

Department of Children and Youth Affairs (DCYA)

Information and FAQs on COVID-19 Measures for providers and staff
of Early Learning and Care and School Age Childcare Services

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**An Roinn Leanaí
agus Gnóthaí Óige**
Department of Children
and Youth Affairs

Abbreviations

Title of Organisation and Scheme	Abbreviation
Office of the Revenue Commissioners (Revenue) Temporary COVID-19 Wage Subsidy Scheme (TWSS)	Revenue operated TWSS
Department of Children and Youth Affairs (DCYA) Temporary COVID-19 Wage Subsidy Childcare Scheme (TWSCS)	DCYA operated TWSCS
Department of Employment Affairs and Social Protection (DEASP) Pandemic Unemployment Payment (PUP)	DEASP operated PUP

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Introduction

The COVID-19 Pandemic has created major challenges for Ireland. The new, ever changing landscape is difficult for everyone. The sudden closure of centre-based Early Learning and Care (ELC) and School Age Childcare (SAC) services on March 12 was an unexpected but necessary move to safeguard public health in Ireland.

During the initial closure period between 13 and 29 March, an arrangement was made for payments under the Department of Children and Youth Affairs (DCYA) ELC and SAC funding programmes to continue. This was in response to a rapidly evolving and unprecedented situation. DCYA was aware that many services in contract with DCYA, with no or lesser degrees of DCYA funding, were extremely exposed with the loss of parental income and DCYA immediately began to consider funding options for the wider sector.

The Minister wrote to all ELC and SAC providers on 20 March 2020, indicating that consideration was being given to funding options for the period beyond 29 March 2020, and what conditions might apply to provide for the best use of available public funding to support the sector.

Over the last number of weeks, Government has announced a range of measures to support workers, employers and businesses. Information has been and continues to be made available on the websites of the Department of Employment Affairs and Social Protection (DEASP) and the Department of Business Enterprise and Innovation (DBEI). On 24 March 2020, Government announced a new Temporary COVID-19 Wage Subsidy Scheme (Revenue operated TWSS) and DCYA announced how this new scheme would interact with repurposed DCYA funding to support the ELC and SAC sector.

A key policy priority for the DCYA is the sustainability of the ELC and SAC sector and hence it has and continues to work intensively to support services to re-open after COVID-19. Retention of valued staff was identified by the sector as a key priority, as was supporting providers to meet essential overheads. The following FAQs set out some information on the significant actions that have been taken in this regard.

DCYA encourages all providers to read this material and to engage proactively with the various Government supports available. DCYA urges any service which is struggling, to engage with its local Childcare Committee.

These FAQs aim to be informative but may be added to and/or amended as more information becomes available. In the event that any further corrections need to be made, these changes will be highlighted in future versions.

New questions and additions to existing questions have been highlighted in light grey.

1. Summary of TWSCS and other Supports

1.1. What measures are available nationally to support all sectors?

A number of measures to support businesses have been announced by Government in response to the COVID-19 crisis, including those in Appendix 1. These support businesses with costs arising from, for example, rents, mortgages, bank loans, commercial rates and Local Property Tax. Supports are also available to eligible businesses in the form of loans, advice and information.

1.2. What is the Revenue operated TWSS?

On Tuesday, 24 March, the Government announced new measures to provide financial support to workers affected by the COVID-19 crisis.

As part of these measures, Revenue will operate a TWSS. The scheme enables employees, whose employers are affected by the pandemic, to receive significant supports directly from their employer through the payroll system. The scheme is expected to last up to 12 weeks from **26 March 2020**. The Revenue operated TWSS will be available to employers who keep or reinstate employees on the payroll throughout the COVID-19 pandemic, meaning employers can retain links with employees for when business picks up after the crisis. Additionally, the operation of the scheme will help to reduce the burden on the Department of Employment Affairs and Social Protection (DEASP) which is dealing with the other COVID-19 related unemployment payments.

Employers are encouraged to facilitate employees by operating the scheme, by retaining employees on their books.

The DCYA operated TWSCS is a supplement to the Revenue operated TWSS, to enhance its provisions for the particular needs of the ELC and SAC sector. Many of the questions that have been received are questions about the operation of the Revenue TWSS first and foremost. Answers to questions like these can be found in the FAQ published by Revenue. It is strongly recommended that providers and employees check these FAQ regularly as there may be important updates.

Revenue's FAQ contains answers to questions such as which employers and employees are eligible for the TWSS; how it works; how to manage maternity leave; and questions around PAYE and PRSI.

The most up-to-date guidance (Version 10.0 5 May) can be found at <https://www.revenue.ie/en/employing-people/documents/pmod-topics/guidance-on-operation-of-twss.pdf>

1.3. How will the DCYA operated TWSCS apply in the ELC and SAC sector?

Linked to the Revenue operated TWSS, the DCYA has established the TWSCS.

This Scheme is designed to enhance the supports available to ELC and SAC staff and providers at this time of crisis. It will enable providers which sign up to it to retain their staff and it will give them a contribution to overhead costs that are still being incurred, despite the closure.

There are three key elements to the new Scheme:

- (i) In addition to the wage subsidy provided by Revenue's TWSS, DCYA will top-up wages of eligible ELC and SAC staff by the maximum additional payment an employer can make to receive full wage subsidy under the Revenue and DCYA schemes combined, to a limit of €586 weekly pay in line with the Revenue scheme.
- (ii) Where a staff member's pre-12 March weekly wage was below the DEASP set rate for temporary Pandemic Unemployment Payment (PUP; currently €350 per week), DCYA will on a temporary basis provide funding to be used to top-up eligible employees' wages to the DEASP rate set for the PUP, meaning that all staff will be encouraged to remain with their employer rather than sign on with the DEASP. Where an employee previously laid off has been re-hired, the eligible employee will qualify for the Subsidy scheme and their DEASP claim must be closed. In order to ensure correct payment of the wage subsidy, employees should use www.mywelfare.ie to close their claim immediately when they are taken back onto the business payroll.
- (iii) To reflect the unique circumstances of the sector, in addition to funding eligible staff wages up to the maximum additional payment an employer can make to receive the full wage subsidy under the Revenue and DCYA schemes combined up to the cap, services will receive a further payment which will be based on a percentage of their total eligible staff gross weekly pay to be used towards ongoing / non-deferrable operational costs.

For information on how this is calculated for ELC and SAC services with no staff, see FAQ 2.12 below.

For information on how this is calculated, see FAQ 2.15 below.

For information on how this will apply to self-employed owners, see FAQs 2.12 and 2.13 below.

The Revenue operated TWSS commenced on 26 March 2020 and can be availed of by any ELC and SAC providers where their turnover has likely been reduced by 25% or more for Q2 2020. The TWSS supersedes the Employer COVID Refund scheme, which has now ceased.

Prior to 4 May 2020, eligible services participating in the Revenue operated TWSS were provided a flat rate of €410 per eligible employee per week. Revenue will recoup any difference between this figure and the amount due under TWSS at a later date. After 4 May, payments by Revenue reflect the correct level of subsidy for each employee.

The effective date of the DCYA operated TWSCS is 6 April 2020.

In relation to overheads, DCYA will backdate the contribution to 6 April 2020.

In relation to top-up of eligible employee wages, Revenue has clarified that ELC and SAC providers are not allowed to amend a payroll submission already reported to Revenue. This is because the original payroll has already been processed and employees paid. Therefore employee top-ups to the maximum additional payment an employer can make to receive full wage subsidy under the Revenue scheme cannot be applied retrospectively. However, where ELC and SAC providers have provided top-ups to the maximum additional payment an employer can make to receive full wage subsidy under the Revenue scheme, and this is reflected on payrolls submitted to Revenue since 6 April, the DCYA will reimburse the providers for these additional payments.

In line with Revenue guidance published on 26 April (see <https://www.revenue.ie/en/corporate/communications/covid19/temporary-covid-19-wage-subsidy-scheme.aspx>), for employees with an Average Revenue Net Weekly Pay of less than €350, additional payments to reach €350 only applies to payroll submissions made on or after the 20th of April and for pay dates from 20th April.

This DCYA operated TWSCS sets out a number of measures which are a response to the extraordinary situation related to COVID-19. Once commenced these emergency measures will apply for the duration of the Revenue operated TWSS, due to last for 12 weeks from 26 March, in accordance with the Department's or Government's decisions in this area.

1.4. Why is the DCYA operated TWSCS being established?

The new DCYA operated TWSCS was developed to sustain the ELC and SAC sector at this time of crisis and in conjunction with the wider Government / Revenue operated TWSS. The Scheme is an exceptional measure, taken in response to the economic impact of COVID-19. These emergency measures will apply from 6 April 2020 and for the duration of Revenue operated TWSS, in accordance with the Minister's or Government's decisions in this area. See FAQ 1.3 for more information about the start date.

