

Nugget Savings x Local London

Understanding Childcare Schemes

Helping families access funded and affordable childcare

August 2025

Introduction

There are several childcare support schemes available in England, each designed to help families in different circumstances. This handbook will guide you through the main options, explaining what's available and how to access the right support.

Each scheme has its own rules, eligibility criteria, and application processes, which can sometimes feel confusing. This resource is here to make things easier to understand and navigate.

The handbook is divided into sections based on individuals circumstances and the types of support available.

From the contents page, you can click each section title to jump straight to the relevant page.



Katie and Harriet
Nugget Savings

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Childcare Schemes

The table below gives a quick comparison of the main childcare support options, including who they're for, what they offer, and any key requirements to be aware of. We'll go into more detail on each scheme throughout the guide, but this is a great place to get a snapshot of what's available.

Scheme	Age Range	Who It's For	Hours/Support	Key Requirements
15 Hours Universal	3-4 years	All families	15 hrs/week, 38 weeks	None
30 Hours Working	9 months-4 years	Working parents	30 hrs/week, 38 weeks	16+ hrs work, <£100k
Tax-Free Childcare	0-11 years	Working parents	£2,000/year top-up	16+ hrs work, <£100k
UC Childcare	Under 17	UC claimants who are in work	85% cost reimbursement	Must be working, claiming UC
Free Breakfast Clubs	Primary age	All families	30 mins before school	Participating schools only




Eligibility Checker

Who Is Eligible? Start Here

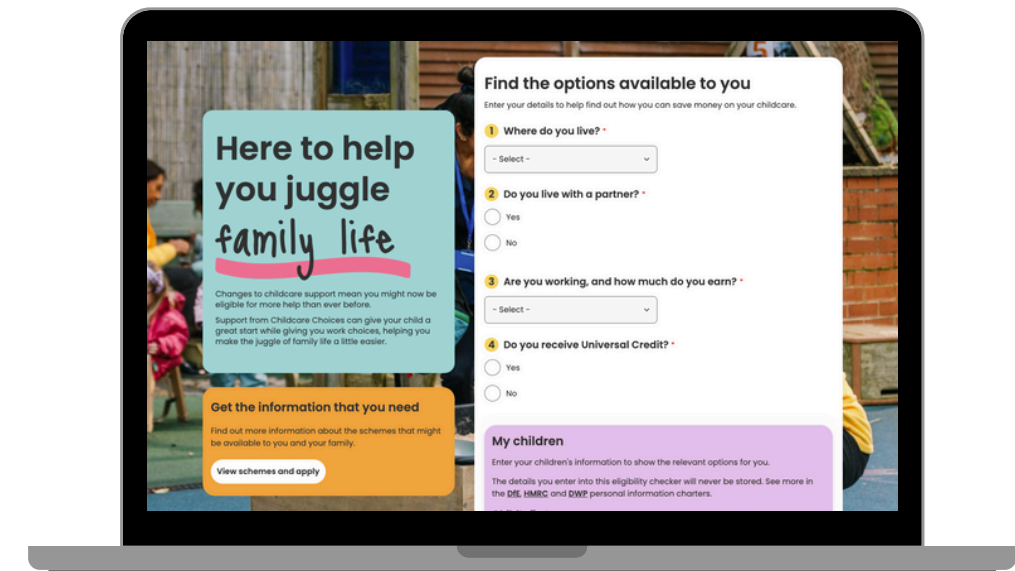
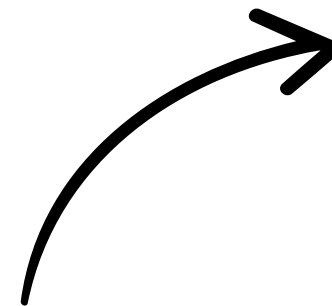
Throughout this handbook, we'll explore each childcare funding scheme in detail: how it works, who can apply and when. But the easiest way to understand who is eligible for what and when is to use the Best Start in Life website.

Use the Eligibility Checker

By entering a few details about your family, income, and work status, the website will:

-  Show you which schemes you're eligible for
-  Tell you when you can start using them
-  Send helpful reminders for application deadlines

It's a simple and reliable way to get personalised guidance and make sure you don't miss out on support you're entitled to.



 www.beststartinlife.gov.uk



Tip: Even if someone is not eligible just yet, the tool will tell them when they might be, so they can plan ahead.

