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Rialtas na hÉireann Government of Ireland ۲



INFORMATION BOOKLET FOR PROVIDERS

Opening the door to quality, accessible, affordable childcare.



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1. INTRODUCTION

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The National Childcare Scheme is our pathway to accessible, affordable, quality Early Learning and Care and School Age Childcare. It is due to launch in October 2019, replacing all previous targeted programmes with a single, streamlined and user-friendly Scheme, and enabling some families to become eligible for subsidies for the first time.

Parents will apply directly to the Scheme for financial support, meaning providers will no longer need to manage parental paperwork in order to apply for subsidies. The Scheme will operate under a single system that will ensure streamlined administration for providers and establish a sustainable basis for State investment in Early Learning and Care and School Age Childcare over the next decade.

2. GETTING READY FOR THE NATIONAL CHILDCARE SCHEME

This booklet is intended to give you an initial overview of the Scheme. Over 600 training sessions will be held nationwide throughout the year providing further information on the Scheme. A full suite of training and information materials will also be available to access online, including all of the information covered in the sessions. Training will be delivered in two phases:

Phase 1 Training Sessions: How the Scheme works.

These sessions will cover the rules of the Scheme and their practical application, as well as compliance requirements for providers who choose to participate. They will start on the 25th March 2019 and will run until June.

CHILDCARE

Scheme Early Learning & Care

Phase 2 Training Sessions: Using the system.

These sessions will provide practical training on the use of the National Childcare Scheme's IT system, covering both the provider portal and the parent application process. They will start on 26th August 2019 and will run until the 25th October 2019.

Training sessions can be booked online at <u>www.ncs.gov.ie/provider</u>.

All sessions, at all venues, will be open to all providers, so you can choose a date and location which best suits your needs, subject to capacity. You can also contact your local City or County Childcare Committee for more information.

3. EXISTING CHILDCARE SUPPORT PROGRAMMES

We want to ensure continuity of service for parents and providers while the National Childcare Scheme is being introduced. For this reason the existing childcare support programmes will continue but in a limited way. Applications for the current programmes can be made up until the National Childcare Scheme goes live (target date October 2019), after which applications to these programmes will close. Children registered on the existing programmes before the National Childcare Scheme launches will be able to stay on them for the balance of the programme year, if this is their preference.

This means that, for one year (2019/2020), both the National Childcare Scheme and the existing childcare support programmes will run simultaneously. The Community Childcare Subvention Scheme (CCS) will be merged with the Community Childcare Subvention Scheme Plus (CCSP) for the final programme year and will cease completely in 2020.

To make the transition as smooth as possible, families can choose to make the switch to the new National Childcare Scheme immediately or remain on their current programme for one final programme year. For those who are interested in switching, they can remain on their current programme while applying for the National Childcare Scheme and right up until the point where their provider registers them for the new Scheme and they confirm the registration (see section 7).

The free preschool programme (ECCE) will not be affected by the introduction of the National Childcare Scheme and will remain in operation.

4. NATIONAL CHILDCARE SCHEME OVERVIEW

The National Childcare Scheme provides financial support for children aged between 24 weeks and 15 years who are attending any participating Tusla registered service.

Under the National Childcare Scheme, parents can use the online application system to apply directly for subsidies. As a provider, you will

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no longer be required to handle paperwork or personal information for parents in order for them to access financial supports.

There are two types of supports available under the Scheme: a Universal subsidy and an Income Assessed subsidy.

The **Universal subsidy** is available to all families with children under three years. It is also available to families with children over three years who have not yet qualified for the free preschool programme (ECCE). The Universal subsidy provides 50c per hour towards the cost of a registered childcare place for up to a maximum of 40 hours per week.

An **Income Assessed** subsidy is available to families with children aged between 24 weeks and 15 years using Tusla registered childcare. This subsidy is means tested and will be calculated based on individual family circumstances. The subsidy rate will vary depending on the level of family income, a child's age and educational stage, and the number of children in their family. The subsidy can be used towards the cost of a registered childcare place for up to a maximum of 40 hours per week where parents are working, studying or training, or in circumstances where a parent is unavailable to care for a child. Where parents are not working, studying or training, the subsidy will be paid for up to a maximum of 15 hours per week. In all cases, the maximum subsidised hours are inclusive of time spent in school or pre-school (see case studies on www.ncs.gov.ie).

