



Childcare



Early Years Funding Guide



Understanding childcare funding isn't always easy, but the good news is we're here to help. In England, there are two government funding programs that can help your child join in with the exciting adventures and educational fun here at Childcare Happy Days for less. In simple terms, you can make the most of either 15 or 30 funded hours per week, depending on your circumstances.

From September 2025, all eligible working parents of children aged nine months up to four-years-old will be able to access funding for 30 hours per week of education and care.

All entitlements apply over 38 weeks of the year, though we do stretch the funding over the 50 weeks that we open. Please refer to the funding timetable below:

FUNDING TIMETABLE				
Sep-25	Who	9 -23 months	24-35 months	36-60 months
Entitlement	All Parents			15 hours
	Working Families	30 hours	30 hours	30 hours

Types of Funding Available

The funding available can be split into 3 categories:

1. 30 hours childcare - For eligible working families in England of children aged 9 months to 4 years.
2. 15 hours childcare for all families in England For children aged 3 to 4 years.
3. 15 hours for 2 year olds receiving support.

1. 30 hours childcare - For eligible working families in England of children aged 9 months to 4 years.

Eligibility

If you live and work in England you may be entitled to 30 hours funded childcare support from the term after your child turns 9 months old, until they start school.

You can usually get funded childcare for working parents if you (and your partner, if you have one) are:

- in work or starting a new job
- on sick leave or annual leave
- on shared parental, maternity, paternity or adoption leave

The amount of funded childcare you can get depends on:

- your child's age and circumstances
- your income (and your partner's income, if you have one)
- your immigration status

If you are not eligible for the working parent offer you will still receive the 15 hour entitlement for all 3 and 4 year olds from the term after your child turns 3 until they start school, irrespective of your income level, benefit status, or family circumstances.

If you or your child receive some additional forms of support, you may be eligible for 15 hours early learning for 2 year olds under a separate scheme and you should speak to your local council and/or provider in the first instance. If you are eligible, you should still apply for the working parent entitlement, but you will receive 15 hours from each scheme (up to a maximum of 30 hours in total).

Your earnings

Over the next 3 months you and your partner (if you have one) must each expect to earn at least:

- £2,539.68 before tax if you're aged 21 or over (equivalent to £195.36 per week)
- £2,080 before tax if you're aged 18 to 20 (equivalent to £160 per week)
- £1,570.40 before tax if you're under 18 or an apprentice (equivalent to £120.80 per week)

This is equivalent to the National Minimum Wage or Living Wage for 16 hours a week, on average.

This table may help you identify if you meet the required income threshold:

Your age	Yearly	3 months	Weekly
21 and over	£10,158	£2,539.68	£195.36
18 to 20	£8,320	£2,080	£160
Under 18 or an apprentice	£6,281	£1,570.40	£120.80

You can earn up to £100,000 adjusted net income per year and be eligible. If you or your partner have an expected adjusted net income over £100,000 in the current tax year, you will not be eligible.

You can use an average of how much you expect to earn over the current tax year if:

- you work throughout the year but do not get paid regularly
- you're self-employed and do not expect to earn enough in the next 3 months

If you have a partner who lives with you, they must also earn between these two amounts.

If you're self-employed and started your business less than 12 months ago, you can earn less and still be eligible for funded childcare for working parents.

How it works with maternity, paternity, shared parental or adoption leave

If you are on some form of parental leave and applying for an older child, who is not the subject of the parental leave, you can apply online at GOV.UK.

If you are applying for the child that is the subject of the parental leave, you can also apply online but the date that you return to work from parental leave will affect when you can take up the childcare. The below dates apply:

Date of returning to work	When you can apply from	When you can access your entitlements from
1 October to 31 January	1 September to 31 December	1 January
1 February to 30 April	1 January to 31 March	1 April
1 May to 30 September	1 April to 31 August	1 September

If one parent is starting or returning to work, while the other parent remains on parental leave until a later date, you will only be eligible to apply once both parents have either returned to work or have a start or return to work date within one month of the start of term (that is, 30 September, 31 January or 30 April).

If you are on paid annual leave and receiving your salary as normal, this counts as having returned to work for the purposes of eligibility for the working parent entitlement.