Working Parents

This section covers the schemes available to support working parents with childcare costs.

Whether they are returning to work after parental leave or starting a new role, understanding what's available and when is essential to maximising the entitlements.

1

30 Hours Funded Childcare

2

Tax-Free Childcare

3

Universal Credit Childcare

4

Flexible Support Fund

Tax Free Childcare and 30 Funded Hours

Tax Free Childcare

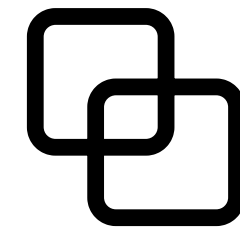
30 Hours Funded Childcare

The eligibility criteria for Tax-Free Childcare and 30 Hours Funded Childcare are the same.



Eligibility

If you qualify for one, you qualify for the other.



Combining Schemes

They can be used together to help cover more of your childcare costs.



Same Account

When applying you use the same account for both schemes.

Tax Free Childcare and 30 Funded Hours

Who is Eligible?

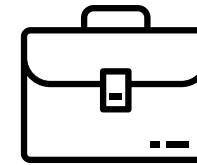
To be eligible for Tax-Free Childcare and the 30 Hours Funded Childcare, the participant (and their partner if they have one and if they live with them) must have a National Insurance number.

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 they have a partner, both of them must meet the income requirements individually



Working Parents

They need to be in work or starting a new job on sick leave or annual leave on shared parental, maternity, paternity or adoption leave.



Minimum Earnings

Earn at least £195 per week (equivalent to 16 hours at minimum wage).



Maximum Income

Earn less than £100,000 per year (per person, not combined).

Tax Free Childcare and 30 Funded Hours

FAQs

Around Eligibility

Earnings requirement

Over the next 3 months the parent and their partner (if they have one) must each expect to earn at least (this is equivalent to the National Minimum Wage or Living Wage for 16 hours a week, on average):

Age	Yearly	3 months	Weekly
21 and over	£10,158	£2,539	£195
18 to 20	£8,320	£2,080	£160
Under 18 or an apprentice	£6,281	£1,570	£120

Which earnings are eligible?

Only income from paid employment and self-employment counts. Dividends, rental income, interest, or pensions do not count towards the minimum earnings threshold for funded hours.

How Earnings Are Calculated

Standard method to calculate earnings will be checking the last 3 months of PAYE. 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

What If Your Income Fluctuates?

There are other ways to prove your income if it fluctuates across the year. Main requirement is you are hitting the total yearly minimum.

What If You Have Multiple Jobs?

Total earnings from all jobs count towards threshold (employed + self-employed combined).

What If You Are Self Employed?

If you are self-employed, you can use your average expected income over the tax year. If you started your business less than 12 months ago, you can still qualify even if your income is below the normal threshold.

30 Funded Hours

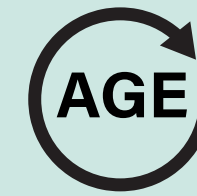
30 Hours for Working Families

As of September 2025, eligible working families can apply for 30 hours of funded childcare to use from the term after their child turns 9 months until they reach school age.

It's important to understand when the hours start and how factors like a return to work date or starting a new job can affect when the funding becomes available.



Eligibility isn't just about income - the timing of employment also plays a key role.



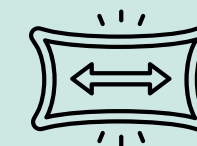
9 Months Old to 4 Years Old

The hours can be used for children aged 9 months to 4 years old.



Term Time Only

Funded hours are usually available over 38 weeks of the year, in line with school terms.



Can Be 'Stretched'

Some providers allow you to stretch the funded hours over more weeks (e.g. 15 hours over 52 weeks instead of 30 hours over 38).



Additional Costs

There may be additional costs such as snacks, nappies, trips, or extra hours beyond what's covered.

30 Funded Hours

When do the Hours Start?

Funded childcare hours are linked to school term times. Children become eligible for the funded hours from the term after they turn 9 months old.

The table shows when the funded support can be accessed:

Child turns 9 months old between...	The working parent entitlement can be accessed 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

If they wish to use the entitlements later than the term after the child turns the relevant age, they can apply closer to the time they wish to start.

Why Paying Attention to Term Times Matters:

If they are planning to return to work or start a job between term start dates and the child isn't yet eligible, they will need to cover the full cost of childcare until the next term begins.

This could mean several months of unexpected expense, so it's important to time any start dates or return to work dates with eligibility dates in mind.