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The maximum hourly subsidy rates by age are set out below. Maximum rates are payable where reckonable* family income is under $\leq 26,000$ per year. Rates reduce on a sliding scale as income rises but subsidies are payable in all cases where reckonable family income is less than $\leq 60,000$ per year.

*Reckonable income is calculated by taking the net family income and deducting any allowable items under the Scheme, such as the Multiple Child Discount. In other words it is the family income, including social protection payments, after tax, PRSI, USC, and any allowable items under the Scheme have been deducted. A full list of income deductions and exclusions will be available on www.ncs.gov.ie

| Child's age | Maximum subsidy per hour (Rates valid as at October 2019) |
|--|--|
| Less than 12 months old | €5.10 |
| 12 to 35 months old | €4.35 |
| 3 years old or older and not yet in school | €3.95 |
| At school | €3.75 |
| | |

SPONSORED SUBSIDIES

In addition to the two types of subsidy available under the Scheme, there is a system for addressing the needs of families who require particular additional assistance. For example, in the case of families for whom childcare is required on child welfare or child protection grounds, or for whom childcare is a necessary element of family support, a specified statutory body ("sponsor body") may refer a child to the Scheme for childcare support. Where a referral is made by a sponsor body, the family will automatically qualify for a subsidy without having to satisfy the Scheme's eligibility, income or maximum hour requirements. Details on the operation of sponsored referrals are contained in a separate booklet and will be available on the website www.ncs.gov.ie

Subsidies will typically be awarded on a yearly basis. Providers and parents will receive a notification alerting them when a subsidy is due for renewal.

If either a parent or a provider is not satisfied with, for example, a subsidy award or the amount of the subsidy paid in respect of a child, the parent or provider, as appropriate, will have the right to have the decision reviewed by an officer of the Scheme Administrator. If they are still not satisfied following the outcome of the review, they will have a further right of appeal.

5. HOW THE SUBSIDIES WILL WORK

The National Childcare Scheme is designed to be flexible, recognising that childcare needs are different for each family. In creating a single national Scheme, it was important to recognise these differences and create a system that could respond to them without affecting service operations for providers.

For this reason subsidies will be awarded as an hourly rate, along with a maximum number of hours for which this rate is payable. The award is then broken up into segments, which show any changes to the subsidy rate and hours over the course of the year, such as a change in the child's age or educational stage. The hourly rate of subsidy illustrates to parents their level of subsidy and will not affect service operations.

Parents and providers will continue to work together as they currently do to decide on the hours of childcare that are needed and can be provided. These hours are a combination of what a parent needs and what a provider can reasonably offer. Providers will continue to set their own fees, sessions and admissions policies. The hours of childcare available to parents are solely at the discretion of each provider.

The hourly subsidy rate can be applied to the hours agreed between the parent and provider. Where these hours are the same as the maximum hours available to the parent under their subsidy award, all of the hours of care will be subsidised. For example, where a parent has been awarded 40 hours and has agreed 40 hours of childcare with their provider, then all 40 hours will be subsidised. Where the hours agreed are greater than the maximum hours available to the parent under their subsidy award, the remaining hours of care will be unsubsidised and paid for in full by the parent. For example, where a parent has been awarded 40 hours but agrees 45 hours with their provider, subsidies will be paid for 40 hours. Please see www.ncs.gov.ie for more case studies.

Childcare bills will be calculated by subtracting the subsidy amount from the published fee for the level of care which has been agreed. Providers will continue to set their own fees, sessions and admissions policies.

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6. PARTICIPATION IN THE NATIONAL CHILDCARE SCHEME

To participate in the National Childcare Scheme you must:

- le registered with Tusla
- Enter into a contract with the Minister for Children and Youth Affairs in respect of the National Childcare Scheme

Contracts are for a 12 month period and are renewable. The contracting process will open in June 2019 and will involve applying for the National Childcare Scheme Programme Call. In completing your application, your Tusla registration will be checked and you will input your fees list and service calendar. The contract will then be made available for you to sign electronically.

Contractual requirements are detailed further in the Governance and Compliance section of this booklet.

The National Childcare Scheme will be the first programme to run on the new Early Years Platform which will eventually replace PIP. This is a userfriendly system which has been designed to reflect the needs of providers.

