

The Extended Entitlement: Guidance to implementation

What is the extended entitlement and why are the Government introducing it?

On top of the universal 15 hours free provision that all 3 and 4 year olds receive currently, the government has committed to doubling this offer for working parents of 3 and 4 year olds from September 2017. The aim is to help families by reducing the cost of childcare and supporting parents to work. The government wants to see childcare that is good for families and children.

The Childcare Bill, which detailed the government's commitment to double free childcare available for working parents from September 2017, received Royal Assent in March 2016 and this new duty on Local Authorities is now law as detailed in the Childcare Act 2016. You can read more about the [Childcare Act 2016 and the Local Authority's legislative duty](#).

What is the expected demand for the extended entitlement from parents locally?

The majority of working families with 3 and 4 year olds already use more than 15 hours of childcare, which means many children will already be in a place and will not require a new one as part of the extended entitlement.

We will need to assess the types of demand and ensure, as a sector, we work in partnership to respond to local needs. The actual number of new childcare places that we need locally will depend on:

- How many eligible parents we have locally;
- How many eligible parents will take up the extended entitlement;
- The extent to which eligible parents already pay for additional hours of childcare over and above the existing 15 funded hours;
- How quickly eligible parents choose to make use of the extended entitlement and;
- The level of spare capacity in the system.

Nationally, new providers will be encouraged to enter the childcare market and existing providers to expand where needed. Collaborative arrangements across different types of providers and increased flexibility for providers are important elements of this.

To assist us locally in ascertaining demand and capacity there are two ways in which we require your support. Over the next few weeks we will be undertaking our annual **Childcare Sufficiency Assessment** and in order to support us with identifying current provision and capacity capabilities it would be really helpful if you could promptly respond to the Childcare Sufficiency Assessment when it is received. This will give us an accurate picture of where local provision and capacity currently exists.

Again, over the coming weeks we will be undertaking an online **Parental Demand Survey**. We will be using various communication methods to ensure we obtain a thorough and representative sample of local needs. Please support us by promoting this survey with the parents you support to give us the best local picture we can achieve so we can ensure local needs are met.

These two critical pieces of data can be used to map supply against demand and inform our sufficiency position for the city and identify where additional provision or support may be required.

Who will be eligible for the extended entitlement?

The extended entitlement is intended to support working parents with the cost of childcare and enable them, where they wish, to return to work or to work additional hours. The additional hours will be available to families where:

- Both parents are working (or the sole parent is working in a lone parent family);
- Both parents are working' includes circumstances where;
 - One or both parents are temporarily away from the workplace on parental, adoption, maternity or paternity leave;
 - One or both parents are temporarily away from the workplace on statutory sick pay;
 - One parent is employed and one parent has substantial caring responsibilities based on specific benefits received for caring; or
 - One parent is employed and one parent is disabled or incapacitated based on receipt of specific benefits.
- Each parent has a weekly minimum income equivalent to 16 hours at national minimum wage or living wage; Parents do not necessarily need to actually work 16 hours a week, but rather their earnings must reflect at least 16 hours of work at national minimum wage (£111.20) or national living wage £115.20), and;
- Neither parent has an income of more than £100,000 per year.

The definition of 'working' will include employed and self-employed persons and parents on zero hour's contracts who meet the criteria. Many parents have irregular working patterns and the government have designed the extended entitlement to be flexible enough to accommodate these.

Parents who are studying and grandparents or other family members with parental responsibility for a child aged 3 or 4 will be eligible for the extended entitlement if they meet the above criteria.

How will eligibility be checked?

The government intends to develop a single, seamless online childcare application system which will allow parents to apply for Tax-Free Childcare and 30 hours of free childcare at the same time.

Parents will need to declare that they expect to earn the equivalent of 16 hours national minimum or living wage on average each week over the next quarter. The quarterly declaration period has been designed to help those on fluctuating incomes and zero hours contracts to meet the criteria.

Parents can be in receipt of any other form of childcare support and still access the extended entitlement. Parents will be able to access the extended entitlement at any participating provider with availability once their eligibility has been confirmed. Local Authorities will be

responsible for verifying that a parent has had their eligibility for the extended entitlement confirmed by HMRC and will ensure they are funding each provider appropriately for the eligible children they are caring for. The government intends to adapt the Department for Education's existing Eligibility Checking System for the 2 year old entitlement and Free School Meals to support this new verification process.

The government are aiming for the delivery mechanism for the extended entitlement to be simple and flexible for parents to use, cost effective and efficient for providers to administer and secure and possible to audit.

The Grace Period

The introduction of a 'grace period' is intended to enable parents to retain their childcare place for a short period if they have become ineligible for the extended entitlement.

This will provide continuity for the child, give parents the opportunity to regain employment and give providers certainty that if they offer a place under the extended entitlement they will not risk having an empty place immediately following a change in the parents' circumstances. For example, if a child becomes ineligible during the first half of a term, they can retain their childcare place until the end of that term; or where a child becomes ineligible in the latter half of the term, they would retain their childcare place until the end of the following half term.

What will the delivery of the extended entitlement look like?

The statutory guidance is proposing that:

- A session should be no longer than 10 hours a day or shorter than 3 hours between 9am and 3.30pm. There will be no minimum session length for funded places before 9am or after 3.30pm to enable providers to be funded for short term wrap-around provision;
- The offer is taken between 6am and 8pm to support those working shifts;
- Places can be offered at weekends or the offer can be 'stretched' to take fewer hours a week over more weeks a year where there is provider capacity and parental demand, enabling the parent to access the entitlement during term time and the school holidays;
- The offer is funded across a maximum of 3 providers per child and;
- There is no requirement that funded places must be taken or delivered on particular days of the week or at particular times of the day and parents are not to be charged for any part of their child's funded place, including providers charging top up fees.

Providers will be expected to maintain a clear focus on the experience of children and the quality of their provision. All childcare must be delivered in a way that makes a contribution to a child's physical, cognitive, social and emotional development, without placing inappropriate strain on young children who might be spending a significant part of their day in childcare.

The extended entitlement needs to supplement and complement the current early education entitlement.