Joint Committee on Children and Youth Affairs

An Comhchoiste um Leanaí agus Gnóthaí

Pre-legislative Scrutiny Report on the Heads of Bill of the Affordable Childcare Scheme Bill 2017
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Full Submissions available on www.oireachtas.ie
Chairman’s Foreword

On Tuesday 11th October, 2016 it was announced that an additional €19m was agreed in Budget 2017 to enable the introduction of a new Single Affordable Childcare Scheme from September 2017. Minister for Children and Youth Affairs; Katherine Zappone published a policy paper on the new Single Affordable Childcare Scheme and launched an online consultation survey to the public in October 2016. The Committee on Children and Youth Affairs undertook as part of its work to examine the Affordable Childcare Bill at Pre-legislative Scrutiny Stage on Wednesday 8 February, 2017.

The Committee’s engagement with the various representatives of the Childcare Profession, Children’s Advocacy groups, the Minister and her officials from the Department of Children and Youth Affairs and Pobal provided us with a forum for discussion where Committee Members explored its application and examined any overarching concerns or specific issues within the scheme. The related impact on those represented by bodies such as; Early Childhood Ireland, The Association of Childhood Professionals and the City and County Childcare Committees, were considered at a hearing which took place on 8 February 2017. The views aired by these groups and the written submissions received on the practicalities of the initiative now informs the Committee on its deliberation of the Affordable Childcare Scheme. Based upon the hearings, the Joint Committee arrived at a number of recommendations and conclusions, which are set out in the report.

Our aim as a Committee is to facilitate the delivery of a seamless roll-out of the Affordable Childcare Scheme. This will provide families in our communities with equitable access to the scheme and alleviate some of the burden of childcare costs. It will be targeted to cater for those with greater need, thus reducing child poverty. It will also provide for universal subsidisation, so that all families with children from 6 months to 15 years can access quality childcare should they wish to do so. This scheme is about choice, it’s about having options; those who want to study or re-join the workforce, those with children already in childcare, those who choose to stay at home to raise their family but wish to take advantage of a reduced number of childcare hours can all avail of the scheme.

This scheme is a step forward in terms of providing quality affordable childcare for all, but this is just the first step, we cannot achieve all we want to in one year. We are using the benefits of a strong economy to improve people’s lives and make childcare more affordable for hard-pressed families. Achieving input and buy-in from all stakeholders is a key driver to this schemes success and a collaborative approach is in the best interest when aiming to achieve quality care and education for children in their formative years.
Finally, I would like to thank the groups who appeared before the Committee to air their views on the Affordable Childcare Scheme and to those who took the time to make written submissions.

Jim Daly T.D.
Chairman
February 2017
1. Pre-legislative Scrutiny Procedure

Pre-legislative consideration of Bill by Committee.

146A. Prior to its presentation or introduction to the Dáil, the general scheme or draft heads of a Bill shall (save in exceptional circumstances and by permission of the Business Committee46), be given by a member of the Government or Minister of State to the Committee empowered under Standing Order 84A to consider Bills published by the member of the Government. The general scheme or draft heads of the Bill shall be considered by the Committee, having regard to guidelines agreed by the Working Group of Committee Chairmen: Provided that the Committee may decide in relation to a particular Bill that such consideration is not necessary, and in such cases, need not consider the general scheme or draft heads.

Standing Order 84A [Dáil] and 70A [Seanad] provide that a Joint Committee “may consider......in respect of the relevant Department or Departments......”, “the general scheme or draft heads of any Bill published by the Minister.” The Joint Committee is required by these Standing Orders to report on its consideration to both Houses of the Oireachtas.
2. Introduction

The proposed Single Affordable Childcare Scheme (ACS) will be a national scheme of financial support towards the cost of childcare. The Scheme provides for both universal (flat rate) and targeted subsidies (means tested) combined with a co-payment from parents/guardians and will apply to children between the ages of 6 months and 3 years and direct referrals from Tusla. It is proposed that no lower age-limit should apply to referrals from Tusla on child welfare grounds.

The subsidy will be paid directly to the providers on the basis that the money follows the child. Participation in the scheme by childcare providers (crèches and childminders) will be voluntary and they must be registered with Tusla in order to avail of the scheme. The conditions for entering into a contract with the State for the provision of childcare stipulates that the provider must publish their fees, including specifying an hourly fee rate and agrees to apply the full subsidy provided by the State to the cost of the published fee. This provision will allow parents to identify how much the subsidy will reduce the cost of childcare by and what the resulting co-payment will be. The provider must also notify the scheme administrator of absences and changes in attendance in accordance with compliance procedures.

The aim of the scheme is to replace the following schemes currently in operation over a period of time:

- Community Childcare Subvention (CCS);
- Childcare Education and Training (CETS);
- After-school Childcare (ASCC); and
- Community Employment Childcare (CEC).

