



Llywodraeth Cymru
Welsh Government

Childcare Offer for Wales

Guidance for Local Authorities

July 2022

SECTION 1 - ABOUT THIS GUIDANCE	4
SECTION 2 - WHAT IS THE CHILDCARE OFFER?.....	5
WHAT DO WE MEAN BY 'CHILDCARE'?	5
WHAT DO WE MEAN BY 'EARLY EDUCATION'?.....	5
WHAT DO WE MEAN BY '30 HOURS'?	5
PARENTS NOT ACCESSING EARLY EDUCATION PROVISION	6
PROVISION OF EARLY EDUCATION IN A DIFFERENT LOCAL AUTHORITY TO WHERE THE CHILD LIVES.....	7
SECTION 3 – WHEN CAN PARENTS USE THEIR CHILDCARE OFFER HOURS?	8
HOLIDAY PROVISION.....	8
NON-OFFER (UNFUNDED) WEEKS:	10
SECTION 4 – WHO IS ELIGIBLE FOR THE CHILDCARE OFFER?	11
DEFINITION OF AN ELIGIBLE CHILD	11
DEFINITION OF AN ELIGIBLE PARENT	12
DEFINITION OF A WORKING PARENT.....	12
DEFINITION OF A PARENT IN EDUCATION OR TRAINING	14
PARENTS AND CARERS COVERED.....	14
SECTION 5 – WHAT HAPPENS WHEN A PARENT FALLS OUT OF ELIGIBILITY? 19	
TEMPORARY EXEMPTION PERIODS (TEPs)	19
SECTION 6 – WHAT ABOUT CHILDREN REQUIRING ADDITIONAL SUPPORT?... 21	
ADDITIONAL SUPPORT GRANT	21
SECTION 7 – WHICH PROVIDERS ARE ABLE TO DELIVER THE OFFER?	22
TYPES OF PROVIDERS.....	22
CROSS BORDER PROVISION.....	23
SECTION 8 – WHAT IS THE RATE PAID TO PROVIDERS DELIVERING THE OFFER?	24
HOURLY RATE OF PAY FOR CHILDCARE	24
CHARGING TOP UP FEES:.....	24
CHARGING FOR ADDITIONAL ELEMENTS - FOOD:	24
CHARGING FOR ADDITIONAL ELEMENTS - TRANSPORT:	25
CHARGING FOR ADDITIONAL ELEMENTS - GENERAL:	26
NON-COMPLIANCE WITH CHARGING GUIDELINES	26
FUNDING FOR EARLY EDUCATION PROVISION	27
CLAIMING FOR BOOKED HOURS WHICH ARE NOT USED	27
SECTION 9 – LOCAL AUTHORITY ROLES AND RESPONSIBILITIES	29
THE DELIVERY MODEL.....	29
ROLES & RESPONSIBILITIES - DELIVERY AUTHORITIES	29
ROLES & RESPONSIBILITIES - ENGAGEMENT AUTHORITIES	30
AGREEMENT OF PARTNERSHIP ARRANGEMENTS	31

COMMUNICATIONS.....	31
SECTION 10 – FUNDING FOR THE CHILDCARE OFFER	33
THE CHILDCARE ADMINISTRATION GRANT	33
THE CHILDCARE GRANT	33
THE ADDITIONAL SUPPORT GRANT	33
SECTION 11 – DELIVERY OF THE OFFER – PARENT PROCESSES	34
PARENT PROCESSES	34
PRE-APPLICATION ELIGIBILITY CHECK	34
APPLICATION PROCESS	34
ELIGIBILITY CHECKING	36
NOTIFYING PARENTS	37
RE-CHECKING ELIGIBILITY	38
REVIEWS AND APPEALS	39
MOVING BETWEEN LOCAL AUTHORITY AREAS	40
SECTION 12 – DELIVERY OF THE OFFER – PROVIDER PROCESSES	41
PROVIDER REGISTRATION	41
PROVIDER CONTRACT	41
PROCESS FOR PAYING PROVIDERS.....	42
RE-CLAIM PROCESS.....	43
CODE OF PRACTICE ON ETHICAL EMPLOYMENT IN THE SUPPLY CHAINS.....	44
SECTION 13 - DUE DILIGENCE, AUDIT, AND HANDLING OF DATA.....	45
DUE DILIGENCE	45
AUDIT REQUIREMENTS	45
DATA COLLECTION	45
MANAGING INFORMATION	46
SECTION 14 - MONITORING AND EVALUATION.....	48
MONITORING.....	48
EVALUATION	49
SECTION 15 – DELIVERING THE OFFER IN EXCEPTIONAL CIRCUMSTANCES...	51
ADVERSE WEATHER.....	51
PANDEMIC OR SIMILAR HEALTH CRISIS.....	52

Section 1 - About this Guidance

The Welsh Government has committed to providing 30 hours of government funded early education and childcare for 3 and 4-year-old children of eligible parents for up to 48 weeks of the year. The primary policy aims of the education and childcare elements of the Offer are:

- to enable more parents, particularly mothers, to return to work;
- to support parents seeking to improve their employment prospects by gaining qualifications, retraining or changing career paths;
- to increase the disposable income of those in work and help counteract poverty for those in low-paid jobs; and
- to encourage child development and school readiness.

This is non-statutory guidance from the Welsh Government to support local authorities in implementing the Welsh Government's Childcare Offer ("the Offer"). The guidance will be reviewed as necessary to reflect any changes in policy or delivery arrangements.

This guidance has been updated to reflect the expansion of the Childcare Offer to eligible parents in education or training. It is important to note that a parent in education or training cannot be eligible for the Offer until the 1st September 2022 and therefore they would not be able to access the funded childcare available under the Offer prior to this date, though they could submit their application prior to this date in anticipation.

Parents can access the Offer if they meet the earnings criteria, if they are currently working and training at the same time or working prior to the beginning a course in September.

Section 2 - What is the Childcare Offer?

The following section provides a summary of what the Childcare Offer policy is.

What do we mean by ‘childcare’?

1. For the purposes of the Offer, childcare refers to childcare which is regulated and inspected by Care Inspectorate Wales (CIW) and is therefore subject to the National Minimum Standards for registered childcare. If the childcare is located in England then the provider would need to be registered with Ofsted.

What do we mean by ‘early education’?

2. Early education, also referred to as Foundation Phase Nursery provision, is the term used to describe the time a child spends in the Foundation Phase during the ages of 3 and 4, prior to mandatory schooling.
3. All children are entitled to access early education from the term after their third birthday and Local authorities in Wales are required to provide a minimum of 10 funded hours of early education per week during term time for 3 and 4-year-olds.
4. Early education can be delivered in a maintained primary (nursery) school or a funded non-maintained setting, such as a nursery, funded playgroup or childminder.
5. When the new Curriculum for Wales is introduced from September 2022 all phases and stages in education will be removed. However, while there will no longer be a period of learning called the Foundation Phase the principles and pedagogies of the Foundation Phase will be part of the Curriculum for Wales and will provide appropriate support for younger learners.

What do we mean by ‘30 hours’?

6. During school term time (39 weeks a year) the Offer provides up to 30 hours of funded provision made up of both early education hours and childcare hours. Outside of school term time, for 9 ‘holiday weeks’, the Offer provides up to 30 hours of childcare provision only.
7. During school term time the Offer will be made up of at least 10 hours of early education per week. Over and above this, the exact split between early education hours and childcare hours will depend on the number of hours of early education offered by the Local Authority(or the individual school).
8. During school term time no child can receive more than a combined total of 30

hours of funded childcare and early education provision. For example, if a Local Authority (or school) offers 15 hours of early education provision per week, then a maximum of 15 hours of funded childcare can be provided in addition to this.

9. Where a non-maintained setting chooses to offer additional early education hours than the number offered and funded by the Local Authority, the Local Authority will need to ensure that the total number of hours does not exceed 30 hours for any one child.

Parents not accessing early education provision

10. Eligible parents do not need to access early education provision in order to access the childcare element of the Offer.
11. Where a parent chooses not to access early education provision for their child, during school term time the maximum number of funded childcare hours they can access will be the same as if their child was accessing early education. Early education hours cannot be swapped for hours of childcare. For example, in a Local Authority which offers 20 hours of early education provision, the parents would be able to access a maximum of 10 hours of funded childcare.
12. Out of school term time, for 9 'holiday weeks', the parent would be able to access up to 30 hours of funded childcare a week.
13. In most local authorities, a child will be offered a full time education (school) place from the September after they turn 4. At the start of the school term when a child is eligible to receive a full time education place, the child will no longer be eligible to access the Offer.
14. In local authorities where children are eligible to receive a full time education place earlier than the September after which they turn 4, these children will still be able to access the holiday provision element of the Offer until the September after they have turned 4.
15. Parents will not be able to turn down a full time early education place at the point it is offered across their Local Authority in favour of continuing to access the Offer during term time (see Section 4 – Eligibility for the Childcare Offer for further details).
16. Where a school offers a staggered start to the term, parents will not be eligible to use the Offer for these term-time day(s)/week(s) when their child is not actually in the school.

Provision of early education in a different Local Authority to where the child lives

17. Where a child is accessing their early education entitlement in a different Local Authority area to the one in which they live, the number of hours of childcare they would be entitled to is based on the number of hours of early education available to them in the Local Authority where they are attending the early education. For example, if the Local Authority where the child attends early education provides 10 hours of early education, the child is entitled to 20 hours of childcare.

Section 3 – When can parents use their childcare Offer hours?

The following section sets out when a parent can access the childcare hours funded through the Offer.

Childcare hours within a week

18. The early education element of the Offer should be delivered in accordance with the approach taken within the Local Authority.
19. The childcare element of the Offer can be accessed during any time, night or day, including at weekends. There is currently no limit on the overall number of childcare hours that can be funded through the Offer per day, however individual providers may choose to specify which hours can be funded through the Offer during the day.
20. The childcare element of the Offer can be accessed on Bank Holidays. If a setting charges for bank holidays and are closed and a parent would usually access the setting on that day, the hours should be treated as if the child was present at the setting and thus be paid for through the Offer. If a setting does not charge for days when the setting is closed, these days should not be funded by the Offer.
21. If a child would normally have attended on a day when the setting is closed and the parent pays for additional hours of childcare over and above their Offer allocation, then the parent can continue to claim their maximum entitlement from the Offer for the remainder of that week (i.e. the Offer hours are used first before a parent is charged). This means a parent should not lose the hours from their weekly Offer entitlement due to a setting being closed.
22. It is the responsibility of the parent to find a childcare provider who operates at the time during which they need childcare.
23. Parents are not able to 'bank' childcare hours i.e. carry over any unused hours from one week to another. The number of hours funded under the Offer will not exceed 30 in any week. As such any Offer hours not used in a week will be lost. Parents can, however, choose to pay for additional hours of childcare, over and above the 30 hours, at their own expense.

