

## Grants for Dependants

### Higher Education Student Finance in England 2015/16 Academic Year

December 2015

Dear Colleague,

#### HIGHER EDUCATION STUDENT SUPPORT IN ENGLAND IN 2015/16: GRANTS FOR DEPENDANTS

Attached is the 2015/16 guidance on 'Grants for Dependants'.

This guidance is designed to assist with the interpretation of the Student Support Regulations as they stand at the time of publication. It does not cover every aspect of student support nor does it constitute legal advice. Whilst every endeavour has been made to ensure the information contained is correct at the time of publication, no liability is accepted with regard to the contents and the Education (Student Support) Regulations 2011 (as amended) remain the legal basis of the student support arrangements for the academic year 2015/16. In the event of anomalies between this guidance and the Regulations, the Regulations prevail. The Regulations may be subject to further amendment.

Colleagues should note that the guidance on the Travel Grant now appears in the 'Assessing Financial Entitlement' chapter.

If you have any enquiries on this guidance, please contact:

Name	Telephone	E-mail
SLC Student Support Team, Darlington	0300 100 0618	<a href="mailto:ssin.queries@slc.co.uk">ssin.queries@slc.co.uk</a>

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## Introduction

1. The Regulations referred to throughout this chapter are The Education (Student Support) Regulations 2011 (SI 2011/1986) as amended by (1) The Education (Student Fees, Awards and Support) (Amendment) Regulations 2012 (2012/1653), (2) The Education (Student Support and European University Institute) (Amendment) Regulations 2013, (3) The Universal Credit (Consequential, Supplementary, Incidental and Miscellaneous Provisions) Regulations 2013, & (4) The National Treatment Agency (Abolition) and the Health and Social Care Act 2012 (Consequential, Transitional and Savings Provisions) Order 2013 and The Education (Student Support) (Amendment) Regulations 2014 .
2. This chapter explains the supplementary Grants for Dependants available to full time students under Part 5 of the Regulations (which covers grants for living and other costs). These are the Adult Dependants' Grant (ADG) (regulation 44), Childcare Grant (CCG) (regulation 45) and Parents' Learning Allowance (PLA) (regulation 46). Refer also to section 16 of the LA Portal system user guide 'Managing Non-Loan Product Payments'
3. Information on other grants for living and other costs provided under Part 5 of the Regulations is available:
  - Disabled Students' Allowances (DSAs) (regulations 40 & 41) which are covered in a separate guidance chapter 'Disabled Students' Allowances'; and
  - Maintenance Grant (regulations 56 to 60), Special Support Grant (regulations 61 to 65) and Travel Grant (regulations 48 to 55). Guidance on these grants is contained in the 'Assessing Financial Entitlement' guidance.

## Policy

### General eligibility

4. The general eligibility criteria for full-time student support, including grants for living and other costs, can be found in the 'Assessing Eligibility' guidance.
5. Students who are personally eligible for student support under paragraph 9 of Schedule 1 (i.e. nationals of member states of the European Union) but not under any other paragraph of that Schedule, are not eligible for grants for living and other costs, including grants for dependants.
6. The only grants for living and other costs to which previous study rules apply are the Maintenance Grant or Special Support Grant (see the 'Assessing Financial Entitlement' guidance).
7. Grants for living and other costs are available to eligible students regardless of age. Students above the age 60 are eligible to apply for Special Support Grant instead of the Maintenance Grant.
8. A student can only receive support for a designated course. Where the eligible course does not appear on the HEI database it will not be possible to fully process the application.

9. Students are potentially eligible for grants for living and other costs whilst attending an overseas institution as part of their UK course, whether obligatory or optional (but see paragraph 30 onwards in respect of the Childcare Grant).
10. Full-time students who are prisoners and who commenced a course prior to 1 September 2012 will not generally be eligible for grants under Part 5 of the regulations with the exception, where applicable, of DSAs (regulation 109(8) & (9)). However, in exceptional circumstances SFE has discretion to award other grants under Part 5, in respect of a period that the student is a prisoner. This might apply where stopping or reducing grants for living or other costs for periods spent in prison would cause the student financial hardship and prevent them from continuing their course. Such instances are however expected to be very few. Students who are prisoners for part of the academic year should generally have grants for living and other costs (except DSAs) calculated on a pro-rata basis to exclude any periods spent in prison.

### Means-tested NHS bursaries

11. Under regulation 38(4)(a), students are not eligible for grants for living and other costs for any academic year during which they are eligible to apply for NHS means-tested bursaries or similar awards bestowed under section 63 of the Health Services and Public Health Act 1968, article 44 of the Health and Personal Social Services (Northern Ireland) Order 1972 or sections 73(f) and *The Education (Additional Support for Learning) (Scotland) Act 2004(as amended in 2009)* (if the latter is granted in respect of a course leading to a qualification in a healthcare profession other than as a medical doctor or a dentist). Students who are eligible to apply for an NHS Bursary should be directed to the NHS Student Bursaries website at [www.nhsbsa.nhs.uk/816.aspx](http://www.nhsbsa.nhs.uk/816.aspx) information about the financial support available through the NHS Bursary Scheme. Or they can phone the NHS Student Bursaries Helpline on 0300 330 1345 or 0191 279 0570.

### Sandwich courses and work placements

12. Students on part-year paid or unpaid placements where the periods of full-time study in the academic year are 10 weeks or more in aggregate are potentially eligible for grants for living and other costs, subject to income assessment.
13. Under regulation 38(6) students are not eligible for grants for living and other costs in any academic year of a sandwich course in which the periods of full-time study are in aggregate less than 10 weeks (unless the period of work experience is an unpaid placement of a type specified in regulation 38(7)). Students who do not qualify for grants for living and other costs under regulation 38(6) are eligible for a reduced rate maintenance loan which is not subject to income assessment (regulation 80(1)(b) and 80(2)(b)).
14. Under regulation 38(7) students undertaking certain types of unpaid work experience in the public or voluntary sectors are potentially eligible for grants for living and other costs (even where the periods of full time-study in the academic year are less than 10 weeks in aggregate). See the 'Assessing Eligibility' guidance chapter.

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### Students who become eligible during the course

15. Under regulation 38(8), a student may qualify for grants for living and other costs from, and including, the academic year during which:
  - his course becomes designated;
  - he, his spouse, his civil partner or his parent is recognised as a refugee or becomes a person with leave to enter or remain;
  - the state of which he is a national accedes to the European Community where the student has been ordinarily resident in the United Kingdom and Islands throughout the three-year period immediately preceding the first day of the first academic year of the course;
  - he acquires the right of permanent residence;
  - his Turkish parent becomes a worker;
  - he becomes a person described in paragraph 6(1)(a) of Schedule 1;
  - his parent becomes a Swiss national.
16. In these circumstances the student will be potentially eligible for:
  - Maintenance Grant or Special Support Grant in any subsequent years of the course (and in the quarters following the acquisition of eligibility in the year the status was acquired, if the status was acquired within three months of the first day of the academic year).
  - Childcare Grant, Grants for Travel and DSA in any subsequent years of the course (and in all quarters following the acquisition of eligibility in the year the status was acquired).
  - Loans for living costs, Adult Dependants' Grant and Parents' Learning Allowance in any subsequent years of the course (and in the quarters following the acquisition of eligibility in the year the status was acquired, except the quarter in which the longest vacation falls);
17. However, such a student is not eligible retrospectively. That is, a student is not eligible for grants for living and other costs for quarters falling on or **before** the date eligibility is acquired due to an event listed above or for academic years of the course falling **before** the academic year in which he becomes eligible due to an event listed above. Also refer to the 'Assessing Eligibility' guidance.