Examples As Why Term Time Matters



If the child turns 9 months on 31 March, they can use funded hours from the April term.



But if they turn 9 months just one day later, on 1 April, you'll need to wait until September to access the hours.

If they turn 9 months just one day later this would mean that they would have to pay for 5 months of childcare with no funded hours.



Use the [Best Start in Life tool](#) to find out when the funding can be accessed.

30 Funded Hours

Starting a New Job

or Returning from Leave

Parents who are starting a new job or returning from Maternity, Paternity, Shared Parental or Adopting Leave can still access 30 hours of funded childcare.

The date they start or return to work affects when they can apply and when the hours begin.

Start/Return to Work Date	When they can apply from	When they can access the 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

It is important to take note of these dates

If a parent misses the cut-off date for applying or their job start date falls outside the window, they may have to wait until the next term to access funded hours which could mean missing out on support for a whole term.

30 Funded Hours

How to apply?

You apply for the funded hours online and will need to create a Childcare Account. This is the same account you'll use if you're also applying for Tax-Free Childcare.

You'll receive an 11-digit eligibility code, which must be given to your childcare provider in order to access the funded hours.

You can apply for your code up to 16 weeks before your baby turns 9 months old. The official deadline to apply is the day before the new term begins, but we recommend applying at least 6 weeks before to allow for processing and to avoid delays.

1

Secure The Childcare Place

Start by contacting your preferred childcare provider to check availability and secure a place for your child. Once your place is confirmed, you can begin the application process for funded hours.

2

Find Your Application Deadline

You can apply for your 30 hours code up to 16 weeks before your baby turns 9 months old.

It is important to take note of the application deadline (which is usually the day before the new term begins) so it is recommended to apply at least 6 weeks before the deadline.

They should also check with their childcare provider if they have their own internal deadline which could be before the official deadline. We recommend to speak to the provider to find out if this is the case.

If the child turns 9 months old between	They can access 30 funded hours from	And they 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

3

Create a Childcare Account

When setting up your account you will need to make sure you have the following 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

4

Receive Eligibility Code

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

You'll need to take the code to your childcare provider, along with your National Insurance number and your child's date of birth. Your childcare provider will check the code and then allocate your child a place if they have one available.

If you have applied and are waiting for a code, we still recommend you speak to your provider to let them know you intend to take up a place.

Important!

Reconfirmation

To keep receiving your funded childcare, you must reconfirm your 11-digit code every three months.

Log in to your childcare account on GOV.UK to check your reconfirmation deadline and make sure you renew your code on time.

HMRC will also send you email reminders when it's time to reconfirm.

Dont Miss The Deadline

If you don't reconfirm in time, you may temporarily lose your entitlement but in some cases, your child's place can be held for a short while. This is called a grace period.

Your childcare provider can tell you if you're in a grace period and how long it will last.

 **Top tip - set up reminders on your phone so you dont miss it!**

Tax Free Childcare

Tax Free Childcare

Tax-Free Childcare is a government scheme that helps working families with the cost of childcare for children aged 0–11 (or up to 16 if the child is disabled).

For every £8 a family pays into their online childcare account, the government adds £2 up to a maximum of £2,000 Per Child Per Year, or £4,000 if the child is disabled.

Despite the name, Tax-Free Childcare doesn't make childcare free, but it can significantly reduce the overall cost.

The money can be used to pay for registered providers, including nurseries, childminders, holiday clubs, and after-school care. It's important to note that families cannot claim this support alongside Universal Credit or Tax Credits.



0-11 Year Olds

The hours can be used for children aged 0 to 11 years old. This isn't just for younger children.



£2000 Per Child Per Year

For every £8 a family pays into their online childcare account, the gov adds £2. Up to a maximum of £2,000 per child per year, or £4,000 if the child is disabled.



Not Just For Babies

Some providers allow you to stretch the funded hours over more weeks (e.g. 15 hours over 52 weeks instead of 30 hours over 38).

Tax Free Childcare

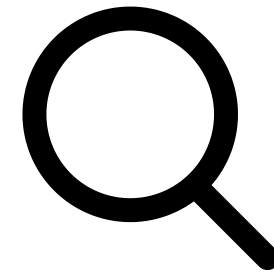
How It Works?

Setup/Login to Childcare Account

To access both Tax-Free Childcare and 30 Hours Funded Childcare, only one account needs to be set up a Childcare Account on GOV.UK.

