Department of Children and Youth Affairs (DCYA)

Information and FAQs on COVID 19 Measures

for providers and staff of Early Learning and Care and School Age Childcare Services

30 March 2020

Introduction

The COVID 19 Pandemic has created major challenges for Ireland. The new, ever changing landscape is difficult for everyone. The sudden closure of centre-based Early Learning and Care (ELC) and School Age Childcare (SAC) services on March 12 was an unexpected but necessary move to safeguard public health in Ireland.

During the initial closure period between 13 and 29 March, an arrangement was made for payments under DCYA's ELC and SAC funding programmes to continue. This was in response to a rapidly evolving and unprecedented situation. DCYA was aware that many services however, with no or lesser degrees of DCYA funding, were extremely exposed with the loss of parental income and DCYA immediately began to consider funding options for the wider sector (those in receipt of State income and those with no State income or lesser amounts of it.)

The Minister wrote to all ELC and SAC providers on 20 March 2020, indicating that consideration was being given to funding options for the period beyond 29 March 2020, and what conditions might apply to provide for the best use of available public funding to support the sector.

Over the last two weeks, Government has announced a range of measures to support workers and employers. Information was made available on the websites of the Department of Employment Affairs and Social Protection and the Department of Business Enterprise and Innovation. On 24 March 2020, Government announced a new Wage Subsidy Scheme and DCYA announced how this new scheme would interact with repurposed DCYA funding to support the ELC and SAC sector.

A key policy priority for the DCYA is the sustainability of the ELC and SAC sector and hence it is working intensively to support services to re-open after COVID-19. Retention of valued staff was identified by the sector as a key priority, as was supporting providers to meet essential overheads. The following FAQs set out some information on the significant actions that have been taken in this regard.

DCYA encourages all providers to read this material and to engage proactively with the various Government supports available. DCYA urges any service which is struggling, to engage with its local Childcare Committee.

These FAQs aim to be informative but may be added to and/or amended as more information becomes available. In the event that corrections need to be made, these changes will be highlighted in future versions.

1. What measures are available nationally to support all sectors?

A number of measures to support businesses have been announced by Government in response to the COVID-19 crisis, including those in Appendix 1. These support businesses with costs arising from, for example, rents, mortgages, bank loans, commercial rates and Local Property Tax.

2. What is the Revenue's Temporary COVID-19 Wage Subsidy Scheme?

On Tuesday, 24 March, the Government announced new measures to provide financial support to workers affected by the COVID-19 crisis.

As part of these measures, Revenue will operate a Temporary Wage Subsidy Scheme. The scheme, enables employees, whose employers are affected by the pandemic, to receive significant supports directly from their employer through the payroll system. The scheme is expected to last up to 12 weeks from **26 March 2020.** The Temporary Wage Subsidy Scheme will be available to employers who keep or reinstate employees on the payroll throughout the COVID-19 pandemic, meaning employers can retain links with employees for when business picks up after the crisis. Additionally, the operation of the scheme will help to reduce the burden on the Department of Employment Affairs and Social Protection (DEASP) which is dealing with the other COVID-19 related unemployment payments.

Employers are encouraged to facilitate employees by operating the scheme, by retaining employees on their books, and by making best efforts to maintain a significant, or 100% income, for the period of the scheme.

Further information can be found here:

https://www.revenue.ie/en/employing-people/documents/pmod-topics/guidance-on-operation-of-temporary-COVID-wage-subsidy-scheme.pdf

It is suggested that employers and employees familiarise themselves with the terms and conditions of the Revenue scheme.

This Revenue's Frequently Asked Questions on: *Operation of the Transitional phase of the Temporary COVID-19 Wage Subsidy Scheme* cover all aspects of the details in relation to the employer/employee relationship**.**

IMPORTANT: See FAQ 3 below for further information on this scheme as it will operate in the ELC and SAC sector.

3. How will the Temporary COVID 19 Wage Subsidy Scheme operate in the ELC and SAC sector?

Linked to the COVID-19 Temporary Wage Subsidy Scheme, the DCYA has established the Temporary COVID-19 Wage Subsidy Childcare Scheme (WSCS).