Holiday Provision

24. The Childcare Offer provides up to 30 hours of government funded early education and childcare for 3 and 4 year old children of eligible parents for up to 48 weeks of the year.
25. During school term time (39 weeks a year) the Offer provides up to 30 hours of

funded provision made up of both early education hours and childcare hours. The early education element of the Offer is only delivered during term time. The exact number of weeks of 'term time' per year may vary between local authorities, however for the purpose of this policy, term time will be treated as 39 weeks.

26. Outside of school term time the other 9 weeks of the 48-week Offer are classed as 'holiday weeks'. During holiday weeks, parents are able to access 30 hours of funded childcare per week. This can be delivered in registered non-maintained childcare settings only, such as private day nurseries, childminders, out of school childcare and sessional care.
27. At the beginning of each term that a parent/child is eligible for the Offer, they will be allocated three weeks of holiday provision, up to a total of 9 weeks per year.
28. Funded childcare hours can be accessed at any time during holiday weeks, night or day, including at weekends. However no more 30 hours should be funded in any one week. Where a parent uses less than 30 hours in a week, they are not able to accrue these hours for use in another week (e.g. if a parent only uses 25 hours of Offer funding in a week, they then can't access 35 hours the following week).
29. Where a child is offered a full-time education place earlier than the September after their fourth birthday, that child is still eligible to receive 30 hours per week of holiday childcare provision, up until the September after their fourth birthday i.e. the start of the school term as determined by the Local Authority.
30. Children who access the English early education provision are not allowed to use their "stretched" education hours (early education can be stretched in England) as well as their 30 hours of holiday provision, under the Welsh Offer.

Unused Holiday provision:

31. Unused holiday weeks can be carried over from one term to the next and from one academic year to the next, providing both the parent and child remain eligible for the Offer.

Specifying which weeks are holiday weeks:

32. Parents should be allowed to decide which weeks they access their holiday provision and they are responsible for finding a childcare provider who can offer this provision.
33. In addition, providers should not specify to parents which of the 13 weeks are designated holiday weeks under the Offer. This is intended to give parents flexibility in terms of how they access their 9 weeks holiday provision.

34. Local authorities should keep a record of the holiday provision accessed by parents, taking account of any unused provision carried forward.
35. Holiday provision must be accessed in weekly blocks. In weeks where at least 3 of the 5 days are designated as school holidays by the Local Authority, then the whole week can be considered a holiday week.
36. Inset days are treated as term-time days within the Offer and therefore cannot be treated as holiday provision.
37. Where a holiday week includes the start or end of a new school term and therefore includes some days of early education provision, the Local Authority should not pay for more than a total of 30 hours of childcare during that week. As such, any childcare hours used by the parent during the days when the child is also accessing early education should be deducted from the overall allowance of 30 hours childcare for that week. The parent can use whatever is left of the 30 hours childcare holiday allowance on the other days of the week. In these cases, local authorities should make the parent aware that this will count as a holiday week should they decide to do this and that the Local Authority will consider the parent to have used up one of their holiday weeks. The parent may be better off not using their holiday entitlement in a week when there are one or two school days.
38. If the term during which a child becomes eligible for the full-time education place starts on a Thursday or Friday (and at least 3 of the 5 days have been designated school holidays) the whole week can be considered a holiday week for the purpose of holiday provision. This though does not include inset days or days when the child is not allowed into the school as a result of a phased start.
39. If a child attends a private school with different term weeks to other schools in the same Local Authority, parents can access their holiday provision for the alternative holiday weeks.

Non-Offer (unfunded) weeks:

40. Under the Offer there are four un-funded 'non-Offer' weeks in a 12 month period, during which parents will need to fund any childcare provision themselves. It is reasonable to expect parents to pay the four non-Offer weeks, so that providers are fully recompensed for their staff all year round (see Annex 1 for examples of how this works in practice).

Section 4 – Who is eligible for the Childcare Offer?

The following section sets out who is eligible to access the Childcare Offer in terms of both a child and a parent.

Definition of an eligible child

41. The early education provision which forms part of the Offer, is a universal provision and as such it is available to all children.
42. To be eligible for the childcare element of the Offer, a child must be aged 3 or 4, they must not yet be eligible for a full-time education place and their parent(s) must also meet the parental eligibility criteria as set out below.
43. Eligible children will be able to access the childcare element of the Offer from the same time that they are able to access the early education element of the Offer. This is usually from the term after their third birthday, until they are eligible to receive a full-time education (school) place - usually the September after their fourth birthday.
44. The exact date from which a child will become eligible for the Offer will be determined by the Local Authority. Where a Local Authority requires a child to have turned 3 by a specific point in the year in order to start accessing the early education provision, the same rule can be applied to children accessing the childcare element of the Offer. Where this rule is applied, a child will become eligible to access both the early education and childcare elements of the Offer at the same time. For example, spring term may start on the 4th January, however the Local Authority may require a child to have turned 3 by the 31st December in order to access the Offer in the spring term.
45. Once a child has been accepted to receive funded childcare under the Offer, the exact date the funded provision will begin will depend on the start date of the school term within the Local Authority. The first day of term is set by the Local Authority and therefore the exact date from which a child can access the Offer may vary between authorities. The date that the funded provision will begin should be specified by the Local Authority when notifying the parent that their application has been successful.
46. Local authorities should communicate term dates well in advance to parents and also to neighbouring local authorities.

Entering full time education:

47. A child becomes ineligible for the Offer once they become eligible for a full-time education (school) place. This is usually the September after their fourth birthday.

48. Where a child is offered a full-time education place earlier than the September after their fourth birthday, they will no longer be eligible for the childcare element of the Offer during term-time. However, the parent can still access up to 30 hours of funded childcare out of school term time, for up to 9 'holiday weeks'.
49. Where a parent is accessing the Offer at a setting which is in a different Local Authority to the one in which they live, eligibility will be determined by the full-time school admission dates of the Local Authority in which they live.

Example:

A parent lives in Authority A but accesses the Childcare Offer in Authority B. They will be offered a full-time education place for their child by Authority A from the beginning of the term *during which* their child turns 4. However, in Authority B children become eligible for a full-time education place the term *after* the term during which they turn 4. In this case, eligibility for the childcare element of the Offer during school term time ceases at the point at which they are offered a full-time education place by Authority A.

Definition of an eligible parent

50. To be eligible for the Offer, a parent must:
- have an eligible child within the age range;
 - meet the definition of a working parent or a parent in education or training; and
 - live in Wales.
51. A parent is a person that normally lives with, and is responsible for, that child or the partner of such a person. Within this guidance the term parent refers to parents, legal guardians, stepparents and long-term live-in partners who reside within the same household as the child. Other adults residing in the household (such as lodgers, extended family, siblings etc.) are not classed as parents under the Offer, unless they also have parental responsibility for the child.
52. In a two-parent household, both parents will need to meet the definition of either a working parent or a parent in education or training to be eligible for the Offer. In a single parent household, the sole parent will need to meet the definition of either a working parent or a parent in education or training in order to be eligible for the Offer.

Definition of a working parent

53. A working parent can be a parent who is either employed or self-employed. This

includes those who are on apprenticeships, zero hours contracts and also those who are newly self-employed.

54. To be eligible, the parent must meet the minimum earnings criteria over a 3-month period. By minimum earnings criteria we mean that they must earn, on average, the equivalent of at least 16 hours per week at the relevant minimum wage applicable to them. By minimum wage we mean either the National Minimum Wage (NMW), National Living Wage (NLW) or Apprenticeship Minimum Wage (AMW) at the rate that is relevant to their age (hereinafter “the relevant minimum wage”).
55. When assessing whether or not a parent meets the minimum income criteria, a key consideration is whether the parent is in receipt of income from work. All income from work counts towards the minimum income.
56. Employed parents should evidence that they earn the minimum amount required through their wages over a 3-month period. Where a parent is newly employed or has recently changed employers and therefore cannot evidence earnings over a 3-month period, a letter from the employer confirming their employment, start date and earnings will suffice (*see section 11 for further details on checking eligibility*).
57. A self-employed parent should evidence that they earn the minimum amount required through their Self-Assessment Tax return or evidence of likely income over the forthcoming tax year. Where a parent is newly self-employed, they would be exempt from the earnings criteria for the first 12 months after the business was established, however will be required to provide proof of their business’s establishment (*see section 11 for further details on checking eligibility*).
58. When applying the minimum income criteria the following do not count as income from work as there is no direct or clear correlation between hours worked and income received (or if it does exist it is not easily evidenced):
 - Dividend income and other income from investments; and,
 - Director loans.
59. Providing the parent is resident in Wales, income earned from a business registered outside the UK will count towards the minimum earnings criteria.
60. A working parent whose gross income in the current tax year exceeds £100,000 will not be eligible for the Offer.

Note: Detailed information on how to assess a parent’s income can be found in the “Assessing parents’ income to determine eligibility for the Childcare Offer” fact sheet. This includes parents who are self-employed, on zero-hour contracts, or on seasonal contracts.

Definition of a parent in education or training

61. A parent in education or training can be a parent who is either:
- enrolled on a Higher Education (HE) undergraduate or postgraduate course that is at least 10 weeks in length. This includes courses delivered via distance learning.
 - enrolled on a course that is at least 10 weeks in length and which is delivered at a Further Education (FE) Institution. This includes courses delivered via distance learning.
62. Parents in education or training should evidence their eligibility by providing evidence of formal enrolment on a relevant HE or FE course. Where a parent has applied and been offered a place on relevant HE or FE course, but has not yet been able to enrol, they should provide evidence of a formal offer of a course place.
63. A parent in education or training who meets the eligibility criteria would be able to access the Offer from the point at which their course commences.