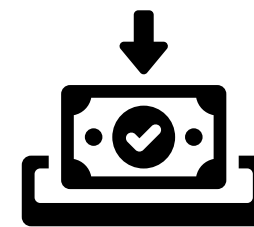
This one account is used to manage both scheme so it is only necessary to apply once and then the participant is can access both types of support from the same place.

Eligibility must be reconfirmed every 3 months



Search For A Childcare Provider

Search for your childcare provider in the account using their name, town, or postcode. If your provider is signed up to Tax-Free Childcare, you can add them and start paying.



Deposit Money Into The Account

For every £8 you pay in, the government adds £2 (up to £500 every 3 months, or £2,000 per year per child). For disabled children, the top-up increases to £1,000 every 3 months, or £4,000 per year.



Pay Your Provider

Pay your provider through the online account using the topped-up funds.

No Recourse to Public Funds (NRFP)

No Recourse to Public Funds (NRFP)

Government-funded early education and childcare is not considered a 'public fund' for immigration purposes. This means that children can usually access funded places regardless of their own immigration status.

However, some childcare schemes have eligibility criteria based on the immigration status of the parent(s), so not all families will qualify.

15 Hours for 3 to 4 Year Olds (Universal Entitlement)

All families can access this offer. Families who are not allowed to receive public funds due to their immigration status can still use the 15 hours of free childcare for 3 and 4 year-olds.

This entitlement is universal.

15 Hours for 2 Year Olds (Low-Income or SEND)

15 hours free childcare for a 2-year-old can be accessed by all families with no recourse to public funds, subject to meeting an income threshold when this applies.

Groups that have no recourse to public funds include families with:

- Leave to remain that has a 'No Recourse to Public Funds' condition
- No lawful status in the UK
- Section 4 Home Office asylum support
- Pre-settled status who are unable to meet benefit right to reside rules

Where the parent(s) are able to work, they must also meet an income threshold (you can find those here) and the family cannot have more than £16,000 in savings or investments.

Tax Free Childcare and 30 Funded Hours

No Recourse to Public Funds (NRPF)

Having No Recourse to Public Funds (NRPF) does not automatically mean a family is excluded from 30 hours free childcare and Tax Free Childcare. Some families with NRPF can still qualify, it depends on the immigration status of the applying parent.

To to be eligible for these schemes

- The parent who makes the application must meet an immigration requirement.
- The parent (and their partner if they have one) must meet employment and income requirements.

Government-funded childcare is not a public fund, so including a parent with NRPF in an application will not breach their immigration conditions.

Immigration Requirements

The parent making the application for both schemes must meet an immigration requirement. This is based on their immigration status. A parent meets the residence requirement if they:

- Are a British or Irish citizen
- Have settled or pre-settled status under the EU Settlement Scheme
- Have a pending application to the EU Settlement Scheme
- Have immigration permission that allows access to public funds, such as indefinite leave to remain or refugee status.



Both Parents Must Meet the Income Requirement

If one parent meets the residence requirement, both parents must still meet the employment and income criteria. For example, a British citizen can apply even if their partner has NRPF, as long as both meet the work and income rules.

For Those On Benefits

This section highlights the main childcare support schemes available to families who are receiving income-related benefits or support.

1

Universal Credit & Childcare

2

Flexible Support Fund

3

15 Hours Early Learning

Universal Credit and Childcare

Universal Credit & Childcare

If you're a working parent claiming Universal Credit (UC), you may be able to get support with your childcare costs through the UC childcare element.

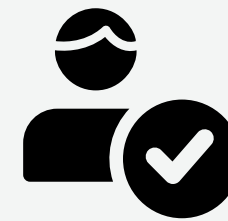
You have to pay for your childcare costs yourself unless you are eligible for an initial up-front childcare cost payment.

This can be used alongside funded hours but cannot be claimed at the same time as Tax-Free Childcare.

85%

Reclaim 85% of Childcare Costs

Could reclaim up to 85% of childcare costs if eligible. The maximum amount for each assessment period is £1,031.88 for one child and £1,768.94 for 2 children.



Eligibility

- Must be claiming Universal Credit.
- Need to be working OR have a job offer.

Doesn't matter how many hours they work, although hours of childcare must relate to hours worked.



Not Just For Babies

Can be used for childminders, nannies, summer camps, wrap around afterschool care, can be used for a 'settling in period' before you start work, can be used for childcare for changing work patterns or zero-hour contracts.