### Eligibility for grants for living and other costs where students withdraw or suspend study

18. Regulation 109(14) provides SFE with the discretion to pay grants for living and other costs until the end of the term in which the student has withdrawn from a course. Regulation 109(17) provides SFE with the discretion to pay grants for living and other costs if a student is absent from their course. Further guidance on exercising this discretion is contained in the 'Change of circumstances and overpayments' guidance.

19. If a student has withdrawn from their course, HEIs are expected to advise SFE of the withdrawal to allow for rescheduling of financial support and recovery of any overpayment.

### **Grants for dependants**

20. The grants for dependants in 2015/16 under regulation 42- 47 are:
- Adult Dependants' Grant;
  - Childcare Grant; and
  - Parents' Learning Allowance.

### **Definitions for dependants' grants**

21. For the purposes of grants for dependants under regulations 42-47, the following definitions apply (Regulation 42(1)):
- 'Dependant' means, in relation to an eligible student, the student's partner, his/her dependent child or an adult dependant, who in each case is not an eligible student and does not hold a statutory award;
  - 'Partner' means any of the following:
    - i. the spouse or civil partner of an eligible student;
    - ii. the co-habiting same or opposite sex partner for a student who is aged 25 or over on the first day of the relevant year of a course.

The definition of a partner does not include a partner of the student where it is considered they have separated (in the case of a married student or a student in a civil partnership). This definition also does not include a partner who is ordinarily living outside the United Kingdom and is not maintained by the student.

- 'Adult dependant' means, in relation to an eligible student, an adult person who is dependent on the student, other than the student's child, partner (including a spouse or civil partner from whom it is considered the student is separated) or former partner;
  - 'Child', in relation to an eligible student, includes any child of the student's partner who is dependent on the student and any child for whom the student has parental responsibility and is dependent on the student;
  - 'Dependent' means wholly or mainly financially dependent;
  - 'Dependent child' means, in relation to an eligible student, a child dependent on the student.
22. A child or adult person can be considered to be "dependent" on an eligible student if:
- (a) he is wholly or mainly financially dependent on the eligible student alone; or
  - (b) he is wholly or mainly financially dependent on the eligible student and his partner together (i.e. where the child or adult person is equally financially dependent on the eligible student and his partner who together are providing all or most of his financial support).

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## **Determining where financial dependence lies**

### **Students aged 25 or over (or under 25 if they are married or in a civil partnership)**

23. The dependants' grant means test should be applied in all such cases to determine where financial dependency lies.

### **Students aged under 25 with a child and living with a partner (including a same sex partner)**

24. Where a student is under 25 and living with a partner, the partner is not a dependant of the student under regulation 42(1)(h). Therefore the partner's income should not then be used to assess the grants for dependants under regulation 47. However, the income of the partner of a student under 25 should be considered for the purpose of deciding whether a child is mainly financially dependent on the student or the student and his partner together. This should be decided by comparing the estimated income that a student might have – maximum potential student support for living costs: maintenance loan, Adult Dependants' Grant (where another dependant is in the household), Parents' Learning Allowance, the maximum applicable rate of Childcare Grant, plus any income from other sources – with the net income of the student's partner, except for any child tax credit. Any child tax credit received either by the student or their partner should be added to the student's estimated income.

## **Adult Dependants' Grant (Regulation 44)**

25. In 2015/16, the amount of Adult Dependants' Grant (ADG) under regulation 44 is **£2,757** for one only of:
- an eligible student's partner (as defined in paragraph 22); or
  - an adult dependant of the student whose net income does not exceed **£3,796**.
26. The residual income of a partner (as determined by paragraph 6 of Schedule 4 of the Regulations), whatever the amount, is always included in the dependants' grant income assessment because there is no maximum amount specified in regulation 44(2)(a) for a partner. A student is not eligible for a grant in respect of an adult dependant whose net income exceeds the maximum amount applicable and such dependants are not included in the dependants' grant income assessment. The income of a partner, a dependent child or an adult dependant any of whom is also an eligible student or who holds a statutory award is not included in the income assessment.
27. There is no requirement for a student to apply separately for the ADG. Provided they have indicated on the PN1 or PR1 forms that they have an adult dependant, there is no requirement for them to make any separate request to receive this grant.

### **Student's partner is an eligible student or holds a statutory award (Regulation 47(4))**

28. An eligible student is not entitled to receive the ADG in respect of his or her partner, or for another adult dependant, if that partner or adult dependant is also an eligible student and holds a statutory award. Regulation 42(1)(c) states that to be a dependant the student must: (a)

not be an eligible student, and (b) not be in receipt of a statutory award. Both conditions must be satisfied. If one or the other are not satisfied then the student is not a dependant. So if a student is an eligible student, or the student is in receipt of a statutory award, or both, then the two criteria are not met. An eligible student who is not entitled to receive the ADG in respect of his or her partner because the partner is also an eligible student and holds a statutory award can still apply for the ADG in respect of another adult dependant instead. Where an amount of ADG is being calculated in respect of another adult dependant it is to be reduced by one half if the eligible student's partner is also an eligible student and holds a statutory award, and account is taken of the partner's dependants in calculating the amount of support for which that partner qualifies or the payment to which that partner is entitled to under his or her statutory award.

### **Dependant ordinarily resident outside the United Kingdom**

29. Where a student maintains a dependant who is ordinarily resident outside the United Kingdom, SFE has discretion to determine the basic amount of ADG payable, if any, to a maximum of £2,757 (regulation 44(3)(b)).

### **Childcare Grant (Regulation 45)**

30. The Childcare Grant pays 85% of the actual cost of registered or approved childcare throughout the academic year, i.e. during term time, short vacations and the longest vacation. Details of qualifying childcare are set out in paragraphs 43 to 50. An eligible student is not entitled to receive Childcare Grant if the student or partner has elected to receive the childcare element of Working Tax Credit (WTC) or the Childcare Element of Universal Credit (UC).
31. The 2015/16 Student Support Regulations are amended to remove entitlement to Childcare Grant if a student's partner/spouse is claiming support for childcare through the NHS bursary scheme. Students are not permitted to top one award up by claiming additional government funding from another department. Support towards childcare costs can only be claimed from one government source, even where that funding does not cover the full costs of childcare.
32. The maximum amounts of Childcare Grant payable are as follows.
  - For one dependent child, 85% of the actual cost of registered or approved childcare, paying up to a maximum grant of £155.24 per week (i.e. a maximum of 85% of £182.64 actual childcare costs). The maximum annual Childcare Grant for a student with one dependent child using childcare for the whole year is £8,072.48.
  - For two or more dependent children, 85% of the actual cost of registered or approved childcare, paying up to a maximum grant of £266.15 per week (i.e. a maximum of 85% of £313.12 actual childcare costs). The maximum annual Childcare Grant for a student with two or more dependent children using childcare for the whole year is £13,839.80

However, where the student does not provide details of a specific registered or approved childcare provider, the amount of childcare grant is limited to a maximum of £120.02 per week, or 85% of actual costs,

whichever is less (regulation 45(9)). Once a childcare provider has been identified and the student can provide estimates of the cost, the Childcare Grant entitlement should be reassessed using the appropriate maximum amount for one or more children.