It is proposed that initially the scheme will be administered by Pobal; however the Department of Children and Youth Affairs will have responsibility for policy, legislation, oversight and evaluation of the scheme. The Department will also be responsible for entering into contract with registered childcare providers who wish to participate in the Scheme. The Scheme will be underpinned in legislation (Affordable Childcare Scheme Bill 2017) to ensure that it has a sound statutory basis and can facilitate data sharing across Government systems (Revenue and Social Protection) for the purpose of assessing means etc. It is stated that the desired implementation timeframe for the Scheme is autumn 2017.

The witnesses invited before the Committee represented the following groups:

- Minister for Children and Youth Affairs
- Department of Children and Youth Affairs
- Pobal
- Association of Childhood Professionals
The Committee also invited written submissions from the following groups:

- Childminding Ireland
- Barnardo’s
- The Iona Institute
- One Family
- Stay at Home Parents Association
- Children’s Right Alliance

This Report outlines some of the issues considered at the public hearing; however the Committee for Children and Youth Affairs is supportive and welcoming of the scheme.

[Transcript is available on www.oireachtas.ie]
3. Recommendations

The Committee based on the evidence presented to it, makes the following recommendations

Recommendation 1

The Committee recommends that the budget ceiling which is provided for under Head 3 is closely monitored to ensure that all children who are entitled to a subsidy under the ACS will be in a position to avail of the scheme.

The explanatory note on head 3 of the Bill states -

“The intention within the legislation is to provide for the total amount of subsidies available each year to be capped. When the budget cap has been reached within a given financial year, no further applications will be accepted unless and until additional monies are made available by the Minister, with the consent of the Minister for Public Expenditure and Reform. For the year 2017 the cost of the Scheme is difficult to define in advance, because of the mid-year nature of the transition to the scheme.”

The Committee was informed that the costings of the Scheme were carried subject to independent cost analysis by the ESRI SWITCH team. The ESRI SWITCH costings are in line with final static cost estimates prepared by the Department of Children and Youth Affairs which underpin the cost estimates presented in this policy paper. The Committee welcomes the fact that the Department has joined the ESRI’s SWITCH research programme as this will inform the DCYA whether the scheme needs to adjust its forecasting for the coming years or control spending. However, the Committee is concerned that the review of costings of the labour market should have been carried out prior to the costings of the scheme.

The Committee was informed by Minister Katherine Zappone at the meeting of the 8 February, 2017 “At the same time we do not anticipate that anyone will be turned away”. The Committee seeks an assurance that those who are entitled to avail of subsidies will not be turned away.

Recommendation 2

The Committee recommends that the needs of vulnerable children needs to be further assessed in relation to the ACS.

The Committee understands that Tusla referrals on the grounds of child welfare or child protection will not be subject to a minimum level of hours as provided for under Head 5; however some children who are using the services fall outside of Tusla’s threshold but still require support. Members have questioned whether the ACS is too weighted towards the labour activation aspect of the scheme and therefor fails to adequately address provisions of childcare for children who are most in need. The Committee would like to see further measures included in the ACS for vulnerable children who fall outside the services of Tusla.

In particular the issue of homeless children was raised by the Committee with regards to the initiative announced under the Community Childcare Subvention in December 2016. Members of the Children and Youth Affairs are most concerned that the introduction of the ACS will continue to support these families who receive 25 hours free childcare.
The Committee wants the legislation strengthened to explicitly state what measures will be provided for families most in need and do not want a reduction in the hours that these families are currently entitled to.

Recommendation 3

The Committee recommends that under Head 6 ‘Approved Providers’, that a review of the criteria for the eligibility of childcare providers/childminders to register with Tusla become a priority. At present there is approx. 120 registered Childminders with Tusla and the Committee is concerned that thousands more are precluded from registering because of the stipulations that eligibility requires.

The Committee notes that Childminding Ireland is examining “who should be defined as a childminder”. In the interest of equity, the eligibility requirements for registration as an approved provider should become a priority for Tusla and the DCYA. It also gives greater choice to families who wish to maintain their current childminding arrangements and avail of the subsidy. The rationale being that the scheme is fair to all providers, notwithstanding this, the Committee recognise the need for minimum standards.

Recommendation 4

The Committee also brought attention to the fact that there is no provision under Heads 8 and 9 for families who through necessity have to rent out their family home as it is no longer suited to their requirements.

In these instances, families are renting accommodation more suitable to their needs and renting out the family home for which there is a mortgage payable. In addition, they have the expense of a mortgage as well as rental expense and in some cases the rent is being used to offset the mortgage on the property in negative equity.

The explanatory note under Head 8 states that “Income arising from capital investments is included within the definition of assessable income, but not the capital which may give rise to future income. Income from interest, dividends and rental income are therefore included within assessable income, but not the savings or investment that give rise to those income sources.”

The Minister has asserted that this matter will be reviewed. The Committee welcomes this assertion and recommends that on completion, it be brought to the attention of the Committee for further consideration.

Recommendation 5

The Committee recommends that the inclusion of Family Income Supplement (FIS) under Head 9 of the Bill which provides for “allowable deductions” means deductions specified in subsection (2) which shall be subtracted from a person’s income as part of an income-assessment under the Scheme” be reconsidered.