This Scheme is designed to enhance the supports available to ELC and SAC staff and providers at this time of crisis. It will enable providers which sign up to it to retain their staff and it will give them a contribution to overhead costs that are still being incurred, despite the closure.

There are three key elements to the new Scheme:

(i) In addition to the wage subsidy provided by Revenue under the Temporary COVID-19 Wage Subsidy Scheme, DCYA will top-up of wages of ELC and SAC staff to pre COVID levels, to limit of €585 per week as per the Revenue scheme.

(ii) Where a staff member's pre-12 March 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 the Revenue payment of 70% wage to a value of €350 p/week, meaning that all staff will be encouraged to remain with their employer rather than sign on with the DEASP. Where an employee previously laid off has been re-hired, the employee will qualify for the Subsidy scheme and their DEASP claim will be closed. In order to ensure correct payment of the wage subsidy, employees should use www.mywelfare.ie to close their claim immediately they are taken back onto the business payroll.

(iii) To reflect the unique circumstances of the sector, in addition to 100% funding of staff wages, services will receive a further payment which will be a percentage of their total staff wage costs (gross) to be used towards ongoing / unavoidable operational costs.
The standard rate will be 15% of staff wages with a minimum payment of €300 per week.

(iv) DCYA are giving further consideration to the question of eligible support for owner/managers.

This new scheme, once operational, will replace ECCE, NCS, CCS and TEC for up to 12 weeks.

A date will shortly be confirmed for the operation of the new scheme.

The Revenue WS Scheme commenced on the 26 March 2020 and can be availed of by any ELC and SAC providers where their turnover has likely been reduced by 25% or more for Q2 2020. The WSS supersedes the Employer COVID Refund scheme, which has now ceased.

Once the Wage Subsidy Childcare Scheme is up and running, providers will be able to sign a new agreement for it and DCYA will provide the top ups and overhead contribution retrospective to providers' date of signing and subject to confirmation that they are participants in the temporary Covid-19 Wage Subsidy Scheme.

4. Why is it that payments for ECCE, NCS, CCSP, TEC must cease when this new scheme is made available?

Payments made under ECCE, NCS, CCS and TEC are made on the basis of the provision of a service to parents for the attendance of children. COVID 19 required the closure of services. Whilst many services would benefit from the continuation of these payments, many other services which relied more heavily on parental income would not benefit. Also, DEASP reported that very significant numbers of ELC and SAC staff presented to Intreo offices from March 12 indicating that DCYA funding was not being used to retain staff in all cases.

A solution had to be found that was more equitable and would help to sustain as many as possible of the 4500 services across the country, retain valuable staff and assist parents who were laid off and could not afford to continue to pay fees and yet needed to retain their place(s).

The demands on the Exchequer at this time are very significant. Public monies must be used prudently. The new scheme addresses the retention of staff, protecting their pre-COVID income to a limit of €585 net per week. It also gives providers a significant contribution to overhead costs. All staff and all services benefit, not just those heavily funded by the State.

5. What if a service provider does not want to sign-up for the WSCS?

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

6. Why is the WSCS being established?

The new DCYA Scheme was developed to sustain the ELC and SAC sector at this time of crisis and in conjunction with the wider Government / Revenue Temporary Wage Subsidy Scheme. The Scheme is an exceptional measure, taken in response to the economic impact of COVID-19. It will lapse after no more than 12 weeks.

Specifically, the WSCS is seeking to address the following concerns:

- That ELC and SAC workforce may be lost from the sector which was already experiencing recruitment, retention and capacity difficulties
- That ELC and SAC services would not be in a position to reopen following the crisis, denying children access to early education and having a significant detrimental effect on the economy as parents could be prevented from returning to the workplace.
- That parents might be expected to continue to pay fees or risk losing their child's place.

7. Why is DCYA topping up ELC and SAC staff wages to bring the staff wages to their pre-COVID levels?

Evidence shows that high levels of staff turnover are not good for children who access ELC services. Before COVID, there was an unacceptable 23% turnover level in the sector. Following the closure of crèche families for public health reasons, it is important that as many staff as possible are retained and return to work with the children they previously worked with before COVID.