Specifically, the DCYA operated TWSCS is seeking to address the following concerns:

- That ELC and SAC workforce may be lost from the sector which was already experiencing recruitment, retention and capacity difficulties

- That ELC and SAC services would not be in a position to reopen following the crisis, denying children access to early education and having a significant detrimental effect on the economy as parents could be prevented from returning to the workplace.
- That parents might be expected to continue to pay fees or risk losing their child's place.

1.5. What if a service provider does not want to sign up for the DCYA operated TWSCS?

There is no obligation on ELC and SAC service providers to sign-up to either the Revenue operated TWSS or the DCYA operated TWSCS. However, from the date the DCYA operated TWSCS goes live, no further payments will be made to centre-based providers for the DCYA ELC and SAC programmes while the DCYA operated TWSCS is in operation.

Participation in the DCYA operated TWSCS is optional, and will not affect future participation in the Department's funding schemes. However, providers are strongly encouraged to participate, to ensure that the link with their staff is maintained, this would support continuity of care which is in the best interests of parents and children.

1.6. What terms and conditions are attached to the DCYA Operated TWSCS?

The terms and conditions of the DCYA operated TWSCS contained within the TWSCS Agreement which is attached to these FAQs as Appendix 2.

It should be noted that if a member of staff subsequently resigns during the operation of the DCYA TWSCS, the Agreement is unaffected and will remain in place, but services must notify Pobal of this immediately. Payments under the DCYA TWSCS, will be adjusted to cease paying the top-up contribution in respect of that employee, but the overhead payment will be unaffected as this is based on the January-February payroll as returned to Revenue.

1.7. Where can services get more information about the DCYA operated TWSCS?

Updates to these FAQ will be made available through PIP and the Early Years Hive as soon as further information becomes available. It is recommended that service providers check these regularly.

1.8. Is there a deadline for signing the TWSCS Funding Agreement?

The Revenue operated TWSS is expected to last up to 12 weeks from 26 March 2020.

The effective date of the DCYA operated TWSCS is 6 April 2020. For more information, see FAQ 1.3.

Funding for the DCYA operated TWSCS will be paid on the 24th of April to any providers who sign up by April the 21st. Providers who sign up for the DCYA operated TWSCS no later than the 21st of April will be included in the following payment run.

Payments are being made in accordance with the payment schedule.

2. TWSCS logistics

2.1. Who can apply for the DCYA operated TWSCS?

Any service provider who had been contracted with the Department to operate DCYA funded ELC and SAC programmes as of 12 March 2020. A service provider who is an employer must register for the TWSS and operate the TWSS in accordance with the Revenue guidance

2.2. What employees are eligible for the DCYA operated TWSCS?

Please refer to the TWSCS Agreement, which denotes the categories of eligible employees. The Agreement is attached at Appendix 2.

2.3. How can an ELC and/or SAC service provider apply for the DCYA TWSCS?

A Funding Agreement has been issued and the service provider will have to sign this and agree to meet the conditions contained within to avail of the DCYA operated TWSCS.

The Funding Agreement has been made available to view on the Programme Implementation Platform (PIP). It must be electronically signed by the Primary Authorised User (PAU) – a link has been issued by email to the PAU for each facility directly to complete the contracting process. A step by step process similar to below, will be made available on PIP for service providers.

Process for applying for the DCYA TWSCS

- A copy of the funding agreement has been posted on the PIP Portal for **review purposes only**.
- The PAU for each organisation has received an email to the registered email account with a link to the Funding Agreement. Once the provider follows this link, they must input the email address and password contained in the email.
- The service provider will then be brought to the DCYA TWSCS Agreement, which must be read, required details input and the terms and conditions accepted.
- Once the required details are completed and the terms and conditions are accepted, the form should be submitted

Note: Multi Service Organisations: The PAU will receive a separate email for each facility in the organisation. The Terms and conditions must be accepted for each. Pobal will contact the PAU of multi facility organisations only, after funding agreements are submitted as further information will be required.

A service provider who is an employer must first register with Revenue for the TWSS.

Both the Application Forms and a step-by-step process are being finalised and will be available on the PIP portal once they become available.

2.4. If I participate in the TWSS, am I declaring insolvency or trading in breach of Company Law?

The Revenue guidance on the TWSS states that the declaration made by an employer is not one of insolvency. Similarly, any consideration of reckless or fraudulent trading must look at all relevant factors and it would ultimately be a matter for the courts to determine if a breach of law has occurred.

In light of the crisis, the Department of Business, Enterprise and Innovation is considering how the Companies Act 2014 can facilitate companies as they respond to the challenges of the crisis, while also maintaining the appropriate corporate governance safeguards. The Government remains committed to supporting entrepreneurship while also ensuring the appropriate safeguards remain in place for employees and creditors.

2.5. Where can an ELC and SAC service provider receive support to complete the application process?

An ELC and SAC provider can receive support to complete the application process through their local CCC. The Pobal Early Years Provider Centre will be available to answer specific queries on the forms/scheme via Hive. Other supports may be confirmed in the coming days.

2.6. What administration is required under the DCYA operated TWSCS?

The administrative processes and detail for the operation of the TWSCS have been finalised and further detail will follow in the coming days. In order to be delivered quickly to respond to the significant need from staff and providers, the process will be kept as simple as possible.

It will require the signing of the DCYA TWSCS Agreement and the completion of a simple application process which will include self-declarations and signed consent for data sharing with Revenue and DEASP where required.

Initial payments will be made based on currently available data and then further reconciled based on the evidence of actual payment received from Revenue under the TWSS when that becomes available in the coming weeks. On receipt of this confirmation, the payments will be adjusted and reconciled based on the applicable rates under the DCYA operated TWSCS. Full details of the process to achieve this reconciliation will be made available. This evidence will be used to calculate both of the DCYA contributions; the maximum additional payment an employer can make to receive full wage subsidy under the Revenue and DCYA schemes combined and 15% of the eligible staff gross weekly pay towards the non-deferrable operational costs.

Services which had employees, before COVID-19, with an Average Revenue Net Weekly Pay below the Pandemic Unemployment Payment (PUP) (currently €350 per week), will be required to provide additional information to facilitate an increased top-up to match the DEASP operated PUP.

2.7. What is the payment schedule for the DCYA Operated TWSCS?

The TWSCS is now operational and payments started to flow on the 24th April. The first three payments in the TWSCS are preliminary.

The TWSCS application process will be launched in the week beginning the 11th of May. As part of the application process providers are required to complete an application form and submit it on the Early Years Hive. The information provided on the application form will be used to calculate the total payments under the TWSCS. These amounts will be reconciled against the three preliminary payments already issued. If further payments are required, they will be issued on the 22nd of May and the 5th of June. Completion of the application form is mandatory in line with the conditions of the Funding Agreement.

2.8. If services did not pay staff during certain periods e.g. the Easter holidays, previously, will they now avail of the new measures immediately, or should their staff seek assistance from the DEASP for these periods?.

Based on the Revenue rules, services should seek to pay employees a weekly wage during this 11/12 week period which includes the Easter period.

As outlined above, the TWSS cannot be applied retrospectively. ELC and SAC providers must not amend a payroll submission already reported to Revenue. The original payroll has already been processed and employees paid.

However, where ELC and SAC providers have provided additional payments to employees under the TWSS on payrolls submitted since 6 April, the DCYA will reimburse the providers for these additional payments. Please see FAQ 1.3 for more information.

As outlined above, individuals who have been claiming the PUP from DEASP – but who will now be supported under the DCYA operated TWSCS, should sign off and cease claiming the DEASP payment immediately.

2.9. What happens if an employee is in receipt of DEASP benefits other than the PUP?

Employees are eligible to access the Revenue operated TWSS and the DCYA operated TWSCS if they are normally in receipt of DEASP benefits in addition to their wages, such as the Working Family Payment or a pension.

Please note, any underlying social welfare payment may be adjusted to take account of the difference between the COVID-19 payments under TWSS, TWSCS and/or PUP and employees normal employment income. Any adjustment to other social welfare payment will be done through DEASP. Further information can be found through DEASP.

2.10. If my employees have been accessing the PUP, what should they do next?

Employers must not operate the TWSCS for any employee who is making a claim for duplicate support (e.g. PUP) from the DEASP. Where an employee who was previously laid off has been re-hired, the employee will qualify for the Subsidy scheme if their PUP claim is ceased, which can be done through the 'Close PUP Payment' button on www.mywelfare.ie. Revenue will share data with DEASP. If an employee is receiving both the Pandemic Unemployment Payment (PUP) and also the wage subsidy, DEASP will cease their PUP payments.