The Committee voiced its concerns over the inclusion of FIS as reckonable income as it is given to low income families to supplement their income and the aim of this payment is to incentivise labour activation. Including this as an allowable deduction removes any financial benefit to
families and the Committee feels that this could be counterproductive as parents could decide to work less than 20 hours to obtain adequate childcare provision.

This Committee suggests that the inclusion of FIS as an allowable deduction be removed.

**Recommendation 6**

The Committee recommends that the inclusion of Maintenance payments under Head 9 of the Bill which provides for “allowable deductions” means deductions specified in subsection (2) which shall be subtracted from a person’s income as part of an income-assessment under the Scheme” be reviewed.

**Head 9**

(e) payments made in respect of the maintenance of a child, spouse or a former spouse, whether—

i. under a separation agreement,

ii. pursuant to an order of court of competent jurisdiction, or

iii. as evidenced by a sworn affidavit, signed by both the person making the payment and the person receiving the payment, confirming the amount of maintenance payments paid,

less the amount of any relief from income tax which may be claimed in respect of such payments.

The Committee accepts that the methods for verifying maintenance payments has moved on since the publication of the policy paper, however the provision of a maintenance agreement provided for under a separation agreement or a court order does not always guarantee that maintenance is paid. Furthermore, one of the aims of the ACS is to reduce child poverty and numerous studies have shown that one parent families are most at risk of poverty.

This Committee requests that the inclusion of Maintenance payments as an allowable deduction be reviewed.

**Recommendation 7**

The Committee recommends that the inclusion of mortgage and rent payments be considered as an allowable reduction under Head 9.

It is recognised and accepted by the Committee that the ACS is not intended to offset mortgage or rent payments. However, the Committee would like to see further consideration given to the financial burden that the majority of families who will be eligible for this scheme bear in relation to mortgage and rent payments. The Committee recommends that this matter be reviewed further.
Recommendation 8

The Committee recommends that the remit of the Ombudsman for Children be extended to include investigative powers into complaints relating to the ACS.

The Ombudsman for Children’s Office (OCO) was established in 2004 following the appointment of the first Ombudsman for Children. Provided for under primary legislation, the OCO is an independent statutory body whose mandate is to promote the rights and welfare of children and young people under eighteen years of age in Ireland. Under the Ombudsman for Children Act, 2002 the procedure for the handling of complaints includes the following “Complaints can be made in respect of actions on the part of public bodies, schools and all hospitals where children are cared for.”¹

The Committee recommends that the function of the OCO should be expanded to include childcare providers/childminders who participate in the ACS. In line with this it should be set out in legislation under Head 25 of the ACS.

Recommendation 9

The Committee recommends that non-contact time be paid in addition to the proposed subsidies to childcare providers to carry out the administrative duties that arise out of the provision of childcare.

The Committee is aware that the Minister is examining the issue of monies for non-contact time, however Members would like this to be factored into the Scheme before it commences in September 2017.

Recommendation 10

The Committee recommends that the issue pertaining to Data Protection, information sharing and the provision of an ICT system capable of automating the scheme under Head 28 and 29 be progressed as a matter of urgency.

During the course of the discussion with the Minister and her Officials, the issue surrounding Data Protection and the sharing of information was a focal point for the Members. Arising from this discussion, it became apparent to the Committee that the ICT system which would enable information sharing and which is a key feature of the automation of the process for application for ACS would not be ready in time for the rollout of the Scheme in September 2017.

This matter also furthers the consideration that non-contact time should be factored into this scheme as it will provide additional administration to providers. The Committee is most concerned that the full rollout of the Scheme in September 2017 will not be possible and

wishes to be kept updated on the progress of this issue and clarification of the transitional arrangements that will be put in place to safeguard those in receipt of childcare under the current childcare arrangement schemes.
4. Other Concerns

During the course of the discussion on the Heads of Bill of the ACS various other issues were raised that the Committee would like to draw attention to:

1. Rural Crèches

The Committee raised questions regarding the affordability; accessibility and sustainability of crèches in rural areas where the services available are driven by the needs of those in receipt of social welfare payments or participating in the back to education scheme.

2. Crèches in Urban Areas

The Committee raised questions as to whether the scheme should be weighted to take into consideration higher costs that affect childcare providers in urban areas where rents are considerably higher than in rural areas.

3. Staff Retention and Training and Zero Hours Contracts

The Committee raised concerns in relation to the retention of staff in the childcare sector, the issues surrounding the qualifications necessary to work in a childcare section and working conditions that may give rise to zero hours contracts arising from the introduction of the ACS.
5. Overview Current Childcare Arrangements in Ireland

5.1 Summary of Existing Targeted Schemes

There are currently four targeted childcare funding programmes aimed at supporting disadvantaged and low income parents and reducing the barrier of the cost of childcare for those in training or returning to work. The four targeted programmes are:

- Community Childcare Subvention (CCS)
- Childcare Education and Training (CETS)
- After-school Childcare (ASCC)
- Community Employment Childcare (CEC)

These programmes have been introduced independently at different time points and are deemed to be administratively complex, inadequate in terms of accessibility and to vary widely in terms of: budget allocation; access and eligibility criteria; rates and level of support; maximum duration of childcare subsidisation and coverage with regard to the type and number of participating childcare services.

