

June 2023

Dear parents,

The Government announced in the Spring budget that various new funding entitlements will be implemented over the next 2 years to support working parents with childcare costs in Early Years.

We will be working closely with schools, nurseries, pre-schools, and childminders so that important messages are shared with parents regarding the forthcoming changes.

Please help us to raise awareness and discuss these changes with friends and family and share via social media. In the current climate, it is important that families know what financial support is available to help them with childcare costs.

You may not currently qualify for some of the entitlements but if you are thinking of returning to work or your circumstances change you need to know what financial support is available.

If you are a parent of a 2-year-old, please check your eligibility for two-year-old funding online via Devon Citizen's Portal at devon.cc/tyf

You may not be eligible for two-year-old funding, but it will enable us to collect your personal details, make regular checks for other funding and keep in contact with you regarding the funding changes as they are implemented.

The roll-out of 30 hours will help many parents returning to work after maternity leave but this will not be fully implemented until September 2025. In the meantime, we want to ensure all parents returning to work, and who are paying for childcare, know exactly what help is available.

For help available, based on individual circumstances, please visit www.childcarechoices.gov.uk We have included some highlights below of what the changes will mean for families using childcare.

Kind regards,

Devon Early Years & Childcare Service

Universal Credit (UC)

If you are in receipt of Universal Credit and working, you may qualify for the 'childcare element' to enable you to claim up to 85% of your childcare costs.

From 28th June 2023, working parents on Universal Credit will be able to receive more financial help with their childcare costs from a registered provider. This will be up to the maximum amount of £951 per month for 1 child or up to £1,630 per month for 2 or more children.

Eligible parents claiming Universal Credit will also be able to get additional help with their upfront childcare costs when moving into paid work or increasing their working hours so that they can pay more easily for their childcare.

Parents who are moving into paid employment or increasing their working hours, can speak to their **Universal Credit work coach** who can provide more information.

Alternatively, you can put a message in your Universal Credit Journal, and someone will get back to you.

Extended Entitlement (up to 30 hours for 3 & 4-year-olds)

All 3 & 4-year-olds are entitled to up to 15 hours of funding per week (from the start of the funding period following the child's 3rd birthday). Parents who are working the equivalent of 16 hours per week at the National Minimum Wage, can also apply for 30-hour funding.

You do not need to be using the full 30 hours but knowing that you are eligible can help if you are looking to start work, change jobs/work patterns or do additional hours.

Please set up or visit your [Gateway Account](#) immediately to apply or to reconfirm. If you are unsure if you are entitled to 30 hours, please check the [Eligibility Criteria](#).

Tax-Free Childcare (TFC)

If you are paying for childcare, you may be able to sign up for TFC.

For every £8 you deposit into your account, the government will contribute £2.

For example, if your monthly childcare invoice is £500, £100 would be available from the Government via TFC.

New Entitlement for 2-year-olds and under 2's

More information will follow regarding the new entitlements as they are implemented but the rollout will be as follows:

- Up to 15 hours of funding for children aged 2 from 1st April 2024
- Up to 15 hours of funding for children from 9 months from 1st September 2024
- Up to 30 hours of funding available for all under 5's from 1st September 2025