A student must apply separately for Childcare Grant. They should indicate on the PN1 or PR1 form that they wish to claim Childcare Grant and go on to complete a CCG1 within the appropriate time limits.

33. The Childcare Grant pays 85% of actual childcare costs. The amount of weekly Childcare Grant cannot exceed £155.24 per week for one child or £266.15 per week for two or more children. For example:

Number of children in registered or approved childcare	Total weekly cost of childcare	Total amount of Childcare Grant per week
Student A – 1 child	£90	£76.50 (85% of actual childcare costs)
Student B – 1 child	£200	£155.24 (Maximum weekly amount reached)
Student C – 2 children	£120	£102 (85% of the actual childcare costs)
Student D – 2 children	£350	£266.15 (Maximum weekly amount reached)

34. The Childcare Grant broadly mirrors the childcare element of the Working Tax Credit (WTC) administered by HM Revenue & Customs, and the Childcare Element of Universal Credit (UC), when it is paid, which is administered by DWP. The Childcare Grant is available to students with dependent children (subject to income assessment) who incur “prescribed childcare charges”. Prescribed childcare charges means childcare charges of a description prescribed for the purposes of section 12 of the Tax Credits Act 2002. In other words a charge incurred is a prescribed childcare charge if it is one that potentially attracts the childcare element of WTC or UC.
35. The childcare element of the WTC/UC is payable in respect of registered or approved childcare. The types of childcare that can potentially attract the childcare element of WTC/UC, and therefore also potentially attract the Childcare Grant, are set out at paragraphs 40 to 47.
36. The Childcare Grant also broadly mirrors the childcare element of WTC/UC in circumstances where the registered or approved childcare provider is a relative of the child or the childcare is considered to be compulsory education (see paragraphs 49 to 51).
37. Students who are potentially eligible for the Childcare Grant are:
- lone parents;
  - student couples with children; and
  - student parents with a partner on a low income.
38. The Childcare Grant is available in respect of an academic year in which the student incurs prescribed childcare charges for:

- a dependent child who is under the age of 15 immediately before the beginning of the academic year (for definition of 'dependent' see paragraph 21); or
  - a dependent child who has special educational needs within the meaning of section 312 of the Education Act 1996 and is under the age of 17 immediately before the beginning of the academic year.
39. A child with special educational needs within the meaning of the Education Act 1996 is a child who has a learning difficulty which calls for special educational provision to be made for him. A learning difficulty is defined in the Act as a significantly greater difficulty in learning than the majority of children of his age or a disability that prevents or hinders a child from making use of educational facilities of a kind generally provided for children of his age in schools within the local authority's area.
40. The Childcare Grant is not counted as income by Jobcentre Plus or local authority Housing Benefit sections, when assessing a student's entitlement to income-related benefits.

### **Qualifying childcare in England**

#### **Ofsted registered childcare**

41. Childcare providers who care for children aged under eight in England are registered under the Childcare Act 2006. Ofsted operates two registers; the Early Years Register (EYR), which is compulsory for most childcare providers who care for children up to the end of the foundation stage (31<sup>st</sup> August after the child's fifth birthday) and the General Childcare Register (GCR), which is compulsory for most childcare providers who care for children from the end of the foundation stage to age seven.
42. Childcare providers who care for children aged eight and over, or who provide activity based care, or care in the child's own home for children of any age, are not required to be registered by Ofsted. However, they are able to apply to be registered on the voluntary part of the General Childcare Register. Childcare offered by a provider on the voluntary part of the General Childcare Register counts as qualifying childcare for the purposes of the Childcare Grant.
43. Registered childcare providers can include registered childminders, nurseries, after school care (Out-of-school hours clubs), play groups, children's centres, holiday play schemes, sports, arts or language clubs and nannies. Registration requires providers to demonstrate that the premises, people and provision are all suitable for the delivery of childcare. All childcare providers registered by Ofsted have a registration number and are required to display their registration certificate on the premises.

#### **Additional qualifying childcare in England**

44. A student who incurs charges for the following types of childcare in England which are currently eligible for the Childcare Element of Working Tax Credit (WTC) or Universal Credit (UC) purposes will potentially be eligible for the Childcare Grant. However, an eligible student is not entitled to receive Childcare Grant if the student or their partner has elected to receive the childcare element of Working Tax Credit (WTC) from HMRC, the Childcare Element of Universal Credit (UC) from DWP or

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their partner is studying on an NHS course and is in receipt of a childcare grant from the NHS.

- Childcare that takes place on school premises or on other premises that may be inspected as part of an inspection of a school by Ofsted or by the equivalent inspection body appointed by the Secretary of State to inspect certain independent schools:
  - Childcare provided for children aged under **five** must be on the Ofsted Early Years Register.
  - Childcare provided for children aged five or over must be out of school hours.
  - If the child's school uses an external childcare provider, they must be on the Ofsted register appropriate to the child's age.
- Childcare provided in the child's own home by a domiciliary care worker or nurse from an agency "registered" with the Care Quality Commission (under the Domiciliary Care Agencies Regulations 2002).
- Care provided by an approved foster carer (the care must be for a child who is not being fostered by the foster carer) who is also registered with Ofsted either on the EYR or the GCR. (Please note 'an approved foster carer' under the Fostering Services Regulations does not replace the requirement for foster carers who look after children, who are not their foster children, to register with Ofsted as a childcare provider on either the EYR or the GCR. This is in line with the tax credits legislation which provides support for childcare costs only in circumstances where the foster carer is registered with Ofsted.)

### **Qualifying childcare in Wales**

45. An English-domiciled student who incurs charges for the following types of childcare in Wales is potentially eligible for the Childcare Grant.
- Care provided by childminders, nurseries and play schemes registered by the National Assembly for Wales through the Care and Social Services Inspectorate for Wales.
  - Out-of-school hours clubs provided by a school on school premises or by a local authority.
  - Childcare provided in the child's own home by a domiciliary care worker or nurse from an agency registered by the Care and Social Services Inspectorate for Wales (under the Domiciliary Care Agencies (Wales) Regulations 2004).
  - Care provided by an approved foster carer, the care must be for a child who is not being fostered by the foster carer. The foster carer must be registered with the Care and Social Services Inspectorate for Wales if the child is under the age of 8, or approved under the approval of Child Care Providers (Wales) Scheme, if the care is in the child's home and the child is under the age of 16.
  - Childcare provided in the child's own home or if several children are being looked after, in one of the children's homes by a child

carer approved under the Approval of Child Care Providers (Wales) 2007 Scheme.

### **Qualifying childcare in Scotland**

46. An English-domiciled student who incurs charges for the following type of childcare in Scotland which is currently eligible for WTC/UC purposes, will also potentially be eligible for the Childcare Grant.
- Care provided by childminders, nurseries and play schemes registered by Social Care and Social Work Improvement Scotland (SCSWIS).
  - Out-of-school hours clubs (after school care) 'registered' by SCSWIS.
  - Care provided by an approved foster carer or a kinship carer, but the childcare must be for a child who is not being fostered by the foster carer. The foster carer must be registered with SCSWIS as a childminder or a daycare provider.
  - Childcare provided in the child's own home by (or introduced through) childcare agencies, including sitter services and nanny agencies registered by SCSWIS.