5.2 Community Childcare Subvention:

The Community Childcare Subvention (CCS) Programme supports disadvantaged parents and provides support for parents in low paid employment and training/education by allowing those who meet the eligibility criteria to avail of reduced childcare costs at participating community childcare services. The service provider submits an application for CCS on behalf of the parent to the Department of Children and Youth Affairs (DCYA). The DCYA decides on the eligibility and rate to be paid to the childcare service.

The DCYA pays a portion of the childcare costs for the child, with the parent paying the remainder. Some Community based childcare services offer a range of child care under the CCS programme whilst some may offer just one type of service e.g. afterschool care.

The childcare service may offer the following:

- Full day care places (more than 5 hours per day)
- Part-time places (between 3 hours 31 minutes and 5 hours)
- Sessional places (between 2 hours 16 minutes and 3 hours 30 minutes)
- Half-session places (between 1 hour and 2 hours 15 minutes)

Parents are not entitled to avail of the Early Childhood Care and Education Scheme (ECCE) and a subsidy under the CCS scheme at the same time. Parents must choose which scheme is more beneficial to their needs and approximately 20,000 parents avail of the scheme on an annual basis.
CCS Rates as of September 2016

Band A - Parents get a weekly fee reduction of €95 for a full-time service, €47.50 for a part-time service, €31.35 for sessional service and €15.20 for a shorter hours’ service.

This band applies to parents who have a medical card and are getting one of the following:

- Certain social welfare payments
- Family Income Supplement
- Community Employment payment

The child of a secondary school student with a medical card can qualify for a childcare place under Band A, whether or not the secondary school student (i.e. the parent) has a qualifying social welfare payment.

Band AJ - Parents get a fee reduction of €50 for a full-time service, €47.50 for a part-time service, €31.35 for sessional service and €15.20 for a shorter hours’ service.

This band applies to parents who have a medical card and are getting one of the following:

- Jobseeker’s Benefit or Allowance
- Supplementary Welfare Allowance
- Tús payment
- Part-time Job Incentive payment

Band B – Parents get a fee reduction of €50 for a full-time service, €25 for a part-time service, €17 for a sessional service and €8.50 for a shorter hours’ service.

This band applies to parents who:

- Have a medical or GP visit card
- Don’t have a medical card, but are getting one of the payments listed in Band A or AJ
- No longer qualify for Band A or AJ this year, but who were verified as being on Band A or AJ at the end of the previous school year

If a parent removes a child from a participating service, it is at the service’s discretion to release the allocated funding or to informally subsidise another child in the service. However, where services choose to retain the funding, the original qualifying parent will not be able to register their child with any other childcare provider for the remainder of the programme year. Under the ACS the money will follow the child and be paid to the provider the parent has chosen.

Finally, eligibility for CCS in private childcare services is based on eligibility at the time of the registration and is open all year round. Furthermore, where a child leaves the service, private providers cannot retain the CCS funding.

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2 Bands available from Department of Children and Youth Affairs
Childcare for homeless children under the Community Subvention Scheme

Children aged 0-5 years whose parents are homeless or are transitioning from homelessness to permanent accommodation can avail of free childcare for up to 25 hours a week under the CCS scheme which was rolled out in January 2017. The scheme has been initiated in Dublin where the homeless crisis is most acute and a feature of the scheme is that a daily meal in addition to care is provided to the child. Childcare centres are paid a flat rate fee of €110 for the provision of the service per child per week.

5.3 Childcare Education and Training Supports:

Under the Childcare Education and Training Supports (CETS) programme, qualifying Solas or Education and Training Board (ETB) trainees/students can avail of subsidies towards the cost of full-time, part-time or after-school childcare for the duration of their courses. CETS subsidies also cover transport requirements for school-age children and a 14 week “top-up” allowance to the after-school rate to provide for full-time childcare during school holidays. The maximum subsidy is €145 per week for full-time childcare provision, with a maximum parental contribution of €25. Services may not charge parents for weeks where the service is not open.

For the purposes of the CETS programme, qualifying courses are determined by the Department of Education and Skills and do not include higher education courses. Applicants confirm their eligibility by means of a letter provided by their course or training provider and are required to sign weekly attendance record to confirm continued course attendance. CETS can be provided through community not-for-profit services and private childcare services. The number of places available under CETS is limited. Places are allocated on a first-come first-served basis. If applicants are unable to find a childcare place, the local City or County Childcare Committee provide assistance by contacting the DCYA to ascertain if there is a place available in the area.