Starting a new job

Date of starting work	When you can apply from	When you can access your entitlements from
1 October to 31 January	1 September to 31 December	1 January
1 February to 30 April	1 January to 31 March	1 April
1 May to 30 September	1 April to 31 August	1 September

Parents who are planning to start new work can also apply online. The following dates apply:

If you are starting work more than one month after the start of term, you will be able to apply to start using the entitlements from the start of the following term.

Your immigration status

To be eligible for funded childcare for working parents, you (and your partner if you have one and if they live with you) must have a National Insurance number.

- The person who applies must also have at least one of the following:
- British or Irish citizenship
- settled or pre-settled status, or you have applied and you're waiting for a decision
- permission to access public funds - your UK residence card will tell you if you cannot do this

If you're not currently working

You may still be eligible if your partner is working, and you are on carer's leave or if you get any of the following:

- Incapacity Benefit
- Severe Disablement Allowance
- Carer's Allowance
- Limited Capability for Work Benefit
- contribution-based Employment and Support Allowance

How soon after my child's birthday can I access these schemes?

Currently, children become eligible for funded early education and childcare the term after they reach the relevant age. For example, a child will be eligible for the 30 hours offer from the term after they turn three.

For example, if your child turns three on 25 March, your child will be eligible for a funded place from 1 April (i.e. the start of the spring term). However, if your child turns three on 5 April, then your child won't be eligible for a funded place until 1 September.

This is also dependent on applying for, and receiving, your eligibility code before the end of the term in which your child reaches the relevant age. For example, if your child turns three on 25 March but you don't apply for the 30 hours until 5 April, your child won't be eligible for a funded place until 1 September (i.e. the start of the autumn term).

When you can access the working parent offer

The table below shows when you can access this funded support:

If my child turns 9 months old between...	I can access the working parent entitlement from the...
1 January to 31 March	Term starting on or after 1 April
1 April to 31 August	Term starting on or after 1 September
1 September to 31 December	Term starting on or after 1 January

2. 15 hours childcare for all families in England For children aged 3 to 4 years.

Eligibility

All 3- and 4-year-olds who live in England are entitled to up to 570 hours of funded childcare per year, regardless of income levels, benefit status, or family circumstances.

- All 3- and 4-year-olds qualify for this scheme.
- At Childcare Happy Days we can stretch these hours across the whole year to give families greater flexibility.

Start date

The offer will start from 1 January, 1 April or 1 September following your child's 3rd birthday.

If my child turns 3 years old between	I can access their funded hours from
1 January to 31 March	Term starting on or after 1 April
1 April to 31 August	Term starting on or after 1 September
1 September to 31 December	Term starting on or after 1 January

15 hours early learning for families in England receiving some additional forms of support.

Eligibility

Your 2-year-old can get funded early learning if you live in England and get any of the following benefits:

- Income Support
- income-based Jobseeker's Allowance (JSA)
- income-related Employment and Support Allowance (ESA)
- Universal Credit, and your household income is £15,400 a year or less after tax, not including benefit payments
- the guaranteed element of Pension Credit

Your benefits will not be affected if you take up the 15 hours early learning offer.

2-year-olds can also get funded childcare if they:

- are looked after by a local authority
- have an education, health and care (EHC) plan
- get Disability Living Allowance
- have left care under an adoption order, special guardianship order or a child arrangements order

No income thresholds apply.

If your child is in receipt of 15 hours of early learning for families receiving some additional forms of support, you may also be eligible for Early Years Pupil Premium (EYPP). EYPP is paid to childcare providers and gives them additional funding to support learning and development for children. You can see if you're eligible for EYPP on GOV.UK and speak with your provider or local council to apply.

If you and your partner (if you have one) are working, you may also be eligible for an additional 15 hours under the working parent entitlement. If you're a working parent and you're not eligible for 15 hours early learning for families receiving additional forms of support, you may still be eligible for 30 hours under the working parent entitlement.

Non-UK citizens

If you're a non-UK citizen who cannot claim benefits and your immigration status says you have 'no recourse to public funds', you may still get free childcare for your 2-year-old. You must live in England and your household income after tax must be no more than:

- £26,500 for families outside of London with one child
- £34,500 for families within London with one child
- £30,600 for families outside of London with two or more children
- £38,600 for families within London with two or more children

You cannot have more than £16,000 in savings or investments.