2.11. What if providers with employees cannot get all of their employees to accept the recall to work?

Under the TWSCS an employer cannot compel an employee to come back on payroll if an employee has been previously let go and has registered on DEASP PUP. However, an employer must be able to demonstrate that they have tried to reinstate all employees. Employers should explain the impact of moving from DEASP PUP to DCYA TWSCS for employees, including the ability to maintain €350 gross payment per week.

The DEASP has set up a process where employers who have concerns may provide details to the following dedicated email address - C19EmployerReports@welfare.ie. The DEASP will follow up on all notifications, to include requesting the employee to provide any information as to the reason for not accepting a recall to work, or voluntarily resigning, before making a decision on the worker's entitlement to payment.

2.12. What about ELC/SAC providers who are self-employed?

As per guidance from Revenue, self-employed ELC/SAC providers that are paid through the payroll system and are included in the relevant payroll submissions for an eligible employer are included in the Revenue operated TWSS and the DCYA operated TWSCS. The DCYA operated TWSCS will top up the salary of the company director(s) who meet the definition of eligible employees under the TWSS to a maximum of €586 per week.

Self-employed ELC/SAC providers that are not paid through the payroll system and are not included in the relevant payroll submissions for an eligible employer can apply directly for the Pandemic Unemployment Payment (PUP) of €350 per week that is operated by DEASP under the PUP.

Self-employed ELC/SAC providers (company directors/sole traders/partners) with no employees can also avail of the DCYA overhead payment. This is calculated at 15% of staff gross weekly wages but there is a minimum payment of €300 per week, and this would apply.

Self-employed ELC/SAC providers (company directors/sole traders/partners) with employees can also avail of the Revenue operated TWSS and the DCYA operated TWSCS for their employees.

Company director/sole traders/partners on the payroll for the specified period will have their eligible wages subsidised, and their wages will be included in the overhead calculation. Company director/sole traders/partners who are not on the payroll for the specified period will not receive a wage subsidy under the TWSS but can apply for a PUP (€350 per week). The PUP will be included in the overhead calculation.

2.13. Can the payments made to self-employed ELC/SAC providers be included when calculating the overhead costs payable to Providers?

Yes. In calculating the overhead cost payable to self-employed ELC/SAC providers (i.e. based on 15% of the eligible staff gross weekly pay, with a minimum payment of €300 per week), the payments for these self-employed ELC/SAC providers (made either through the TWSS or TWSCS or PUP) will be included in these calculations. Self-employed ELC/SAC providers with no employees can also avail of the overhead payment at a flat rate of €300.

2.14. How are wage subsidies managed for people with more than one employer?

During the TWSS Operational Phase (from 4 May), earnings from all active employments will be combined and reconciled by Revenue. Each employer will be provided with information on an employer Maximum Weekly Wage Subsidy (MWWS) and the Maximum Weekly Employer Pay before Tapering (MWEPBT) to apply to the employee's payroll. This personalised information will ensure that the employee's overall position is taken into consideration when calculating the employee's subsidy entitlements.

Under the TWSCS, the DCYA will provide the Maximum Weekly Employer Pay Before Tapering to the employer, to be passed on to the employee, subject to the following conditions:

- (i) Employees with multiple employments who have an Average Revenue Net Weekly Pay of less than €350 are not entitled to be raised to the minimum payment of €350. In this case the payment by the DCYA will be the difference between the Average Revenue Net Weekly Pay and the Maximum Weekly Wage Subsidy.
- (ii) Employees with an Average Revenue Net Weekly Pay of more than €586 can only be topped up to the €586 under the TWSCS.

2.15. How is the DCYA operated TWSCS overhead payment calculated?

The Department will fund ELC and SAC providers based on the equivalent of 15% of the Gross Weekly Pay cost for ELC and SAC Staff or €300 per week, whichever is the greater. This will be a flat rate for the duration of the DCYA TWSCS and not subject to any staff fluctuations since or during the period of closure.

The calculation will be based on 15% of the eligible staff gross weekly pay for January and February 2020 based on payroll submissions made to Revenue by the employer by 15 March 2020. "Gross weekly pay" means the employee's Average Gross Weekly Pay for January and February 2020 based on payroll submissions made to Revenue by the employer by 15 March 2020.

Where these weekly pay costs includes pay costs for employees working in the ELC/SAC service that are funded through government employment schemes¹ or through other Statutory Agencies², the weekly pay costs for those employees will be included in the overhead rate calculation.

Where these weekly pay costs includes pay costs for employees other than those working in the ELC/SAC service, the weekly pay costs for those employees will not be included in the overhead rate calculation.

Where the weekly pay costs excludes pay costs for the owner manager of the ELC/SAC service, the PUP made to the owner manager will be included in the overhead rate calculation.

2.16. If a provider does not have any staff (sole provider), can they claim the overhead payment of €300 under TWSCS?

Yes - a provider without staff can sign up to the TWSCS Funding Agreement as normal and will receive the overhead payment of €300 per week. They will also have to submit the application form for the TWSCS once available.

2.17. I am a sole trader over the age of 66 and cannot access the PUP. Can I access the DCYA operated TWSCS for my service?

The DEASP has confirmed to DCYA that only people between the ages of 17 and 66 can be eligible for the PUP. As such, under the DCYA operated TWSCS sole traders over the age of 66 can access the

¹ Including, Community Employment (CE), Community Service Programme (CSP), Jobs Initiative (JI), JobsPlus, Tús and Youth Employment Support Service (YESS).

² Including Health Service Executive and Tusla.

minimum €300 top-up for overheads despite not qualifying for the PUP or being eligible for Revenue operated TWSS.

2.18. I am an employer not on the pay roll and have sent in my COVID-19 PUP form, this form is for 6 weeks, so what happens for the following 6 weeks then?

The DEASP has confirmed the following to DCYA: The PUP was set up to run for a 12 week period until the 9th June. If you lost your employment /income at the start of the payment period then you will receive 12 weeks payments. If you lost your job and income this week you will receive payment up until the 9th June. It is not a guaranteed 12 week payment amount. Following the 9th June and assuming the crisis has passed; if a person finds themselves still unemployed, they should apply for a jobseeker's payment. Further details are available on the DEASP website.

2.19. Is the Pandemic Unemployment Payment taxable?

This is a matter for the Revenue Commissioners. Revenue has indicated that it will treat the Pandemic Unemployment Payment as taxable income and depending on a person's overall income during a year, the Pandemic Unemployment Payment may affect the person's overall tax liability for the year.

2.20. Is the top-up to €350 under DCYA operated TWSCS reckonable for tax?

The €350 payment under TWSCS is a gross payment and reckonable for tax (NOTE the €350 payment under PUP is also reckonable for tax. See 2.19).

2.21. How can providers top-up employees earning less than €350 under the DCYA operated TWSCS?

Section 4.14 of the Revenue TWSS guidance sets out how providers can top-up employees earning less than €350 (see <https://www.revenue.ie/en/corporate/communications/covid19/temporary-covid-19-wage-subsidy-scheme.aspx>). Revenue has advised DCYA that this is only possible for payroll submissions from 20 April and for pay dates since 20 April.

Where providers operating the TWSS and TWSCS who, for the period 6 April to 19 April, made payments for employees up to the maximum allowable amount under the TWSS, DCYA is exploring solutions that will allow these providers to apply the additional top-up to €350 for employees earning less than €350.

2.22. Can I withdraw from the DCYA operated TWSCS?

Yes – a provider can choose to withdraw from the TWSCS with one week's notice by contacting Pobal. There may be funding to be reconciled as a result but this will vary depending on the circumstances and timing of the withdrawal. Where a provider has received payments under the TWSCS the terms and conditions associated with that payment will continue to apply.

2.23. Is there a deadline for signing up to the DCYA operated TWSCS?

Providers that sign-up to the TWSCS by close of business 21 April will be paid in the first payment run on 24 April. Providers can still sign-up to the TWSCS after that and receive their first payments at a later date.

2.24. If a provider is ineligible or unable to access the Revenue operated TWSS or DEASP operated PUP, can they still sign up to TWSCS to get the overhead payment under DCYA operated TWSCS?

Yes, there are number of reasons providers may not at this time be eligible or able to access the Revenue operated TWSS or the DEASP operated PUP, for example if they are over 66 years of age, or if they did not submit payroll information in accordance to Revenue rules. Providers who are not eligible for the Revenue operated TWSS can still sign-up for the DCYA operated TWSCS to receive the overhead payment. They will have to submit the application form for the TWSCS once available and provide a reason that they have not been able to access the Revenue operated TWSS and/or DEASP operated PUP.

2.25. Are the Revenue operated TWSS and DCYA operated TWSCS compatible?

Yes, there is agreement with Revenue that two schemes are compatible. Some providers may have experienced payroll complications which the DCYA has worked closely with Revenue to resolve. A communication issued to providers on 21 April to provide some guidance on how to issue payroll under the two schemes. Further information is available in Revenue FAQs (<https://www.revenue.ie/en/corporate/communications/covid19/temporary-covid-19-wage-subsidy-scheme.aspx>).

