

## 3 and 4-Year-Olds - Extended entitlement explained for Working Families


In addition to the weekly funded 15 hours that all 3 and 4-year-old children are entitled to, eligible working parents can claim an extended offer of up to 30 hours per week (multiplied by 38 weeks a year), with the aim of helping families by reducing the costs of childcare and supporting parents to work.

Parents must apply for the extended entitlement funding via HM Revenue & Customs (HMRC), who is responsible for checking whether a parent is eligible. Eligible parents will be issued with an 11-digit code by HMRC which they must present to their childcare provider to claim the extended entitlement.

The only exception is for foster parents of children in foster care who should apply directly to the local authority who have responsibility for the child. For Derbyshire children in care, email [info.fis@derbyshire.gov.uk](mailto:info.fis@derbyshire.gov.uk)

Parents are only able to start claiming a 30 hours place for their three or four-year-old the term after the child's third birthday, and the term following the date they receive a code from HMRC, whichever is later.

Providers must verify the code before offering a child a place. They must check that the code is valid and determine which term it is eligible for by checking the dates of the code.

 Refer to guidance 'Check a Working Family Entitlement code and determine eligibility' for more details.

## What the dates mean:

'Code start date' is the date that the parent was confirmed as eligible by HMRC for 30 hours and was given their code. If the code is eligible, you can offer a funded place as follows:

<b>Code start date</b>	<b>First term the child can start</b> <b>No earlier than the term after the child's 3rd birthday</b>
1 September – 31 December	Spring Term (January)
1 January – 31 March	Summer Term (April)
1 April – 31 August	Autumn Term (September)

\*Refer to the funding calendar for Derbyshire term start dates.

'Code end date' is the deadline date for the parent to reconfirm their eligibility with HMRC by logging on to their childcare service account.

'Grace period end date' - if the parent does not reconfirm their details by the code end date deadline, the child will no longer be eligible for 30 hours after the grace period end date. The child will still be able to claim 15 hours universal entitlement. The grace period end date will extend each time the parent reconfirms their eligibility. See below for more information about grace period end dates.

Once a parent has accepted a school reception place, providers are unable to claim early years entitlement funding. If a four or five-year-old child is not taking up a school reception place they are only entitled to access the early years entitlement funded hours up to the term in which they have their fifth birthday. Once a child reaches compulsory school age, (the term following their fifth birthday) they are no longer able to access the funded hours.

## Important points to consider:

Extended entitlement is an extra 15 funded hours that is separate to the 15-weekly funded hours. It is not one total of 30 hours. The funding claim must be split as 15 weekly funded hours and 15 extended entitlement funded hours (or variations on these hours depending on attendance). A child cannot claim more than 15 hours of each type of funding.


HMRC 11-digit codes are only valid from the start of the term after the term in which they are issued, e.g., a parent who applied for a code in September cannot take up extended entitlement funded hours until January. The child can access their weekly funded hours and/or their extended entitlement funded hours the term after they become three years of age.

Approximately every three months, parents will need to reconfirm that the details they entered on their application are still accurate. This is to check that they are still eligible. They will be prompted, via email by HMRC, approximately four weeks before their reconfirmation deadline (code end date) and again two weeks before the deadline if they still have not reconfirmed.

Parents who completed their original application over the phone will need to phone the childcare service helpline to reconfirm their eligibility. Foster parents will need to reconfirm with the local authority who have responsibility for the child.

Parents will need to reconfirm regardless of whether their child has started their 30 hours place.

Parents should never fall into the grace period unless their circumstances have changed enough to make them ineligible for funding.

Providers must use the portal to identify parents who are about to fall into, or are currently in the grace period, and at risk of losing funding. A warning triangle  will appear next to the child's name in the portal, and indicates that the child is in the grace period.

Parents who fail to reconfirm their details in time, or whose circumstances have changed enough to take them out of eligibility, will no longer be eligible and will fall into the grace period. Please note:


- a child cannot start a new early years entitlement funded place in their grace period. For example, where the reconfirmation period has elapsed prior to the child starting a place, or where a parent falls into their grace period whilst their child is in an early years entitlement funded place, and the parent attempts to move the child to a different setting.
- a child cannot move from one provider to another during their grace period, unless in exceptional circumstances beyond the parents' control. For example, if their provider closes, or receives an Ofsted inspection judgement of 'inadequate' and the local authority withdraws funding, or the parent moves home because of domestic abuse. In such situations, the local authority may use their discretion to allow the child to continue their 30 hours place in a new setting.