Parents and carers covered

Kinship carers and special guardians:

64. Kinship carers are family and friends who have taken responsibility for a child or stepchild who is not their own, because the child has no parents or has parents who are unable to care for the child and it is likely that the child would otherwise be looked after by a Local Authority because of concerns in relation to the child's welfare.
65. Kinship carers and carers who hold a special guardian order are able to access the Offer providing:
- they meet all of the parental eligibility criteria;
 - they care for a child who is the correct age to receive the Offer; and,
 - the child lives with them.

Partners of kinship carers, whether or not both adults are kinship carers, need to also meet the parental eligibility criteria.

66. The special guardianship allowance is not classed as taxable income and therefore does not count as income and should not be taken into account when assessing whether they meet the minimum income criteria.

Foster carers and adoptive parents:

- 67. If a foster parent meets the parental eligibility criteria, they can access the Offer for any of their children. This includes their foster child/children, providing the childcare is in line with their foster child's Care Plan.
- 68. Foster carers are able to use their fostering allowance as proof of earnings to meet the minimum income criteria for the Offer.
- 69. If a parent on adoption leave meets the parental eligibility criteria, they can access the Offer for any of their eligible children. This includes the child who is the subject of the adoption, providing the childcare is in line with the child's Adoption Support Plan. Welsh Early Permanence carers may fall into the fostering bracket above during the period they are fostering the child prior to a Placement Order being granted and the change in status of the child's placement to that of adoption.

Parents who have 'no recourse to public funds':

- 70. Having 'no recourse to public funds' does not exclude parents from accessing the Offer. Parents who are "subject to immigration control" as defined by Section 115(9) of the Immigration and Asylum Act 1999 are able to access the Offer provided they meet all other eligibility criteria.

Parents in the Armed Forces:

- 71. Parents who are members of the Armed Forces living in Wales are able to access the Offer provided they meet the parental eligibility criteria.
- 72. Two parent households where one parent is working or in education or training (and meets the parental eligibility criteria) and one parent is in receipt of payments from the Armed Forces made to seriously injured veterans (for instance, Guaranteed Income Payment), are eligible for the Offer. However, two parent households where one parent is in receipt of an exception benefit and the other parent receives a disability payment from the Armed Forces, are not eligible.
- 73. For parents serving overseas who would normally be based in Wales, the MOD will mirror the provision given under the English Childcare Offer.

Homeless households:

- 74. Parents who are homeless but who meet the parental eligibility criteria are eligible for the Offer. Where a parent has a temporary living arrangement (such as staying with friends) and does not have a Council Tax bill to use as proof of residency,

alternative documentation can be used. This could include the address used to register the child for an education place or a letter from their housing officer/housing association provider confirming they are on a waiting list for accommodation within the area.

Households in travelling communities:

75. Parents in travelling communities who meet the parental eligibility criteria are eligible for the Offer. If the parent lives on a permanent pitch they should be able to provide a council tax letter or proof of payment of Council Tax. If they are unable to provide proof of Council Tax then any official correspondence that has been sent to them will be sufficient, as long as the address corresponds with the address on their application form. Further, if they have been provided with an early education place then that application will suffice as proof of residency.

Exceptions for two parent households having to meet the earnings criteria or having to be in education and training:

76. The following exceptions apply for two parent households having to meet the earnings criteria or having to be in education and training:
- one parent is employed or in education or training (and meets the parental eligibility criteria) and one parent has substantial caring responsibilities. This is based on specific benefits received for caring; or
 - both parents are employed (and meet the parental eligibility criteria) but one or both parents are temporarily away from the workplace on statutory maternity, paternity or adoption leave or unpaid parental leave; or
 - both parents are in education or training (and meet the parental eligibility criteria) but one or both parents have formally suspended their studies for reasons relating to maternity leave, paternity leave, adoption leave or parental leave; or
 - one parent is employed and one parent is in education or training (and meets the parental eligibility criteria) but the working parent is temporarily away from the workplace on statutory maternity, paternity or adoption leave or unpaid parental leave and/or the parent in education or training has formally suspended their studies for reasons relating to maternity leave, paternity leave, adoption leave or parental leave; or
 - both parents are employed (and meets the parental eligibility criteria) but one or both parents are temporarily away from the workplace on statutory sick pay;
 - both parents are in education or training (and meet the parental eligibility criteria) but one or both parents have formally suspended their studies due to long term sickness;
 - one parent is employed and one parent is in education or training (and meets the parental eligibility criteria) but the working parent is temporarily away from the workplace on statutory sick pay and/or the parent in education or training has formally suspended their studies due to long term sickness; or
 - one parent is employed or in education or training (and meets the parental

eligibility criteria) and one parent is disabled or incapacitated. This is based on the parent being in receipt of, or having an underlying entitlement to, one of the following qualifying benefits:

- Incapacity benefit;
- Carers allowance;
- Severe disablement allowance;
- Long term incapacity benefit;
- Employment and support allowance (ESA); or
- National insurance credits on the grounds of incapacity for work or limited capability for work.
- Universal Credit where the individual has been assessed as having limited capability for work.

77. Two parent households where one parent is working or is in education or training and the other has taken early retirement on the grounds of ill health, are eligible if the affected parent is unable to work because of the health issue that forced their retirement and is in receipt of, or has an underlying entitlement to, one of the qualifying benefits listed above. In the case of a single parent family they would fall out of eligibility if they were to take early retirement on grounds of ill health. One member of the household has to be working or in education or training in order to qualify for the Offer.
78. A parent must be in receipt of one of the qualifying benefits to be eligible for the Offer. The only exception is if a person is found by the Department for Work and Pensions (DWP) to have an underlying entitlement to one of the qualifying benefits.

Exceptions for single parent households having to meet the earnings criteria or having to be in education and training:

79. The sole parent in a single parent family must be working or be in education or training and meet the parental eligibility criteria. The only exception to this is where:
- the parent is employed (and meets the parental eligibility criteria) but is temporarily away from the workplace on statutory sick, maternity, paternity or adoption leave or on unpaid parental leave; or
 - the parent is in education or training (and meets the parental eligibility criteria) but has formally suspended their study for reasons relating to maternity leave, paternity leave, adoption leave or parental leave or due to long term sickness.

Separated parents:

80. Where parents have separated but do not share equal custody of a child, the child

is considered to be part of the household of the parent with primary custody.

81. Where parents have separated and have equal custody of a child, one of the parents will need to be nominated as the lead parent for the purposes of the Offer. Where this cannot be agreed by the parents, the matter should be referred to the Local Authority for determination. How the childcare is used and apportioned between the time the child spends with each parent is a matter for the parents.

Childcare Offer and Benefits:

82. Parents can access Tax-Free Childcare, Tax Credits or Universal Credit at the same time as the Offer, for any additional hours of childcare they pay for in respect of their child or for other children in the family. Parents are not able to claim tax credits or other benefits for any childcare hours they receive under the Offer.

Section 5 – What happens when a parent falls out of eligibility?

The following section sets out what should happen when a parent who is in receipt of the Childcare Offer falls out of eligibility.

Temporary Exemption Periods (TEPs)

83. A parent may, at times, fall out of eligibility for the Offer, even though their child remains eligible. This could be where one or both parents lose their job, their earnings reduce to below the minimum requirement, their earnings increase above the maximum income threshold or they are no longer enrolled on a relevant education or training course. In order to provide stability for both children and childcare providers, and to give parents the opportunity to become eligible again, these parents will still be able to access the Offer for a limited amount of time.
84. When a parent becomes ineligible for the Offer they will enter an 8 week temporary exemption period (TEP). The TEP should start from the point at which the parent's circumstances change, warranting them ineligible for the Offer. At the end of the TEP, if the parent is still not eligible for the Offer they will no longer be able to access the Offer, and they will become responsible for paying all costs associated with using that childcare provider.
85. Parents are expected to inform their Local Authority and provider when their circumstances change which may result in them falling out of eligibility. Should a parent's circumstances change and they do not immediately inform their Local Authority:
 - if their circumstances changed less than 8 weeks prior to this, their TEP should run from the point at which they stopped being eligible for the Offer.
 - if their circumstances changed more than 8 week prior to this, funding should be removed immediately and the delivery authority should take action to reclaim any funding received by the parent outside the exemption period.
86. Childcare hours should not be booked by a parent who is in a TEP if they do not intend on their child attending for those hours. Parents being found to book hours of childcare that are not needed will be considered to be claiming fraudulently and may be reported to their Local Authority. The only exception to this is where the child is at home for an unexpected or unavoidable reason, such as sickness.
87. Under no circumstances should a TEP (or the Offer as a whole) be used to book hours of childcare in order to cover a retainer fee charged by a provider, where the

child does not attend the provider during those hours.

88. A parent may have more than one TEP. For example if a parent fell out of eligibility and used a TEP (whether partially or in full) and then became eligible again, they could then have another TEP if they fell out of eligibility a second time or a third time.
89. Where a parent's TEP expires and they fall out of eligibility and they then reapply for the Offer at a future date, the Local Authority should to re-assess the parent's eligibility as their circumstances may have changed again.

Section 6 – What about children requiring additional support?

The following section sets out the provision in to enable a child with additional support needs to be able to access the Offer.

Additional Support Grant

90. In relation to the childcare element of the Offer, additional funding through the Additional Support Grant is provided above and beyond the core hourly rate, to ensure children receive the support they need in order to access the Offer.
91. Funding in relation to additional support for children to access the education element of the Offer is already directed via local authorities, who have established systems for assessing need and allocating resources.
92. In respect of the Offer, additional support could mean that a child has permanent or temporary:
 - Cognition and Learning, including specific, moderate, severe or profound learning, difficulties;
 - Behavioural, emotional and social development difficulties
 - Communication and interaction, including autism; speech, language and communication, difficulty;
 - Sensory and/or physical, including hearing and/or visual impairment or physical, difficulties;
 - Medical conditions.
93. Assessments of the nature of support required by children should be undertaken in line with each Local Authority's standard processes.
94. Under the Additional Learning Needs and Education Tribunal (Wales) Act 2018(1), children with severe medical or healthcare needs will be funded through the social care budget. These children will not, therefore, require additional funding under the Offer.
95. Please refer to the [Childcare Offer for Wales Additional Support Grant Guidance](#) for further details.