2.26. Is the top-up to €350 for staff who were previously earning less optional?

Yes, staff who were previously earning less than €350 per week can choose not to have their weekly wages topped-up to €350 under the DCYA TWSCS. There may be reasons employees would prefer not to have their pre-COVID wages raised and it is for the employee/employer to agree. Employers will be asked to provide this information through the application form for TWSCS.

2.27. Can the overhead payment be used towards salary top ups?

No, the overhead payment must be used towards ongoing operational costs for the service. Evidence of expenditure must be maintained for compliance purposes.

2.28. Is the overhead payment a taxable source of income for the service?

The overhead payment is a taxable stream of income in the hands of services, similar to other subsidy payments such as ECCE, CCSP, TEC, or NCS. Tax is payable by businesses on profits/surpluses made

during the company's accounting period. However, subject to the normal conditions, it is not payable on monies used to cover expenditure items, such as the overhead payment under the TWSS. A business's tax liability is a matter for the business and Revenue.

2.29. What if an employee was not paid their usual pay in January or February 2020?

There can be cases where an employee was in employment but who did not receive normal pay in January or February 2020, such as reduced pay, maternity leave, illness benefit or off-pay leave. According to the Revenue guidance on TWSS, in such cases the employer can either:

- operate the TWSS based on Average Revenue Net Weekly Pay, or
- pay the employee the appropriate wages without receiving a subsidy refund.

The Department of Finance have stated that the question of an individual's entitlements in an employment context following his or her resumption of duty after a period of unpaid leave, and the question of what wages an employer may or may not be in a position to pay such an employee in the light of the impact of the Covid-19 pandemic on the employer's business, are matters that are outside the remit of the TWSS.

Women who are due to finish statutory maternity leave (paid or unpaid) but cannot return to their employment due to COVID-19 are entitled to the Pandemic Unemployment Payment from when they were due to return to work (maternity leave end date).

DEASP advise that the full suite of employment rights legislation continues to apply to in relation to all employees and their employers for the duration of the crisis and beyond.

3. TWSCS details

- 3.1. Why is DCYA topping up ELC and SAC staff wages by providing the maximum additional payment an employer can make to ensure that the employer will receive full wage subsidy under the Revenue and DCYA schemes combined to pass on to each eligible employee?

Evidence shows that high levels of staff turnover are not good for children who access ELC services. Before COVID-19, there was an unacceptable 23% turnover level in the sector. Following the closure of ELC and SAC services for public health reasons, it is important that as many staff as possible are retained and return to work with the children they previously worked with before COVID-19.

The average weekly salary in the ELC and SAC sector prior to COVID was €364. Retaining the employee-employer link where possible during and post COVID-19 is a priority for the DCYA. This measure was taken with the best interests of the ELC and SAC sector in mind.

- 3.2. Why is DCYA topping up all staff wages to a minimum rate of €350 per week?

This is a time-limited scheme in response to the sudden and damaging economic impact of COVID-19. This impact of COVID-19 would be particularly damaging in the ELC and SAC sector. As continuity of care is critical to ensure the quality of early education and care for children therefore the retention of staff during this period is an imperative for the sector. The previous 23% turnover in the sector was already unsatisfactory. Retention of as many staff as possible is also necessary to protect capacity. There were issues with capacity before COVID-19, with some parents experiencing significant difficulty in accessing ELC and SAC places. In order to retain staff with their employer, DCYA has agreed to provide funding that is to be used to top-up wages of all eligible staff to a rate equivalent to the PUP for this temporary period.

- 3.3. What effect does the DCYA operated TWSCS have on fees charged to parents for ELC and SAC?

One of the conditions of payment under the DCYA operated TWSCS is that services will not charge parents fees for the period of the DCYA TWSCS, and that on reopening after COVID-19, their ELC/SAC place(s) will be secured for them.

This includes seeking voluntary contributions from parents. If a service applies for the DCYA operated TWSCS, they must also refund any fees that have been paid in advance for the period of time covered by the DCYA TWSCS to be eligible.

Services which do not sign up for the DCYA operated TWSCS should discuss their situation with parents.

3.4. What is the overhead payment for providers to contribute to their non-deferrable operational costs?

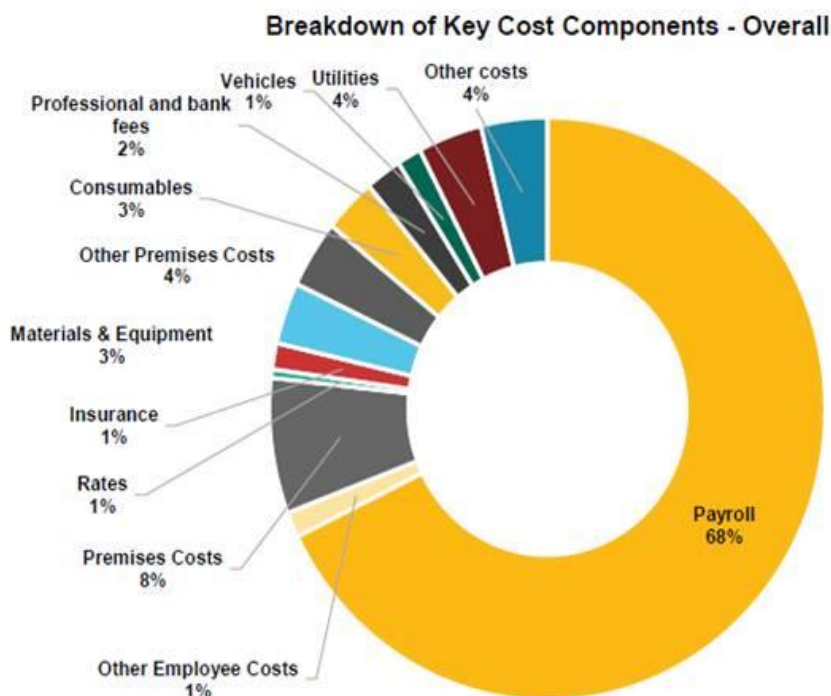
As part of the TWSCS, the DCYA will provide an overhead payment calculated as 15% of gross weekly pay costs for eligible staff, or €300, whichever is higher. This is in recognition of the fact that although some costs will be reduced by the closure of the service, and some costs can be deferred following an agreement between the relevant parties (e.g. an agreement to defer rent or mortgage payments), not all non-wage costs will be reduced or deferred. As noted above, the overhead payment must be used towards ongoing operational costs for the service, including consumables such as Personal Protective Equipment. It cannot be used to top up wages. Evidence of expenditure must be maintained for compliance purposes.

3.5. Why is the overhead payment derived at 15% of eligible staff gross weekly pay costs?

Figure 1 below summarises firm evidence on the costs incurred by ELC and SAC providers in Ireland.

Figure 1: Breakdown of costs of delivering childcare.

Independent Review of Cost of Delivering Childcare in Ireland (Crowe).



In addition to the significant contribution to cover pre-COVID-19 staff wages, the DCYA operated TWSCS provides funding for use on ongoing operational costs of ELC and SAC services.

This payment is based on 15% of the eligible staff gross weekly pay. This rate is derived from a number of sources including the Independent Review of the Cost of Delivering Childcare in Ireland undertaken by Crowe that was due to be published in April 2020. Importantly, the Crowe findings were independently verified by a UK economic consultancy firm and are consistent with other Irish and international studies. See Figure 1 above.

This data highlights that, on average, staffing costs are 70% of ELC and SAC operating costs. The data also highlights costs (approximately 10% of operating costs) that will not arise when a service is closed (for example, heating, lighting, materials). That leaves a balance of 20% of overheads that need to be covered. Government measures for businesses announced in recent days in response to COVID-19 are addressing much of these costs, for example, mortgage pauses and the suspension of commercial rates. The DCYA operated TWSCS covers 10% of overall costs which is on average equivalent to 15% of eligible staff gross weekly pay.

The minimum payment already covered in FAQ 1.3 means that some services (mostly smaller ones) will now get up to 40% of their wage costs. The standard rate based on 15% of the eligible staff gross weekly pay with a minimum payment of €300 per week. In addition to receiving the Revenue operated TWSS, employers will all receive the maximum additional payment an employer can make receive through the DCYA operated TWSCS. ELC and SAC services participating in the DCYA operated TWSCS will receive a further payment which will be a percentage of their total eligible ELC and SAC staff gross weekly wage costs to be used towards ongoing / unavoidable operational costs.

For detail on how the contribution towards the non-deferrable operation costs is calculated [see FAQs 3.7](#) below.

3.6. Will the funding measures announced on 24 March 2020 be available to services which provide special education to children with ASD and are funded by the Department of Education and Skills?