### **Qualifying childcare in Northern Ireland**

47. An English-domiciled student who incurs charges for the following type of childcare in Northern Ireland which is currently eligible for WTC/UC purposes, will also potentially be eligible for the Childcare Grant.
- Care provided by childminders, nurseries and play schemes registered by The Local Health and Social Services Trust.
  - Out-of-school hours clubs provided by a school on the school premises or by an Education and Library Board or 'registered' by the Health and Social Services Trust.
  - Care provided by an approved foster carer, - but the care must be for a child who is not being fostered by the foster carer. The foster carer must be registered with the Local Health and Social Services Trust if the child is under the age of 12, or approved under the Approval of Home Child Care Providers (Northern Ireland) Scheme, if the care is in the child's home and the child is under the age of 16.
  - Childcare provided in the child's own home by a child carer approved under the Approval of Home Child Care Providers (Northern Ireland) 2006 Scheme.

### **Qualifying childcare outside the United Kingdom**

48. Students attending an overseas institution as part of their courses will not generally be eligible for a Childcare Grant to cover childcare costs incurred abroad. The only qualifying overseas childcare providers are those approved under the Ministry of Defence accreditation scheme, which is currently eligible for the Childcare Element of WTC/UC purposes. The scheme approves providers who care for the children of personnel based overseas. Students requesting support for any other

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childcare provided abroad should be referred to their institution's Student Welfare Officer

### **Where the childcare provider becomes registered or approved**

49. Some students may use a childcare provider who is not registered or approved but then becomes registered or approved at some stage during the academic year. In such instances, the Childcare Grant may only be paid from the point at which the provider's application for registration or approval has been successful and their registration or approval confirmed.

### **Where the registered or approved childcare provider is the student's partner or a relative of the child**

50. Childcare charges in respect of which an eligible student may qualify for the Childcare Grant will not include:
- charges incurred in respect of childcare provided by a relative of the child wholly or mainly in the child's home even if the relative is registered or approved;
  - charges incurred in respect of childcare provided by a relative of the child approved under the Approval of Child Care Providers Scheme in Wales or the Approval of Home Child Care Providers Scheme in Northern Ireland wholly or mainly in the relative's home where the care is usually provided solely or mainly in respect of one or more child to whom the provider is a parent or relative;
  - charges paid by the student to his partner in respect of childcare for his child or a child of his partner home even if the partner is registered or approved.

A relative of the child means a parent, grandparent, aunt, uncle, brother or sister whether by blood, half-blood, marriage or affinity. Affinity means a person with a strong relationship to the child, for example someone in a parental position regarding their partner's children and includes step parents.

51. This broadly reflects the position of the childcare element of WTC/UC that a person who is the parent or relative of a child, or who has parental responsibility for a child, is not generally acting as a 'childminder' when looking after that child. The Childcare Grant is not intended to pay for care that any parent or relative of a child might be expected to provide. (Please note that tax credit legislation does not regulate whether someone is a 'childminder'. This is the remit of the Childcare Act 2006 and equivalent legislation in the devolved administrations. The WTC/UC childcare regulations merely reflect the position of this legislation.

### **Compulsory education charges**

52. Childcare charges in respect of which an eligible student may qualify for the Childcare Grant will not include charges that are considered to be compulsory education charges. The Childcare Grant is not intended to pay for costs related to compulsory education (school fees, for example) which again reflects the Childcare Element of WTC/UC position.

### **Audit of Childcare Grant applications**

53. Although there is presently no facility on the system to identify a selection of Childcare Grant applications for audit, a sample check of 10-15% of applications will be carried out using a manual list of applicants. The checks will involve the amount of care provided and the cost of the care. The process will also include checking that childcare has been provided for the whole period for which the student has received a Childcare Grant and that the student has not received a Childcare Grant for a period when they have not paid for childcare or for a period covered by a free early learning place (refer to the form 'Childcare Grant Application Form'). Where there is any doubt about the veracity of an application for Childcare Grant, this will be investigated further.
54. When carrying out the sample check, it will be confirmed with the relevant body that the Childcare Provider (CCP) detailed on the forms 'Childcare Grant Application Form' and 'Confirmation of Childcare payments' is registered or approved. The local Family Information Services (FIS) should be contacted to confirm the registration status of a childcare provider. It should be noted that, under the Childcare Act 2006, new registration requirements were introduced for all childcare providers from September 2008. Ofsted supply FIS with updated information on childcare providers on a daily basis. This will enable FIS to maintain an up-to-date list of registered childcare providers and their registration status, i.e. whether their registration status is current, cancelled or suspended.

### **Maximum Childcare Grant in the first and final week of the academic year**

55. A student's entitlement to Childcare Grant is calculated on a weekly basis. A week begins on a Monday and ends on a Sunday. This reflects the requirements of regulation 45(6)(a). If a student claims a Childcare Grant in respect of a week that falls partly within and partly outside an academic year, the maximum grant payable is calculated by multiplying the weekly cap (£155.24 or £266.15 as appropriate) by the number of days of that week falling within the academic year and dividing by seven (regulation 45(6)(b)).
56. This means that if the student's academic year starts in the winter and they claim a Childcare Grant in respect of Saturday 1<sup>st</sup> January 2016, (2 days) the maximum grant payable is £44.35 for one child or £76.04 for two or more children. If the student claims a Childcare Grant in respect of the period from Tuesday 27<sup>th</sup> December to Friday 31<sup>st</sup> December 2016, (4 days) the maximum grant payable is £88.71 for one child or £152.10 for two or more children.
57. Students continue to receive 85% of their actual childcare costs during the first and final week of the academic year - to the maximum amounts stated above. There is no requirement to pro rata the maximum Childcare Grant payable in other weeks of the academic year even if a student uses childcare for part of a week.

### **Childcare Grants and retainer fees paid to childcare providers**

58. Some childcare providers request a retainer fee to be paid by the student to retain a childcare place for the following term or academic year, even if the student is not using childcare for the period. As a retainer fee is part of childcare costs, the Childcare Grant may be used to pay for retainer fees charged by childcare providers, subject to the specified maximum amounts. Childcare providers usually include the cost of meals

they provide in their overall childcare cost. If a childcare provider makes a separate charge for the meals they provide during the periods of childcare, these may be paid as part of the Childcare Grant.

### Assessing Childcare Grants where students' partner is an eligible student

59. The amount of Childcare Grant is reduced by one half if the eligible student's partner is also an eligible student or holds a statutory award and account has been taken of the partner's dependants when calculating the partner's support or statutory award (regulation 47(5)).

### Periods covered by the Childcare Grant

60. The Childcare Grant can be paid from the first day of the academic year, provided that the student, whether a first year student or a continuing student, incurs childcare costs from the beginning of the academic year, subject to Regulation 38(8) – students who become eligible during the academic year. An illustrative example of the payments of the Childcare Grant over the academic year is shown in the following table. In this example the first day of term is taken to be 1<sup>st</sup> October and assumes the student pays for childcare every week during the academic year.

1 <sup>st</sup> September 2015 – 4 <sup>th</sup> July 2016	5 <sup>th</sup> July 2016 – 31 <sup>st</sup> August 2016 (long vacation)
85% of childcare costs for 44 weeks	85% of childcare costs for 8 weeks

61. The example above is based on a student claiming Childcare Grant for the long vacation and whose academic year begins on 1<sup>st</sup> September 2015. Childcare Grant entitlement starts from 1<sup>st</sup> September even though the first day of term one is 1<sup>st</sup> October 2015. The Childcare Grant in respect of the months of July and August 2016 is paid in advance with the third instalment of support. The grant for childcare costs incurred in September 2016 is paid in arrears with the first instalment of support in the following academic year.