¹ 2018 anaw 2.

Section 7 – Which providers are able to deliver the Offer?

The following section sets out which providers are able to provide hours of funded childcare under the Offer.

Types of providers

96. The childcare element of the Offer may be delivered by any childcare setting anywhere in Wales or bordering areas, so long as they are registered with the Care Inspectorate Wales (CIW) or Ofsted in England. This includes breakfast, afternoon and holiday clubs. To this end, they will be compliant with the National Minimum Standards for childcare, be familiar with CIW's Quality Framework and inspected accordingly. Providers in England will be inspected by Ofsted and will be compliant with their standards.
97. Registered childminders are able to deliver the Offer for a child who is also a relative, providing that care is delivered outside of the child's home and the childcare provider does not have parental responsibility for the child.
98. Nannies in Wales are not regulated to the same extent as registered childcare providers and therefore cannot be funded to deliver the Offer.
99. Childcare providers wishing to be involved in the Offer will be expected:
 - to form an agreement with the relevant Local Authority to deliver the Offer based on the parameters stated, which includes details of the fixed funding rate;
 - not to charge parents any hourly top-up fees for the 3 and 4-year-olds who are attending under the terms of the Offer;
 - adhere to the guidance for charging for additional elements when charging parents accessing the Offer for food and travel
 - to ensure, as far as possible, childcare is provided flexibly in order to help meet the needs of eligible parents; and,
 - to inform the Local Authority should a change of circumstances occur, such as if a parent fails to take up the hours funded through the Offer.
100. Childcare providers will also be encouraged to:
 - provide bilingual or Welsh medium provision and resources, where possible; and
 - provide assistance for children requiring additional support, where possible.

Local authorities should support them in this endeavour.

101. Under the Offer a child can access a maximum of two registered childcare

settings, in addition to their early education setting, in any given day.

Cross Border Provision

102. Eligible parents will be able to take up their Offer funded childcare in any registered childcare setting in England, provided that the setting is registered and regulated by Ofsted.
103. Parents who live in England are not eligible for the Childcare Offer for Wales. They will need to speak to their Local Authority in England about whether they are able to use the English Offer to pay for childcare and early education accessed at a setting in Wales.

Section 8 – What is the rate paid to providers delivering the Offer?

The following section sets out the hourly rate paid for Welsh Government funded childcare paid through the Offer, as well as guidelines relating to provider charges to parents.

Hourly rate of pay for childcare

104. A national basic pay rate of £5.00 per hour is to be paid to childcare providers delivering childcare under the Offer.
105. The national basic rate of £5.00 is to be paid for provision on bank holidays, even where it is the provider's policy to charge at an increased rate.
106. Providers can claim for half hour sessions and will be paid at a rate of £2.50.
107. Any variation to the hourly rate should be rounded up to the nearest half hour. As such a session including a quarter of an hour should be rounded up to the nearest half hour. In such cases, consideration should be given to the weekly total of hours used e.g., if a parent uses a provision which is only open for 2 hours 15 minutes a day, the provider can be paid up to the nearest half hour e.g., 2 hours 30 minutes. However, if this provision were to be used on more than one day per week the total amount of hours used over a 1-week period should be considered. The total amount paid to that provider would be to the nearest half hour of that total sum for that week.
108. The national basic pay rate covers childcare only and excludes charges for food, transport and other activities, such as off-site activities which incur a cost, for example day trips.

Charging top up fees:

109. If a childcare provider would usually charge more than £5.00 per hour for childcare, they cannot charge parents an additional hourly amount to top-up the rate under the Offer. Providers who are found to breach the agreement and charge hourly top-up fees may no longer be funded to deliver the Offer.
110. Providers are not required to charge the Offer hourly rate for provision which is not delivered under the Offer.

Charging for additional elements - food:

111. Childcare providers will be able to charge parents for food and drink. However, childcare providers must take account of the Welsh Government's guidelines in respect of setting additional fees when charging parents for additional elements

over and above childcare.

112. Parents accessing the Offer should not, as a condition of their child's attendance, be required to take and pay for the provider's food and may opt to provide packed meals, if the setting would normally allow this.
113. Childcare providers should not impose any additional charges on parents accessing the Offer for any elements over and above the costs of actual childcare, if they do not also impose charges for those elements on parents who are not accessing the Offer. For example, if a childcare provider does not charge parents for food as a separate item then they cannot charge parents accessing the Offer for food separately.
114. Where childcare providers do include a charge for food as part of the service they provide but the charge for the cost of the food is combined in with their standard half-day or full-day rate this is generally not shown separately on invoices. If a setting were charge for food as part of their delivery of the Offer, the provider should make it clear to the parents accessing the Offer what that charge is for.
115. Guidelines in respect of charging for food during a full day care session (approximately 10 hours) are that parents should not be charged more than £9.00 per day for food. A charge of £9.00 for a full day care session would include three meals at £2.50 per meal and two snacks at a charge of 75p per snack.
116. Guidelines in respect of charging for food during a half-day session (approximately 5.5 hours) are that parents should not be charged more than £5.75. This figure would allow for a child to be charged for two meals at £2.50 per meal plus a snack at a charge of 75p per snack.
117. For sessional care where a meal is not provided but children receive a snack, guidelines are that parents should not be charged more than 75p per day for snack provision.

Charging for additional elements - transport:

118. Childcare providers will be able to charge parents for transport which incurs a cost. However, childcare providers must take account of the Welsh Government's guidelines in respect of setting additional fees when charging parents for additional elements over and above childcare.
119. Fees for transport will not be set by the Welsh Government. Transport costs will vary depending on the location and nature of a childcare provider, the type of transport provided and the costs associated with staffing and maintaining transport vehicles. It is for the provider to determine how they set their transport rate.

120. Guidelines in respect of charging for transport are that transport rates are set at a reasonable rate.
121. Guidelines in respect of charging for transport are that Offer parents should not be charged more for transport than those not accessing the Offer. Local authorities should monitor the cost of transport charged to Offer parents, to ensure parents are not being over-charged.

Charging for additional elements - general:

122. Childcare providers will be able to charge parents for additional elements, such as off-site activities, which incur a cost. However, childcare providers must take account of the Welsh Government's guidelines in respect of setting additional fees when charging parents for additional elements over and above childcare.
123. Parents accessing the Offer should be able to opt their child out of paid for off-site activities and participation in such activities should not be a condition of using the childcare setting. Such activities should be occasional and exceptional, rather than a routine part of the setting's week.
124. Fees for off-site activities will not be set by the Welsh Government. Rates for off-site activities where costs are incurred will also vary according to the nature of the activities.
125. Providers are not expected to apply additional charges in respect of routine on-site activities to Offer parents.
126. Guidelines in respect of charging for additional items are that providers should not impose any additional charges on parents accessing the Offer for any elements over and above the costs of actual childcare, if they do not also impose charges for those elements on parents who are not accessing the Offer.
127. The Childcare Offer cannot be used to cover non-direct childcare costs, such as holiday retainer fees or upfront administration or holding fees. If a parent elects to use a provider which charges these fees, this is a matter for the parent and has to be paid for by the parent.

Non-compliance with charging guidelines

128. Local authorities will need to ensure that the pay rate details outlined in the Provider Contract take account of and re-enforce the Welsh Government Guidelines in respect of providers charging for additional elements under the Offer, as outlined above.

129. Local authorities have a responsibility for monitoring the additional fees being charged to parents and evaluating whether these are deemed reasonable and in line with the Welsh Government guidelines.
130. If a childcare provider is not following the guidelines and is deemed to be charging excessive or unreasonable additional fees, then the Local Authority should consider whether or not this constitutes a breach of the provider contract they have with the provider and inform the Welsh Government.
131. Providers who intentionally or persistently breach the agreement should not be funded to deliver the Offer.

Funding for early education provision

132. The rate for early education provision is consistent with the Childcare Offer rate, although the funding mechanisms for both are different. For settings that offer early education, it is important that they are as clear as possible which hours of a child's attendance are paid for under each element of the Offer.
133. If a childcare provider is being funded for hours of early education, they cannot also charge for the provision of the childcare element of the Offer for the same hours. This would class as double-charging and would be likely to result in action being taken to recover the costs.

Claiming for booked hours which are not used

134. Where a child is booked to attend a childcare setting but does not attend due to sickness, funding under the Offer can be used pay for the hours booked.
135. Where a child is booked to attend a childcare setting but does not attend due to being away on holiday, funding under the Offer can be used pay for the hours booked.
136. Where a child is booked to attend a childcare setting but is not able to attend due to the provider being closed a result of their own, or their staff's, sickness, funding under the Offer can be used to pay for the booked hours.
137. Where a child is booked to attend a childminder but is not able to attend due to the childminder having to attend court, funding under the Offer should not be used to pay for the booked hours. Instead, the childminder should consider claiming for loss of earnings (within certain limits) as a result of attending jury service or attending court as a witness.
138. Local authorities should monitor the hours of childcare booked against the hours of

childcare used. This information should be collected from providers by the Local Authority as part of the monitoring and evaluation process. Where this information shows that a child is consistently not attending their booked hours, this should be queried with the parents. Where the hours are not required, they should no longer be funded.

139. It is at the Local Authority's discretion whether to allow parents to change the hours they have booked within a given week. However, the provider must be able to accommodate any change and the change must not result in more than 30 hours of funded provision within any one week.

Section 9 – Local Authority roles and responsibilities

The following section sets out the model which underpins delivery of the Offer and the roles and responsibilities of local authorities within that.

The Delivery Model

140. Under the delivery model for the Childcare Offer there are two categories of Local Authority:

- **Delivery Authorities** - are responsible for promoting the Offer to parents and childcare providers within their areas, training their Family Information Services (FIS) to deal with enquiries on the Offer, processing applications from parents, determining eligibility and informing them of the outcome. They also process and make payments to childcare providers for the delivery of the Offer and carry out the tasks of an engagement authority within their own area.
- **Engagement Authorities** - are responsible for promoting the Offer to parents and childcare providers within their areas, training their Family Information Services (FIS) to deal with enquiries on the Offer and providing their delivery authority with any information they require to process applications and administer the Offer on their behalf.