The Revenue operated TWSS is available to those specifically outlined in the Revenue guidance. The DCYA operated TWSCS is available only to ELC/SAC providers who had been operating DCYA funded ELC and SAC programmes (ECCE, NCS, CCSP) on March 12, 2020.

3.7. On what basis is DCYA contribution to non-deferrable operational costs calculated?

The DCYA contribution to non-deferrable operational costs calculated is calculated on the basis of 15% of the eligible staff gross weekly pay for January and February 2020 based on payroll submissions made to Revenue by the employer by 15 March 2020, in respect of all workers working to support the provision of ELC/SAC. The funding is frozen at that amount and will not increase or decrease if

additional employees are reinstated or choose to resign during the period of operation of the DCYA operated TWSCS.

3.8. Will commercial rates need to be repaid for this period of time when services are re-open?

While a review of options to support enterprises and employment is being commenced, the Government recognises that many businesses are facing immediate difficulties and uncertainty. To provide clarity, commercial rates are being waived for a three month period beginning on 27 March for businesses that have been forced to close due to public health requirements.

Providers should contact their Local Authority on this matter:

<https://www.housing.gov.ie/local-government/covid-19-coronavirus/support-businesses-impacted-covid-19-through-commercial-rates>

Further information on commercial rates and other COVID-19 business supports are available in Appendix 1.

3.9. Do employees accrue holiday pay entitlements under the Revenue TWSS or the DCYA operated TWSCS?

A period of employment whilst in receipt of a wage subsidy will be treated as continuous service of employment and there will be no break in service. Annual leave entitlements and other terms and conditions of employment contracts are a matter between the employer and employee and outside the scope of the scheme. ELC and SAC providers are advised to obtain clarity on their own particular circumstances and are encouraged to make contact with their employer support representative groups or alternatively seek independent advice for guidance, which might include adapting leave policies during this period.

Information on employees' holiday entitlements is available from Workplace Relations Commission:

https://www.workplacerelations.ie/en/what_you_should_know/leave/annual-leave/

3.10. The DCYA operated TWSCS Agreement references that ELC and SAC Services must permit access to the premises. How will this apply during the closure period?

There is no requirement for ELC and SAC services to allow access to their premises for the purpose of the DCYA operated TWSCS for the duration of the closure period. This clause refers to access for the purpose of compliance visits once services have re-opened in the post-COVID 19 period.

3.11. The DCYA operated TWSCS Agreement does not allow for parental fees or payments to retain places. What about fees or payments, such as deposits, already paid?

Under the DCYA operated TWSCS, no new payments or arrangements regarding parental fees and/or deposits should be implemented for the duration of the TWSCS.

3.12. How will the DCYA treat the data submitted as part of the application form?

DCYA is designing the TWSCS to incorporate and be compliant with the principles relating to data processing as set out in Article 5 of the General Data Protection Regulation (GDPR). As such processing will be lawful, fair and transparent, for legitimate purposes and limited to what is necessary. DCYA and Pobal, who will administer the Scheme, will only collect, process and share personal data that is the minimum needed to efficiently and effectively calculate and make payments under the TWSCS and to carry out necessary verification and compliance checks.

Privacy notices will be provided to services for any persons whose personal data will be processed under the Scheme. DCYA will not need the explicit consent of staff to carry out the processing necessary to provide financial supports under the TWSCS.

Similarly, the collection, processing and sharing of any other data, other than personal data, will be limited to what is needed for the administration of the scheme, including calculating and making payments, and verification and compliance checks. DCYA takes all reasonable steps, including the appropriate security measures, to ensure that data is stored and processed securely.

3.13. Can commercial information relating to a service be published under Freedom of Information?

DCYA must comply with the Freedom of Information Act 2014. Therefore, any information submitted may be made available upon request under the Act. In the event of DCYA receiving such a request for information, DCYA will consult with the service about the request. The service can identify any information that they do not wish to be disclosed on grounds of confidentiality or commercial sensitivity, stating the reasons for this sensitivity. Having consulted the provider, DCYA will make a decision on any request received under the above legislation.

3.14. What will the verification/compliance requirements be?

Participants in the scheme must maintain evidence of compliance with the terms and conditions of the TWSCS Funding Agreement, and produce such documentation upon request to the DCYA or Pobal. This may include both financial and other records. It may be checked to verify payments and ensure compliance with the scheme's requirements.

Included in this is evidence that:

- The Childcare Service has sought to reinstate Childcare Staff who were laid off on or after 12 March 2020.
- The Childcare Service has, upon re-opening following COVID-19 mandated closure, retained the place of each child who was registered with their service on 12 March 2020.
- The Childcare Service has not charged any fees to parents for the duration of the TWSCS Agreement, or has returned fees already paid for the period following 6 April.
- Funding for topping-up pay has only been used towards Childcare Staff payroll.
- The Childcare Service has, where possible, encouraged Childcare Staff to engage in training and Continuous Professional Development (CPD) during this closure period. Providers can use the template available on the [DCYA First 5 CPD webpage](#) to make a CPD plan and to record activities.
- The funding provided for overheads is used towards ongoing costs incurred by the Childcare Service.

Pobal or the DCYA may also seek further information or records to ensure the accuracy of information or payments provided, or to confirm that the scheme's requirements are being met.

4. Continuous Professional Development (CPD)

4.1. Is CPD mandatory?

Engaging in CPD is a condition of receiving funding as part of this new WSCS Funding Agreement.

4.2. Why should I complete CPD?

Engaging with Continuing Professional Development is an opportunity for you and your staff team to add to their knowledge and skills while not working directly with children during the COVID-19 crisis. It also demonstrates your ongoing commitment to training and professional development within your setting.

4.3. How many hours of CPD do I have to do?

Your ability to engage with training opportunities and knowledge growth during this crisis will vary depending on your caring responsibilities. While it is expected that all staff will engage, you should first pay attention to you and your staff's health and well-being. There is no minimum or maximum requirement. The amount and type of CPD should be agreed between employee and employer.

4.4. How does the service decide what CPD to engage with?

Use the service CPD form (to be available on the First Five CPD page from 22 April) to make a plan for your service. You may need to amend this plan over time and in consultation with your staff. Actions under CPD may include minuted online staff meetings that provide an opportunity for staff to reflect on their practice, revision of service policies, or e-learning. Engagement with the children in your service or transition activities for the children in your service who may be going on to school in September may also count as CPD.

4.5. Do I have to use the DCYA CPD webpage available on the First Five website?

No. This page offers access to free online training courses, which you are welcome to use. DCYA will add further free online training courses over the coming weeks. You may also wish to identify other available online material and courses, but check that they are from reputable sources.

4.6. How does the service record the CPD for compliance?

Please record all courses/actions/materials you and your staff engage with using the template available to download on the DCYA First Five CPD webpage (from 22 April). You should keep the completed template as a record for compliance checks.

4.7. How does the individual practitioner record their CPD?

Please use the template for individual practitioners also available for download on the First Five CPD web page. You are encouraged to share with others the courses you found most useful.

4.8. Will I receive a CPD payment for completing training?

No, there are no payments for CPD at this time. However, all courses on the DCYA online CPD web-page are provided free of charge.

4.9. What type of CPD course must I do?

During the COVID-19 emergency period many practitioners will have an opportunity to undertake some level of continuing professional development, and this can take many forms, such as, online training courses or development/learning activities to help you meet the demands of your professional role. The new DCYA resources for Practitioners website have a number of activities covering many important topics relevant to the sector and are divided in to short e-learning activities, longer CPD style courses and general guidelines sections, all to suit the time staff have available as this may vary depending on the caring responsibilities of individual in the current climate.

5. Childminders

5.1. Can childminders sign up for the DCYA operated TWSCS?

Yes, and as childminders are self-employed by definition, please refer to the guidance provided in section 2.

Any childminder who had been operating DCYA ELC and SAC programmes as of 12 March 2020 but no longer has children in attendance can participate in the DCYA operated TWSCS and may be eligible for the DEASP operated PUP and other DEASP supports.

A childminder cannot receive DCYA TWSCS payments at the same time as receiving payments under the ECCE, NCS, CCSP, and TEC programmes.

5.2. What supports are available to childminders who have not been operating DCYA ELC and SAC programmes as of 12 March 2020?

The DCYA operated TWSCS is only available to those ELC and SAC services that were operating DCYA ELC and SAC programmes as of the 12 March 2020. However, childminders are self-employed and if they are registered and tax compliant with Revenue but they no longer have children in their care, or any income, they will be eligible for the PUP and other DEASP supports.

