

Statement from the Department of Children and Youth Affairs

to be read out at Community Meeting on Monday 15 February

The Department of Children and Youth Affairs is aware of the terrible difficulties the closure of West Clare Early Years Care and Education Services imposes on families in the West Clare area and on staff who have worked there. The Department is committed to doing whatever it can to work with parents, the local community and service providers to enable families access high quality childcare as a matter of urgency.

The community is aware that West Clare Early Years Care and Education Services is a limited company. It has provided a range of early years care and education services since 2000. The Department has provided significant funding over the years to the services through various childcare schemes such as the free pre-school year and targeted schemes such as Community Childcare Subvention and the various Training and Employment Childcare programmes. Pobal assists the Department in the administration of these programmes and with the compliance and oversight of the public funding involved. Pobal is a not-for-profit company that manages a number of programmes on behalf of the Irish Government and the EU. The Board of the West Clare Early Years Care and Education Services is the governing authority for the Service and has specific responsibilities in this regard.

In December 2014, the Department received correspondence from the Board of West Clare Early Years Care and Education Services formally notifying of apparent financial irregularities in the management of the childcare funding programmes in the centres. Further to this correspondence, the Department requested Pobal to commence a formal investigation as part of its compliance and audit function. Pobal carried out an audit of West Clare Early Years Care and Education Services and issued a draft Audit Report in June 2015. Following responses from the company, a final Report was submitted to the West Clare Early Years Care and Education Services in November 2015. The Report found significant governance issues and an amount of over-claimed childcare funding totalling approximately €500,000.

The Audit Report on foot of the Pobal investigation was referred to the Garda Síochána and its Bureau of Fraud Investigation and the Office of the Director of

Corporate Enforcement by Pobal. Given this referral, and any future investigations, it would not be appropriate for the Department to comment further at this time on the detail of the Report.

The Department, in cooperation with Pobal, has been actively engaged with the Board of the West Clare Early Years Care and Education Services over a considerable period in order to address issues surrounding the operation of the service and to try to get the company on to a sustainable footing so that services could be maintained.

Pobal met with representatives of the West Clare Early Years Care and Education Services Board on Wednesday 10th February on behalf of the Department. At this meeting, the Board accepted all the findings in the Report. It was the understanding of the Department and Pobal that an agreement had been reached at the meeting that the company would consider how the service might continue to be provided, and what change was required and could be delivered, to ensure families would continue to access a service. Pobal's understanding from the meeting was that an Action Plan to secure the future of the company would be provided to them by the Board within three weeks. The Department would like to stress that whilst alleged financial irregularities had been reported, the Department was clear that it was available to support the service to manage through the difficulties.

As you are all aware, information was circulated from the Board to staff and parents of West Clare Early Years Care and Education Services over the weekend which indicated that the company's childcare centres would close immediately. The Chair of the Board contacted Pobal today, Monday 15th February, to confirm that the Board had decided, on Saturday, to liquidate immediately. To our knowledge, no local or national bodies were given any notice of this decision or were made aware that an immediate closure was under discussion.

It comes as a surprise to both the Department and Pobal that the company has now decided to go into liquidation. The Department and Pobal were not consulted about Saturday's liquidation decision and were informed through the local media late on Saturday evening.

The prime concern of the Department and Children and Youth Affairs and Pobal is to ensure that parents and children can access childcare again as soon as possible and to minimise the distress and significant inconvenience. The

Department is very conscious that many families require access to childcare to enable them to get to work. The Department and Pobal are committed to working with the local community and local agencies to finding resolutions as a matter of urgency. The Department is also acutely aware of the distress that this matter has caused to staff.

On hearing of the decision of the Board of West Clare Early Years Care and Education Services to liquidate, a senior Director of Pobal, Mr Jerry Murphy, immediately travelled to Clare to work with all the relevant community bodies and agencies to assist in dealing with the difficulties that now arise.

The Department would particularly like to thank the West Clare Family Resource Centre for its prompt and proactive response in trying to find a solution to this very difficult situation and for assisting Pobal with its work.

The Department, Pobal and Clare County Childcare Committee are actively working with local groups to examine what alternatives can be put in place immediately and in the medium term. This involves for example:-

- Identifying the number of children impacted and which of these are funded through the various Department of Children and Youth Affairs schemes, in each town / village.
- Identifying whether other service providers in West Clare have available capacity and would be willing and able to take on additional children in the short term or long term.
- Identifying what such services might need to expand their services.
- Ensuring that Pobal and the Department has all necessary financial information available to support its decision-making.

Mr Jerry Murphy, Director of Pobal is in attendance tonight to represent Pobal and the Department. He is available to talk with local community groups, parents and staff. Pobal is also available to work with the Board of West Clare Early Years Care and Education Services to identify options. The Department will be seeking an update from Mr Murphy immediately after the meeting. The Department would again like to reiterate its commitment to doing all it can to find a solution to this devastating development for the families and staff of West Clare.

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