



Llywodraeth Cymru
Welsh Government

Childcare Offer for Wales

Supplementary Guidance

Temporary Exemption Periods

September 2022

Temporary Exemption Periods

What is a Temporary Exemption Period?

Under the Childcare Offer for Wales (the Offer), a Temporary Exemption Period (TEP) is a period of 8 weeks, where a family remains eligible for support, but may no longer meet the eligibility criteria for the Offer.

An example of this is where someone is on a zero-hour contract and despite earning enough to initially qualify for the Offer, their earnings for the period have dropped below the expected level.

To provide continuity to children, parents, and providers the 8-week TEP provides opportunity for the parent to become eligible again, without having to reapply for the Offer.

When should a TEP be applied?

Normal Circumstances

It is important to note that a TEP is applied whenever a parent becomes ineligible, including where their income crosses the upper threshold for earnings.

TEPs should be applied from the date that the parent's circumstances changed, not the date that they notified a local authority. If a parent has provided this information later than 8 weeks after the change in circumstances, payments under the Offer should be stopped immediately and the provider notified.

It is important that parents are reminded of their obligations to provide information of any changes to their circumstances, that funding may be withdrawn with immediate effect if they don't, and that action may be taken to recover any overpayments made.

Pre-Approved Applications

Following the expansion of the Offer to parents in education and training, it will become more common to approve an application in advance of a parent being eligible for the Offer. Many parents will apply as soon as they have an offer to study at a Further Education (FE) or Higher Education (HE) institution and may do so using their invite or enrolment notification. However, they will subsequently need to provide further evidence of starting their course and most FE and HE institutions will be able to provide the parent with confirmation of their attendance.

Applications being pre-approved should be placed into a TEP from the date the course will formally start. Parents will then need to provide further evidence before the TEP is removed.

This will also apply to parents who have yet to start employment but have provided proof of an offer or a contract.

Re-eligibility Checks

Parents are normally asked to reconfirm their eligibility and that their circumstances have not changed once each term. While this is a self-certification exercise for most, 20% will need to provide further evidence (pay slips for working parents, letter from college, etc.) that they are still eligible. In these instances, a TEP should be applied. The parents will then be required to provide documentary evidence that confirms their eligibility.

Re-eligibility checks should also be made when a parent would normally qualify for the Offer, but is away from work or education and has been given a temporary exemption for one of the following reasons:

- Maternity / Paternity leave
- Adoption leave
- Unpaid parental leave
- A working parent on statutory sick pay
- A parent in education has formally suspended studies due to long term sickness

Once the temporary period has ended, the application should be placed into a TEP so that the parent is required to provide evidence that they have returned to work or education.

Notifying the Parent

Parents should be notified that they are being placed in a TEP as soon as possible. Parents should be informed of the date that the TEP began, especially important if this is a date before the parent provided notification that their circumstances had changed.

They should also be informed of the date that the TEP will end and clearly explain that they will no longer be eligible for funding under the Offer from this date. It should also be clear that they will be responsible for any childcare costs from that date and they will need to discuss any arrangements that they have with their childcare provider. Local Authorities must inform parents that the provider will be made aware of the TEP 4 weeks after the start date.

Notifying Provider

Although funding under the Offer will end following a TEP, parents will still have an agreement with the provider for childcare and will need to continue to pay for the remainder of any contract that is in place.

Providers may want to assure themselves that parents will continue to pay for agreed hours despite no longer getting support. In these cases, Providers should

charge their normal rates whether they are higher or lower than the payments they received under the Offer.

It should be stressed to providers that a TEP should not be seen as a negative. As described above, there are several reasons that a parent may be placed on a TEP, and many will be resolved with no break in funding under the Offer. It is recommended that providers are notified that a parent has entered a TEP 4 weeks after the starting date if it is still in place and the parent has not already provided the necessary evidence for eligibility.

Holiday Weeks

The Childcare Offer is made up of 39 term time weeks and 9 holiday weeks. During holiday weeks, because the early education provision is not available, the funding covers up to 30 hours of childcare.

The availability of holiday weeks is currently worked out on a pro-rata basis. For the purposes of calculating both funded and unfunded holiday week allowances it should be assumed that those parents who have become eligible for the Offer through enrolment on an education or training course that is longer than 10 weeks but shorter than one year in duration, will continue to meet eligibility criteria after their course has ended, through a subsequent education or training course or through employment. They will therefore be eligible for the same pro-rata allocation of holiday weeks that working parents would ordinarily be entitled to.

Where a parent has been placed in a TEP at the end of their course, and that TEP expires, any subsequent reapplication is treated as a new application and is not linked to their previous usage for the purposes of calculating funded and unfunded holiday weeks. The Local Authority should re-assess the parent's eligibility as their circumstances may have changed again.