6. Other DCYA funding programmes

6.1. Why is it that payments for ECCE (including AIM), NCS, CCSP, TEC must cease when the DCYA TWSCS is made available?

Payments made under ECCE (including AIM), NCS, CCSP and TEC are made on the basis of the provision of a service to parents for the attendance of children. COVID-19 required the closure of services. Whilst many services would benefit from the continuation of these payments, many other services which relied more heavily on parental income would not benefit. Also, DEASP reported that very significant numbers of ELC and SAC staff presented to Intreo offices from March 12 indicating that DCYA funding was not being used to retain staff in all cases. Payments were made on an ex gratia basis up to 10 April. Providers who sign up for the TWSCS will be paid from 6 April.³ Any ex gratia payments for ECCE (including AIM), NCS, TEC and CCSP made after this time will be netted off against future TWSCS payments.

A solution had to be found that was more equitable and would help to sustain as many as possible of the 4,500 services across the country, retain valuable staff and assist parents who were laid off and could not afford to continue to pay fees and yet needed to retain their place(s).

The demands on the Exchequer at this time are very significant. Public monies must be used prudently. The DCYA operated TWSCS addresses the retention of staff, providing the maximum additional payment an employer can make to receive full wage subsidy under the Revenue and DCYA schemes combined to a limit of €586 net per week. It also gives providers a significant contribution to overhead costs. All staff and all services benefit, not just those heavily funded by the State.

Participation in the DCYA operated TWSCS is optional, and will not affect future participation in the Department's funding schemes. However, providers are strongly encouraged to participate, to ensure that the link with their staff is maintained, this would support continuity of care which is in the best interests of parents and children.

6.2. What is the payment timing between the cessation of ECCE, CCSP, NCS and TEC scheme funding and the commencement of the funding under the DCYA operated TWSCS?

Payments under the DCYA operated TWSCS will replace the temporary funding arrangements in place between 13 March and 10 April 2020. Ex gratia payments made under the temporary arrangements will cease and DCYA ELC and SAC programmes (ECCE, NCS, CCSP, TEC) have been suspended from 10 April 2020 for all providers who have been required to close due to the Covid-19 crisis.

³ See FAQ 1.3 for more information on the start date.

Where ELC and SAC Services have received DCYA ELC and SAC Programme payments for a period on or after 6 April 2020, this funding will be recouped through reconciliation of future payments to services under the DCYA operated TWSCS.

If a provider does not enter in to the DCYA operated TWSCS, the ex-gratia payments made up until 10 April will not be recouped.

6.3. Is the COVID-19 Closures of ELC and SAC centre based services considered a Force Majeure event?

The closure of ELC and SAC services due to COVID-19 can be considered a Force Majeure situation. The Department is not obliged to make payments for ELC and SAC programmes under Force Majeure. However, the Department continued to make ELC and SAC programme payments on an ex-gratia basis from 13 March 2020 to 10 April 2020. This temporary arrangement was an immediate response to the closures for the purpose of the sustainability of the sector while more appropriate policy responses were being considered.

As communicated in a letter from the Minister dated 10 April 2020, these temporary funding arrangements have ceased now that a new administrative scheme is in place as an emergency measure.

6.4. Is DCYA Sustainability Funding continuing at this time?

The DCYA Sustainability Fund is currently available to not-for-profit / community services only. Community services seeking to access this fund must make their finances (Annual Financial Statements (AFS) and up to date Financial Impact Returns (FIRs)) available to DCYA and Pobal so that a full examination of their circumstances can be conducted.

DCYA is exploring if the existing fund can be opened up to other services during this COVID-19 period.

6.5. What happens after COVID-19?

The DCYA operated TWSCS is a temporary scheme and is an exceptional measure devised to respond to the crisis of COVID-19.

The Revenue operated TWSS, the DCYA operated TWSCS and other Government supports to business all aim to retain the employer/employee relationship during the closure period so that the business can reopen after as seamlessly as possible.

This relationship between employer and employee is of particular relevance within the ELC and SAC sector as quality outcomes for children depend on a continuity of care between the child and their caregiver.

The ELC and SAC sector is of primary importance to support the country get back on its feet after COVID-19. Working parents returning to work will need ELC and SAC in place. The Revenue operated TWSS and the DCYA operated TWSCS are supporting the retention of capacity.

Significant reform programmes, including the Work Force Development Plan, the Childminding Action Plan, the regulation of School-Age Childcare and the development of a future Funding Model, are underway and will continue after this crisis period. There may be some delay to their expected timeframes due to resources being diverted during this period to COVID-19 related issues.

The precise duration of this crisis cannot be known. The re-opening of ELC and SAC services will be guided by public health advice. When this can happen, the details of the restoration of the Department's ELC and SAC programmes will be determined. For the present, the TWSCS will run in parallel with Revenue operated TWSS to support the particular circumstances of this sector and to ensure that, once this crisis passes, ELC and SAC services will be in a position to re-open and return to their important work.

In the unfortunate event that any service, who signed the DCYA TWSCS in good faith, finds itself unable to re-open after the end of the crisis despite the supports available from the DCYA and other Government Departments and Agencies, they will not be expected to repay the funding provided under the TWSCS.

6.6. How does the DCYA operated TWSCS interact with AIM?

Any AIM workers in a service who were on the payroll in January/February 2020 and have been retained or reinstated are eligible for the DCYA operated TWSCS once their employer has registered with the Revenue operated TWSS. Their wages will also be counted towards the 15% top-up towards non-deferrable operational costs.

It is important to note that DCYA operated TWSCS funding cannot be granted at the same time as other DCYA ELC and SAC programmes. Any AIM funding paid to cover the time period during which the DCYA operated TWSCS is in operation in advance will be netted off.

6.7. How will ELC/SAC services begin re-opening?

On Friday 1 May, the Government released a Roadmap for reopening society and business. The roadmap sets out Ireland's plan for lifting COVID-19 restrictions through five phases. The Roadmap contains a range of indicative measures set out under a number of different categories and across a

number of potential phases. The re-opening of ELC/SAC services will be guided by this framework underpinned by expert advice, available evidence and consultation with ELC/SAC stakeholder representatives. The full Roadmap is available here: <https://www.gov.ie/en/news/58bc8b-taoiseach-announces-roadmap-for-reopening-society-and-business-and-u/>

The Roadmap proposes the gradual re-opening of ELC/SAC services across all Phases as follows:

- Phase 1 (18 May), DCYA-supported in-reach service where registered childcare workers provide support in an essential healthcare worker's home is scheduled for Phase 1 (18 May).
- Phase 3 (29 June), opening of crèches, childminders and preschools for children of essential workers in a phased manner with social distancing and other requirements applying.
- Phase 4 (20 July), opening of crèches, childminders and preschools for children of all other workers on a gradually increasing phased basis and slowly increasing thereafter.

The Roadmap commits to a process of consultation through relevant Departments which will assist to flesh out how the Public Health Framework can be implemented effectively and safely across different sectors of the economy with an initial focus on measures to commence in the first phase of easing of restrictions.

DCYA is actively working on plans for the re-opening of ELC/SAC services in accordance with this Roadmap and will provide further information as soon as possible.

Appendix 1 – Support Options for Businesses

FAQS provided by and relating to the Department of Business Enterprise and Innovation:

Please be aware that the COVID-19 situation is still developing. Some changes may be made to the measures mentioned below, and some additional measures may be adopted to support businesses, so it is important to check the links provided regularly and stay up-to-date.

1. Is there any support available if I am having difficulty paying rates?

The Government prioritised support for those businesses most directly affected by COVID-19 with its decision in March to defer rate payments for a three month period for the hospitality, retail, leisure and childcare sectors. While a review of options to support enterprises and employment is being commenced, the Government recognises that many businesses are facing immediate difficulties and uncertainty. To provide clarity, commercial rates are being waived for a three month period beginning on 27 March for businesses that have been forced to close due to public health requirements.

If you need more information please contact your Local Authority.

1.1. Is there any support available if I am having difficulty paying taxes?

Over the last number of months, Revenue has outlined some key advice and actions it has taken to assist businesses experiencing cashflow and trading difficulties arising from the impacts of COVID-19, including:

- advising businesses to continue to send in tax returns on time, even where payment is not immediately possible
- suspending all debt enforcement action until further notice and
- suspending interest on late payment charges for both SME's (automatically) and larger businesses (on request)

To the end of March, these measures have provided vital liquidity support for businesses benefiting some 14,000 VAT registered businesses and over 30,000 employers. The value of the measures was approximately €800 million for January/February VAT and February Payroll taxes.

On 2 May the Minister for Finance and Public Expenditure and Reform announced a further range of economic measures in response to COVID-19. These include legislating to permit Revenue to 'warehouse' VAT and Payroll tax debt that arose on foot of the COVID-19 related restrictions. While the finer details of this 'warehousing' measure have still to be worked out, Revenue has confirmed the following:

- COVID-19 related VAT and Payroll tax debts, due from 1 March 2020 to the date when sectoral restrictions are lifted, will be parked for a period of 12 months
- no interest will accrue on the tax debts during the 12 month period
- thereafter, the COVID-19 related tax debts will carry a reduced interest rate of 3% (down from 10%), until the debt is paid
- the timeframe allowed to pay the 'warehoused' debt will be flexible and determined by the ability of the business to pay both COVID-19 related debts as well as meeting its ongoing tax liabilities as they arise in the normal course
- for the warehousing arrangement to apply, all returns must be filed in accordance with the Revenue guidance that has applied since the start of the current pandemic.