Roles & Responsibilities - Delivery Authorities

141. The operation of the delivery and engagement authority relationship is agreed between the partner local authorities. However, as a minimum, the Welsh Government expects delivery authorities to be responsible for:

- developing and managing a system to enable parents of their own and their engagement partner authority/ies to know about, understand, and apply for the Offer;
- providing advice and support to parents and providers within their authority on the Offer through their Family Information Service;
- developing and managing a system/s for checking the eligibility of parents applying for the Offer in their own and their engagement partner authority/ies;
- developing and managing a system/s for handling any enquiries relating to an application from a parent in their own or engagement partner authority/ies;
- developing and managing a system/s for confirming eligibility to deliver the Offer; for enabling registration of providers and making payments to childcare providers in their own and their partner engagement authority/ies;

- working with their engagement partner authority/ies to establish and manage a process for handling applications for additional support grant funding. Decisions in respect of the grant are made by the engagement authority, however delivery authorities hold responsibility for managing the payments of the Additional Support Grant for their own and their engagement partner authority/ies;
 - establishing and implementing processes to collect and report certain data to the Welsh Government and other contracted parties as specified under Section 14 of this guidance;
142. A delivery authority is responsible for handling all queries relating to applications, whether the application is live or has been declined. In addition, the delivery authority is expected to be the main point of contact for parents or guardians who have applied for the Offer either within their own or their engagement partner authority. However, a delivery authority may wish to liaise with the engagement authority to resolve certain issues.
143. In developing and implementing systems and processes for delivery of the Offer, a delivery authority will need to take account of the contents of this guidance.

Roles & Responsibilities - Engagement Authorities

144. The operation of the delivery and engagement authority relationship is agreed between the partner local authorities. However, as a minimum, the Welsh Government expects engagement authorities to be responsible for:
- publicising and marketing the Offer to parents and providers within their authority;
 - providing advice and support to parents and providers within their authority on the Offer through their Family Information Service/Childcare Teams;
 - making determinations in respect of additional support grant funding for their authority and working with their delivery authority to develop a process for communicating determinations to enable grant payments to be made. Engagement authorities will need to take account of the separate guidance on the additional support grant funding when making determinations;
 - providing evidence for the evaluation of the Offer to third party independent evaluators;
 - providing information to enable delivery authorities to assess and process applications from parents and guardians from within the engagement authority. This would include, but is not limited to, providing information to enable a parent's eligibility to be checked, such as information on schools admissions or council tax; providing detailed information on the delivery of Foundation Phase Nursery (FPN) within the engagement authority and information on the engagement authority's assessment of a child's additional needs for the purposes of the Offer;

- Informing delivery authorities of any action taken by CIW in relation to a provider such as de-registrations/suspensions.
145. Section 10 of this guidance outlines details of the funding available to local authorities to support delivery. It is for individual delivery and engagement partnerships to determine how best to use the money available to them to deliver the Offer in partnership. For example, authorities may wish to jointly fund a Childcare Offer post that will work across delivery and engagement authorities to support delivery of the Offer within the partnership arrangement.

Agreement of Partnership Arrangements

146. An agreement outlining the partnership arrangements between a delivery and engagement authority is a condition of the grant available to support the administration of the Offer. It is for local authorities to determine the nature of this agreement, but each delivery and engagement authority concerned will need to be content with the agreement.

Communications

147. All local authorities are expected to promote the Offer amongst childcare providers and potential eligible parents. This could include provider events, promotional materials and current information being available on websites (such as the individual Local Authority websites).
148. All local authorities are expected to actively promote the Offer and encourage take-up by disadvantaged and under-represented parents and children. Full use should be made of links with partners who are in contact with relevant parents, such as schools, Families First, Flying Start, Family Information Services, Jobcentre Plus, in addition to opportunities through local newspapers and other publications.
149. Local authorities are already required by the Childcare Act 2006 to provide information, advice and assistance to parents and prospective parents on the provision of childcare in their area. Consequently, authorities should ensure that parents are aware of the Offer, respond to any questions about the Offer and assist eligible parents, through their Family Information Service (FIS), to apply for the Offer and find suitable childcare.
150. The Welsh Government provides funding under the Childcare Administration Grant to cover the costs of administering the grant. Costs associated with publishing and printing publicity material are eligible costs under the grant and the Welsh Government would expect any such costs to be covered from within the grant allocation.
151. The Welsh Government has developed branding for the Childcare Offer and this

should be used by local authorities where appropriate.

152. Local authorities are able to publicise the Childcare Offer through their social media platforms locally to maximise their reach. Use of social media platforms should be in line with Welsh Government branding guidelines, and in line with the Local Authority's social media policy.

Section 10 – Funding for the Childcare Offer

The following section describes the three separate grant funding streams which Welsh Government provides local authorities to support delivery of the Offer.

The Childcare Administration Grant

153. Local Authorities receive financial assistance, by way of an Administration Grant, to assist with the costs of delivering the Offer ahead of a national system and processes being put in place. For Delivery Authorities, the purpose of the grant is to enable each Delivery Authority to deliver the Offer within their own and agreed partner authorities. For Engagement Authorities, the purpose of the grant is to enable each Engagement Authority to engage with parents and providers to raise awareness of, and promote the Offer, and to provide relevant support to the Delivery Authority in processing applications. The funding is paid 6 months in arrears following the submission of a progress report and relevant claim in October and March.

154. This funding is not to cover the cost of the childcare itself.

The Childcare Grant

155. Funding for the provision of childcare under the Offer will be paid to Delivery Authorities by way of the Childcare Grant. Payment of the grant will be made, monthly in arrears to Delivery Authorities following completion and submission of a relevant claim and monitoring data. It will be for the individual authorities to develop a process for paying providers.

The Additional Support Grant

156. The Offer should be available to any eligible parent to access. The Welsh Government will provide each Local Authority with additional funding to remove barriers for providers and eligible parents who have children requiring additional support to access the Offer. This may include, but is not limited to, offering the providers training, equipment, specialised toys or enabling them to hire more staff. Specific guidance on the use of funding for children requiring additional support has been provided to local authorities separately. See section 6 for further information.

Section 11 – Delivery of the Offer – Parent processes

The following section describes the way in which local authorities are expected to deliver the Childcare Offer, and some of the processes which local authorities may employ in support of this.

PARENT PROCESSES

Pre-Application Eligibility Check

157. Delivery Authorities may set up an online pre-application screening, to undertake an initial basic check of the eligibility of a parent and child ahead of submission of a full application. Pre-application screening should consider the postcode of the parent/s applying, check that parents, step-parents and long term live in partners can prove their eligibility as either a working parent or a parent in education or training and that the child is of eligible age. Such a screening approach would build efficiencies in the application system, reducing the number of applications received from ineligible families.
158. Alternatively, authorities may publish the eligibility criteria for parents/carers to fast check their own eligibility before full application.
159. Eligibility of parents to receive the Offer should be through self-declaration on either a hard-copy application form issued by the Delivery Authority or via an on-line application system.
160. Parents who apply for the Offer, or who are in receipt of the Offer, will be informed that they will need to produce documentary evidence they meet any, or all, of the eligibility criteria on the application form.

Application Process

161. Delivery Authorities need to establish and manage an application process, whether it be electronically on-line; by paper copy, or a combination of both. The Welsh Government has informed Delivery Authorities about information required to be included in the application form, unamended, to allow for monitoring and evaluation which will inform the longer-term Offer.
162. Where a Delivery Authority is processing and handling applications on behalf of an Engagement Authority, it must be made clear to parents and guardians who will be holding the information and how the information will be handled.
163. It is up to each Local Authority to determine when parents are able to apply for the Offer.

164. Delivery Authorities should develop guidance to sit alongside the application form outlining the details of the Offer. It is advised that such guidance should cover the following as a minimum:

- Details of the Offer, including clarifying that the Offer is a mix of early education provision and childcare, the differences between the two and what hours will be offered as early education and what hours will be offered as childcare;
- An explanation of how the Offer is made up of 39 weeks term-time hours (where there is a split between early education and childcare hours up to a total of 30 hours per week) and 9 weeks of holiday provision (when 30 hours per week of childcare can be claimed) and that Offer funding is only available for 48 weeks of the year;
- Full details of the eligibility criteria, including details of exceptions etc;
- An explanation of the application process for both early education and childcare elements of the Offer, including what happens at each stage and what they will need to do in respect of providers etc;
- Clarification that the days and hours detailed in the application form may not be met by their preferred provider and that their preferred provider may not agree to take part in the Offer at all and what should happen in such circumstances;
- Clarification of where liabilities lie in respect of a contract between a parent and provider i.e. when signing a contract with a provider the parent is entering into a legal contract, independent of the authority;
- Clarification that it is the parent's responsibility to pay for any hours the child is cared for by a childcare provider, outside or over and above the parameters of the Offer.

165. Providers should not support parents with their applications, unless in exceptional circumstances. Where a parent does require help completing their application e.g. because they are digitally excluded, they should be advised to approach their Family Information Service or Local Authority contact for help.

166. In exceptional circumstances, where it is felt by the Local Authority and the provider that there is a high risk the parent will lose out on Government-funded childcare if they are not supported, help may be given. In these circumstances, the Local Authority should satisfy themselves that there are appropriate measures in place to mitigate potential fraud and data breaches. These should include the following:

- The Local Authority should satisfy themselves that the provider is adequately covered in terms of their duties in respect of handling personal information (GDPR);

- Where a provider has helped complete the application, the application must be sent to the parent for the parent to verify that all the information within the application is accurate and correct;
- The application must be submitted to the Local Authority by the parent (e.g. from the parent's email address);
- Notification of eligibility from the Local Authority should be communicated directly to the parent.

Eligibility Checking

167. Delivery Authorities should check the eligibility of all applications. Whilst applicants will sign a disclaimer to confirm that they meet the minimum criteria for eligibility, it is expected that each application is also supported by documentary evidence of eligibility. This could include:

- proof of residency in Wales i.e. postcode to be checked against council tax data;
- proof of earnings, to show that a minimum income equivalent of 16 hours is worked by each parent each week e.g. 3 months' worth of pay slips;
- employment contract, to ensure longevity of eligibility, or agreement from applicant to the Delivery Authority contacting the employer directly to check employment contract details; and,
- proof of enrolment on a relevant HE or FE education or training course.

