FAQ: Compensation parents' own contribution to childcare due to the Coronavirus

Please see below for the frequently asked questions.

The first part of the FAQ are questions from parents with corresponding answers and the second part are questions and the answers of childcare organisations.

Questions & Answers – version March 30th 2020, 12:00 pm Yellow = New compared to 24th March 12:00 pm (Dutch version) Questions and answers that are partly or completely new are yellow shaded. Note: Watch the numbering. It will be adjusted when a new question has been added.

FAQ FROM PARENTS

1. Who is entitled to the compensation?

For all parents who normally use childcare and continue to pay their bill in full. This also applies to parents working in the vital sectors. There are no costs associated with the use of (additional) emergency childcare.

2. How will the government compensate for the parents' own contribution?

The compensation will be transferred to the 3500 childcare organisations (nursery, bso, preschool and 'gastouder daycare'). They can then transfer the overpaid part back to the parents, i.e. the difference between the invoice amount and the childcare allowance received, over the period from Monday 16th March up to Monday 6th April. If the situation lasts longer, the government can extend this compensation if needed, for example with a few weeks.

3. How does compensation work in practice?

The kinks are still being ironed out, but childcare organisations and parents will be informed as soon as possible.

In order to provide the compensation, the childcare organization will require information from the parents, namely how much of a supplement the parent(s) receive per month. Parents will provide this information to the childcare organisation themselves. For this purpose, a form will be developed or another solution will be found. This is expected to be available before the end of March, parents will receive this through their childcare organisation. Once the childcare organisations have received the compensation amount they will then transfer this to the parents.

4. When will parents get back the cost of childcare?

The aim is for childcare organisations to repay parents at the end of April, after they have received the compensation. However, no conclusive comment has yet been given. The regulation have been developed further since 23rd March by the Ministry of Social Affairs, Tax Administration/Allowances, <u>Childcare Association, Association for Social Childcare</u> and <u>BOinK</u>. These details are not yet available, however we will inform you as soon as possible. Please follow the websites of these organisations to get the latest updates.

5. Why do parents have to pay first and then get the money back?

A parent shall only be entitled to childcare allowance if their invoice is paid in full and the return of their own contribution is linked to the right to childcare allowance. The child's place is also retained if

the parent pays the bill as usual and the parent can immediately use the childcare again once it resumes normal service.

In addition, it is very important that childcare is available for children of parents within the vital sectors. By following these standards we are minimizing the chance of the childcare sector from collapsing due to a lack of income.

Parents therefore do not have to pass on changes to the Belastingdienst (IRS) or stop their childcare, unless, for example, their income changes. This information then needs to be passed on to the Belastingdienst.

For 'gastouder daycare' the following applies; if a parent requires a different number of hours per month than normal, for example because the parent works irregular hours, a parent can assume the number of hours that would normally be billed this month.

6. What should parents do if their income falls sharply due to the Corona crisis, for example if they are self-employed and currently have no income or become unemployed?

When their income changes, parents will have to pass this information on to the Belastingdienst, as they normally would. The childcare allowance is higher on a lower income. Parents will therefore receive the childcare allowance which is based on their current income. The change will be active from the first day of the following month. You can adapt via the portal of the Belastingdienst.

Unemployment means that up to three months after losing work, childcare allowance remains in place. Parents who lose their work do not have to immediately remove their child from daycare and give up the occupation for the childcare.

7. Am I getting a new invoice?

The regulations will be further developed from 23rd March. The details are not yet available, we will inform you as soon as possible. You will also be actively informed by your childcare organisation or gastouder agency. For more information, please check the websites of <u>Brancheorganisatie</u> <u>Kinderopvang</u>, <u>Branchevereniging Maatschappelijke Kinderopvang</u>, <u>BOINK</u>.

8. When will the invoice be collected for the month of April?

The invoice for the month of April will be received as regularly.

9. The period now mentioned speaks of March 16th to April 6th what will happen after then?

All measures announced shall apply for the period 16th March to 6th April. According to the Ministry, the extension of the compensation is linked to the other measures announced. In other words, if childcare remains closed for longer, the compensation regulations may also be extended.

10. Do I need to share privacy-sensitive information to get my own contribution back?

You must always give your consent to sharing information with the childcare organisation or other parties, for example information regarding the amount of childcare allowance you receive. The way in which this will happen is still being worked out, we will inform you as soon as possible. Please check the websites of the previously mentioned organisations.

11. What does the compensation scheme for parents look like in the case of gastouder agencies?

The compensation regulations for gastouder agencies is in development, it is taken into account that the system of 'gastouder daycare' is different from that of day care and BSO.

Also read the FAQ 'Gastouder daycare'.

FAQ ORGANISATIONS

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12. How does compensation work in practice?

The regulations are currently being developed. There will be more clarity on the process before the end of March. Childcare organisations and parents will be informed as soon as possible.

In order to provide compensation, the childcare organisation will require information from parents, namely how much allowance they receive per month. Parents will have to provide this information to the childcare organisation themselves. A form is being developed for this purpose. This is expected to be available before the end of March and will be available to parents through their childcare organisation. The childcare organisation collects all the necessary information and declares it to an intermediary organisation. This process is still in development. The childcare organisation will transfer the amount to the parents.

The compensation will be transferred to 3500 childcare organisations. The childcare organisation can then transfer directly to the parent the overpaid part, i.e. the difference between the invoice amount and the childcare allowance received, over the period from 16th March to 6th April. Should the situation continue for longer, these regulations may be extended.

13. Who pays the own contribution above the KOT rate?

The childcare organisation is supposed to repay its own contribution above the childcare allowance rate to parents themselves. There is no compensation for this. This means loss of turnover for childcare. If this loss of turnover is significant (this varies from organisation to organisation) the childcare organisation can use the Temporary Emergency Measure Bridging Employment (NOW; Noodmaatregel Overbrugging Werkgelegenheid). Unfortunately, childcare, like all sectors, will suffer in this crisis from a fall in turnover. It is expected that fewer parents will terminate the agreement with the childcare organisation.

14. What to do with parents whose children start after April 6?

This will be researched later.

15. As a childcare organisation, can we pay the parents fees in advance to be paid back at a later date or give a deferral of payment?

To pay the fees in advance on behalf of the parents or delaying/deferring payments is possible but depends on the organisation's own liquidity position. Deferral of payment to parents is an option and is locally tailored.

16. Does the regulation also apply to expats?

We are in contact with the ministry SZW about whether expats are eligible for compensation. This is not yet clear.

17. Does this regulation also apply to parents who use peuterspeelzalen (Toddler daycare)?

Some parents who use peuterspeelzaal are entitled to childcare allowance. But there are also parents who are not entitled to childcare allowance and use a municipal subsidy. It is not yet clear whether these parents will also be eligible for compensation. The trade associations are actively in

talks with the VNG (Dutch Municipality Association) to reach a national agreement so that not every childcare organisation has individually confirm with the local authorities. Parents and childcare organisations will be informed of this as soon as possible.

18. What about the subsidised children's places (municipality)?

The trade associations are actively discussing this with VNG (Dutch Municipality Association).

19. How long is the compensation?

This compensation shall apply from 16th March to 6th April. Compensation to parents may possibly be extended should the current situation persist for longer as a result of the Corona crisis. This means that if the current situation is unexpectedly extended by a few weeks, compensation can be offered in the same way.

Did we miss something? It is important that parents receive correct answers to the questions they have and to give clarity to the parents at this uncertain time. You can contact the trade associations in childcare if you have any further questions. We are proud to support the entire childcare sector.