### Childcare Grant for final year students

62. The Childcare Grant is not payable to final year students for the period between the end of the course and the end of the academic year in which the course ends (regulation 45(5)). An illustrative example of the Childcare Grant payments to final year students over the academic year is shown in the table below. In this example the first day of term is taken to be 1<sup>st</sup> October 2015 and the final term of the course ends on 27<sup>th</sup> June 2016. The illustration assumes the student pays for childcare each week in the period given.

<b>1 September 2015 – 26 June 2016</b>
85% of weekly childcare costs for each week childcare is used

### Childcare Grant, early years education and free childcare

63. Students cannot receive Childcare Grant for any childcare that is provided free of charge and should only include in their applications childcare for which they have to pay a childcare provider.

Additionally, all three and four year olds are entitled to 15 hours a week of free nursery education for 38 weeks of the year from 1 September, 1 January or 1 April following their 3<sup>rd</sup> birthday until they reach

compulsory school age (the beginning of the school term following their 5<sup>th</sup> birthday. From September 2013, some 2-year-olds are eligible for 570 hours per year of funded early education.

64. Children can take up their free nursery education place in a variety of Early Years settings (maintained nursery schools and nursery classes, independent schools, playgroups, day nurseries, pre-schools and with registered or accredited childminders). In order to deliver free nursery education places early years providers must be registered on the Ofsted Early Years Register and deliver the Early Years Foundation Stage.
65. Local Authorities provide funding to deliver free nursery education places for eligible children. Although the Childcare Grant cannot be paid for any period covered by a free nursery education place, parents may choose to purchase additional hours of childcare either at the same provider where they access their free nursery education place or at a different provider. Childcare Grant can be paid to cover the cost of additional childcare purchased in addition to the free entitlement.

#### **Childcare Grant, Child Tax Credit and the Child element of Universal Credit**

66. Child Tax Credit (CTC) is administered by Her Majesty's Revenue & Customs (HMRC) and provides income-related support for families with children. If a student receives CTC, this does not affect their entitlement to the Childcare Grant.
67. For some students making a new claim, Child Tax Credit will be replaced by the Child Element of Universal Credit, administered by DWP. If a student receives Child Element of Universal Credit it will not affect their entitlement to the Childcare Grant.

#### **Childcare Grant, the Childcare Element of Working Tax credits, and the Childcare Element of Universal Credit**

68. Working Tax Credit (WTC) tops up the earnings of low paid working people whether or not they have children, and is made up of several elements, for example a disability element, a childcare element (i.e. the childcare element of Working Tax Credit) etc. A student cannot receive Childcare Grant at the same time as receiving the childcare element of Working Tax Credit. (Other elements of WTC do not preclude a student from claiming Childcare Grant.)
69. Students who satisfy the entitlement rules for the childcare element of the WTC can choose either to claim the childcare element of WTC or the Childcare Grant. Regulation 45(3) of the Education (Student Support) Regulations 2011 (as amended) provides that an eligible student shall not be eligible for a Childcare Grant if the eligible student or their partner has elected to receive the childcare element of the WTC.
70. If a student indicates that they or their spouse/partner are in receipt of an award from the WTC and applies for a Childcare Grant under the Student Support Regulations, evidence must be requested to confirm that the eligible student's (or their partner's) WTC award does not include the childcare element of WTC. The eligible student should be asked to produce a WTC award notification which should indicate whether the student or their partner is in receipt of the childcare element of WTC. This information should also help determine the start/termination dates for Childcare Grant payments.

71. It is possible that a student or their partner's circumstances may change resulting in a request to receive the Childcare Grant instead of the childcare element of WTC, or vice versa. There is no statutory bar within the Student Support Regulations or the Tax Credit Act preventing a student from changing the source of their childcare support. If they are receiving the childcare element of WTC and they wish to change over to the Childcare Grant they should notify the Tax Credit Office and give the date when they want the payment of the childcare element of WTC to cease. This should be the day before the Childcare Grant comes into payment. Parents will be issued with a new awards notice which can be used as evidence that the WTC award no longer includes the childcare element of WTC.
72. A declaration from the student confirming that the student or their spouse/partner is no longer in receipt of childcare support through WTC should be accepted in order to prevent unnecessary delays in payment of the Childcare Grant, but must be subsequently confirmed. Students may be assessed for a Childcare Grant from the first day after their last payment for childcare under the WTC.
73. For more information on tax credits:  
  
visit <http://www.hmrc.gov.uk/taxcredits>; or  
  
call the Tax Credits Helpline (telephone 0345 300 3900); or  
  
call the nearest HMRC Enquiry Centre (listed under 'HM Revenue & Customs' in the telephone directory);
74. From April 2013 some students (and / or their partners) who are on a low income will receive help via Universal Credit as opposed to Tax Credit. This will mean that they will receive the Childcare Element of Universal Credit as opposed the Childcare Element of WTC. For student support purposes administrators should treat Childcare Element of Universal Credit in exactly the same manner as Childcare Element of WTC. Paragraphs 67 to 72 above should be applied in the same way to both.
75. Administrators should note that as the terms 'Child Element of Universal Credit' and 'Childcare Element of Universal Credit' are very similar they should take particular care when identifying these from Universal Credit entitlement documents.
  - For information on Universal Credit for Tax Credit customers visit: <http://www.hmrc.gov.uk/taxcredits/universal-credit.htm>; or <http://www.gov.uk/universal-credit/overview>

### **Parents' Learning Allowance (Regulation 46)**

76. A Parents' Learning Allowance (PLA) of up to **£1,573** is available to students with one or more dependent children regardless of the age of the children. It is income assessed and can be paid whether or not student parents use or claim for childcare costs.
77. The PLA is intended to cover some of the additional costs incurred by students with dependent children, such as higher travel costs, and books and equipment needed for the course. PLA is not treated as income when students are assessed for income-related benefits, including Housing Benefit.

78. There is no requirement for a student to apply separately for the PLA. Provided they have indicated on the PN1 or PR1 forms that they have dependent children, there is no requirement for them to make any separate request to receive this grant.
79. Subject to an assessment of income, the PLA will be paid to:
- a) Full-time students with dependent children who are assessed to receive at least £1 of Childcare Grant and/or £1 of Adult Dependants' Grant. Such students are entitled to receive the full amount of PLA (**£1,573**).
  - b) Full-time students with dependent children who are potentially eligible for the Adult Dependants' Grant and/or the Childcare Grant but do not receive these grants because the income of their dependants is sufficiently high to offset them. After applying the dependants' income (as specified in paragraph 87 below) against the Adult Dependants' Grant and the Childcare Grant, any remaining income is set against the PLA on a £ for £ basis.
  - c) Full-time students with dependent children who have no adult dependants and are not eligible for the Childcare Grant because they are not using registered or approved childcare. Dependants' income (as specified in per paragraph 87 below) is set against the PLA on a £ for £ basis after applying the applicable disregard (see paragraph 92).
80. If the aggregate amount of PLA determined is more than 1 penny but less than £50 then the student will be entitled to a minimum amount of PLA payable of £50 (regulation 47(6)).
81. Where the eligible student has a partner who is also an eligible student and a dependent child who is wholly or mainly financially dependent on him and his partner together, the student and the partner may each receive the amount of PLA due after the application of the dependants' grant income assessment. The PLA entitlement should not be divided between the eligible students.