Courses that qualify for CETS

The courses that qualify for CETS include:

- Youthreach
- Vocational Training Opportunities Scheme (VTOS)
- Back to Education Initiative (BTEI)
- Further Education and Training (FET) courses (i.e. specific skills training and traineeships)
- FIT Initiative
- Momentum

CETS Rates as of September 2016

The maximum amount per child that childcare providers may charge to parents per week is:

- Full-time: €25 per week
- Part time: €15 per week
- Afterschool: €5 per week
- Afterschool with pickup service: €15 per week
5.4 After-School Childcare:

After-School Childcare (ASCC) supports low income parents returning to work by providing subsidies towards the cost of after-school childcare. The ASCC scheme provides supports to low-income and unemployed people to take up a job (including JobPlus); increase their days of employment; or take up a place on a Department of Social Protection (DSP) Employment Programme.

Eligibility for ASCC is based on the applicant being in receipt of certain social protection payments and either commencing employment/an employment programme or increasing their hours of employment. Applicants confirm their eligibility by means of a letter provided by the Department of Social Protection. Qualifying applicants can avail of the subsidy for a maximum period of 52 weeks regardless of the number of children the family has, provided circumstances do not change. Families who avail of the scheme, even if they use the service part-time are entitled still entitled to a maximum of 52 weeks as part-time use counts as a full week. ASCC subsidies also cover transport from school to the childcare provider, as well as full day care for up to 10 weeks to cater for school holiday periods. The amount the recipient pays does not vary during school holidays. However, the childcare scheme cannot only be used for holiday periods; the scheme must be used during the school year to be eligible for child care during school holidays.

Self-employed people who are getting Jobseeker’s Allowance and people who are signing for credits only are not eligible for the scheme. ASCC can be provided through community not-for-profit services and private childcare services.

To qualify for the scheme the applicant must have:

- Have one or more children aged between 4 and 13 who are in primary school and are currently in receipt of Jobseeker’s Allowance; Jobseeker’s Benefit; Jobseeker’s Transitional payment; One-Parent Family Payment or are on an employment support programme and have been getting your payment (or a combination of any of the qualifying payments) for at least 3 months
- Are in receipt of Family Income Supplement (FIS) and increase the hours currently worked

**ASCC Rates as of September 2016**

- ASCC is subsidised at a subsidised daily rate of €3 per day per child (€15 per week), which is paid by the recipient directly to the childcare provider.
- Additional costs are borne by the scheme during the 10 week holiday period
5.5 Community Employment Childcare:

Under the Community Employment Childcare (CEC) programmes, Community Employment (CE) programme participants can qualify for subsidies towards part-time early years or after-school childcare for up to 50 weeks per annum. Part-time childcare places are available for children up to 5 years of age and after-school childcare places are provided to children up to 13 years of age. The number of places available under the CEC Programme is limited and are allocated on a first-come first-served basis. If a child is participating in Early Childhood Care and Education (ECCE) Scheme at the same time as the applicant is on CE (either morning or afternoon), that child cannot transfer to a childcare place on the CEC Programme. However, if the applicant is attending CE on an alternative time of day to the child's ECCE programme, they can also avail of a childcare place on the CEC Programme while participating on CE. Both existing CE participants and new entrants can apply for the CEC Programme. Eligibility for CEC is determined by the Department of Social Protection. Applicants confirm their eligibility by means of a letter provided by their CE Sponsor. Participants who are absent from CE for a prolonged period will not be able to avail of childcare through the CEC Programme, the subsidy is dependent on attendance. CEC can be provided through both community not-for-profit services and private childcare services.

To qualify for a childcare place while on CE the applicant must:

- have been offered a place on a CE scheme
- be the main Carer of a child or children
- be in need assistance with child care in order to take up a place on a CE scheme

**CEC Rates as of September 2016**

The maximum amount per child that childcare providers may charge to parents per week is:

- Part time: €15 per week
- Afterschool: €15 per week
6. Conclusion

The Committee on Children and Youth Affairs agreed at its meeting of Wednesday 22 February, 2017 the Pre-legislative Scrutiny Report on the Heads of Bill of the Affordable Childcare Scheme Bill 2017. The Committee agreed to lay the report before the Houses and send the report to the Minister for Children and Youth Affairs for consideration.
List of Members

Deputies: Lisa Chambers (FF)
Jim Daly (FG) [Chair]
Kathleen Funchion (SF)
Tom Neville (FG)
Donnacha Ó Laoghaire (SF)
Jan O’Sullivan (LAB)
Ann Rabbitte (FF)

Senators: Lorraine Clifford-Lee (FF)
Máire Devine (SF)
Joan Freeman (Nominated by Taoiseach)
Catherine Noone (FG)

Notes:
2. Senators nominated by the Seanad Committee of Selection and appointed by Order of the Seanad on 22 July 2016
3. Deputy Catherine Martin discharged and Deputy Kathleen Funchion appointed to serve in her stead by the Fifth Report of the Dáil Committee of Selection as agreed by Dáil Éireann on 4 October 2016
4. Deputy Josepha Madigan discharged and Deputy Tom Neville appointed to serve in her stead by the Sixth Report of the Dáil Committee of Selection as agreed by Dáil Éireann 15 November 2016.
APPENDIX 2

ORDERS OF REFERENCE

a. Functions of the Committee – derived from Standing Orders [DSO 82A; SSO 70A]

(1) The Select Committee shall consider and report to the Dáil on—

(a) such aspects of the expenditure, administration and policy of the relevant Government Department or Departments and associated public bodies as the Committee may select, and

(b) European Union matters within the remit of the relevant Department or Departments.