For most providers, migration from PIP to the Early Years Platform will be automatic, and you will only be required to input your bank account details and check that your other information is correct to complete the process. For providers who have not been automatically migrated, you must complete a once off on-boarding process that will establish you on the Early Years Platform. You will need to appoint at least one Primary Authorised User (PAU) from your organisation who will have the authority to enter into contracts on the organisation's behalf.

Once reviewed and approved, the PAU will have full access to the Early Years Platform provider portal. Through this, organisational information can be kept up to date and bank account details can be edited to facilitate programme payments.

Ultimately, all Early Years schemes and services will be accessed via the Early Years Platform. However, in the short to medium-term, providers will still need to use PIP for the current targeted childcare support programmes and the ECCE programme.





7. REGISTRATION OF SUBSIDIES AND SUBSIDY HOURS

Where a parent has applied online or by post to Pobal and has been awarded a subsidy, they will be given a detailed breakdown of their subsidy for the year along with a unique code, called a CHICK (**Ch**ildcare Identifier **C**ode **K**ey). This code, along with the child's name and date of birth, are all you will need to register a child with your service for a subsidy on the Scheme.

When you input the child's CHICK and date of birth into the system will see:

- The subsidy type (Universal/Income Assessed)
- The subsidy rate per hour

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- O The maximum number of hours per week for which the subsidy is payable
- Any expected changes in the subsidy rate per hour and/or maximum hours per week before the renewal date, and
- The expiry date of the subsidy



Once you agree the hours of service to be provided with the parent, you will need to register the hours to be subsidised under the National Childcare Scheme. This is the number of hours the child will attend your service per week (not including ECCE) up to the maximum hours allowed under the child's award. It should be noted that a child may attend for hours in excess of the maximum awarded hours but these additional hours will not be subsidised under the National Childcare Scheme. The Scheme also recognises that family life happens! Its rules allow for tolerance where a child's attendance is occasionally less than their subsidised hours due to, for example, illness or appointments, a parent sometimes getting off work early or a grandparent needing to drop a child off late.

When you have registered the hours on the system, a notification will be sent to the parent requesting that they review the information submitted and confirm that it is correct. The registration process is completed after the parent has issued this confirmation and subsidies will be applied from this time.

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When registering a child's hours on the system, you can agree and register the hours to be delivered each week for the entire course of the award or you can come back at a later date to register any upcoming non-term time hours. You can also adjust the registered hours at any time by agreement with the parent (for example, you might adjust the hours upwards if the parent wished to move from part-time to full-time childcare). Changes can only be registered for future dates and cannot be made retrospectively. ۲

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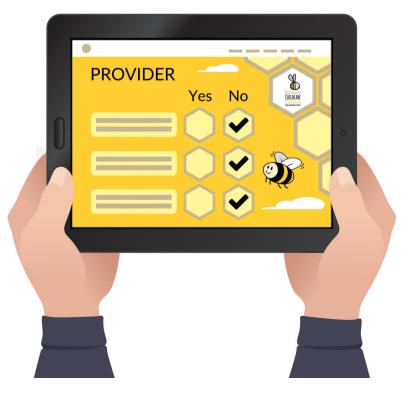
Subsidies are paid on a whole hour basis. Any part hours can be rounded up. For example, an agreement of 7.5 hours of childcare per day can be registered as 8 hours per day, so the weekly total is 40 hours.

8. PAYMENT OF SUBSIDIES

Subsidies are paid weekly. Providers certify the payment by means of a weekly reporting return on the continued attendance of the children receiving subsidies. As such, payment is in arrears. The return will be a straightforward process that is completed on the Scheme's system by a set day each week.

In completing your return, you are only required to tell us about cases of non-attendance (reporting by exception). This is done by answering three simple questions each week:

- Since your last reporting return, has any child left your service?
- Since your last reporting return, has any child been absent for <u>four or</u> <u>more consecutive weeks</u>?
- Since your last reporting return, has any child's attendance been less than their National Childcare Scheme subsidised hours <u>every week for</u> <u>eight consecutive weeks</u> (i.e. has any child under-attended for eight weeks in a row)?



If the answer to any of these questions is yes, you must identify this in the weekly return.

For children who are **leaving the service**, parents should provide four weeks' notice of the departure. Providers must register the date of departure and payments will stop from the day after this date. Where the parent has given no notice of the child's departure, the provider may claim up to four weeks subsidy in lieu of notice. In such cases, another provider will not be able to register the child until the four weeks has elapsed and the original provider has ended its subsidy registration.