168. Consideration should be given to how newly re-located applicants can provide proof of address i.e., if they are not yet registered for council tax.

169. A newly self-employed parent would be exempt from the earnings criteria for the first 12 months after the business was established. However, they should be asked to provide proof of their business's establishment. This could be, for example:

- through agent testimony (e.g., their accountant could vouch for their business being set up and likely income over the forthcoming tax year);
- provision of a business plan, including evidence of a newly acquired place of work/premises or if their business is sufficiently underway, copies of invoices, quotes or tenders with any personal, identifiable information removed; or,
- their Unique Tax Reference (UTR).

170. An established self-employed parent would need to supply their UTR and details of their earnings over the past 12 months as set out in their Self-Assessment Tax return.

171. In the absence of a Self-Assessment Tax return, the Local Authority could ask for

accountant confirmation of likely income over the forthcoming tax year. Where earnings do not meet the threshold, a statement of anticipated income over the period of entitlement from their accountant/agent would be required.

172. A parent in education and training should provide evidence of formal enrolment on a relevant HE or FE course. Where a parent has applied and been offered a place on a relevant HE or FE course, but has not yet been able to enrol, they would need to provide evidence of a formal offer of a course place. In both cases this evidence should indicate:

- the start date of the course; and
- the end date of the course and/or the length of the course in weeks; and
- the name of the institution delivering the course.

173. In respect of the child, evidence should be provided which proves that the child is the right age and that the person applying for the child has parental responsibility for them. Ideally this should be in the form of the long birth certificate which would evidence all of the criteria above. In the absence of a long birth certificate, the short birth certificate can be accepted together with other evidence demonstrating parental responsibility, for example:

- the child's health records (e.g. the book issued by the health visitor to record immunisations etc);
- correspondence addressed to them on behalf of the child from another health professional e.g. GP/hospital/dentist;
- correspondence addressed to them on behalf of the child from the Local Authority e.g. early education department in relation to FPN;
- letter confirming their entitlement to child benefit;
- any other formal letter which provides evidence they have responsibility for the child.

Foster or adoptive parents or legal guardians should be able to demonstrate parental responsibility through written correspondence from a relevant authority or legal document confirming they are responsible for the child.

Notifying Parents

174. Delivery Authorities must have in place a system to notify parents of the outcome of their application and whether eligibility has been established or not. Delivery Authorities must consider the timeliness of this communication and how it will be undertaken, electronically via email or in hard copy via letter.

175. In addition to a decision, parents should also be provided with information on:

- the process for securing a provider, including the process should a provider they approach not already be registered for the Offer i.e. advice on where a provider can get information on registering;
 - the process should a provider not want to take part in the Offer;
 - what happens once a provider has agreed to offer a childcare place under the Offer;
 - details on what cost elements are included in the rate i.e. the rate does not include travel costs, administration and retainer fees etc.;
 - details of the scope of the Offer i.e. it will fund childcare for 48 weeks of the year, made up of 39 term time weeks and 9 holiday weeks, including information on how holiday weeks are allocated;
 - details on the differences between a standard contract with the provider and a contract covering the Offer. It should be clear that in agreeing to take a childcare place the parent is entering into a private contract with the provider for which they are liable.
176. Once approved, parents should be able to access the childcare element of the Offer from whichever point they wish during a term, providing their child was eligible from the beginning of that term, or earlier. However, this point must be after the date upon which their application was approved. If a parent did not apply for the Offer, but was eligible to access it, they cannot retrospectively claim funding for the childcare that they could have received before they were approved for the Offer.
177. It should be clear to parents that responsibility for securing childcare, which meets individual parents' needs, lies with the parent and that this should be sought from existing provision. However, Delivery Authorities should make parents aware of their local Family Information Service which can provide information on what provision is available.

Re-Checking Eligibility

178. Delivery Authorities should ask all recipients of the Offer, whether in their own or their partner engagement authority areas, to confirm whether they remain eligible or not every term and adhere to the temporary exemption period guidance.
179. Delivery Authorities will need to develop and manage a system to confirm the continued eligibility of parents accessing the Offer. The authority will need to be satisfied that any system/process meets the Local Authority due diligence requirements, data protection laws, internal governance and audit requirements.

180. It is not expected that applicants will need to re-submit full applications as part of the re-eligibility checking process, nor will all applicants be expected to provide documentary evidence in support of their continued eligibility.
181. Random spot checks should be undertaken by delivery authorities on a minimum of 20% of those parents who re-confirm their eligibility, where further evidence should be sought in respect of their continued eligibility. This is to understand and monitor whether delivery authorities are being notified of changes in circumstances.

Reviews and Appeals

182. The Welsh Government expects Delivery Authorities to have processes in place for reviewing decisions taken on applications and for handling any appeals against an application decision.
183. Delivery Authorities will need to agree a process for handling any appeals against an application decision. Any process and subsequent decision will need to be made at an officer level and should not involve the cabinet or any other democratically elected official.
184. Delivery Authorities should refer to this guidance to inform decisions on reviews and appeals. However, should an appeal or challenge arise in relation to a matter which is not covered within the guidance, Delivery Authorities should refer the appeal to the Welsh Government for advice on the policy.
185. Delivery Authorities are expected to notify the Welsh Government and their partner engagement authorities of any appeals made. Only the grounds of the appeal, the appeal process and the outcome will be shared. No personal information will be shared.
186. Should a parent's review/appeal be successful, the parent may be eligible to receive payment for the amount of Government-funding to which they would have been entitled had their application been approved the first time they applied. A payment will only be made where the parent has incurred childcare costs with a registered provider. Delivery Authorities will be expected to report to Welsh Government any instances of this type of payment before the payment is made.
187. A parent may be eligible for Government-funded childcare they have missed out on when:
- there was an unreasonable delay by a Local Authority in determining whether a parent is eligible for the Offer, **despite the parent providing all**

necessary documentation, which has resulted in the parent having to pay registered childcare costs in this period; and/or

- a technical or “process” type error occurred during the parent’s application journey which resulted in the application not being logged; and/or
- a parent wins their appeal against a negative determination, and they have incurred registered childcare costs in this period.

188. Parents should only be reimbursed for registered childcare costs incurred up to the amount of Government-funding to which they would have been entitled had their application been approved when they first applied.
189. Parents will not be reimbursed for the cost of unregistered childcare (including nannies or babysitters) or informal childcare (e.g. friends and family) and parents will not be reimbursed for costs over and above the total amount of Government-funding they would have been entitled to.
190. Where a parent has paid more than the current hourly rate for the Offer for registered childcare, Delivery Authorities should only pay the agreed current hourly rate for the Offer.
191. No additional funding will be paid to the parent to cover the costs of food, snacks or transport incurred during that time as the Offer does not cover the costs of such elements.
192. The Welsh Government expects Delivery Authorities to use their own systems and processes to facilitate payments to parents and decide on the most efficient approach on a case by case basis.

Moving between Local Authority areas

193. When a family accessing the Childcare Offer moves to a new authority and wishes to continue to access the Offer with a new provider located in the new authority, the parent would need to register for the Offer through their new Delivery Authority. The new authority should undertake the necessary re-checks to confirm eligibility.

Section 12 – Delivery of the Offer – Provider processes

The following section describes the way in which local authorities are expected to deliver the Childcare Offer for Wales, and some of the processes which local authorities may employ in support of this with regards to childcare providers.

Provider registration

194. Providers need to register as a supplier of childcare for the Childcare Offer with the relevant delivery authority and, in so doing, agree to the terms and conditions of the Offer.
195. Delivery Authorities need to establish a process for registering providers and should publicise this through their Family Information Services/Local Authority websites and those of the Engagement Authorities they are working with.
196. To register, a provider must be registered with either the Care Inspectorate Wales (CIW) or Ofsted in England. Local authorities should re-check that all providers delivering the Offer are registered with CIW (or OFSTED) on a regular basis, ideally monthly, by checking the information which CIW provides to the Family Information Services.
197. Delivery Authorities must establish a process for confirming with the provider the number of government funded hours for each individual child. It is suggested that as part of this process, a provider is required to complete a form confirming a child's application for childcare and including details on:
 - the child's unique Childcare Offer number;
 - the number of hours and days of childcare the child is registered for;
 - the pattern and days over which these hours will be claimed;
 - the number of hours of childcare expected to be funded under the Childcare Offer.
198. The Delivery Authority will need to undertake a reconciliation exercise to ensure that the number of government funded hours the parent is claiming for mirrors those on their application and can be met from within their entitlement.

Provider Contract

199. Before being able to deliver childcare under the Offer a provider will first need to have registered with the Delivery Authority for payments and will need to have agreed the terms and conditions of the Offer, as set out in the provider contract.
200. This contract will define and govern the relationship between the authority and the provider and will provide the legal underpinning of the relationship. The contract

will outline responsibilities and liabilities in respect of payments and re-claims. It is therefore recommended that relevant internal colleagues are engaged in drawing up the contract including, but not limited to, legal and audit colleagues, to ensure legal requirements, general data requirements and due diligence for the individual authority are met.

201. As a minimum it is advised that the following is taken account of when drawing together the provider contract:

- Details in respect of payments, the process and regularity etc.;
- Monitoring and Evaluation requirements - details of reporting requirements; level and timing, and requirements in respect of the independent contractor procured to evaluate the Offer. It should be explicit that provision of the data is a pre-requisite of participating in the Offer and failure to deliver the required information could be actioned in line with any other violation of the terms and conditions of the Offer;
- Details of liabilities in respect of the child's care and any requirements such as health and safety assessments or toolkits required to be undertaken by a provider;
- Details of the responsibilities in respect of notifying the other party should one become aware of a change of circumstances of a parent which effects eligibility;
- Details in respect of payments should a parent exceed their eight week temporary exemption period and continue to use the childcare;
- Process should fraudulent behaviour on behalf of the provider be identified.

202. An authority may also want to consider asking for the following in respect of assurances:

- Sufficient evidence of financial viability of the provider i.e. proof of financials; and,
- A copy of the contract between the parent and provider.