(2) The Select Committee may be joined with a Select Committee appointed by Seanad Éireann to form a Joint Committee for the purposes of the functions set out below, other than at paragraph (3), and to report thereon to both Houses of the Oireachtas.

(3) Without prejudice to the generality of paragraph (1), the Select Committee shall consider, in respect of the relevant Department or Departments, such—

(a) Bills,

(b) proposals contained in any motion, including any motion within the meaning of Standing Order 164,

(c) Estimates for Public Services, and

(d) other matters as shall be referred to the Select Committee by the Dáil, and

(e) Annual Output Statements, and

(f) such Value for Money and Policy Reviews as the Select Committee may select.

(4) The Joint Committee may consider the following matters in respect of the relevant Department or Departments and associated public bodies, and report thereon to both Houses of the Oireachtas:

(a) matters of policy for which the Minister is officially responsible,

(b) public affairs administered by the Department,

(c) policy issues arising from Value for Money and Policy Reviews conducted or commissioned by the Department,

(d) Government policy in respect of bodies under the aegis of the Department,

(e) policy issues concerning bodies which are partly or wholly funded by the State or which are established or appointed by a member of the Government or the Oireachtas,

(f) the general scheme or draft heads of any Bill published by the Minister,
(g) statutory instruments, including those laid or laid in draft before either House or both Houses and those made under the European Communities Acts 1972 to 2009,

(h) strategy statements laid before either or both Houses of the Oireachtas pursuant to the Public Service Management Act 1997,

(i) annual reports or annual reports and accounts, required by law, and laid before either or both Houses of the Oireachtas, of the Department or bodies referred to in paragraph (4)(d) and (e) and the overall operational results, statements of strategy and corporate plans of such bodies, and

(j) such other matters as may be referred to it by the Dáil and/or Seanad from time to time.

(5) Without prejudice to the generality of paragraph (1), the Joint Committee shall consider, in respect of the relevant Department or Departments—

(a) EU draft legislative acts standing referred to the Select Committee under Standing Order 105, including the compliance of such acts with the principle of subsidiarity,

(b) other proposals for EU legislation and related policy issues, including programmes and guidelines prepared by the European Commission as a basis of possible legislative action,

(c) non-legislative documents published by any EU institution in relation to EU policy matters, and

(d) matters listed for consideration on the agenda for meetings of the relevant EU Council of Ministers and the outcome of such meetings.

(6) A sub-Committee stands established in respect of each Department within the remit of the Select Committee to consider the matters outlined in paragraph (3), and the following arrangements apply to such sub-Committees:

(a) the matters outlined in paragraph (3) which require referral to the Select Committee by the Dáil may be referred directly to such sub-Committees, and

(b) each such sub-Committee has the powers defined in Standing Order 83(1) and (2) and may report directly to the Dáil, including by way of Message under Standing Order 87.

(7) The Chairman of the Joint Committee, who shall be a member of Dáil Éireann, shall also be the Chairman of the Select Committee and of any sub-Committee or Committees standing established in respect of the Select Committee.

(8) The following may attend meetings of the Select or Joint Committee, for the purposes of the functions set out in paragraph (5) and may take part in proceedings without having a right to vote or to move motions and amendments:

* By Order of the Dáil of 8th June 2011, paragraph (6) does not apply to the Committee on Justice, Defence and Equality.
(a) Members of the European Parliament elected from constituencies in Ireland, including Northern Ireland,

(b) Members of the Irish delegation to the Parliamentary Assembly of the Council of Europe, and

(c) at the invitation of the Committee, other Members of the European Parliament.
b. Scope and Context of Activities of Committees (as derived from Standing Orders [DSO 82; SSO 70])

(1) The Joint Committee may only consider such matters, engage in such activities, exercise such powers and discharge such functions as are specifically authorised under its orders of reference and under Standing Orders.

(2) Such matters, activities, powers and functions shall be relevant to, and shall arise only in the context of, the preparation of a report to the Dáil and/or Seanad.

(3) It shall be an instruction to all Select Committees to which Bills are referred that they shall ensure that not more than two Select Committees shall meet to consider a Bill on any given day, unless the Dáil, after due notice given by the Chairman of the Select Committee, waives this instruction on motion made by the Taoiseach pursuant to Dáil Standing Order 26. The Chairmen of Select Committees shall have responsibility for compliance with this instruction.