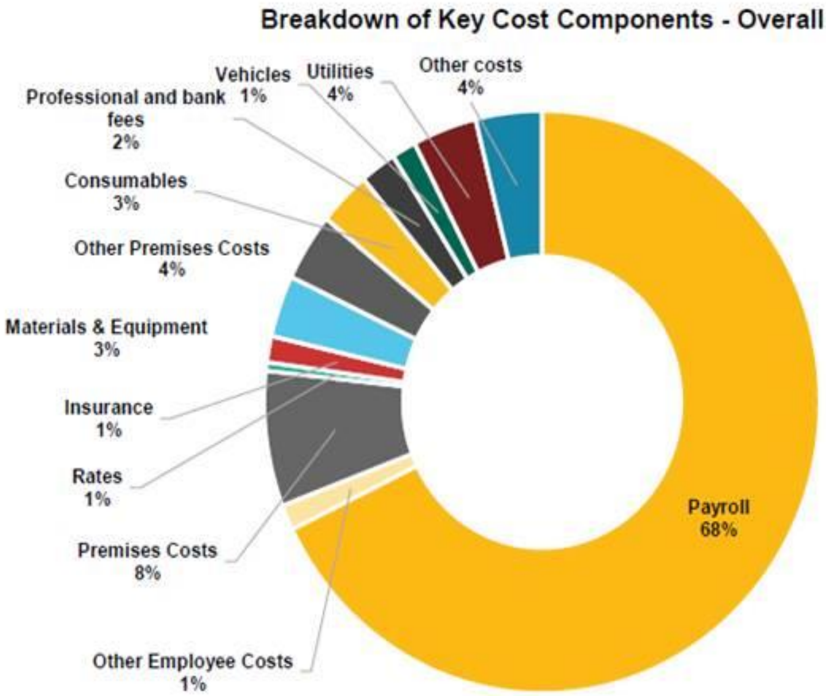
The average weekly salary in the ELC and SAC sector prior to COVID was €364. We want to retain the employee-employer link where possible during and post Covid-19. This measure was taken with the best interests of the ELC and SAC sector in mind.

8. **What is the additional payment for providers to contribute to their non-pay overheads and why is it derived at 15% of staff costs?**

Figure 1 below summarises firm evidence on the costs incurred by childcare providers in Ireland.

Figure 1: Breakdown of costs of delivering of childcare.

Independent Review of Cost of Delivering Childcare in Ireland (Crowe).



In addition to the significant contribution to cover pre-COVID staff wages, the WSCS provides funding for use on ongoing operational costs of childcare services.

This payment is set at 15% of the total staff costs. This rate is derived from a number of sources including the Independent Review of the Cost of Delivering Childcare in Ireland undertaken by Crowe that was due to be published in April 2020. Importantly, the Crowe findings were independently verified by a UK economic consultancy firm and are consistent with other Irish and international studies. See Figure 1 above.

This data highlights that, on average, staffing costs are 70% of ELC/SAC operating costs. The data also highlights costs (approximately 10% of operating costs) that will not arise when a service is closed (for example, heating, lighting, materials). That leaves a balance of 20% of overheads that need to be covered. Government measures for businesses announced in recent days in response to COVID 19 are addressing much of these costs, for example, mortgage pauses and the suspension of commercial rates. The WSCS covers 10% of overall costs which is on average equivalent to 15% of pay costs.

The minimum payment already covered in Q3 means that some services (mostly smaller ones) will now get up to 40% of their staff costs. The standard rate is 15% of staff wages with a minimum payment of €300 per week. In addition to 100% funding of staff wages, services will receive a further payment which will be a percentage of their total staff wage costs (gross) to be used towards ongoing / unavoidable operational costs.

9. What administration is required under the COVID 19 Temporary ELC & SAC Scheme?

The administrative processes and detail for the operation of this scheme are still being finalised and further detail will follow in the coming days. In order to be delivered quickly to respond to the significant need from staff and providers, the process will be kept as simple as possible.

It will likely require the completion of a simple application process which will include a self-declaration and signed consent for data sharing with Revenue.

Initial payments will be made based on currently available data and then further reconciled based on the evidence of actual payment received from Revenue under the Covid-19 Wage Subsidy Scheme when that becomes available in the coming weeks. On receipt of this confirmation, the payments will be adjusted and reconciled based on the applicable rates under the WSCS. Full details of the process to achieve this reconciliation will be made available. This evidence will be used to calculate both the 30% and 15% funding amounts.

