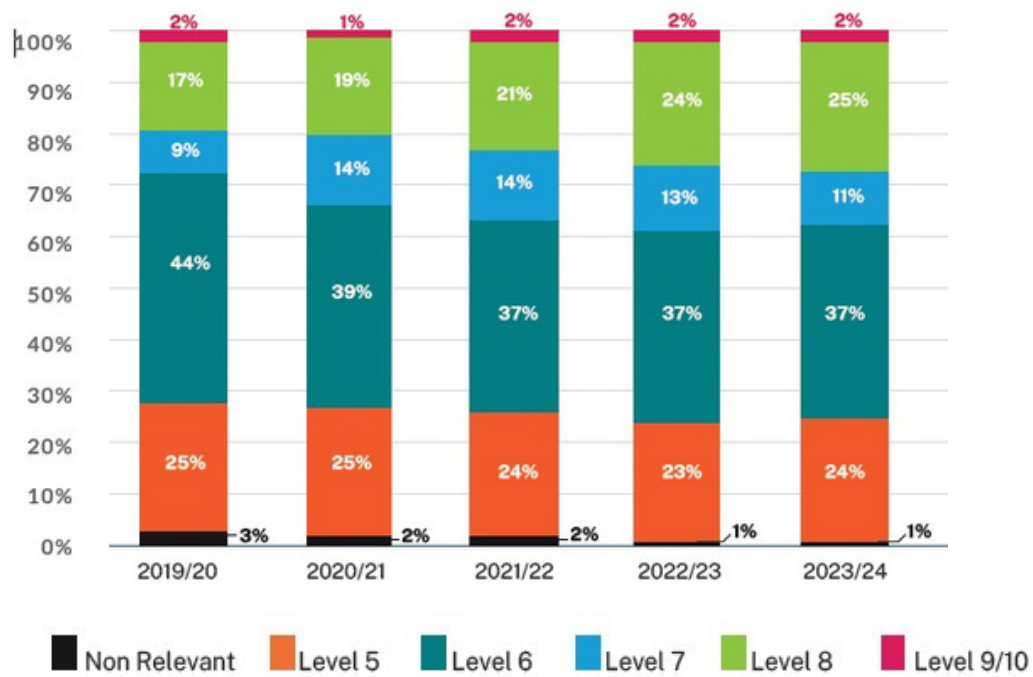
Access – Phase 1 actions

- Increase Core Funding to €482m for programme year 2026/27, an increase of 23%.
- Launch new Building Blocks capital funding scheme to co-fund existing providers to expand provision.
- Launch programme of capital investment in State-led early learning and care and school- age childcare services.
- Review the Planning Guidelines with Department of Housing, Local Government and Heritage.
- Implementation of National Action Plan for Childminding.
- Continue roll-out of the Equal Start funding model.



Context: Achievement of Quality

Proportion of ELC staff with different qualification levels



Proportion of **degree-qualified staff in early learning and care** has increased significantly from 27% in 2020 to 37% in 2024 but still short of 50% target for 2028 set in First 5.

Three **Employment Regulation Orders** in the past three years (the latest in October 2025) have delivered increases in minimum wages for early years educators and school-age childcare practitioners, but annual staff turnover remains high.

Achievement of Quality – Phase 1 actions

Additional €45m in ring-fenced funding in Core Funding to support providers with possible 2026 round of JLC negotiations for new Employment Regulation Orders.

Open applications for the Nurturing Skills Learner Fund 2026 to support upskilling of early years educators.

Regulatory reforms: simplification of regulatory requirements; introduce comprehensive School Age Childcare regulations; review of initial implementation of Childminding regulations.

Develop a national approach to regulatory information and supports.



Phase 2

Consultation and **further analysis** in 2026 will inform Phase 2 actions, to be published later in 2026.

This will include:

- A national, online survey.
- Local, regional and national consultation events.

Examples of questions to examine:

- What is the best way to standardise fee-levels across publicly funded services while ensuring the continued financial sustainability of providers?
- What is the appropriate balance between private, community, State-led and childminding provision?
- How many staff – and what mix of staff – do services require to provide a high quality experience while continuing to operate efficiently?



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Simplify and Support:

Action Plan for Simplification

Evolution of Simplify and Support

- A Working Group comprising representatives from the Department, Pobal and the City/County Childcare Committees supported by an Advisory Group made up of providers, educator/practitioner and parent representatives.

- Indecon Economic Consultants undertook an independent review of end-to-end processes linked to publicly funded ELC and SAC schemes/programmes and hosted six regional stakeholder consultation events attended by over 400 people.

Vision

“An ELC and SAC sector where administrative and regulatory requirements are simple, transparent and proportionate

- improving access to ELC and SAC programmes and schemes for children and parents, and enabling providers, early years educators and SAC practitioners to focus on delivering high-quality ELC and SAC

- while ensuring the highest standards of child safety, high-quality experiences and accountability for Exchequer funding.”

Principles

Child-centred: administrative and regulatory requirements prioritise children's safety and the quality of their experiences.

Digital-first: administrative and regulatory requirements are supported by integrated digital services by default.
Proportional: administrative and regulatory requirements reflect the size, scale, and risk profile of services.

Transparent: administrative and regulatory requirements are clear and easy to understand.

Value for Money: Administrative and regulatory requirements provide a robust mechanism for financial oversight by the State and ensure public money is used for intended purposes and builds a resilient sector.

(Some) key actions

- A single application process for supports under the Access and Inclusion Model (AIM) to replace multiple application processes – for AIM, AIM Plus and AIM non-term.

- A single, long-term CHICK under the National Childcare Scheme to replace existing annual CHICK.

- A single set of regulations to replace separate regulations for ELC and SAC.

- An upgraded digital system, with:

  - Shared data platform to enable "once only" data capture; and

  - Business Support Systems and Applications to support providers interacting with programmes and schemes (e.g. attendance tracking and co-payment management)

Scan to read now!

Shaping the Future

Simplify and Support