(4) The Joint Committee shall not consider any matter which is being considered, or of which notice has been given of a proposal to consider, by the Committee of Public Accounts pursuant to Dáil Standing Order 163 and/or the Comptroller and Auditor General (Amendment) Act 1993.

(5) The Joint Committee shall refrain from inquiring into in public session or publishing confidential information regarding any matter if so requested, for stated reasons given in writing, by—

(a) a member of the Government or a Minister of State, or
(b) the principal office-holder of a body under the aegis of a Department or which is partly or wholly funded by the State or established or appointed by a member of the Government or by the Oireachtas:

Provided that the Chairman may appeal any such request made to the Ceann Comhairle / Cathaoirleach whose decision shall be final.
Appendix 3

Summary of Affordable Childcare Scheme Heads of Bill and General Scheme

Head 1 provides for the short title, the citation and the commencement of the Bill.

Head 2 provides definitions of key terms used in the Bill.

Head 3 establishes the scheme and stipulates that a budget cap applies.

Head 4 specifies the eligibility criteria for applying for a subsidy under the Scheme.

Head 5 in conjunction with schedule 1 provides for the designation of public bodies as —sponsors under the Scheme, enabling them to make the co-payment on behalf of a parent and provide other supports, in cases of exceptionally high need (e.g. Tusla may act as a sponsor in cases of child welfare/protection).

Head 6 specifies which childcare providers may be approved providers for the purposes of the Scheme, including registered providers and non-registered providers who meet relevant eligibility criteria.

Head 7 specifies the process by which parents — and sponsors acting on behalf of parents — may make applications for subsidies, including the information that must be provided as part of an application.

Heads 8 and 9 in conjunction with schedules 2 and 3, set out the process by which an applicant’s assessable income is determined, including making provision for the possibility of automated income-assessments through electronic transfer of PPS numbers and income-data between the scheme administrator and the Revenue Commissioners and the Minister for Social Protection.

Head 10 in conjunction with schedule 4 provides the rules in relation to qualification for a universal subsidy, and the hourly subsidy rate and maximum weekly hours of subsidy that apply.

Heads 11 and 12 in conjunction with schedules 4 and 5, provide the rules in relation to qualification for an income-related subsidy, and the hourly subsidy rates and maximum weekly hours of subsidy that apply, including provision for a greater number of hours of subsidy for parents who are engaged in work or study relative to parents who are not engaged in work or study. In this regard, Head 12 includes definitions of —work and —study.

Head 13 sets out the procedure by which the scheme administrator shall determine the subsidy (hourly rate, and number of hours) in relation to any application and the length of time for which that determination is valid.
Heads 14 and 15 provide for a registration process through which the childcare provider selected by the parent informs the scheme administrator of the amount of childcare services to be provided for the relevant child. Head 15 specifies the particular registration process to be followed in cases where separated parents each apply for subsidised childcare in relation to a child.

Head 16 sets out the procedures for approval and payment of subsidies, which in the first instance is based on the hours of childcare indicated in the registration process up to the maximum limit approved for any particular application.

Head 17 provides for a subsequent reduction in subsidy payments if the number of hours of childcare used diverges from the number of hours registered.

Head 18 requires childcare providers to publish their fees, and requires that parents should be charged (the —co-payment ) no more than the difference between the subsidy under the Scheme and the provider’s published fee.

Head 19 requires subsidies to be renewed – including re-assessment of income – within 12 months of a subsidy payment beginning.

Head 20 specifies the process to be followed when there is a change in a parent’s assessable income or personal circumstances.

Head 21 provides for reviews of eligibility and subsidy decisions to be carried out by the scheme administrator, either at the request of a parent or childcare provider, or at the initiative of the scheme administrator.

Head 22 establishes an appeals process.

Head 23 enables the Minister to stipulate reporting requirements for the scheme administrator.

Heads 24 and 25 establish powers for the scheme administrator to recoup monies, and provide for sanctions and penalties.

Heads 26 and 27 provide for the appointment – and subsequent review and change – of the scheme administrator, and set out the roles and obligations of the scheme administrator.

Heads 28 and 29 in conjunction with schedule 6 provide for – and set limits on – the use, retention and sharing of data, including PPS numbers.

Head 30 allows for transitional arrangements for a specified period during which previous beneficiaries of existing schemes can transfer over to the new scheme and may also continue to receive subsidies at the previous level, if more favourable to them.
Appendix 4
Summary of Submissions

1. Childminding Ireland

Recommendations:

In order to maintain this valuable form of childcare, honour the principle of parental preference where the money should follow the child, and increase the number of regulated childcare places available, Childminding Ireland recommends the proportionate regulation of existing Childminding. It will be necessary to:

- Develop and implement proportionate regulations for Childminding,
- Reinstate specific support roles for childminder development prior to the introduction of registration,
- Make education grants available to allow Childminders to pursue relevant childcare qualifications prior to registration,
- Provide larger capital grants for Childminders in the process of registration to allow for expansion of home based facilities where desired.