Services which had employees, before COVID, earning net wages below the Pandemic Unemployment Payment (PUP) of €350 net per week, will be required to provide additional information to facilitate an increased top-up to match the PUP.

10. Why is DCYA topping up all staff wages to a minimum rate of €350 net per week?

This is a 12 week scheme in response to the sudden and damaging economic impact of COVID 19. This impact of COVID 19 would be particularly damaging in the ELC and SAC sector. As continuity of care is critical to ensure the quality of early education and care for children therefore the retention of staff during this 12 week period is an imperative for the sector. The previous 23% turnover in the sector was already unsatisfactory. Retention of as many staff as possible is also necessary to protect capacity. There were issues with capacity before COVID, with some parents experiencing significant difficulty in accessing ELC and SAC places. In order to retain staff with their employer, DCYA has agreed to top-up all payments under the Revenue scheme to a minimum rate of €350 net per week for this temporary period.

11. For what period will the WSCS operate?

The wider Temporary COVID 19 Wage Subsidy Scheme will operate for up to 12 weeks from 26 March. The WSCS will operate within the same time period, be it that it is expected to be introduced some days later. DCYA ELC & SAC funding programmes will resume after COVID-19.

12. Who can apply for the WSCS?

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

13. How will registered childminders who are still caring for children who are registered under ELC and SAC programme be paid during this period?

Only centre based ELC and SAC services were directed to close on March 12. Childminders were permitted to continue operating but strictly in adherence with HSE guidance regarding physical distancing etc. The very small number of childminders that are still caring for children who are operating under ELC and SAC programme will continue to be paid. Childminders should continue to monitor and follow HSE advice and any instruction from Government or the National Public Health Emergency Team.

14. Can childminders sign up for the WSCS?

As childminders are self-employed by definition then any childminder who had been operating DCYA funded ELC and SAC programmes as of 12 March 2020 but no longer has children in attendance can apply for the Pandemic Unemployment Payment and other DEASP supports.

A childminder cannot receive WSCS payments at the same time as receiving payments under the ECCE, NCS, CCSP, TEC or PUP.

15. What supports are available to childminders who have not been operating DCYA funded ELC & SAC programmes as of 12 March 2020?

The WSCS is only available to those ELC and SAC services that have been operating DCYA funded ELC & SAC programmes as of the 12 March 2020. However, childminders are self-employed and if they are registered and tax compliant with Revenue but they no longer have children in their care, or any income, they will be able to apply for the Pandemic Unemployment Payment of €350 and other DEASP supports.

Any childminder who had been operating DCYA funded ELC and SAC programmes as of 12 March 2020, but no longer has children in attendance, can sign up for the Scheme.

16. Why are the names of the Employers operating the scheme published?

The legislation requires the publication of the names of the employers who have applied to operate the scheme.

17. How can an ELC and/or SAC service provider apply for this Scheme?

A new WSCS Agreement will be made available as soon as possible. The service provider will have to sign this and agree to meet the conditions required to avail of the WSCS.

A service provider must first register with Revenue for the COVID 19 Temporary Wage Subsidy Scheme.

Whilst the details are still being finalised, it is expected that they will then be able to download the relevant forms from the Programme Implementation Platform (PIP) portal. This can be completed offline and once signed, can be scanned and uploaded again through each service's secure PIP portal. When available, providers will also be required to submit evidence of their award under the Covid 19 Wage Subsidy Scheme and associated information to retain funding received and reconcile payments for the remainder of the 12 week period. Providers will be given clear instructions on this reconciliation process when it is activated.

18. **Where can an ELC and SAC service provider receive support to complete the application process?**

An ELC & SAC provider can receive support to complete the application process though their local CCC. Other supports may be confirmed in the coming days.

19. **Are the COVID 19 Temporary Wage Subsidy Scheme and the WSCS reimbursement schemes similar to the Employer Refund Scheme?**

The WSS is a reimbursement scheme, the WSCS is not. Once an employer registers with Revenue for WSS, payments from Revenue will commence very quickly. The amounts paid to employees by employers and notified to Revenue will be transferred into the employer's bank account by Revenue. This reimbursement will, in general, be made within two working days after receipt of the payroll submission. This will provide a mechanism to get the wage subsidy to employers so that they can pay this to employees.