Process for Paying Providers

203. Providers will need to register as a supplier with a Delivery Authority in order to be able to claim for childcare delivered under the Offer.

204. Delivery Authorities will need to establish and manage a system/process for paying providers that will allow them to pay providers monthly in advance (where possible) and will also need to seek monitoring and evaluation information monthly in arrears.

205. Wherever possible, providers should be paid in advance for the hours of childcare

delivered through the Offer. Effective due diligence procedures should be in place and appropriate checks carried out in order to safeguard the funding against fraud and minimise the opportunity for fraudulent activity.

206. Should a Local Authority's internal audit systems not allow payments in advance to be made, payments in arrears should be made as soon as possible after that childcare setting has delivered those hours through the Offer.
207. Payment for childcare hours under the Offer should not be paid for by parents, with providers reimbursing them once payment is received from the Delivery Authority. This should be reflected in the provider contract.

Re-Claim Process

208. Delivery Authorities are the accountable body in respect of the Childcare Grant, which funds the childcare provided under the Offer, and payments to providers. Delivery Authorities are responsible for ensuring that this grant is used for approved purposes and should take appropriate action to safeguard the funding provided through the grant.
209. Liability for fraud is outlined in the grant offer letter Welsh Government issues to local authorities.
210. If it is discovered that the Childcare Grant funding has not been used for approved purposes, where a parent who is not eligible/no longer eligible claims government funding under the Offer or where a provider claims government funding under the Offer incorrectly or inappropriately, it is the responsibility of the Delivery Authority to retrieve this funding.
211. The Welsh Government expects Delivery Authorities to take action in relation to any funds wrongly administered/fraudulently claimed under the Offer, although any action undertaken should always be judged on the circumstances and merits of the individual case and always reported to Welsh Government without delay.
212. Local authorities should adopt a zero tolerance approach towards fraud. Depending on the merits of each case, delivery authorities may consider the following courses of action:
 - issuing a warning – where there was clearly a misunderstanding and the gain or loss was minimal;
 - recovering the loss;
 - pursuing a prosecution where circumstances merit it (the value here would need to justify a prosecution and the costs that may incur). The prosecution being pursued by referring to the case to the police; this could, in appropriate circumstances, be coupled with the Local Authority seeking to recover the loss in the civil courts;

- prohibiting any future use or claims under the Childcare Offer.

213. Local Authorities should consider recovery before pursuing a prosecution.

Code of Practice on Ethical Employment in the Supply Chains

214. The [Code of Practice on Ethical Employment in the Supply Chain](#) was published in March 2017. This code commits public, private and third sector organisations to a set of actions that tackle illegal and unfair employment practices.

215. All public sector organisations, businesses and third sector organisations in receipt of public sector funding, directly or indirectly through grants or contracts, are expected to sign up to the Code. Other organisations in Wales are encouraged to sign up.

216. In respect of the Offer, it is considered that the authorities will be expected to sign up to the Code, however there is no requirement for childcare providers to do the same. Childcare providers as businesses would be encouraged to sign up to the code as good practice but it is not a requirement of delivering childcare under the Offer. It is not considered that a childcare contract under the Offer is part of the public sector supply chain as the childcare contract is negotiated and agreed between the parent and provider.

Section 13 - Due diligence, audit, and handling of data

The following section sets out what is expected of local authorities in respect of due diligence, audit and data collection.

Due Diligence

217. Delivery Authorities, as the accountable body for delivering the Offer through the Childcare Grant, are expected to put in place internal systems and procedures and take appropriate action to safeguard the funding provided through the Childcare Grant, which satisfy themselves and the Welsh Government in respect of due diligence.

Audit Requirements

218. The Welsh Government expects Delivery Authorities to establish systems and procedures for the administration of the Offer which meet with individual authority's audit requirements.

Data Collection

219. Application forms must be accompanied with privacy notices setting out what data is being collected and why; who that data will be shared with; how it will be used; and how long it will be retained for.
220. In relation to the Offer, and under the terms of the General Data Protection Regulation (GDPR), the Welsh Government is the Data Controller and Delivery Authorities are Data Processors. Delivery Authorities collect relevant data on behalf of the Welsh Government in order to deliver the Offer and pass some of that data to the Welsh Government for monitoring and evaluation purposes.
221. The Welsh Government has prepared and shared with local authorities a privacy notice which sets out how data shared with the Welsh Government and its contractors will be processed. This notice is compliant with the terms of the GDPR requirements and must be published alongside Delivery Authorities' own privacy notice relating to the Offer.
222. Delivery Authorities would be expected to develop and publish their own privacy notice setting out how that personal data, including data not shared with the Welsh Government, will be processed.
223. We recognise that some authorities may choose to combine the data collection for

the childcare element of the Offer for the Welsh Government with the collection of data that they require for the purposes of delivering early education. If this is the approach taken, authorities need to be satisfied that they have the necessary legal powers to combine these data sets and to a GDPR-compliant privacy notice covering this data collection. Local authorities must clearly differentiate between the data collected on behalf of the Welsh Government and data collected on behalf of the Local Authority. It is advised that these statements are checked with relevant personnel within the authorities to ensure that they are legally compliant.

Managing information

224. Delivery Authorities must manage a database to store and process application information. This database needs to generate a unique identification number which is assigned to each eligible child under the Offer. This unique identification number will help map a child through the system.
225. The database must hold certain information which is required by the Welsh Government in respect of monitoring and evaluating the Offer. This information will need to be stored in such a way that monthly and termly reports can be produced. Further details on Evaluation and Monitoring are at Section 14.
226. Delivery Authorities need to consider how information obtained through the application process is handled, how it is received, how it is stored and how long information is retained. No information should be stored for any longer than is necessary to enable a person to continue to access the Offer for the duration of their entitlement or to enable the evaluation of their participation. Once access to the Offer has ceased for an individual, their data should be deleted. This should be clearly stated at the time a parent consents to the use of their data, along with details of how they can withdraw that consent.
227. The following deadlines for destruction of data must be adhered to:
 - *Parents (and children) who take up the Childcare Offer:*
 - Proof of eligibility evidence: within 21 days of the end of the final term for which the child is eligible for the Childcare Offer
 - Other data: within 18 months of the end of the final term for which the child is eligible for the Childcare Offer
 - *Parents (and children) who are successful in their application but do not take up the Childcare Offer:*
 - Within 21 days of the end of the final term for which the child is eligible for the Childcare Offer
 - *Parents (and children) who are unsuccessful in their application:*
 - Within 21 days of either (i) the end of the allowable period to lodge an

appeal, or (ii) the end of the formal appeals process, if such an appeal is made.

- *Providers registered to deliver the Childcare Offer:*
 - Within 18 months after providers de-register to deliver the Childcare Offer

228. The management of information must comply with data protection laws and conditions set out in Schedule 6 of the grant offer letter outlining GDPR requirements. It is advised that counsel is sought from relevant internal colleagues i.e. Data Information Officers or Data Protection Officers to ensure compliance with the GDPR requirements.

Section 14 - Monitoring and Evaluation

The following section sets out what is expected of local authorities to support the monitoring and evaluation of the Offer.

Monitoring

229. Delivery Authorities will be required to collect and report certain data to the Welsh Government and other contracted parties on a periodic basis. Engagement Authorities will be required to provide evidence for the evaluation of the Offer to third party independent evaluators.
230. Delivery Authorities will be expected to use the Monitoring Information Workbook provided by the Welsh Government to compile monthly and termly data returns. Comprehensive desk notes will be provided to assist Delivery Authorities.

Monthly data returns

231. The monthly monitoring information template from the Delivery Authorities provides application uptake information on:
- The number of applications received in the last month,
 - Number of applications deemed ineligible in the last month,
 - Total number of hours booked in the last month,
 - The number of days over which the childcare has been applied for.
232. The second section of the monitoring information template provides childcare uptake and use update information on:
- Number of children taking part in the Offer (snapshot of the number of children accessing their place and funding in the previous month),
 - Number of hours children have attended childcare,
 - Number of children receiving childcare either through the medium of Welsh or bilingually,
 - Number of SEN referrals this month,
 - Number of successful SEN referrals this month,
 - The number of providers taking part in the Offer,
 - The number of providers signed up to take part,
 - Number of applications this month where parent's eligibility is as a result of them being in education
 - Number of applications this month for children whose parents wanted to access childcare through the medium of Welsh or bilingually at time of application.

233. This information will be sent to Welsh Government officials the last working Monday of the month.

Termly data returns

234. At the end of each school term Delivery Authorities will need to submit a dataset which contains information about each child using the Offer. The information will include:

- Unique child ID number,
- Child & Parents dates of birth,
- Postcode of child's residence,
- Local Authority of child's residence,
- Provider CIW Registration Number delivering the Offer to the child,
- Number of childcare providers used,
- Location of setting attended – England/Wales,
- Child's ethnicity,
- Parent's ethnicity,
- Status of the child requiring additional support,
- Language of provision,
- Number of booked hours of childcare for the term, split by month,
- Number of used hours of childcare for the term, split by month,
- Child's access to foundation phase delivery,
- Child's access to flying start delivery,
- Amount spent each month on childcare prior to taking up the Offer,
- Whether parents find it easy or difficult to afford childcare,
- Average number of hours parents report using formal childcare per week,
- Average number of hours parents report using informal childcare per week,
- Salary of all parents (where relevant),
- Number of hours parents work each week (where relevant).

235. This information will be sent a month after the end of each term.

Evaluation

236. Delivery Authorities and Engagement Authorities will be required to provide evidence for the evaluation of the Offer to third party independent evaluators, as appointed by Welsh Government.

237. Local Authorities will be expected to aid the independent contractor in making contact with parents and childcare providers in order to conduct the evaluation. Local authorities will not be expected to run any surveys on their behalf or field questions from parents or providers in relation to the evaluation.

Section 15 – Delivering the Offer in exceptional circumstances

The following section sets out guidance on access to, and delivery of, the Offer during exceptional circumstances such as adverse weather or a global pandemic or similar health crisis.

It would be for Welsh Government to determine whether the procedures in relation to a global pandemic or a similar health crisis apply (e.g. Ebola, SARS etc).