2. Barnardo’s

Recommendations:

- Reduction in child poverty should be a core aim of the scheme.
- Universal element of scheme should be promoted and developed as it is in the best interests of the child, rather than solely as an advantage to facilitate parents to return to work or training.
- Children must not lose their current care entitlements because of this scheme. Those most in need must not be disproportionately disadvantaged, in contravention of the aims of the new scheme.
- Applicants should get the most favourable childcare arrangements to their circumstances in all instances, in situations where they qualify for both a universal and income-related subsidy, but also in cases where the applicants are currently in receipt of childcare provision for their children.
- There is a necessity to bring childminders within the remit of this scheme in a formal way; to regulate the current procedures relating to childminders; and to enable and facilitate childminders to become approved for the scheme.
- In relation to the application process, consideration should be made to those who may have low levels of computer literacy or who may not have reasonable access to the internet. We would suggest that alternative means to apply are developed, to ensure that those most in need do not miss out.
- Childcare and afterschool care must be both accessible to all and of a high quality. Investment is needed to ensure quality services and enhanced professionalisation of the sector.
There should be clear quality measures in all childcare and afterschool care regulations and there should be no public subsidies without minimum conditions attached.

3. Iona Institute

Recommendations

- There is no good reason for public policy to discriminate in favour of day-care and against other options; we believe the Affordable Childcare Scheme is not the path to go down. In fact, the name is misleading because it is biased in favour of one type of childcare, i.e. centre-based day-care.
- It would be far better to adopt a more neutral policy in respect of the various childcare preferences of parents. In Finland, for example, day-care is subsidised but parents who mind their young children at home, receive a generous monthly supplement. In other words, Finland respects both choices.

4. One Family

Recommendations

- One Family would recommend that both child maintenance and Family Income Supplement be included in the list of income that will be excluded from the income assessment.
- Child maintenance should be not be seen as parental income. It is income to meet child related costs and in the context of the stated aim of mitigating against child poverty, this income should follow the child and not be subjected to state means testing.
- The requirement to produce a court order to prove maintenance paid should be removed from the assessment as it promotes unnecessary adversarial interaction between parents, court delays, as well as legal costs for the state and the parents.
- The exclusion of housing costs as a deductible expense should not be based on any potential additional administrative burden that may arise. The medical card assessment procedures currently acknowledge costs, such as housing, travel to work and childcare, when determining assessable income. We would recommend a similar approach for the Affordable Childcare Scheme.
- We would suggest that an urban weighting could be applied for families living in larger urban areas. For example, these families could receive 15% more in subsidies than those in smaller towns or rural areas.
- In the absence of national regulations or system of regulation, existing afterschool services, that are not part of a Tusla registered, larger childcare centre or
childminder service, cannot avail of the new scheme. We suggest that the scheme be amended to include these services or allow them to register with Tusla by broadening the remit of the Early Years Inspectorate. Out-of-school care is the key provision needed to support lone parents transitioned off OFP to enter work or education and every effort should be made to broaden availability of subsidised afterschool places and there is currently no childcare infrastructure in place for children aged between 12 and 15 years.

- The State should consider the viability of imposing controls on childcare prices; however, it is important that childcare providers are supported to provide quality provision to the children in their care. This essentially requires increased public investment in the future.
- One Family suggest that non-contact time be paid in addition to the proposed subsidies to carry out their administrative duties that arise out of the provision of childcare.

5. Stay at Home Parents Association (SAHP)

Areas of concern

- Loss of tax allowances for Stay at Home Parents (SAHP).
- Home Carer tax credit is unfair and does not redress the issue. Home Carer’s Tax Credit cannot be used by parents who are unmarried, lone parents or others who fall outside the tax net.
- ECCE is not of financial benefit to SAHP but it does help with the childcare costs of other families.
- Loss of an income - Families with two incomes have to spend a large portion of their income on their childcare however a stay at home parent’s income is sacrificed in its entirety for childcare and these families also have a larger tax bill
- Increases in cost of living, particularly where childcare subsidies are introduced for some and not others.
- Tax Individualisation.

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3 Home Carers Tax Credit is Tax Credit for 2017 is €1,100. If the Home Carer earns income of up to €7,200 in their own right for the tax year, the full tax credit may be claimed. The married couple or civil partners are jointly assessed for tax

6. Children’s Rights Alliance

Recommendations

- Develop a time-lined resourced action plan to enhance quality practice and provision in childcare early year’s settings. The receipt of public monies by providers should be tied to both TUSLA registration, and compliance with enhanced quality standards.

- Develop proportionate and appropriate regulations and legislative amendments so that childminders and school-age childcare providers can register with and be regulated by TUSLA.

- Include Public Health Nurses in the plan as referral agents to early years’ settings.

- Child maintenance should be included in the allowable deductions for assessing parent’s net income for the subsidy. However, child maintenance should not be included in the calculation of assessable income for considering eligibility for targeted payments.

- Provide parents with telephone, online, and face-to-face support to help them complete the application process.

- Invest sufficiently to fund a quality, stable early years and school-age childcare system.