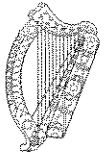An Roinn Leanaí
agus Gnóthaí Óige

Department of
Children and Youth Affairs

05 October 2017

Mr Colm Murphy
South Dublin County Council
County Hall
Tallaght
Dublin 24

Dear Mr Murphy

Thank you for your letter concerning investment in the Early Childhood Care and Education sector. Please accept my sincere apologies for the delay in replying to you on this matter

It must be noted that the Department of Children and Youth Affairs is not the direct employer of childcare workers. However, in terms of improving pay and conditions Minister Zappone have suggested to the sector that they could apply to the Labour Court for a Sectoral Employment Order (SEO), asking the Court to make a recommendation in relation to pay for the whole early years' sector.

Under a SEO process, organisations substantially representative of employers and employees come together to agree a way forward and submissions are sought from key stakeholders. It should be highlighted that the Department would have no role in relation to the SEO process, however, as a significant funder, and with policy responsibility for quality, the Department would be well placed to make a submission to the Court once it publishes its notice in relation to the matter of the application for a SEO for the sector.

The Department continues to invest significant resources in the early years sector. In Budget 2017 Minister Zappone secured a 35% increase in childcare funding, which was additional to a similar 35% increase in Budget 2016. These increases reflect the emphasis being placed on developing a quality service with appropriately supported staff.

On 11th April 2017 Minister Zappone made an announcement that the Affordable Childcare Scheme (ACS) would not commence this September but that a range of measures would be introduced in September by the Department to make childcare more affordable for thousands of families throughout Ireland. This honours a key commitment in the Programme for Government.

The 'September measures' relate to the introduction of the Community Childcare Subvention Universal (CCSU) payment and the increase in band rates across the different strands of the Community Childcare Subvention (CCS) Scheme and the Training and Employment Childcare (TEC) Scheme. As part of these 'September measures', a new universal subsidy is available for all children aged between 6

months and 3 years of age (or until they qualify for ECCE if later than 36 months) in registered childcare. This amounts to up to €20 a week or €1,040 per year for children in full time childcare.

Towards meeting some of the administrative overhead, Minister Zappone announced in recent months payments totalling €3.5m towards 'non contact time' for all childcare providers who register for the enhanced childcare measures under the Community Childcare Scheme. This, in addition to €14.5m that has been already paid to childcare services so far in 2017 in recognition of administration associated with ECCE and other schemes, provides for €18m in 'non-contact time' payments this year.

Minister Zappone is also keenly aware of the pressures on the sector with regard to availability of places and the Department has provided €8.4m for its 2017 Early Years Capital funding programme. This represents a doubling of the €4m provided under the 2016 Early Years Capital Funding Programme. In addition to this, the Department has also provided €4 million for its 2017 School Age Childcare Capital programme. This funding has been made available under three strands, and it is designed to create an additional 5,000 places.

Although the Department has been successful in securing additional funding for this sector over the past two budgets, as outlined above, Minister Zappone acknowledges that much more must be done if we are truly to have affordable, accessible, quality childcare and continue to improve both the affordability and quality of childcare. To this end Minister Zappone is currently engaged with her Government colleagues with a view to securing additional investment for the childcare sector in Budget 2018.

Yours sincerely

Lisa Hughes
Private Secretary to Minister Katherine Zappone TD