Additional information and clarifications will be available on www.revenue.ie in due course.

The deadline for payment of the Local Property Tax has also been extended from 21 March to 21 May, for all those eligible to pay.

1.2. Is support available for those having difficulty making loan repayments?

All the banks have announced that they will offer flexibility to their customers, and they may be able to provide payment holidays or emergency working capital facilities. In addition, the banks are adopting a customer-focussed approach to these businesses with a wide variety of tailored supports including extensions of credit lines, risk guarantees, and trade finance.

On 2 May the Banking and Payments Federation of Ireland announced an extension of payment breaks for businesses and households from 3 to 6 months for those requiring assistance which is being provided to bank and non-bank customers impacted by COVID-19. It is essential that customers fully engage with their lender to avail of these extensions.

1.3. Will I be able to get a new loan if needed?

This will be a matter for discussion with your bank or other lender. However, the Central Bank has confirmed that it will allow banks to dip into their rainy-day capital reserves to keep lending flowing. It is anticipated that this move could free up considerable additional credit for households and businesses. Loans should be available subject to the usual assessment and conditions.

All the banks have announced that they will offer flexibility to their customers, and they may be able to provide payment holidays or emergency working capital facilities.

Businesses are advised to take immediate steps to manage cashflows

Look for scope to:

- Lower variable costs
- Delay discretionary spend
- Extend your payables
- Expedite your receivables
- Explore supply chain financing option

1.4. Where can I find the latest information from the Government relating to COVID-19?

The most up-to-date information available from the Government is published on Gov.ie as it is released. This includes information about supports available for enterprises such as ELC and SAC services. [You can find the latest updates here.](#)

1.5. What is the COVID-19 Income Support Scheme?

The Temporary Wage Subsidy Scheme (TWSS) was first introduced on 26 March 2020 to provide income support to eligible employers where the business activities have been negatively impacted by the COVID-19 pandemic but who continue to keep employees on payroll. The most recent guidance (4 May) on the TWSS is available <https://www.revenue.ie/en/employing-people/documents/pmod-topics/guidance-on-operation-of-twss.pdf>

1.6. Where can I find more information about general business supports?

The Department of Business, Enterprise and Innovation (DBEI) is now operating a Business Support Call Centre to advise on the Government supports available to businesses and enterprises that are affected by COVID-19. The Call Centre can be contacted at 00 353 1 631 2002. In addition, on the [COVID-19 Supports](#) page on the DBEI website there are numerous links to vital information, supports available and advice to business on dealing with COVID-19. This advice is from official and trusted sources such as the Health Service Executive (HSE) and Departments of Health, Employment Affairs and Social Protection (DEASP) and Foreign Affairs and Trade (DFAT) as well as WHO, the Health Protection Surveillance Centre and the Health and Safety Authority (HSA). You will also find guidance for the business and retail sector, guidance for workers dealing with the public information for employers and employees on employment supports and payments. It is important that the advice and guidance you take is from official sources and you will also find all information regarding COVID-19 on the Government website, www.gov.ie.

1.7. What other supports are available for Small and Medium Enterprises (SMEs)?

- The Government has recently announced a range of supports for business, many of which are administered by DBEI and its Agencies and Offices. Not all of these will be applicable to every ELC and SAC service (for example the MicroFinance Ireland loans noted below are only available for companies with fewer than ten employees SBCI is available for those over 10 employees), but services are encouraged to make enquiries with the relevant Agencies if they think they may be eligible. These supports can also be viewed on the DBEI [COVID-19 Supports](#) page and include:
 - A €200m Strategic Banking Corporation of Ireland (SBCI) Working Capital scheme for eligible businesses impacted by COVID-19. Loans of up to €1.5m will be available at reduced rates, with up to the first €500,000 unsecured. [FAQs on the scheme can be found here](#). Applications will be through the [SBCI website](#).
 - A €200m Package for Enterprise Supports including a Rescue and Restructuring Scheme available through Enterprise Ireland for vulnerable but viable firms that need to restructure or transform their business. [Detail about the supports offered through Enterprise Ireland can be found here](#).
 - The maximum loan available from MicroFinance Ireland will be increased from €25,000 to €50,000 as an immediate measure to specifically deal with exceptional circumstances that micro-enterprises – (sole traders and firms with up to nine employees) - are facing. [You can find more information here](#). Applications can be made through the [MFI website](#) or through your [local LEO](#).
 - Vouchers for business continuity preparedness, innovation and productivity will be available through Local Enterprise Offices in every local authority area. Full details of this support will be finalised shortly; [more information can be found here](#).
 - The Credit Guarantee Scheme will be available to COVID-19 impacted firms through the Pillar Banks. Loans of up to €1m will be available at terms of up to seven years. [You can find more detail here](#).

In addition, the following supports are available for firms experiencing trading difficulties and short-term shocks:

- The Department of Employment Affairs and Social Protection and DBEI will provide a joint First Responder support service through the Intreo Offices and development agencies, Enterprise Ireland and IDA Ireland in each region to provide tailored supports for impacted firms, with the objective of avoiding mass lay-offs and buying time for firms to work through the short-term disruptions.

- A Finance in Focus grant of €7,200 will be available to Enterprise Ireland and Údarás na Gaeltachta clients who want to access consultancy support to undertake immediate finance reviews.
- The Registrar of Companies has also decided that all annual returns due to be filed by companies between now and 30th June, 2020 will be deemed to have been filed on time if all elements of the annual return are completed and filed by that date. This will enable businesses and their financial advisers to focus on the more pressing and immediate financial challenges. The situation will be kept under review and the date of 30th June may be extended depending on the situation at that time. Companies should check the CRO website www.cro.ie for more details.

On 2 May the Government outlined further measures to further support small, medium and larger businesses that are negatively impacted by Covid-19. This follows the publication on 1 May of the Government's Roadmap for Reopening Society & Business, which sets out a five stage plan to ease the Covid-19 restrictions and reopen Ireland's economy and society. The package of measures announced aims to help businesses to restart, reconnect and rehire staff who have been laid off or furloughed. Those measures are:

- A €10,000 restart grant for micro and small businesses based on a rates/waiver rebate from 2019;
- A three month commercial rates waiver for impacted businesses;
- A €2 billion Pandemic Stabilisation and Recovery Fund within the Ireland Strategic Investment Fund (ISIF), which will make capital available to medium and large enterprises on commercial terms;
- A €2 billion COVID-19 Credit Guarantee Scheme to support lending to SMEs for terms ranging from 3 months to 6 years, which will be below market interest rates;
- The 'warehousing' of tax liabilities for a period of twelve months after recommencement of trading during which time there will be no debt enforcement action taken by Revenue and no interest charge accruing in respect of the warehoused debt;

A commitment to local authorities to make up the rates shortfall, so that local authorities can continue provide full services to the public.

1.8. What are SMEs?

SME stands for Small and Medium Enterprises. A Small Enterprise is defined as an enterprise that has fewer than 50 employees and has either an annual turnover and/or an annual Balance Sheet total not exceeding €10m.

A Medium Sized Enterprise is defined as an enterprise that has between 50 employees and 249 employees and has either an annual turnover not exceeding €50m or an annual Balance Sheet total not exceeding €43m. You can find more information from [Enterprise Ireland here](#).

Appendix 2 – Funding Agreement

Department of Children and Youth Affairs Temporary Covid-19 Wage Subsidy Childcare Scheme

General Conditions of Funding Agreement (“The Agreement”)

Name of Childcare Service: _____

DCYA Number(s): _____

Owner: _____

Employer Number: _____

Tax Reference Number: _____

1. Interpretation

1.1 “The Agreement” means this Funding Agreement. It sets out the terms and conditions under which the Minister intends to provide funding to the Childcare Service which is signatory to this Agreement. Its purpose is to support providers, childcare staff and parents during the COVID-19 closure period.

1.2 “AIM” means the Access and Inclusion Model.

1.3 “CCSP” means Community Childcare Subvention Plus.

1.4 “Early Learning and Care and School-Age Childcare Programmes” means ECCE (including AIM), NCS, CCSP and TEC.

1.5 “Childcare Service” means the provider or organisation providing an early learning and care or school-age childcare service that has entered into this Agreement with the Minister for the Temporary Covid-19 Wage Subsidy Childcare Scheme.