Denotes a child currently in the grace period.

Although it is the parents' responsibility to reconfirm their working family entitlement code with HMRC, providers should use portal information, together with the eligibility checker, to target parents who have fallen into or about to fall into the grace period; and encourage them to access their childcare service account as a matter of urgency.

Please note, when a parent reconfirms their code, the status shown in the actuals section will not automatically update. Providers should use the eligibility checker section of the portal to identify the latest code status.

 Refer to guidance 'Check a Working Family Entitlement code and determine eligibility' for step-by-step instructions.

If a parent becomes eligible again for extended entitlement funded hours after they have fallen out of eligibility, they can go into their childcare account and reconfirm their details and present their code to their provider for verification. Please note, if the same parent completes this application, they will receive the same eligibility code, not a new one.

## **Identifying what to claim**

To claim funding correctly, providers will need to understand how the parent wishes to use their funding. This is particularly important where a child is accessing funding across multiple settings.

Providers will need to know which hours are weekly funded hours, and which hours are extended entitlement funded hours.

Parents must include this information on the FE1 form. Providers must only claim the weekly funded hours and extended entitlement funded hours the child is attending at their provision according to the details provided on the FE1 form.

Once the FE1 form has been completed by the parent, providers should carefully check the information provided and ensure that funded hours are apportioned correctly to prevent double funding issues arising.

## **Extended entitlement: grace period**

The government has introduced a "grace period" to enable parents to retain their funded childcare for a short period should they become ineligible for the extended entitlement (HMRC 11-digit code).

This will allow continuity for the child and give the parent some time to regain employment, if applicable. Early years and childcare providers can also be assured that if they offer the extended entitlement, they will not run the risk of having an empty place immediately should the parent's circumstances change.

A child will enter “the grace period” when the child’s parents cease to meet the eligibility criteria to receive the extended entitlement funded hours. Providers can identify which children have entered the grace period and the grace period end date [via the provider portal](#).

The table below shows the grace period end dates:

<b>Date parent receives ineligible decision on reconfirmation:</b>	<b>Grace period end date:</b>
1 January – 10 February	31 March
11 February – 31 March	31 August
1 April – 26 May	31 August
27 May – 31 August	31 December
1 September – 21 October	31 December
22 October – 31 December	31 March

If parents have not re-confirmed their eligibility by the end of the grace period, they will lose their eligibility to the extended entitlement. The child will still be able to claim 15 weekly funded hours.

## When can 3- and 4-Year-Old children access the extended entitlement funded hours (HMRC 11-digit code)?

Children can start their funded childcare place the term after they turn three years old and have received a valid HMRC working family entitlement code, whichever is later. Parents must have a valid code by the end of the month before a new term starts.



Providers should offer parents of funded children, sessions in-line with the term dates published via Derbyshire's funding calendar for early years entitlement. Providers should check with their local Derbyshire school for any variations.

We strongly recommend that providers do not sign an agreement with parents until they have verified both the age of the child and the validity of the code. Children without a valid code will continue to receive 15 weekly funded hours.

## Useful links regarding the extended entitlement:

[Best Start in Life](#) is an informative website outlining government help with childcare costs for parents.

Parents can use the [childcare calculator](#) on the GOV.UK website to find out how much they could get towards childcare costs.

## Need more support?

Can't find what you need in our guidance materials?

Then please contact the Early Years Finance Team who will be happy to help:

[CS.enquiries.childminders@derbyshire.gov.uk](mailto:CS.enquiries.childminders@derbyshire.gov.uk)

[CS.enquiries.groupcare@derbyshire.gov.uk](mailto:CS.enquiries.groupcare@derbyshire.gov.uk)

[CS.enquiries.schools@derbyshire.gov.uk](mailto:CS.enquiries.schools@derbyshire.gov.uk)

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