## **The dependants' grant income assessment**

### **Assessment of dependants' income**

82. The system uses information provided by the student on their application to determine the amount of Adult Dependants' Grant and Parents' Learning Allowance due. The system also displays a message to the SFE assessor prompting them to check the system calculation and amend if necessary.
83. To determine a student's eligibility for dependants' grants (Adult Dependants' Grant, Childcare Grant and Parents' Learning Allowance) it is necessary to calculate the dependants' income. From AY 2013/14, income of partners and adult dependants used in the dependants' grants income assessment is the gross taxable income from all sources for the prior financial year, minus certain allowable deductions. This reflects the treatment of income for applications for the core support package and in most cases that information will simply be drawn direct from that source. For child dependants the net income in the prior financial year is used. Estimates of net income (regulation 42(2)) in the current academic year are no longer used in the dependants' grant income assessment. (However, they are still used where adult or child dependency is being established.) This change applies to all new and continuing students who apply for dependants' grants from AY 2013/14.

84. To ensure that students are not disadvantaged where income has fallen since the prior financial year partners and /or dependants whose income in the current financial year (i.e. the financial year which begins immediately before the start of the current academic year) has fallen by **15%** or more will be able to request that dependants' grants are assessed on an estimate of income for the current financial year instead.
85. Where the student receives maintenance payments under an agreement that expressly or implicitly requires that these payments are to be applied for the benefit of the student's child, this income should be treated as the child's income and taken into account in the dependants' grant income assessment. This might include maintenance payments received by the student under a court order, through the CSA or by way of a voluntary agreement.

**Treatment of financial obligations incurred before the start of the course (Regulation 42(3)) – students who start a course BEFORE 1 August 2013 and are continuing in AY 2015/16**

86. Regulation 42(3) allows recurrent payments made by the student or his partner in respect of obligations incurred by the student to be deducted from the partner's income, where the student is continuing in AY 2015/16 on a course which they started before 1 August 2013. These obligations must be classed as a recurrent payment made by the student or partner, be reasonably incurred and must have commenced before the start of the student's course. Each case must be individually assessed and be considered on its own merits. The following examples are not binding but are intended purely as a guideline as to what items might or might not be regarded as deductible.

Deductible items might include -

- Mortgage payments and mortgage endowments
- Rent payments
- Council tax payments
- Insurance policies (such as household insurance, contents insurance, medical insurance, life insurance and automotive insurance)
- Obligatory maintenance payments
- Private Pension Contributions and Additional Voluntary Contributions (AVCs)
- Subscriptions for which the recipient claims tax relief

SFE would ordinarily consider both Loan and HP agreements, with no maximum monetary limit, for the following:

- Travel, including; Automotive Transportation, primarily a car or motorcycle, with cases also being considered for business related automotive transportation. Other examples might be a bicycle, travel pass, mobility transportation or car repairs. Automotive insurance will also be considered where this involves recurrent payments. One-off payments will not be considered in this respect.

- Home improvements, specifically; essential home repairs, essential home improvements due to disability or impaired mobility.

SFE would **not** ordinarily consider Loan and HP agreements for the following:

- Holidays
- Furniture
- Electrical equipment/white goods
- Home conversions e.g. extensions
- Cosmetic surgery
- Debt consolidation
- Christmas costs

Utility bills, credit and store card payments will not count as deductible items.

In all cases where loan or HP repayments are being considered the applicant should be asked to state, in writing, the amount of the loan or HP, the start and end date for repayments, the amount of the repayments, the persons named in the loan or HP agreement and the reason for taking out the loan or HP. The applicant must also provide a copy of the original loan or HP agreement and evidence of the recurrent payments.

If it is considered that a lesser obligation could reasonably have been incurred in the circumstances, a correspondingly lesser sum may be deducted. Where a partner is making payments in respect of an obligation for which payments are shared by the partner and the student, the full obligation (i.e. the amount being incurred by the student and the amount being incurred by the partner) should be deducted.

Should an assessor conclude that the applicant's circumstances need to be considered further then the case should be escalated to an internal decision group.

The standard disregards based on family circumstances that are applied for all students applying for dependants' grants that started a course before 1 August 2013 are shown below:

DEPENDANTS	DISREGARDED INCOME
	Student is continuing a course which started before AY 2013/14
Student has no dependent child	<b>£1,159</b>
Student is not a lone parent and has one dependent child	<b>£3,473</b>
Student is not a lone parent and has more than one dependent child	<b>£4,627</b>

Student is a lone parent and has one dependent child	<b>£4,627</b>
Student is a lone parent and has more than one dependent child	<b>£5,792</b>

**Treatment of financial obligations incurred before the start of the course (Regulation 42(3)) – students who start a course ON OR AFTER 1 August 2013**

87. Students who start their course on 1 August 2013 or after will **not** have any previously incurred financial obligations taken into account when calculating the amount of support due to them. The standard disregards based on family circumstances that are applied for all students applying for dependants' grants have been increased for students starting a course on or after 1 August 2013. The new disregards are shown in the table below, and must only be used for students who start their course on or after 1 August 2013.

<b>DEPENDANTS</b>	<b>DISREGARDED INCOME</b>
	Student starts course in AY 2013/14 or later
Student has no dependent child	<b>£6,159</b>
Student is not a lone parent and has one dependent child	<b>£8,473</b>
Student is not a lone parent and has more than one dependent child	<b>£9,627</b>
Student is a lone parent and has one dependent child	<b>£9,627</b>
Student is a lone parent and has more than one dependent child	<b>£10,792</b>

**Applying the dependants' income**

88. The dependants' aggregated income for the prior financial year less one of the applicable disregards shown in the table (regulation 47(7)) reduces the student's entitlement to dependants' grants where applicable £ for £ in the following order (regulation 47(1)):

1. Adult Dependants' Grant;

2. Childcare Grant; and
  3. Parents' Learning Allowance.
89. The dependants' aggregated income less the applicable disregard is first applied to the Adult Dependants' Grant (if applicable). Any remaining income is then applied to the Childcare Grant (if applicable) and any remaining income is then applied to the PLA (if applicable). If the income (less the relevant disregard applied) exceeds or equals the aggregate of the basic amounts of the grants for dependants, the amount payable for grants for dependants is nil (regulation 47(3)).
90. Regulation 47(6) provides that once the contribution has been applied, if the amount of PLA for which the student is eligible is £1 or more but less than £50 the student will be entitled to a PLA of £50.

### **Example 1**

A student is continuing on a course which began before 1 August 2013. The student has a spouse/civil partner with gross taxable income in the prior financial year of £6,000 and two children under 15 with net income in the prior financial year of £1,125 each. The student has reasonable and ongoing financial obligations of £2,000 in the current academic year. The childcare costs are £150 per week for the whole of the academic year.

