



Increases to government funded hours

From the 1st September 2017 the government increased funded hours for 3 and 4 year olds from 11 hours, 51 weeks of the year to 22 hours, 51 weeks of the year for parents that fit the correct criteria.

Parents of three and four year olds will need to meet the following criteria in order to be eligible for 22 hours free childcare:

- They earn or expect to earn the equivalent to 16 hours at National Minimum or Living Wage Over the coming three months. This equates to £120 a week (or £6,000 a year) for each parent over 25 years old or £112.80 a week (or £5,800 a year) for each parent between 21 and 24 years old and £56 a week for apprentices in their first year.
- This applies whether you are in paid employment, self-employed or on zero hour's contract.
- The parent (and their partner where applicable) should be seeking the free childcare to enable them to work.
- Where one or both parents are on maternity, paternity, shared parental or adoption leave, or if they are on statutory sick leave.
- Where one parent meets the income criteria and the other is unable to work because they are disabled, have caring responsibilities or have been assessed as having limited capability to work.
- Where a parent is in a 'start-up period' (i.e. they are newly self-employed) they do not need to demonstrate that they meet the income criteria for 12 months.
- If one or both parents is a non-EEA national, the parent applying must have recourse to public funds.

A parent will not meet the criteria when:

- Either parent has an income of more than £100,000
- If one or both parents is a non-EEA national and the parent applying does not have recourse to public funds

What happens if a parent loses eligibility?

- They will receive a 'grace period' –this means they will be able to keep their childcare for a short period.
- Once the 'grace period' has lapsed, the parent should be entitled to the universal 15-hour entitlement.

For all parents that feel they may be eligible to claim the additional hours, it is checked via a new government website. We urge all parents to log into the website and check availability using the

website www.childcarechoices.gov.uk. The checks are made against an actual income according to HMRC. If accepted a code will be issued to parents which will need to be presented to us along with a declaration form for verification with Devon county council. It is then parent's responsibility to re-confirm every 3-4 months that their circumstances haven't changed. Should a parents situation change they will be given a short grace period as explained above before losing their additional entitlement.

Childcare providers are not required to accept additional hours, however here at Dolphin we want to support our parents to reduce the cost of childcare and work alongside the children for more hours to further their knowledge, skills and fun time with us. However as in many cases there is a BUT, the hourly rates being offered by the government are 52p an hour less than our hourly rate putting us in a position where our staff costs aren't justified for all the hard work they put into playing, planning, observing and assessing the children. We will be bringing in a charge for parents claiming funded hours to allow our hard working staff the necessary wage and will continue to provide snacks, crafts, sun cream, outings and much more to justify this charge.

This charge will consist of:

- £5 per week for children accessing the 11 hours funding.
- £10 per week for parents eligible to claim the extended 22 hours funding.

We hope you all agree that this small charge when considered alongside the additional funded hours will still mean a significant reduction in weekly fees for parents and will still enable parents to return to work or increase their working days. These charges have been made to ensure we are in the position where we can offer the extended hours without putting our business at risk. The shortfall is worked out to ensure we maintain our operating levels and allows us to continuously improve the environment and resources which in turn generates better outcomes for the children.

Important message

It is important to note that all 3 and 4 year olds and eligible 2 years olds will still be entitled to the 'universal' 11 hours funding a week, 51 weeks of the year.

A petrol station analogy

Very tongue in cheek but hopefully it explains the situation.

Dear hardworking parents,

We as a government have decided to give you a free tank of petrol every month because you need petrol to get to work. It seems only right we should do this to help you, petrol is an expensive every day essential. Unfortunately, you won't be entitled if you earn more than £100k as we can only afford to support those who really need it.

Dear BP, Esso, Shell, Texaco, Tesco, Morrison, Asda etc.

We've promised a lot of people a free tank of fuel, for which you will be paid 80p per litre, or 75p, 81p, 99p or 52p – this will depend on where you live. Also, there will be two different rates in your area depending on the age of the car being fuelled.

Those who are entitled to our free fuel must receive it free of charge at the point of delivery.

So if you normally charge a higher rate you cannot ask customer to pay the difference.

However you may charge parents for any additional services you chose to offer, perhaps providing gloves, paper towels, hand-writing calligraphic receipts, washing windscreens, tyre polishing and such like.

Customer must be able to opt out of these extra services if they wish and you must not charge a higher rate for these services to those who are receiving free fuel than to those who pay for non-funded fuel. You will comply with all our rules, which may be slightly different from county to county. And we might change those rules from time to time.

We know you're just as excited about the scheme as we are, so you'll be delighted to know that from September we are expanding the offer to allow some people two tanks of fuel! Isn't that generous of us! We've worked our some figures so you'll soon be able to work out what you'll get paid from September as it not be 80p any more (or 75p, 81p, etc.) People who are entitled to two tanks will be given a code, so just make sure you get the code and its checked so you don't give two tanks to those entitled to only one.

By the way, customers will be allowed to fill up part tanks at different garages.

You agree that if you're ever overpaid, you will pay it back. For example, if a customer over claimed their fuel entitlement.

There'll be a grace period in case anyone's circumstances change between the first and second tank. But don't worry about that for now!! Do tell everyone how keen you are to offer free fuel and it'll all work out in the end. Don't miss out, remember if you don't offer our free fuel, your competitors will and you have any customer left probably!!!