



29 May 2020

Further Clarification to use of TWSCS Overhead Payment.

Dear Provider,

As part of the TWSCS, the DCYA has provided funding in the form of an

“Overhead payment [which] shall be used towards ongoing costs incurred by the Childcare Service” (TWSCS Funding Agreement, section 5.5)

Further clarifications were provided in FAQs on the scheme (published 27 April and 7 May) and in the Verification Requirements published on 25 May.

The purpose of this communication is to further clarify the use of this funding. It is intended to assist in meeting ongoing, overhead costs during the period of the scheme (from 6 April until the end date of the TWSCS).

However, in order to support providers to re-open, the DCYA has decided that the funding can be used **for an additional period of four weeks after the date of cessation of the scheme.** The following indicative list of items, while not exhaustive, are examples of allowable expenditure under this funding stream:

- Books
- Toys, games and other play materials such as paint, paint brushes, markers, pencils
- Personal Protective Equipment
- Utility bills
- Rent
- Business loans
- Employer’s PRSI
- Agency fees (e.g. accountants’ fees)
- Professional/bank fees
- Stationery costs
- CPD resources
- Maintenance/repairs
- Cleaning/sanitary materials

The following list of items are examples of non-allowable expenditure under this funding stream:

- Capital expenditure
- Pay costs (see FAQ section 3.4 for further information)
- Costs not related to childcare



The Funding Agreement also states that

“Failure to comply with the terms and conditions of this Agreement may result in a suspension or recoupment of funding under this Agreement and/or a termination of this Agreement” (TWSCS Funding Agreement, section 8.5)

A range of other supports are available from the DCYA, including PSP, sustainability funding and capital funding. In addition, other supports are available from across Government, especially from the Department of Business, Enterprise and Innovation.

Yours faithfully,

Early Years Finance Governance & Reform Compliance Team.