The further DCYA top-up, to an overall maximum of €585 net per week per ELC and SAC employee, will be payable to eligible providers who have successfully completed the WSCS application process. Payments will issue by Pobal as soon as possible thereafter and will be applied retrospectively from the date of signing the Agreement and submitting application form. WSCS payments will then continue to be paid in advance for periods of 2 weeks.

20. **What is the payment timing between the cessation of ECCE, CCS, NCS and TEC scheme funding and the commencement of the funding under the new WSCS?**

This detail is still being finalised. It is most likely however that the first payments will be received by April 10th. All services in receipt of DCYA scheme payments have received them up to the 3.4.2020. After this, payments will be backdated to the date of application and signing of the Agreement.

21. **What is the payment schedule for the WSCS?**

Whilst details are being finalised, it is expected that payments will be made every two weeks from the date of the first payment.

The WSCS will provide a top up to pre-COVID wage levels (up to a maximum of €585 net per week) based on January and February Employer Return to ROS. However, in some cases ELC and SAC providers may have temporarily laid of staff in response to the sudden closures and if an employment relationship is not reinstated with these staff members then the level of payment due will be reduced. As noted previously one of the objectives of the WSCS is to support the sector to maintain the workforce and support sustainability of the sector.

22. What terms and conditions are attached to the WSCS?

ELC and SAC providers must first register with Revenue for the TWSS. They must then sign the WSCS Agreement agreeing to a number of conditions that include:

- Not charging parents fees.
- Assure parents that their children's places are as secure as they can be post COVID-19.
- Agree to ensure staff are paid at pre-COVID-19 levels, with the benefit of the funding from Revenue and DCYA.
- Take active steps to reinstate their staff that have already been laid off on the same terms as above (staff reinstated on pre-COVID terms and conditions).
- Staff would use some of this time for Continuous Professional Development (CPD) and other professional activities. Employers will use some of this time to catch up on administrative tasks and familiarise themselves further with the National Childcare Scheme (NCS) and any other resources. Information on free online CPD resources will be disseminated shortly, and further free online CPD courses and professional development resources will be made available in the coming weeks.
- Provide required Revenue data to Pobal / DCYA on request and give consent to Revenue to provide evidence of staff costs to allow the Department of Children and Youth Affairs to process payments to providers.

Access to the Scheme is contingent on the express agreement of the above and signing of the WSCS Agreement. Funding under the Scheme will flow based on this agreement.

23. Is DCYA Sustainability Funding continuing at this time?

The DCYA Sustainability Fund is currently available to not-for-profit / community services only. Community services seeking to access this fund must make their finances (Annual Financial

Statements (AFS) and up to date Financial Impact Returns (FIRs)) available to DCYA and Pobal so that a full examination of their circumstances can be conducted.

DCYA is exploring if the existing fund can be opened up to other services during this COVID period.

24. Will the funding measures announced on 24.3.2020 be available to services which provide special education to children with ASD and are funded by the Department of Education and Skills?

The Revenue operated COVID-19 Temporary Wage Subsidy Scheme is available to those specifically outlined in the Revenue scheme. The WSCS is available only to providers who had been operating DCYA funded ELC and SAC programmes (ECCE, NCS, CCSP) on March 12, 2020.

25. If services did not pay staff during certain periods e.g. the Easter holidays, previously, will they now avail of the new measures immediately, or should their staff seek assistance from the DEASP for these periods.

Based on the Revenue rules, services should seek to pay employees a weekly wage during this 11/12 week period which includes the Easter period.

As outlined above, individuals who have been claiming the PUP from DEASP – but who will now be supported under the new WSCS, should sign off and cease claiming the DEASP payment immediately.

26. What effect will the 24.3.2020 announcement and the WSCS have on fees charged to parents for ELC and SAC?

One of the conditions of payment under the WSCS is that services will not charge parents fees 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 WSCS should discuss their situation with parents.

27. What happens after COVID-19?

The WSCS is a temporary scheme and is an exceptional measure devised to respond to the crisis of COVID-19. Government has committed to this scheme for up to 12 weeks.

