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North Dublin parents to benefit from childcare scheme changes – Kennedy

Review of Community Childcare Subvention Scheme ahead of schedule allows for key improvements

The Community Childcare Subvention Scheme, which is part of the €575 million National Childcare Investment Programme, has been reviewed to ensure that mid-income families continue to be supported, according to Dublin North Fianna Fail TD, Michael Kennedy.

Speaking today, Deputy Kennedy said: “Revisions include significant increases in direct subvention rates, a new band of funding targeted at low income working parents and a minimum grant of €20,000 for services which will particularly benefit small rural providers.”

The following **key changes** have been made to the initial provisions of the Scheme:

€The subvention for **Band A parents** (those in receipt of social welfare related payments) has been increased from **€80 to €100** per week (€5,200 p.a.).

€The subvention in respect of **Band B parents** (those in receipt of Family Income Supplement (FIS) or certain childcare subsidies e.g. under FAS/VEC schemes) has been increased from **€30 to €70** per week (€3,640 p.a.).

€Services will also be grant aided to provide reduced childcare fees for parents who are above the Family Income Supplement (FIS) threshold. **Low-income parents in Band C** are expected to benefit by **€45** per week (€2,340 p.a.).

€A minimum subvention of **€20,000 per year** which will be of particular benefit to small providers, especially in rural areas and the islands.

€**Special provisions** will apply in the case of some childcare services (e.g. women's refuges, special services for children of drug misusers).

“Under the existing staffing grants, childcare services were obliged to implement a tiered fee structure based on parent’s ability to pay.”

“The review process has concluded that this tiered fee structure was not universally applied and some families were losing out.”

“It is vital that families currently availing of Community Childcare are able to

continue to do so. As a result, the review will ensure that all services will be guaranteed 90% of their current grant level in July-December 2008, not less than 85% of that amount in 2009, and not less than 75% of that amount in 2010.”

“This will mean that all services are guaranteed subvention under the new Scheme at 95% of the current rates until the end of 2008.”

“At the same time with this new structure, it is estimated that 40% of existing services will see significant increases in funding.”

“It is important that the new scheme will operate effectively, providing childcare to children from all social backgrounds by charging reduced fees to parents based on their ability to pay,” said Deputy Kennedy.