Universal Credit and Childcare

How It Works

With Universal Credit and Childcare Costs they will only get the money back after the childcare actually happens! Which means that they need to pay for the childcare and submit evidence to get the costs back.

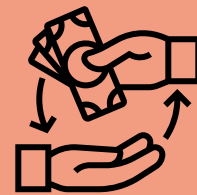


Help With Upfront Childcare Costs

Participants may be eligible to get help if they have to pay upfront costs and one of the following applies:

- They are starting work
- They are increasing hours of work

They can use their online account to contact their work coach. If eligible they will not have to pay the money back.



How To Reclaim Costs

Childcare costs are reported in their Universal Credit online account and they provide proof of childcare costs.



Evidence of Childcare Costs

They will need to provide proof of their childcare provider and payments. Proof can be a contract, invoice or letter showing the details of childcare and registered child.



Report Costs ASAP!

Report the costs as soon as possible, if left for longer than 2 assessment periods they might not get the money back.

Flexible Support Fund

Flexible Support Fund

The Flexible Support Fund is a discretionary pot of money that Jobcentre Plus can use to help people start or stay in work. It can help cover things that might otherwise stop people from taking a job, such as upfront childcare costs, travel expenses, or work-related clothing.

If someone is eligible for the fund the money does not need to be paid back.

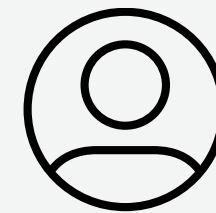
Participants may be eligible if they are receiving help from the Jobcentre and is claiming a qualifying benefit:

- Universal Credit
- Jobseeker's Allowance (JSA)
- Income Support
- Employment and Support Allowance (ESA)
- Carer's Allowance
- Carer Support Payment (Scotland)
- Pension Credit



Discretionary Fund

There is no set amount given, it depends on their situation, circumstances and needs. It is based on individual circumstances.



Only Available via Work Coach

It is not automatic and must be requested through their Work Coach through Job Centre Plus adviser.



Grant Not a Loan

Any help they receive from the Flexible Support Fund doesn't need to be paid back.



Help With Extra Costs

It aims to help with extra costs associated with finding a job such as: travel expenses, tools clothing uniform to start work.

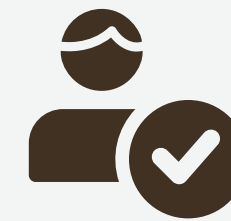
15 Hours Early Learning

15 Hours Early Learning

Some families in England can get 15 hours of funded childcare per week for their 2-year-old if they are receiving some additional forms of support.

This helps with early education, gives children a strong start, and supports parents with childcare costs.

This is separate from the 15 or 30 hours offered to all 3 and 4 year-olds and depends on your circumstances.



Eligibility-Based Support

Available for 2-year-olds in families receiving certain benefits or in specific care situations.



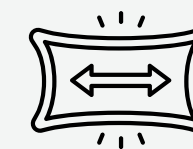
Term Time Only

Provides 15 funded hours per week for 38 weeks of the year (school term-time).



Additional Costs

Funding doesn't cover meals, nappies, trips, or extra hours. These charges must be optional speak to your provider about alternatives.



Stretch Hours

Some providers allow you to stretch the funded hours over more weeks (e.g. 15 hours over 52 weeks instead of 30 hours over 38).

15 Hours Early Learning

Who is Eligible?

To be eligible the parent or carer must receive one of the following:

- Income Support
- Income-based Jobseeker's Allowance (JSA)
- Income-related Employment and Support Allowance (ESA)
- Universal Credit (household income £15,400/year or less after tax)
- The guaranteed element of Pension Credit

Eligibility also applies to children who:

- Are looked after by a local authority
- Have an EHC (Education, Health and Care) Plan
- Receive Disability Living Allowance
- Have left care under an adoption, special guardianship, or child arrangements order

To apply for this scheme they will need to contact their local council.

Universal

The government provides some forms of childcare support that are available to all families in England regardless of income, employment, or immigration status. These are called universal entitlements

1 15 Hours Childcare For All Families in England

2 Free Breakfast Clubs

3 Wraparound Care

15 Hours Childcare For All Families in England

All 3 and 4 year-olds who live in England are entitled to this offer irrespective of income levels, benefit status, or family circumstances.