**Step 1:** Establish dependants' aggregate income.

<b>Dependants</b>	<b>Income</b>
Spouse/Civil Partner	£6,000
Child 1	£1,125
Child 2	£1,125
<b>A. Total dependants' income</b>	<b>£8,250</b>

**Step 2:** Choose the disregard which applies to the student's circumstances (regulation 47(7)).

<b>Student's circumstances</b>	<b>Applicable disregard</b>
<b>B. 2 parents and 2 children</b>	<b>£4,627</b>

**Step 3:** Calculate the dependants' remaining income

<b>A. Total dependants' income</b>	£8,250
<b>B. Financial obligations</b>	£2,000
<b>C. Applicable disregard</b>	£4,627
<b>Dependants' remaining income (A - B - C)</b>	<b>£1,623</b>

**Step 4:** Add together all the dependants' grants the student may be eligible to receive.

<b>Grant</b>	<b>Amount</b>
Adult Dependants' Grant	£2,668
Childcare Grant (85% of actual costs - 52 x £131.95)	£6,861
Parents' Learning Allowance	£1,523
<b>Total</b>	<b>£11,052</b>

**Step 5:** Calculate the amounts of dependants' grants to be paid

<b>A. Total dependants' grants</b>	<b>£11,052</b>
<b>B. Dependants' remaining income</b>	<b>£1,623</b>
<b>Amount of dependants' grant to be paid (A – B)</b>	<b>£9,429</b>

**Step 6:** Breakdown of individual dependants' grants to be paid.

<b>Grant</b>	<b>Amount</b>
Adult Dependants' Grant (full grant reduced by contribution of £1,623)	£1,045
Childcare Grant (85% of actual costs - 52 x £131.95)	£6,861
PLA	£1,523
<b>Total dependants' grant paid</b>	<b>£9,429</b>

### **Example 2**

A student starts a new course in AY 2015/16. The student has a spouse/civil partner with gross taxable income in the prior financial year of **£11,017** and one child who has no income. The student uses registered or approved childcare for 40 weeks and the actual costs are £100 per week.

**Step 1:** Establish dependants' aggregate income.

<b>Dependants</b>	<b>Income</b>
Spouse/Civil Partner	<b>£11,017</b>
<b>A. Total dependants' income</b>	<b>£11,017</b>

**Step 2:** Choose the disregard which applies to the student's circumstances (regulation 47(7)).

<b>Student's circumstances</b>	<b>Applicable disregard</b>
<b>B. 2 parents and 1 child</b>	<b>£8,473</b>

**Step 3:** Calculate the dependants' remaining income.

<b>A. Total dependants' income</b>	<b>£11,017</b>
<b>B. Applicable disregard</b>	<b>£8,473</b>
<b>Dependants' remaining income (A-B)</b>	<b>£2,544</b>

**Step 4:** Add together all the dependants' grants the student may be eligible to receive.

<b>Grant</b>	<b>Amount</b>
Adult Dependants' Grant	<b>£2,757</b>
Childcare Grant (85% of actual costs - 40 x £85)	<b>£3,400</b>
PLA	<b>£1,573</b>
<b>Total</b>	<b>£7,730</b>

**Step 5:** Calculate the amounts of dependants' grants to be paid.

<b>A. Total dependants' grants</b>	<b>£7,730</b>
<b>B. Dependants' remaining income</b>	<b>£2,544</b>
<b>Amount of dependants' grant to be paid (A – B)</b>	<b>£5,186</b>

**Step 6:** Breakdown of individual dependants' grants to be paid.

<b>Grant</b>	<b>Amount</b>
Adult Dependants' Grant	<b>£213</b>
Childcare Grant (85% of actual costs (40 x £85))	<b>£3,400</b>
PLA	<b>£1,573</b>
<b>Total dependants' grant paid</b>	<b>£5,186</b>

91. The total of the dependants' grant under regulations 44-46 is subject to the main income assessment. This means that any household contribution is applied to the dependants' grants after being first applied, in the case of old system students, to any tuition fee support in the main income assessment (regulation 99 to 106).

**Payment of grants for dependants**

92. Parents Learning Allowance and Adult Dependants' Grant are paid in three instalments, each instalment being paid in the three quarters of the academic year that do not include the longest vacation. Where the first instalment of grant is paid in the first quarter of an academic year, the grant is payable in three instalments of 33% for the first quarter, 33% for the second quarter and 34% for the third quarter. Where the first instalment of grant is paid in the second quarter, it is paid in two instalments of 66% and 34% and where the first instalment is paid in the third quarter, the whole amount of grant for the academic year is paid in one instalment. Childcare Grant is also payable in three instalments, however is based on receipt of estimates and confirmation of costs, so adjustments may be required.

**The number of dependants changes in an academic year**

93. The number of a student's dependants may change during an academic year. When this occurs, it is necessary to determine who the student's dependants are for each of the three quarters for which the grant is payable (regulation 47(9)).
94. The amount of grant for each quarter so determined is one third of the grant for the academic year, bearing in mind the 33%, 33%, 34% split described above. The amount of dependants' grant for the academic year is the aggregate of the amount of grant calculated for each of the three quarters (regulation 47(10)).

**Administration****Administering Childcare Grant applications**

95. Refer also to the guidance on 'General Eligibility and Financial Assessment Administration' and the guidance chapter 'Change of Circumstances' which provides guidance on reassessments and stopping payments.

**Processing Childcare Grant applications**

96. The system has the facility to calculate the amount of Childcare Grant to which a student is entitled. Using the information on the CCG1 form, the weekly childcare costs for term-time weeks and non term-time weeks are

entered, along with any exceptions to these standard amounts on the Childcare Estimates screen. The system will first apply a pro-rata to any amounts falling in non Monday to Sunday weeks in the first and last weeks of the academic year. Where amounts are entered in the 'Exceptions' section, no pro rata is applied. The system will then apply the 85% calculation. There is a facility to override the automatic assessment of Childcare Grant should this be deemed appropriate. Any manual override of the automatic Childcare Grant assessment should be fully explained on the system Notes facility to assist other staff when dealing with student enquiries.

97. If a student receives a Childcare Grant the assessment is provisional until all the childcare costs for the academic year have been confirmed and the entitlement checked accordingly. At that point the entitlement may be finalised. This may only be possible at the start of the next academic year if childcare is required for the long vacation.
98. It should be indicated that the assessment is provisional by selecting the Provisional flag on the Validate Evidence screen.
99. Annex 1 provides a summary 'Childcare Grant Timetable' showing what actions need to be taken during the course of the academic year.

### **Informing students of the breakdown of dependants' grants**

100. The financial entitlement letter details the breakdown of the various elements of the grants for dependants. Students should be advised to show the financial entitlement letter to their institutions when applying for discretionary support from the Access to Learning Fund, and to Jobcentre Plus and/or the local authority Housing Benefit section if applying for income-related benefits.

### **Childcare Grant leaflets and forms**

101. The booklet entitled 'Childcare Grant and other support for full-time student parents in 2015/16' and the forms 'Childcare Grant Application Form' (CCG1) and 'Confirmation of childcare payments (CCG2) can be downloaded from the 'Gov.uk' website. Where a student indicates on the PN1 / PR1 forms or online application that they want to apply for the Childcare Grant, a task will be raised - 'Send Information Pack' (see Annex 2). The information pack will then be sent to the student for them to complete and return.