The WSS, the WSCS and other Government supports to business all aim to retain the employer/employee relationship during the closure period so that the business can reopen after as seamlessly as possible.

This relationship between employer and employee is of particular relevance within the ELC and SAC sector as quality outcomes for children depend on a continuity of care between the child and their caregiver.

The ELC and SAC sector is of primary importance to support the country get back on its feet after COVID. Working parents returning to work will need ELC and SAC in place. The WSS and the WSCS are supporting the retention of capacity.

Once crèches are allowed re-open, DCYA will re-initiate ECCE, NCS, CCS and TEC. Funding for these schemes will resume.

Significant reform programmes, including the Work Force Development Plan, the Childminding Action Plan, the regulation of School-Age Childcare and the development of a future Funding Model, are underway and will continue after this crisis period. There may be some delay to their expected timeframes due to resources being diverted during this period to COVID related issues.

Appendix 1 – Support Options for Businesses

FAQS provided by and relating to the Department of Business Enterprise and Innovation:

Please be aware that the COVID-19 situation is still developing. Some changes may be made to the measures mentioned below, and some additional measures may be adopted to support businesses, so it is important to check the links provided regularly and stay up-to-date.

1. Is there any support available if I am having difficulty paying rates and taxes?

The Government has agreed with Local Authorities that they should agree to defer rates payments due from the most immediately impacted businesses - primarily in the retail, hospitality, leisure and childcare sectors, for three months, until end-May. This measure will be implemented by each Local Authority in its own area. Further information is available here.

Revenue has also announced the following measures to support Small and Medium Enterprises (SMEs) – businesses with an annual turnover below €3 million:

- Interest on late payments of VAT for Jan/Feb and Employer's PAYE for Feb/March has been suspended.
- All debt enforcement activity has been suspended until further notice
- All current tax clearance status will remain in place.

The deadline for payment of the Local Property Tax has also been extended from 21 March to 21 May, for all those eligible to pay.

Revenue also advised that businesses should continue sending in tax returns on time. Any businesses experiencing difficulty paying their tax should engage with them early. With early and meaningful engagement, they can generally agree payment arrangements that are acceptable to both the business and Revenue. You can find Revenue's advice concerning difficulty making tax payments here.

You can find the latest updates from Revenue here.

2. Is support available for those having difficulty making loan repayments?

All the banks have announced that they will offer flexibility to their customers, and they may be able to provide payment holidays or emergency working capital facilities.

The main non-bank lenders also confirmed their intention to also support the range of measures announced by the country's main retail banks which is to be welcomed.

A deferral of up to 3-months on loan repayments will be available to many businesses. In addition, the banks are adopting a customer-focussed approach to these businesses with a wide variety of tailored supports including extensions of credit lines, risk guarantees, and trade finance.

3. Will I be able to get a new loan if needed?

This will be a matter for discussion with your bank or other lender. However, the Central Bank has confirmed that it will allow banks to dip into their rainy-day capital reserves to keep lending flowing. It is anticipated that this move could free up considerable additional credit for households and businesses. Loans should be available subject to the usual assessment and conditions.

All the banks have announced that they will offer flexibility to their customers, and they may be able to provide payment holidays or emergency working capital facilities.

Businesses are advised to take immediate steps to manage cashflows

Look for scope to:

- Lower variable costs
- Delay discretionary spend
- Extend your payables
- Expedite your receivables
- Explore supply chain financing option

4. Where can I find the latest information from the Government relating to COVID-19?

The most up-to-date information available from the Government is published on Gov.ie as it is released. This includes information about supports available for enterprises such as ELC and SAC services. You can find the latest updates here.

5. What is the COVID-19 Income Support Scheme?

The Government has announced a National COVID-19 Income Support Scheme. This will provide financial support to Irish workers and companies affected by the crisis.

Measures include:

- The COVID-19 Wage Subsidy, announced on 24 March, is a scheme which allows employers to pay their employees during the current pandemic. Employers will be refunded up to 70 percent of an employee's wages - up to a maximum level under the scheme. The employer is expected to make their best efforts to maintain as close to 100% of normal income as possible for the subsidised period. This payment replaces the Department of Employment Affairs and Social Protection's Employer Refund Scheme announced on 15 March, and any business that received refunds under the current scheme does not need to reapply re-apply. You can find more information about the wage subsidy here.
- Self-employed people can now be eligible for the COVID-19 Pandemic Unemployment Payment, which has been increased to €350 net per week. You can find more information here.