1.6 “Childcare Staff” means the staff, including ancillary staff, employed by the Childcare Service for the purpose of childcare provision.

1.7 “The Department” means the Department of Children and Youth Affairs (DCYA).

1.8 “ECCE” means the Early Childhood Care and Education programme.

1.9 “Gross weekly pay” means the employee’s Average Gross Weekly Pay for January and February 2020 based on payroll submissions made to Revenue by the employer by 15 March 2020.

1.10 “The Minister” means the Minister for Children and Youth Affairs; including her successors and assigns.

1.11 “NCS” means the National Childcare Scheme.

1.12 “Net weekly pay” means the employee’s Average Net Weekly Pay within the definition of the Revenue Covid-19 Temporary Wage Subsidy Scheme for January and February 2020. It is based on payroll submissions made to Revenue by the employer by 15 March 2020.

1.13 “Pobal” refers to the company limited by guarantee of this name, which is also a registered charity. Pobal functions as the agent of the Minister for Children and Youth Affairs. It acts on the Minister’s behalf in relation to the provision of funding under this scheme.

1.14 “Revenue” means the Office of the Revenue Commissioners.

1.15 “TEC” means the Training and Employment Childcare Scheme.

2. Pre-Payment Conditions

2.1 Payment of the funding or any instalment of the funding shall be subject to the Childcare Service signing this Agreement by hand or electronically thereby confirming that all terms and conditions have been read and accepted.

2.2 The Childcare Service shall provide their Employer Registration Number and Tax Reference Number to facilitate the Department in sharing, through a secure file transfer mechanism, this information with Revenue. This is for the purpose of validating if the Childcare Service has signed up for the COVID 19 Temporary Wage Subsidy Scheme. In providing the Employer Registration Number

and tax reference number the Childcare Service is expressly consenting to Revenue providing this validating information to the Department.

2.3 The Childcare Service shall provide their Employer Registration Number and Tax Reference Number to facilitate the Department in sharing, through a secure file transfer mechanism, this information with the Department of Employment Affairs and Social Protection. This is for the purpose of validating if the Childcare Service provider or their employees is in receipt of the COVID 19 Pandemic Unemployment Payment. In providing the Employer Registration Number the Childcare Service is expressly consenting to the Department of Employment Affairs and Social Protection providing this validating information to the Department.

2.4 It is a condition of this scheme that the Childcare Service consents to verification of information received on the application form when received with Revenue and/or the Department of Employment and Social Protection.

2.5 The Childcare Service must continue to comply at all times with the terms and conditions of this Agreement.

3. Terms and Conditions of Funding: General

3.1 These emergency measures apply to Childcare Services which were contracted with the Department to provide Early Learning and Care and School-Age Childcare Programmes on 12 March 2020.

3.2 The Childcare Service will not receive payments under Early Learning and Care and School-Age Childcare Programmes for the duration of this Agreement. Where Childcare Services have received Early Learning and Care and School-Age Childcare Programme payments for a period on or after 6 April 2020, this funding will be recouped through reconciliation of future payments to Childcare Services.

3.3 The Childcare Service shall complete and return the Temporary Covid-19 Wage Subsidy Childcare Scheme application form along with any documents on request by the Department. The application form will require such information as deemed necessary by the Department, including the employer

number, tax reference number, payroll information in a format specified by the Department, evidence of the monetary value that the Childcare Service was paid under the COVID-19 Wage Subsidy Scheme for a period specified by the Department. The Temporary Covid-19 Wage Subsidy Childcare Scheme application form will be made available to Childcare Services at a later date. This will be after Revenue's payroll information for the period concerned becomes available which is expected on April 20th.

3.4 A Childcare Service with Childcare Staff must be participating in Revenue's COVID-19 Temporary Wage Subsidy Scheme in order to benefit from funding under this scheme.

3.5 The Childcare Service shall seek to reinstate Childcare Staff who were laid off on or after 12 March 2020. Evidence of this action must be retained by the Childcare Service.

3.6 The Childcare Service shall, upon re-opening following COVID-19 mandated closure, retain the place of each child who was registered with their service on 12 March 2020.

3.7 No payment may be taken from a parent to retain the place of each child who was registered with their service on 12 March 2020.

3.8 The Childcare Service shall not charge any fees to parents for the duration of this Agreement. Where parental fees have already been paid, the Childcare Service will refund any portion of the fee to the parent which covers 6 April 2020 or later.

3.9 The Childcare Service shall not seek or accept voluntary contributions from parents during the effective period of this Agreement.

4. Terms and Conditions of Funding: Childcare Wage Subsidy

4.1 DCYA will make a payment to the childcare service which will equate to the *Maximum additional payment the childcare service can make to an eligible employee under the Covid-19 Temporary Wage Subsidy Scheme to support payment up to the limits of*

(i) Each employee's Net Weekly Pay or

(ii) €586.

Whichever is the lesser.

4.2 Payments to the Childcare Service under 4.1 will only be applicable to staff who are benefitting from the Covid-19 Temporary Wage Subsidy Scheme; and with respect to Childcare Staff who are not in receipt of, or have ceased to be in receipt of, the COVID-19: Pandemic Unemployment Payment; and only in respect of Childcare Staff who are on the payroll for the duration of this Agreement.

4.3 Where a Childcare Staff member's Net Weekly Pay is less than the weekly Pandemic Unemployment Payment, DCYA will pay the Childcare Service the equivalent of the Pandemic Unemployment Payment for that staff member under this agreement.

4.4 Payments under 4.3 shall not be applicable where the employee has multiple employers.

4.5 Payments under any part of this Agreement (or under 4.1) will not be applicable in respect of employees who are on an employment scheme or other government-funded programme. Such schemes include but are not limited to:

- (a) CE – Community Employment
- (b) CSP – Community Service Programme
- (c) JI – Job Initiative Scheme
- (d) JobsPlus
- (e) Tús
- (f) YESS – Youth Employment Support Service
- (g) HSE/Tusla funded employees

4.6 Funding provided under paragraph 4.1 and 4.3 as the Childcare Wage Subsidy shall only be used towards Childcare Staff payroll. Evidence of this shall be maintained by the Childcare Service.

5. Terms and Conditions of Funding: Overhead Payment

5.1 The Department will fund the Childcare Service based on the equivalent of 15% of the Gross Weekly Pay cost for Childcare Staff.

5.2 Where the net weekly pay costs excludes pay costs for the owner manager of the Childcare service, the Pandemic Unemployment Payment made to the owner manager will be included in the overhead rate calculation.

5.3 Where the aggregate of 5.1 and 5.2 is less than €300, the childcare service will receive €300

5.4 Where the Childcare Service has no employees, the Department will pay a flat rate overhead payment of €300 per week.

5.5 Funding provided under paragraphs 5.1 to 5.4 as the overhead payment shall be used towards ongoing costs incurred by the Childcare Service.

6. Undertakings and Warranties

6.1 The Childcare Service should, where possible, encourage Childcare Staff to engage in training and Continuous Professional Development (CPD) during this closure period.

6.2 The Childcare Service should, where possible, engage in training and Continuous Professional Development (CPD) and carry out administrative tasks during this closure period.

7. Payment and Administration Terms

7.1 The Department's Temporary Covid-19 Wage Subsidy Childcare Scheme will be administered by Pobal.

7.2 All information provided by the Childcare Service under this Agreement will be available to the Department and Pobal for the purpose of administration, payment and verification of the Agreement.

7.3 Payments under this scheme will apply from April 6th subject to the eligibility conditions herein.

7.4 Payments under this Agreement will initially be estimated, pending receipt of the information required through the Temporary Covid-19 Wage Subsidy Childcare Scheme application form. Any over or under payment will be reconciled on receipt of this information.

7.5 Under or over payments may be reconciled through future payments under this Agreement or other Department of Children and Youth Affairs funded programme agreements, as necessary.

8. Term and Termination

8.1 These emergency measures will apply from 6 April 2020 and for the duration of Revenue Temporary Wage Subsidy Scheme, in accordance with the Minister's or Government's decisions in this area.

8.2 This Agreement may be amended by the Department at any time and may be terminated by the Department with one weeks' notice.

8.3 The Childcare Service shall maintain evidence of compliance with the terms and conditions of this Agreement and shall produce such documentation upon request to the Department or Pobal. The Childcare Service shall allow access to relevant financial and other records for this purpose, and shall facilitate and co-operate with verification as required.

8.4 The Childcare Service shall permit representatives and agents of the Department to attend at the premises of the Childcare Service and shall permit access to the Childcare Service premises and personnel for the purposes of verification of compliance with the terms and conditions of this Agreement.

8.5 Failure to comply with the terms and conditions of this Agreement may result in a suspension or recoupment of funding under this Agreement and/or a termination of this Agreement.

I agree to abide by the terms and conditions herein and consent to the provision of required information as described within this Agreement on request.