### **Form 'Childcare Grant Application Form'**

102. The student should apply for a Childcare Grant by completing the 'Childcare Grant Application Form' (CCG1) and sending it to SFE. The applicant may provide an estimate of their likely childcare costs on their application form even if they do not know their childcare requirements at the time of application. The applicant should be assessed on the basis of the estimated childcare costs provided on the CCG1. Applications on form CCG1 are subject to the general rule on time limits (Please see paragraph 25 of the Assessing Eligibility Guidance Document)

### **Confirmation a childcare provider is registered or approved**

103. Childcare providers are asked to complete Section 2 of the CCG1 confirming that they are registered or approved. However, if a student has not found a childcare provider at the time of their application, Section

2 of the CCG1 may be left blank and a Childcare Grant may still be paid. A student who does not name their childcare provider on the CCG1 will be subject to a lower childcare costs cap of £120.02 per week (see paragraph 31 above). Such students should provide details of their childcare provider as soon as possible or at the latest when they provide confirmation of the payments made to a childcare provider, using the form 'Confirmation of childcare payments' (CCG2). On receipt of the CCG2, the applicants grant entitlement may need to be reassessed.

### **Student does not return form 'Childcare Grant Application Form'**

104. If a student does not return the CCG1 but has a dependent child, the student's entitlement to the PLA can still be assessed. If the applicant subsequently sends a CCG1 no later than the end of the ninth month of the academic year in respect of which it is submitted a revised assessment must be carried out and issued.

### **Students who return form 'Childcare Grant Application Form'**

105. Where a CCG1 is returned, the student's entitlement to the Childcare Grant should be based on the childcare costs the applicant has stated on the application form, subject to the limits set out in the Student Support Regulations.

### **Confirmation of payments made to a childcare provider**

106. Students are requested to provide evidence of payments made to their childcare provider on a termly basis, using form CCG2. Students are required to complete Section 1 of the form and then arrange for their childcare provider to complete Sections 2 and 3, confirming the payments received from the student each week during the period. CCG2 forms are issued automatically to students at appropriate points during the year. Applicants must return a separate completed CCG2 for each term to SLC by the dates stated on the letter they receive from SLC.
107. If the applicant indicates in Section 4 of the CCG2 that their weekly childcare costs will change during the rest of the year, their entitlement should be reassessed. Estimated childcare costs for the long vacation should be included in the third instalment of grant. The applicant will need to confirm these costs at the beginning of the following academic year. If the applicant is uncertain whether they will need childcare for the long vacation, a reassessment to include the long holiday period should be carried out at a later date. If the reassessment is completed after the third instalment, an additional payment for the extra amount should be made to the applicant via BACS, automatically.

### **Student does not send confirmation of registered or approved childcare**

108. Childcare Grant is only paid in respect of childcare provided by registered or approved childcare providers. Most students include details of their childcare provider when submitting the Childcare Grant application (CCG1). However, if the student does not include details of their childcare provider on their application (whether online or via CCG1 form) they will be subject to a lower costs cap and must supply this required information as soon as possible. Where details of a registered or approved childcare provider are not subsequently received, entitlement to childcare grant will be withdrawn and amounts paid will be recovered.

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### **Student does not send confirmation of childcare payments**

109. Students should send evidence of payments made to a childcare provider on form CCG2 by each of the dates in Annex 1 below. Reminder letters are sent to the student in advance of these dates. The dates for confirming childcare payments have been selected to allow time to make any adjustments to the next Childcare Grant instalment if the student has under or overestimated their childcare costs at the beginning of the year. There is also a greater incentive for students to return their form by the required dates given that their next Childcare Grant instalment will not be paid unless a completed CCG2 has been returned to SFE.
110. If a student has not returned their CCG2 form by the required dates, a re – assessment of the Childcare Grant will take place. This will result in an overpayment being raised, and action commencing to recover the overpayment. However, payment of ADG and PLA may continue, once the Childcare Grant has been removed, but any contribution previously applied to the Childcare Grant will now reduce the PLA. A revised and finalised assessment should be sent as soon as possible so that the student can continue to receive any other payments of grant they are entitled to receive. A notification of the new entitlement will be automatically sent followed by a system generated overpayment letter where applicable. If a student subsequently provides confirmation of their childcare costs, the Childcare Grant can be reinstated for the period covered by the confirmation, depending on the student's reasons for failing to produce the evidence by the original deadline.

### **Finalising assessments in 2015/16**

#### **Students not in receipt of a Childcare Grant during their longest vacation**

111. Once a student has confirmed their actual childcare costs for the final term of academic year 2015/16 and indicated they will not require a Childcare Grant for their longest vacation, the student should be reassessed and a revised support notification for 2015/16 to show that the assessment is now final.

#### **Students in receipt of a Childcare Grant during the longest vacation**

112. Most academic years begin on 1<sup>st</sup> September and the longest vacation is the summer vacation. Childcare Grants for the summer vacation are paid up until 31 August, the payment covering the months of July and August. Childcare Grants in respect of September are paid with the first instalment of the following academic year's Childcare Grant.
113. If a student receives a Childcare Grant for the summer vacation they need to confirm their actual childcare costs by 11<sup>th</sup> September 2016, just after the start of the 2016/17 academic year.

#### **Students who have not confirmed final childcare costs for 2014/15**

114. Where a Childcare Grant application is received for 2015/16 and the student has not yet confirmed his/her childcare costs for the longest vacation in 2014/15, this should not delay or prevent assessments for 2015/16. In these circumstances the following action should be taken:
  - assess the student for a Childcare Grant in 2015/16 and issue a Support Notification; and

- reassess the support on receipt of confirmed childcare costs for the longest vacation and issue a final Support Notification for 2014/15 showing the revised amount of dependants' grants.
115. The Support Notification for 2015/16 should include the amount of Childcare Grant for 2015/16 not taking into account any overpayment incurred during 2014/15.

#### **Underpayments and overpayments of Childcare Grants**

116. Any overpayment arising from the revised 2014/15 notifications will be deducted from 2015/16 grants, if the student is continuing on the same course. If the student is **not** continuing on the same course, having withdrawn, abandoned or completed it and are starting a new course, separate arrangements must be made for recovery of the overpayment. If the student has been underpaid Childcare Grant in 2014/15, the outstanding amount should be paid as quickly as possible and not added to the following year's grant.

## Annex 1

### CHILDCARE GRANT TIMETABLE

From March 2015 onwards	SFE to enclose the publications 'Childcare Grant and other support for full-time student parents in 2015/16 and the forms 'Childcare Grant Application Form' (CCG1) and 'Confirmation of childcare payments (CCG2) to students who have indicated they will incur childcare costs.
Around October 2015	Send a reminder letter to students. The letter will remind them they need to return the form 'Confirmation of childcare payments'.
Around November 2015	Send a 2nd reminder letter to students. The letter will remind them they need to return the form 'Confirmation of childcare payments' or they will lose their Childcare Grant.
Around November 2015	SLC will need to reassess students as appropriate.
Around January 2016	Send a reminder letter to students. The letter will remind them they need to return the form 'Confirmation of childcare payments'.
Around February 2016	Send a 2nd reminder letter to students. The letter will remind them they need to return the form 'Confirmation of childcare payments' or they will lose their Childcare Grant.
Around February 2016	SLC will need to reassess students as appropriate.
Around July 2016 (August 2016 if receiving a Childcare Grant in the long vacation)	Send a reminder letter to students. The letter will remind them that they need to return the form 'Confirmation of childcare payments'
Around July 2016 / September 2016	Obtain confirmation of childcare costs for term 3 and the summer vacation. Finalise assessments for 2015/16 if a Childcare Grant was received.