How to Apply for Funding

1. Universal funded childcare for 3- and 4-year-olds

For 3- and 4-year-olds, we will ask to see your child's birth certificate or passport as proof of your eligibility and ask you to complete a funding agreement and parent declaration form from the council.

2. Working family funded childcare

Find your application deadline

You can apply for your code up to 16 weeks before your baby turns 9 months old.

You need to apply online before the deadline to receive a code to give to us. The deadline is the day before the new term begins, but we encourage you to apply earlier, and recommend applying at least 6 weeks before the deadline. The deadlines are:

If my child turns 9 months old between	I can access 30 funded hours from	And I need to apply by
1 January to 31 March	Term starting on or after 1 April	31 March
1 April to 31 August	Term starting on or after 1 September	31 August
1 September to 31 December	Term starting on or after 1 January	31 December

Before you apply, you'll need to make sure you have the following information to hand:

- your National Insurance number (or unique taxpayer reference if you are self-employed)
- the date you started or are due to start work
- details of any government support or benefits you receive
- the UK birth certificate reference number (if you have one) for your child

If you are a foster carer, there is a separate application process. Speak to your social worker to find out more.

Once you have applied, you will receive an 11-digit code to access the entitlements.

You'll need to provide the code to us, along with your National Insurance number and your child's date of birth. We will check the code and then confirm your child's place depending on our availability.

Once you have received your code, you will need to reconfirm every 3 months even if you have not yet started using your entitlements.

How to Apply for Free Entitlement Funding



What happens if I become ineligible for the offer e.g. because I lose my job?

Currently, if you no longer meet the eligibility criteria for funded places for working families, your child's place will continue to be funded for a 'grace period'.

The table below outlines how long the grace period will last for. We can tell you how long your grace period will last. A grace period will always end at the end of a term.

Once the grace period has expired, you will still be eligible for the 15-hour funded offer if you have a three- or four-year-old as the 15-hour offer for children of this age is universal. If you have been taking up the 30 hours at two providers, you can decide which provider you want to continue taking up your 15-hour places from.

Date parent's 30 hours eligibility code becomes invalid:	LA audit date:	Grace Period end date:	
1 Jan — 10 Feb	11 February	31 March	
11 Feb — 31 March	1 April	31 August	
1 April — 26 May	27 May	31 August	
27 May — 31 August	1 September	31 December	
1 September — 21 October	22 October	31 December	
22 October — 31 December	1 January	31 March	

How do we offer the Funding at Childcare Happy Days?

While the government funding is a great help towards childcare fees, it only covers a limited number of hours and does not cover

- meals
- nappies
- additional hours
- additional activities

Therefore, we charge a fee for the additional services listed above.

Our invoices show the number of funded hours at 0.00 cost and the fees for the meals, additional hours and additional activities.

The funding is given to providers for 38 weeks of the year or term time. We do not offer term time spaces so instead we stretch the funding over the course of the 50 weeks that we are open.

Therefore, you will receive 11.4 hours of funding per week if in receipt of 15 hours and 22.8 hours per week if in receipt of 30 hours if your child starts their funding in September.

However, as the number of weeks in each term varies so will the amount of hours funding change if you child is in receipt of funding in January or April.

At Childcare Happy Days the following weekly hours apply:

30 hours childcare - For eligible working families in England of children aged 9 months to 4 years.

Child's Starts 1 September	Child's Starts 1 January	Child's Starts 1 April
<ul style="list-style-type: none">• Funded hours per week – 22.8• Total Funded weeks - 50• Total funded hours - 1140	<ul style="list-style-type: none">• Funded hours per week – 21.2• Total Funded weeks -34• Total funded hours - 720	<ul style="list-style-type: none">• Funded hours per week – 16.4• Total Funded weeks – 22• Total funded hours - 360

**15 hours childcare for all families in England For children aged 3 to 4 years.
15 hours for 2 year olds receiving support**

Child's Starts 1 September	Child's Starts 1 January	Child's Starts 1 April
<ul style="list-style-type: none"> Funded hours per week – 11.4 Total Funded weeks - 50 Total funded hours - 570 	<ul style="list-style-type: none"> Funded hours per week – 10.6 Total Funded weeks - 34 Total funded hours - 360 	<ul style="list-style-type: none"> Funded hours per week - 8.2 Total Funded weeks - 22 Total funded hours - 180

What are Essentials and Extras?