Adverse Weather

- 238. Where a setting has to close as a consequence of adverse weather, decisions on payments regarding any childcare booked under the Offer will be made by the Local Authority on a case-by-case basis, with reference to the setting's insurance cover and their approach to charging any parents using their setting for childcare outside of the Offer.
- 239. Payments for childcare providers can be made based on booked hours either for four weeks or for the time the setting is closed, whichever is the shorter of the two. The 3-week period matches the standard notice period in contracts between parents and providers. If the setting does not reopen at that time, funding under the Offer should cease.
- 240. Delivery authorities are required to provide Welsh Government with a completed adverse weather claim form for any claims for settings affected by adverse weather. This is to be submitted in addition to the normal monthly claim form for those unaffected by the adverse weather.
- 241. Parents may choose to make alternative childcare arrangements during the period their usual setting is closed because of adverse weather. In these circumstances, Offer funding can be paid to the alternative registered provider delivering the Offer. Payments would be made based on booked hours either for four weeks or for the time the child's usual setting is closed, whichever is the shorter of the two.
- 242. Where a setting providing early education provision has to close due to an emergency, parents cannot substitute childcare hours for their early education entitlement. However, where a parent was not using their full childcare entitlement they are able to increase their childcare hours if the provider is able to accommodate this, provided they do not exceed the terms of the Offer.
- 243. Due to adverse weather the period a setting is closed may fall on non term-time weeks. If a parent is unable to find a place at an alternative setting lasting for 3 days or more of a non-term-time week then that week will be deemed not to have been used as a holiday week and will not be deducted from the parent's holiday

week allocation.

244. The adverse weather claim form can be obtain from Welsh Government at Talkchildcare@gov.wales

Pandemic or similar health crisis

Income Eligibility Criteria:

245. All parents have to evidence that they are in receipt of “income from work” to be eligible for the Offer as this is the basic principle on which the Offer is founded. Local authorities should undertake their termly re-checks as normal.
246. If a parent, who is applying for the Offer for the first time or is currently receiving the Offer, has fallen out of eligibility due to a pandemic and is now back to their usual circumstances they will be able to continue to receive the Offer. Parents may have received UK Government support schemes for employees and the self-employed and these can be counted as qualifying income for the minimum income test.
247. Local authorities should re-check the eligibility of parents who have fallen out of eligibility. If the parent does not meet the eligibility criteria, they will enter an 8-week Temporary Exemption Period (TEP).
248. The requirement for a parent to be in some form of work or to be employed or to be enrolled on a relevant HE or FE course remains in respect of the Childcare Offer. If a parent who was eligible for the Offer previously has been made redundant, then technically they no longer meet the eligibility criteria for the Offer. They have no work contract and no business. Similarly, if an HE or FE course that a parent previously enrolled on ceases to be delivered, then technically they no longer meet the eligibility criteria for the Offer. They will enter an 8-week TEP period in line with the standard guidance from the point their circumstances change.

Holiday provision during a pandemic:

249. Where a Local Authority extends the school holidays in light of a pandemic/health crisis, a parent can access their holiday entitlement during those extra weeks as long as the parent has enough holiday provision to use. Parents will not, however, be allocated more than 3 weeks holiday entitlement per school term.

Early education and childcare provision where the operation of primary schools is impacted:

250. Local Authorities have an element of discretion to continue to fund term time childcare hours in exceptional circumstances where it was planned for a child who

has been accessing the Offer to enter full time early education, but the child is unable to access their early education entitlement because a pandemic or similar health crisis is preventing them from taking up their full-time early education place.

The following arrangements will apply where a pandemic/health crisis is impacting, to varying degrees, delivery and take-up of the Offer:

Scenario 1: Primary schools and childcare are open for attendance by all children

- If there is short term disruption to the service provided by a setting or short-term absence of a child, Offer payments would continue for up to 2 weeks, based on booked hours (including any Additional Support Grant element). For example, a setting needs to close for deep cleaning; member/s of staff self-isolating; Offer child self-isolating.
- If there is longer term disruption to the service or longer-term absence of an Offer child, Offer payments can continue until the end of the current school half term or for at least 4 weeks if there are fewer than 4 weeks left of the half term or if restrictions are introduced in a school holiday period, based on booked hours (including any Additional Support Grant element). For example, a setting needs to restrict their operations or close because staff are ill or clinically vulnerable due to the pandemic/health crisis; staff are unable to work because of their own childcare responsibilities arising as a result of school restrictions; a provider cannot use their normal premises for reasons relating to the pandemic/health crisis; an Offer child is not attending because of parents' concerns about the pandemic/health crisis, which may be because the child or a member of the household is clinically vulnerable in respect of the pandemic/health crisis.
- Evidence of the factors impacting on a provider's business would need to be provided to the Local Authority in relation to both short- and longer-term disruption to services.
- Offer funding can continue to be paid to childcare providers on more than one occasion and funding can be paid in respect of the same child more than once. However, this would normally be on separate occasions and for different reasons.

Scenario 2: Primary schools are operating on a restricted basis but childcare is open

- If there is short term disruption to the service or short-term absence of an Offer child, Offer payments can continue for up to 2 weeks, based on booked hours (including any Additional Support Grant element). For example, a setting needs to close for deep cleaning; member/s of staff self-isolating; Offer child self-isolating.

- If there is longer term disruption to the service or longer-term absence of an Offer child, Offer payments can continue until the end of the current school half term or for at least 4 weeks if there are fewer than 4 weeks left of the half term or if restrictions are introduced in a school holiday period, based on booked hours (including any Additional Support Grant element). For example, a setting needs to restrict their operations or close because staff are ill with or are clinically vulnerable due to the pandemic/health crisis; staff are unable to work because of their own childcare responsibilities arising as a result of school restrictions; a provider cannot use their normal premises for reasons relating to the pandemic/health crisis; an Offer child is not attending because of parents' concerns about the pandemic/health crisis related factors impacting on their need for childcare.
- Evidence of the factors impacting on a provider's business would need to be provided to the Local Authority in relation to both short- and longer-term disruption to services.
- Offer funding can continue to be paid to childcare providers on more than one occasion and funding can be paid in respect of the same child more than once. However, this would normally be on separate occasions and for different reasons.
- Should there be a prolonged period of restrictions and disruption, the Welsh Government will consider providing additional guidance.

Scenario 3: Primary schools and childcare are all operating on a restricted basis

- In this instance, Offer payments would only continue where a child of a critical worker or a vulnerable child is using an Offer space. Payments in respect of other children would cease after four weeks, with that representing the usual notice period in most childcare providers' contracts.
- We would encourage Local Authorities to make full use of places for the children of critical workers that could be funded through the Offer for as long as restrictions are in place. If such a situation were to arise, the Welsh Government would consider the need for further, more specific advice, taking into account the nature and scale of the restrictions and spread of the virus.

Voluntary closure of services

251. Local authorities should stop Offer funding where a setting/provider voluntarily closes or stops providing a registered service, and where it cannot be evidenced by the provider that this was necessary as a result of a pandemic/health crisis.

252. Closure as a result of health concerns (in relation to staff or children) where there is no-one amongst the workforce (or in a child minder's home) who is shielding/clinically vulnerable in respect of the pandemic/health crisis is not a justifiable reason for continuing to receive Offer payments. Offer payments would resume when a setting re-opens and starts providing a service again, subject to the provider being signed up to deliver the Offer and parental demand.

Annex 1 - Holiday Provision Carry Over Scenarios:

Scarlet turned 3 on 31 February 2019.

According to the Local Authority policy, Scarlet can have part time early education from the term after her 3rd birthday. She starts school on 20th April 2019, at the start of the summer term, and starts accessing the Offer at the same time (because many Local Authorities kick-start both entitlements at the same time).

Scarlet will access the Offer until the September after her 4th birthday, as this is when children enter full time education in the Local Authority.

Scarlet is considered eligible for the Offer over 4 terms (summer, autumn, spring, summer). These fall across 2 academic years.

Scarlet's parents are allocated 3 holiday weeks for each term they are eligible (3 weeks x 4 terms - 12 weeks holiday provision in total).

Scarlet's parents used 3 weeks during the first summer Scarlet was eligible. They then used 2 weeks during Christmas 2019, 2 weeks during Easter 2020 and another 5 during summer 2020.

In this example no holiday provision was carried over from one academic year to the next.

Thomas turned 3 on 10th August 2018.

According to the LA policy, Thomas can have part time early education from the term after his 3rd birthday. He started school on 4th September 2018 and started accessing the Offer at the same time.

Thomas will access the Offer until the September after his 4th birthday, as this is when children enter full time education in the Local Authority.

Thomas is considered eligible for the Offer over 3 terms (autumn, spring, summer). These all fall within the same academic year.

Thomas' parents are allocated 3 holiday weeks for each term they are eligible (3 weeks x 3 terms) = 9 weeks holiday provision in total.

Thomas' parents used 1 week during Christmas 2018, 2 weeks during Easter 2019 and another 6 during summer 2019.

In this example no holiday provision was carried over from one academic year to the next.

If the parent had not used the full 9 week holiday provision by the end of the summer 2019 holidays, the parents would not have been able to carry them over to the following term as Thomas ceased being eligible for the Offer when he started full time education the following term.

Rebecca turned 3 on 23rd September 2018.

According to the LA policy, Rebecca can have part time early education from the term after her 3rd birthday. She started accessing FPN on 7th January 2019 and started accessing the Offer at the same time.

Rebecca will access the Offer until the September after her 4th birthday, as this is when children enter full time education in the Local Authority.

Rebecca considered eligible for the offer for 5 terms (spring, summer, autumn, spring, summer) – **the maximum period a child can be eligible for the offer.** These fall across 2 academic years.

Rebecca's parents are allocated 3 weeks holiday provision for each term they are eligible (3 weeks x 5 terms) = 15 weeks holiday provision in total.

Rebecca's parents used 2 weeks during Easter 2019, 3 weeks during the summer 2019, 2 weeks during Christmas 2019, 2 weeks during Easter 2020 and 6 weeks during the summer 2020.

If the parent had not used the full 15 weeks week holiday provision by the end of the summer 2020 holidays, the parents would not have been able to carry any over to the following term as Rebecca ceased being eligible for the Offer when she started full-time education the following term.