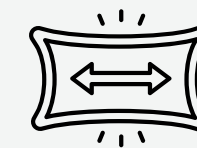
3 to 4 Year Olds

Available for all 3 to 4 year olds, this is a universal offer.



Term Time Only

Funded hours are usually available over 38 weeks of the year, in-line with school terms.



Can Be Stretched

Some providers allow you to stretch the funded hours over more weeks (e.g. 15 hours over 52 weeks instead of 30 hours over 38).



Additional Costs

They may be additional costs such as snacks, nappies, trips, or extra hours beyond what's covered.

Free Breakfast Clubs

As part of the government's plan to support children and working families, free breakfast clubs are being rolled out across state-funded primary schools in England.

Who Is It For?

- All children attending state-funded primary schools in England
- Especially helpful for children from lower-income households
- Supports working parents with earlier drop-offs

What's Included?

- A free, nutritious breakfast (e.g. cereal, toast, fruit)
- Usually runs 30 minutes before school starts
- Organised by the school or a trusted local partner
- Times and arrangements vary

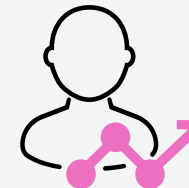
How to Access It:

- The school will let people know if they run a breakfast club
- Check their website or speak to the school office
- No application is usually needed, but places may be limited



Universal Offer for Primary Pupils

Free breakfast is being made available to all children in state-funded primary schools in England.



Supports Working Families

Earlier drop-offs make it easier for parents to manage work and childcare.



Nationwide by 2025

The programme was initially rolled out in April 2025 to 750 schools. More details about the national rollout will be available soon.



Tip: If your school doesn't offer one yet, ask if they plan to join the scheme or work with a local provider.

Wraparound Care

Wraparound Childcare is childcare that “wraps around” the school day and is available before school (from around 8am) and after school (up to 6pm) during term time. It is for primary aged children in England.

It is usually provided at schools or nearby settings such as: school sites, nurseries, community centres, registered childminders.

Unlike occasional school clubs or one-off activities, wraparound childcare offers regular, dependable care that helps parents manage work and school schedules.

Providers set their own fees, so the cost of wraparound childcare will vary depending on the setting and location. Families pay directly to the provider once a place has been agreed.

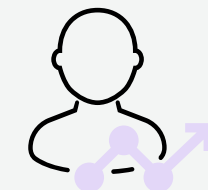
If eligible, families can get help with the cost through one of the following:

- Tax-Free Childcare
- Universal Credit Childcare



Universal Offer for Primary Pupils

Free breakfast is being made available to all children in state-funded primary schools in England.



Supports Working Families

Earlier drop-offs make it easier for parents to manage work and childcare.



Nationwide by 2025

The programme is being expanded and will be available to all schools by 2025.