If a child has been **absent for four consecutive weeks**, you can confirm if the child is now back in attendance and the date of their return, or if certain exceptional circumstances apply (see www.ncs.gov.ie/provider for more detail on exceptional circumstances). In such circumstances, there will be no break in the subsidy payment. Otherwise, subsidy payments will be suspended for any periods of absence exceeding four consecutive weeks.

Where children are persistently attending for less than their National Childcare Scheme subsidised hours (i.e. **under-attendance every week for eight consecutive weeks**), a notification will be issued to both the parent and the provider. The notification will advise that financial support will be reduced if the pattern of under-attendance continues every week for a further four weeks, and will ask the provider – in consultation with the parent – to adjust the hours registered on the Scheme's system if this lower level of attendance is due to continue. Where the provider adjusts the hours, the subsidy payment will be amended to reflect the hours that are registered. Otherwise, where the pattern of under-attendance continues every week for a further four weeks, the subsidy will be reduced by the Scheme Administrator to reflect the average hours used over the 12 week period of under-attendance. More detail on this process and on the exceptional circumstances, which can be taken into account, is available on www.ncs.gov.ie/provider.

In all cases, parents will receive a notification if a change is to be made to their subsidy on the basis of their child's departure, continued absence or under-attendance. This will give providers sufficient opportunity to amend or cancel a registration on the system as required.

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If a provider fails to make a weekly return, the system will issue a warning. If the return is not registered by the next deadline, payments will be suspended until reporting returns are brought up to date.

In line with your current Tusla registration requirements, you must keep accurate attendance records for each child. These records must clearly show the child's name, time of arrival and time of departure each day. A standard template for maintaining attendance records has been developed and will be included as part of the National Childcare Scheme contract. This template has been designed to also meet Tusla registration requirements and ECCE record requirements as they relate to children's attendance. In other words, the template will support providers to meet all their future reporting requirements regarding children's attendance for both Pobal and Tusla within a single, coherent document. It will also support clear and consistent record-keeping across the sector for the benefit of all.

As well as being part of your Tusla compliance requirements, your attendance records will be used to inform your weekly National Childcare Scheme returns. There is no requirement to upload these records onto the system.

As occurs at the moment with the existing schemes, authorised officers of the Scheme Administrator will visit your service periodically to ensure that your attendance records are adequate and up-to-date and that registrations have been correctly confirmed on the Early Years Platform.

9. GOVERNANCE AND COMPLIANCE

To enter into a contract for the National Childcare Scheme, providers must agree to:

- Monitor, record and submit reporting returns on children's attendance as detailed in section 8
- Publish their fees, opening hours and service calendar, using the standard template provided, in an area that is accessible to parents as well as on the service's website
- Allow the Scheme Administrator to publish their fees online and in any other form
- Charge fees on the same basis to parents who are receiving subsidies and parents who are not
- Subtract any subsidy from the published fee in order to calculate the parental fee, i.e. the 'co-payment', and keep a copy of the written agreement with the parent

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- O Complete an annual financial declaration confirming they:
 - (a) have submitted their annual accounts in line with CRO and Revenue deadlines
 - (b) have clearly disclosed all National Childcare Scheme funding within the annual accounts as a discrete line item
 - (c) will make the accounts available to the Scheme Administrator on demand, and
 - (d) have offset subsidies in full against the service's published fees

O Have a valid tax clearance certificate

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Facilitate authorised officers in the course of their compliance functions

Over the course of a compliance visit an Authorised Officer will check:

- That the service's fees list is on display in the service in the required format and location
- That adequate daily attendance records are maintained in the required format and are available for checking
- That each child's registration details and attendance patterns have been accurately recorded on the Early Years Platform, and that the recorded attendance patterns reflect the information contained in the local attendance records
- That the National Childcare Scheme subsidies have been applied correctly against the published fees having regard to each parent's claimed weekly subsidy and the agreement in place between the parent and the provider

All compliance and governance requirements for the National Childcare Scheme will be covered in detail at the 600 training sessions taking place across the country between March and October. Online guides and resources will also be available at <u>www.ncs.gov.ie</u>.

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10. FURTHER INFORMATION AND RESOURCES

If you would like further information or resources, please visit <u>www.ncs.gov.ie/provider</u> or contact your local City/County Childcare Committee.

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