6. Where can I find more information about general business supports?

The Department of Business, Enterprise and Innovation (DBEI) is now operating a Business Support Call Centre to advise on the Government supports available to businesses and enterprises that are affected by COVID-19. The Call Centre can be contacted at 00 353 1 631 2002. In addition, on the COVID-19 Supports page on the DBEI website there are numerous links to vital information, supports available and advice to business on dealing with COVID-19. This advice is from official and trusted sources such as the Health Service Executive (HSE) and Departments of Health, Employment Affairs and Social Protection (DEASP) and Foreign Affairs and Trade (DFAT) as well as WHO, the Health Protection Surveillance Centre and the Health and Safety Authority (HSA). You will also find guidance for the business and retail sector, guidance for workers dealing with the public information for employers and employees on employment supports and payments. It is important that the advice and guidance you take is from official sources and you will also find all information regarding COVID-19 on the Government website, www.gov.ie.

7. What other supports are available for Small and Medium Enterprises (SMEs)?

- The Government has recently announced a range of supports for business, many of which are administered by DBEI and its Agencies and Offices. Not all of these will be applicable to every ELC and SAC service (for example the MicroFinance Ireland loans noted below are only available for companies with fewer than ten employees SBCI is available for those over 10 employees), but services are encouraged to make enquiries with the relevant Agencies if they think they may be eligible. These supports can also be viewed on the DBEI COVID-19 Supports page and include:

- A €200m Strategic Banking Corporation of Ireland (SBCI) Working Capital scheme for eligible businesses impacted by COVID-19. Loans of up to €1.5m will be available at reduced rates, with up to the first €500,000 unsecured. FAQs on the scheme can be found here. Applications will be through the SBCI website.

- A €200m Package for Enterprise Supports including a Rescue and Restructuring Scheme available through Enterprise Ireland for vulnerable but viable firms that need to restructure or transform their business. Detail about the supports offered through Enterprise Ireland can be found here.

- The maximum loan available from MicroFinance Ireland will be increased from €25,000 to €50,000 as an immediate measure to specifically deal with exceptional circumstances that micro-enterprises – (sole traders and firms with up to nine employees) - are facing. You can find more information here. Applications can be made through the MFI website or through your local LEO.

- Vouchers for business continuity preparedness, innovation and productivity will be available through Local Enterprise Offices in every local authority area. Full details of this support will be finalised shortly; more information can be found here.

- The Credit Guarantee Scheme will be available to COVID-19 impacted firms through the Pillar Banks. Loans of up to €1m will be available at terms of up to seven years. You can find more detail here.

In addition, the following supports are available for firms experiencing trading difficulties and short-term shocks:

- The Department of Employment Affairs and Social Protection and DBEI will provide a joint First Responder support service through the Intreo Offices and development agencies, Enterprise Ireland and IDA Ireland in each region to provide tailored supports for impacted firms, with the objective of avoiding mass lay-offs and buying time for firms to work through the short-term disruptions.

- A Finance in Focus grant of €7,200 will be available to Enterprise Ireland and Údarás na Gaeltachta clients who want to access consultancy support to undertake immediate finance reviews.

- The Registrar of Companies has also decided that all annual returns due to be filed by companies between now and 30th June, 2020 will be deemed to have been filed on time if all elements of the annual return are completed and filed by that date. This will enable businesses and their financial advisers to focus on the more pressing and immediate financial challenges. The situation will be kept under review and the date of 30th June may be extended depending on the situation at that time. Companies should check the CRO website www.cro.ie for more details.

8. What are SMEs?

SME stands for Small and Medium Enterprises. A Small Enterprise is defined as an enterprise that has fewer than 50 employees and has either an annual turnover and/or an annual Balance Sheet total not exceeding €10m.

A Medium Sized Enterprise is defined as an enterprise that has between 50 employees and 249 employees and has either an annual turnover not exceeding €50m or an annual Balance Sheet total not exceeding €43m. You can find more information from, Enterprise Ireland here.