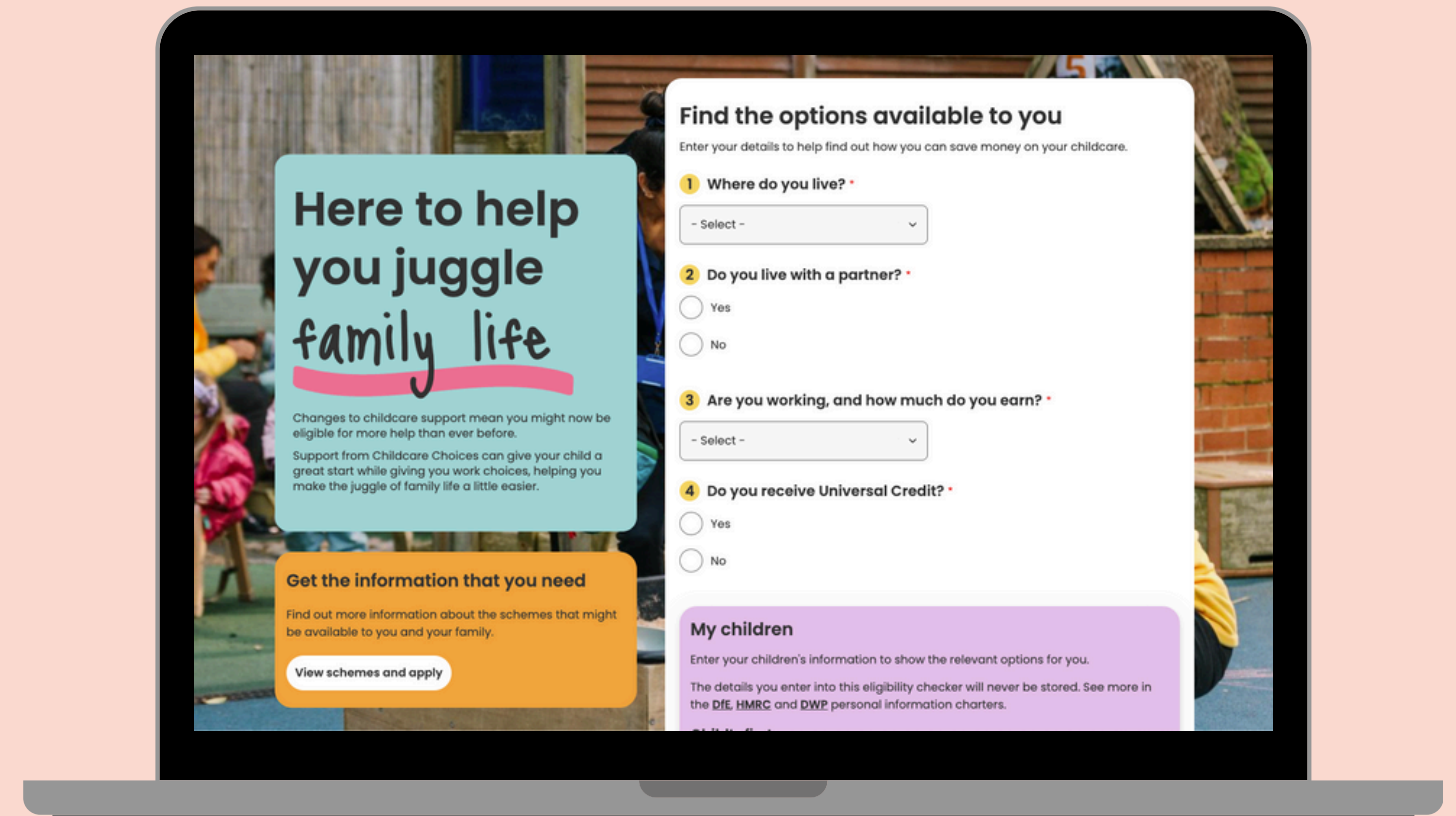
Which Scheme is Best for Each Participant?

It can be hard to work out which of the government's schemes they will be better off on.

The Childcare Choices website has a calculator to help people decide.

However, it doesn't show the help you can get through Universal Credit yet.

You can use the Turn2us benefit calculator to check what help you can get through Universal Credit and compare that to the help you can find using the GOV.UK calculator. If you are struggling to make sense of it, you should speak to an adviser.



www.childcarechoices.gov.uk/

Useful Links for Childcare Schemes

This page lists the most important websites you may need when helping families access childcare support. These official government and specialist links cover everything from checking eligibility and applying online, to finding local providers and understanding support for families with No Recourse to Public Funds (NRPF).

We've included brief descriptions to help you find the right link quickly.

Best Start in Life Hub: A government page that provides clear information on the childcare support available, including eligibility and how each scheme works. It helps families understand what financial help they may be able to access.

Best Start in Life – Childcare Support Eligibility Checker: A government tool that helps you understand what childcare support you may be entitled to and when you could become eligible.

GOV.UK – Approved Childcare Providers

A government resource explaining what is classed as approved childcare for schemes such as Tax-Free Childcare and Free Childcare for Working Parents, including the types of providers that qualify and the registration requirements.

Find Where You Can Get Childcare (GOV.UK Tool)

A government tool that helps families find local childcare options by directing them to the correct service for their needs. It provides three ways to search:

- **Find a Nursery School Place:** Helps families locate and apply for a nursery school place for children under 5 through their local council
- **Find a Registered Childminder:** Allows families to search for registered childminders in their area who meet government standards and are approved for childcare support schemes.
- **Search for Free Early Education and Childcare:** Helps families find providers offering free early education in their local area."

GOV.UK – Tax-Free Childcare & 30 Hours Application (Childcare Account):

The official portal where families apply for Tax-Free Childcare and 30 funded hours, manage their childcare account, and obtain their eligibility code.

NRPF Network – Early Education and Childcare Guidance: A resource explaining which early education and childcare services are accessible to families with No Recourse to Public Funds (NRPF). It outlines eligibility, entitlements, and how local authorities can support children in NRPF households.



Created by Katie and Harriet from Nugget Savings
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