

Parents' Guide to Early Years Funding and Other Help with Childcare Costs



An Explanation of the Early Years Funding Entitlements

We know that finding your way around the different schemes designed to help with childcare costs can be confusing, so we've collated all the information for you here, in one place. This guide aims to provide information to parents about the early years funding entitlements, how to apply, and how we deliver these hours at nursery to help you make the best choices for you and your family. It also includes details about other help available with the cost of childcare. For further information and to apply for Government funded childcare or other support, visit the [Childcare Choices](#) website.

What Funding is Available?

You may know about **15 Hours** or **30 Hours** funding, but what does it mean for your family?

These are the number of hours per week that families can access government funding during the 38 weeks of term time. Up until April 2024, generally only families with children aged 3 to 5 years old could benefit, and children aged 2 from families already in receipt of other types of government support.

Younger children of eligible parents are now going to benefit from this funding too. The new entitlements are being phased in to allow childcare providers to get ready for increased demand.

When will my child get the funded hours?

From September 2024 eligible working parents of children aged 9 months and over will be able to access 15 hours funding.

From September 2025 eligible working parents of children aged 9 months and over will be able to access 30 hours funding.

Am I eligible?

The expansion of the 15 and 30 hour funding entitlements is being implemented to support working families.

Do I qualify as a working family?

You will qualify for funded early years provision if your child has attained the relevant age, is under compulsory school age and you meet the eligibility criteria set out below

- The parent of the child (and their partner where applicable) should be seeking the free childcare to enable them to work.
- The parent of the child (and their partner where applicable) should also be in qualifying paid work. Each parent or the single parent in a lone parent household will need to expect to earn (on average) the equivalent of 16 hours at the national minimum wage rate over the forthcoming quarter (£195 per week).
- Where one or both parents are on certain forms of family leave from work (including maternity, paternity or shared parental leave) or in receipt of certain forms of statutory pay in connection with sickness or parenting, they are treated as though they meet the minimum income requirement. This will apply for the 31 days before they return to work for those parents on family leave in relation to the child in childcare.)
- Where one parent (in a couple household) is in receipt or could be entitled to be in receipt of specific benefits related to caring, incapacity for work or limited capability for work that they are treated as though they are in paid work. Where a parent is in a 'start-up period' (i.e., they are newly self-employed), they do not need to demonstrate that they meet the income criteria for 12 months in order to qualify for the working parent entitlement.
- If either or each parent's income exceeds £100,000, they will not be eligible for the working parent entitlement.



How do I apply?

To access Government funded hours, you will need a valid eligibility code from HMRC.

Funding 'to do' list:

Check you are eligible - find out more about whether you are eligible [here](#)



Check when you can apply - you need to apply the term before you want to access funded hours (see next page for further info).



Apply for your childcare code [here](#)* If eligible, you will get an online childcare account and a code for the funded hours. If you use Tax Free Childcare already, you will receive your code when you next reconfirm your eligibility.



Give the code to the nursery team along with your national insurance number and your child's date of birth. The nursery team will then check the code is valid.



Complete a Parent Declaration Form – a member of the nursery team will give this to you when it's time to complete or reconfirm.



Reconfirm - you must reconfirm your details are up to date every 3 months or your code will expire. You will receive reminders to do this.



*You don't need to do these things if you are only claiming universal entitlement (15 Hours for your child over 3).

When should I apply?

Funding usually starts the term after your child's eligible birthday. For example:

- children born in the period 1 January to 31 March: the start of term beginning on or following 1 April after the child's relevant birthday or date of turning 9 months old
- children born in the period 1 April to 31 August: the start of term beginning on or following 1 September after the child's relevant birthday or date of turning 9 months old
- children born in the period 1 September to 31 December: the start of term beginning on or following 1 January after the child's relevant birthday or date of turning 9 months old

Your child's birthday or date of turning 9 months old	Eligibility start from the term starting on or after ...	Recommended time to apply (between)
1 September – 31 December	1 January	15 October and 30 November
1 January – 31 March	1 April	15 January and 28 February
1 April to 31 August	1 September	15 June and 31 July

When should I apply?

When applying, you may find out if you are eligible straightaway, but it can take up to 7 days and HMRC sometimes require additional information.

In order to be eligible for the following term, you MUST have your code by the last day of the month before that term starts, e.g., code issued by 31 August to be eligible for the term starting on or after 1 September.

Because of this, we strongly recommend you applying for your code in advance of this date in case there are any problems obtaining it. If you miss this deadline, you will not be able to access funded hours until the following term.

However, because you have to reconfirm your eligibility every 3 months, if you apply more than 3 months before the term starts, you will have to reconfirm your code before your funding starts at the beginning of the term.

Follow the dates in the table and you will be fine.

What other help with childcare costs is available?

There are a number of other government initiatives which can help with the cost of childcare which are explained below:

Tax Free Childcare

For working families, including the self-employed, in the UK:

- Earning under £100k and an average of £195 per week (equal to 16 hours at the National Minimum or Living Wage) each over three months. Who aren't receiving Tax Credits, Universal Credit or childcare vouchers
- With children aged 0-11 (or 0-16 if disabled).
- For every £8 you pay into an online account, the government will add an extra £2, up to £2,000 per child per year.

Tax Credits for Childcare

For working families, in the UK:

- With children under 16 (or under 17 if disabled). up to 85% of childcare costs. New caps from April 2025: £1,031.88/month for one child, £1,768.94/month for two or more children.
- If you cannot make a new claim for Tax Credits, you may be able to apply for Universal Credit instead.

Universal Credit for Childcare

For working families claiming Universal Credit, in England, Scotland, Northern Ireland and Wales

- With children under 17*.
- Up to 85% of eligible childcare costs.
- Who aren't receiving Tax-Free Childcare.

To find out which help is best suited to you, or to apply, visit www.childcarechoices.gov.uk

Click [here](#) for frequently asked questions.

