

# DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme – Factsheet

## DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme

The Temporary COVID-19 Wage Subsidy Childcare Scheme was developed to sustain the (ELC) and School Age Childcare (SAC) sector at this time of crisis and in conjunction with the wider Government / Revenue Temporary COVID-19 Wage Subsidy Scheme. The DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme is a temporary scheme and is an exceptional measure devised to respond to the crisis of COVID-19.

This new scheme, once operational, will replace ECCE, NCS, CCS, TEC & AIM funding programmes on a temporary basis.

Specifically, the DCYA the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme (WSCS) is seeking to:

- Enable ELC and SAC Providers to support and retain their staff following the sudden and unexpected closure of centre-based ELC and SAC services on 12<sup>th</sup> March 2020.
- Ensure that ELC and SAC services are in a position to reopen following the crisis, providing children, parents and families access to early education and care whilst also supporting parents to return to the workplace.
- Remove the pressures on parents to continue to pay their childcare fees under stressful circumstances, and to remove the concern that they may risk losing their child's place if unable to pay fees.

### Key points of the Temporary COVID-19 Wage Subsidy Childcare Scheme:

**Staff wages:** In addition to the wage subsidy provided by Revenue under the Temporary COVID-19 Wage Subsidy Scheme, DCYA will top-up of wages of eligible ELC and SAC staff to the maximum additional payment an employer can make to receive full Temporary COVID-19 Wage Subsidy Childcare Scheme subsidy, to a limit of €586 per net weekly pay in line with the Revenue scheme.

**Staff whose weekly wage is below €350:** Where a staff member's pre-12<sup>th</sup> March 2020 weekly wage was below the DEASP set rate for temporary Pandemic Unemployment Payment (€350 net per week), DCYA will on a temporary basis top-up eligible employees' wages to €350 net per week, meaning that all staff will be encouraged to remain with their employer rather than sign on with the DEASP<sup>1</sup>. Where an employee previously laid off has been re-hired / removed from the business payroll, the employee will qualify for the Wage Subsidy Childcare Scheme and their DEASP claim will be closed. In order to ensure correct payment of the wage subsidy, employees should use [www.mywelfare.ie](http://www.mywelfare.ie) to close their claim immediately once they are taken back onto the business payroll.

**Overhead payment:** To reflect the unique circumstances of the sector, in addition to funding eligible staff wages up to the maximum additional payment under the full Temporary DCYA COVID-19 Wage Subsidy Scheme subsidy, services will also receive a further payment which will be a percentage of their total eligible staff gross weekly pay to be used towards ongoing / non-deferrable operational costs.

The standard rate will be 15% of eligible staff gross weekly pay (or equivalent) with a minimum payment of €300 per week. This 15% is calculated based on the payroll submissions made to Revenue by the employer by 15 March 2020. January/February payroll, for all staff eligible for the WSCS

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<sup>1</sup> Both the Pandemic Unemployment Payment and the Temporary Wage Subsidy Childcare Scheme are subject to tax.

**Parent fees:** One of the conditions of payment under the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme is that services will not charge parents fees or seek voluntary contributions for the period of the scheme, and that on reopening after COVID, their ELC/SAC place(s) will be secured for them. Services which do not sign up for the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme should discuss their situation with parents.

**Revenue Temporary COVID 19 Wage Subsidy Scheme:** Service providers must be registered with Revenue for the Temporary COVID 19 Wage Subsidy Scheme to apply for the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme. Note: On 15 April, changes to the Temporary COVID 19 Wage Subsidy Scheme were announced. The new rates apply from 4 May.

## Eligibility

Any service provider who had been operating DCYA funded ELC and SAC programmes as of 12<sup>th</sup> March 2020 and who has registered with Revenue for the Temporary COVID 19 Wage Subsidy Scheme is eligible.

There is no obligation on ELC and SAC service providers to sign-up to either the Revenue operated Temporary COVID-19 Wage Subsidy Scheme or the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme. However, from the date the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme goes live, no further payments will be made to centre based providers for the DCYA ELC and SAC programmes while the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme is in operation.

Participation in the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme 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.

## Application Process

The application process for the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme will be in 2 phases.

### **Phase 1 - Accepting the Terms and Conditions of the WSCS Agreement:**

- The PAU for each organisation will receive an email from Pobal 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 Wage Subsidy Childcare Scheme Funding 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 facility. Pobal will contact the PAU of multi facility organisations only, after funding agreements are submitted as further information will be required. Funding for all services will be processed as a single payment into a single bank account to be nominated by the PAU.

Payments under Phase 1 will be made on a preliminary basis.

### **Phase 2 - Submitting the Application form:**

Whilst the details are still being finalised, both the Application forms and a step by step process will be available on the PIP Portal once they become available.

### Support for completing the application process

An ELC and SAC provider can receive support to complete the application process through their local CCC. They can also contact the Early Years Provider Centre (EYPC) via email at [eypc@pobal.ie](mailto:eypc@pobal.ie) or by submitting a Request on the Early Years Hive.

## Payments

Payments under this scheme will apply from 6<sup>th</sup> April and will be initially estimated, pending receipt of the information required through the Temporary Covid-19 Wage Subsidy Childcare Scheme application form. This application form is currently being finalised and will be made available in the coming weeks. A reconciliation of payments made for week 4<sup>th</sup> – 10<sup>th</sup> April under previous schemes ECCE (including AIM), CCSP, TEC and NCS will be done when processing the second payment due 1<sup>st</sup> May. The second and subsequent payments will be either estimated or based on information received through the Temporary Covid-19 Wage Subsidy Childcare Scheme application form. When the actual Wage Subsidy is calculated, a reconciliation will also take place against the preliminary payments already made.

Payments will commence next week to be in bank accounts on 24<sup>th</sup> April, to any service provider who has accepted the terms of the funding agreement and submitted the form by 5pm Tuesday 21<sup>st</sup> April.

Payments will issue as follows:

	<i>Date</i>	<i>No weeks</i>	<i>Weeks</i>
<b>1<sup>st</sup> payment</b>	24-Apr	3 weeks	06/04-10/04
			13/04-17/04
			20/04-24/04
<b>2<sup>nd</sup> payment</b>	01-May	2 weeks	27/04-01/05
			04/05-08/05
<b>3<sup>rd</sup> payment</b>	08-May	2 weeks	11/05-15/05
			18/05-22/05
<b>4<sup>th</sup> payment</b>	22-May	2 weeks	25/05-29/05
			01/06-05/06
<b>5<sup>th</sup> payment</b>	29-May	2 weeks	08/06-12/06
			15/06-19/06

## More information

The terms and conditions of the Wage Subsidy Childcare Scheme are contained within the Scheme Agreement available on the PIP Portal [here](#).

Services can find more information about the DCYA Temporary COVID-19 Wage Subsidy Childcare Scheme in the FAQs on the PIP Portal [here](#). Updates will be made to these FAQs as soon as further information becomes available. It is recommended that service providers check these regularly.