These are all the important essentials like food and toiletries, along with those enriching, activities, trips and events that we offer such as Yoga session, Music sessions, Dantastic shows and entertainments etc. . The government funding isn't meant to cover the costs of things like these, so like most nurseries, we'll ask you to contribute towards them. It covers:

1. Meals – breakfast, morning snack, Lunch, afternoon snack, tea & Drinks – water, milk, smoothies
2. Essentials – nappies, wet wipes, bags for wet clothes, nappy creams, sun cream etc.
3. Enhancements and Activities:
 - Yoga sessions
 - Music and dance sessions
 - Visiting performers (e.g. Dantastic shows, storytellers, entertainers)
 - Seasonal events and celebrations
 - Parents events and trainings
4. Book Library subscription
5. Tapestry app to keep parents informed which allows you to track your child's progress throughout their journey with us.
6. Child's personalized Birthday celebration and birthday cards for family members
7. Personal equipment – personalized water cups, outfits for celebrations such as graduation gown, costumes for world book day, uniforms for science day, personalized tags for bag pack, rain suits etc.

We do offer totally free places, although we prefer to call these 'funded', not 'free'. We offer limited funded places per annum, and these depend on staffing levels and availability. As parents don't need to contribute towards these places, there is an operational and financial impact on our nursery. To ensure the care we provide is not affected, we limit the number available.

How Funded Hours Are Applied

The number of funded hours your child receives each day depends on the total funded hours you are entitled to and how often your child attends nursery.

We do not offer childcare by the hour. Instead, each child's funded hours are applied **pro-rata across their days**, and spread evenly throughout the week.

Additional Paid Hours

If parents pay for extra hours and do not use them, unfortunately we are unable to provide a refund. We must ensure we are covering running and staffing costs in order to deliver high quality care for every child.

Unused Hours

Funded hours cannot be rolled over into the next term. This is a restriction set by local authorities. However, parents can choose to **stretch their child's funding** across the year instead.

Meals and Packed Lunches

We provide healthy, varied, and nutritionally balanced meals and snacks for all children. We are happy to cater for special dietary requirements, cultural food preferences, allergies, and fussy eaters, ensuring that every child enjoys food that is both safe and enjoyable. If parents choose to provide a packed lunch for their child, this is supported in line with our **separate Packed Lunch Policy**.

Eligibility Codes

Eligibility Codes must be applied for and reconfirmed by parents within HMRC deadlines (end of March, August, and December). Codes provide funding from the following term after application. If deadlines are missed, we cannot access funded hours until the next term.

All children aged 3 and above remain entitled to 15 hours, as this is a universal offer. HMRC may prompt parents to reconfirm codes before the start of each new term. When codes are received, we check their validity with the local authority before confirming.

Holidays and Absence

Parents planning to take their child on holiday should provide as much notice as possible. If the absence is under two weeks, this is usually fine. If longer than two weeks, we may need to check with the local authority about whether funding can continue.

Changes to Attendance

We require 8 weeks notice for changes to attendance. If these changes affect funded childcare, some adjustments may not be allowed by the local authority until the start of a new term.

Provider Responsibilities

Early years providers do not have to offer funded places. Some providers limit the number of funded places they offer, either because the level of government funding does not cover the cost of delivery, or because they do not have sufficient staff to deliver the extended offer.

Mid-Term Funding

Funding cannot usually be claimed mid-term. If a child starts nursery after headcount day and has been funded in that term at another provider, funding cannot transfer until the following term.

The provider agreement and parent declaration form state that if a child is still registered at their previous setting on headcount day, that provider is entitled to claim funding for the whole term. For this reason, we recommend that where possible, families change providers at the start of a new term.

"the provider agreement and the parent declaration form both state that if the child is still at the setting on headcount day, then the former provider is within their right to claim for the whole term."

1. Where can you get more help?

Please contact Best Start in Life either on their website: www.beststartinlife.gov.uk/ for a wealth of information on the government funded childcare schemes.



