



# Transforming childcare support up to 2025

## DfE stakeholder information pack

Version: July 2023

# About this stakeholder information pack

This stakeholder information pack is for organisations with an interest in childcare, including early years providers, sector bodies, employers, and groups working with parents and carers.

This pack contains an overview of [key messages](#), [communications materials](#) and answers to [frequently asked questions](#) to support you to communicate about the changes to childcare policy announced in the Spring Budget. This includes:

- Expansion of childcare support for working parents to include children aged 9 months up to school age
- Wraparound care and childminders
- Changes to Universal Credit childcare payments

These are transformational changes that will make a difference to families across the country. We are working to help people understand the new entitlements, including how and when they will be able to access these entitlements.

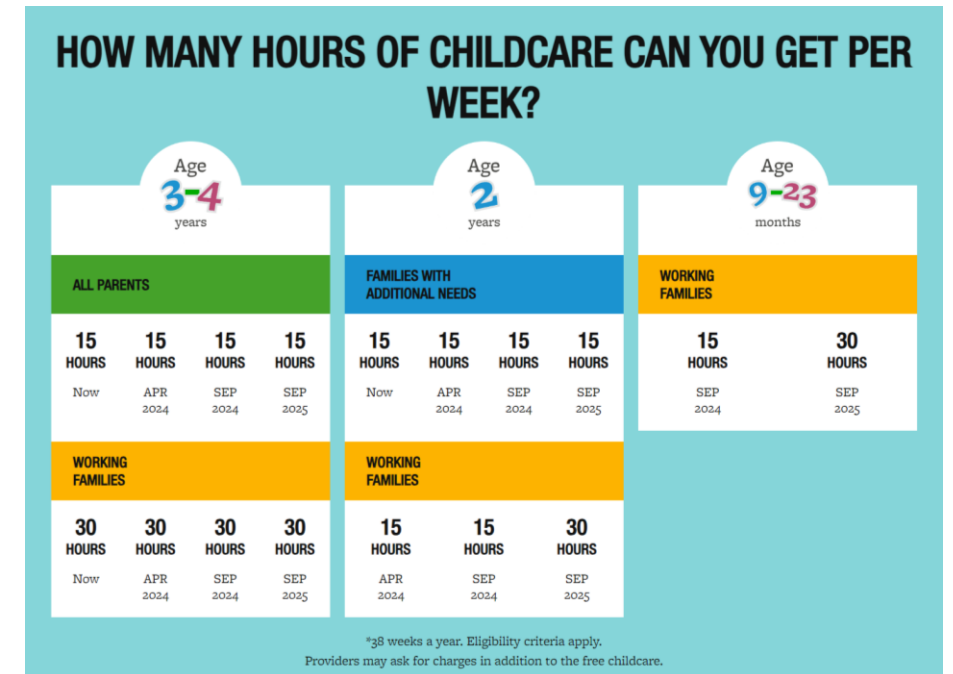
For more information on these resources, please contact [external.affairs@education.gov.uk](mailto:external.affairs@education.gov.uk).

# Key messages

- We are focused on giving children the best start in life and supporting parents to access affordable, high-quality childcare. More parents are going to be able to return to work while balancing childcare commitments, thanks to the government's **£4 billion per year expansion of childcare** in England. This is the largest expansion of funded childcare ever and will remove barriers to work for nearly half a million parents with a child under 3 in England.
- This childcare transformation will expand 30 hours childcare support for working parents with children over the age of nine months, saving up to £6,500 a year for parents for just a single child. This is on top of the upfront childcare support for parents receiving Universal Credit and the support that is available through Tax-Free Childcare.
- The government is also working to deliver its ambition for all parents of primary school aged children to access childcare in their local area between 8am and 6pm. 16 local authorities from Barnsley to Wiltshire have been selected to work with the government to develop plans for this universal provision and all local authorities will start to receive their share of £289 million in funding from January 2024, with parents expected to see an expansion in the availability of wraparound care from September 2024.

# Explaining the changes to your audiences

- [An explainer summarising how entitlements are changing between now and April 2025 is available here.](#)
- The DfE [Education Hub](#) provides accessible information for parents, pupils and education professionals, including this piece on [how we are tackling the cost of childcare](#)
- Content is available to share on DfE social channels, including [Twitter](#), [Facebook](#), [LinkedIn](#) and [Instagram](#).
- More information on help with childcare cost is available on the [Help for Households website](#).



# Frequently asked questions

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- [What is the existing childcare offer?](#)
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# What is changing?

In the Spring Budget 2023, the Chancellor announced a revolution in childcare: 30 hours childcare support for every child over the age of 9 months with working parents by September 2025, where eligibility will match the existing 3–4-year-old 30 hours offer.

- This will be introduced in phases, with 15 hours childcare support for working parents of 2-year-olds coming into effect in April 2024 and 15 hours childcare support for working parents of 9 months – 3 years old in September 2024.
- The funding paid to childcare providers (including nurseries and childminders) for the existing offers will also be increased by £204 million from this September, rising to £288 million next year.
- Local authorities will receive their share of £289 million in funding to increase the supply of wraparound, so that parents of primary school age children can access provision from 8am and 6pm – tackling the barriers to working caused by limited availability of wraparound childcare.
- Childcare costs of parents moving into work or increasing their hours on Universal Credit paid upfront rather than in arrears, with maximum claim boosted to £951 for one child and £1,630 for two children – an increase of around 50%.
- In recognition of the importance of childminders, a start-up grant of £600 for childminders registered with Ofsted and £1,200 for those registered with a childminder agency will be launched to help with the costs incurred when registering.

# What is the existing childcare offer?

Currently, all parents are entitled to 15 hours per week childcare support for 3–4-year-olds. Parents who earn the equivalent of at least 16 hours a week at national minimum/living wage, and earn less than £100,000 adjusted net income per year, are entitled to [30 hours childcare support](#) a week for children aged 3 and 4. Parents of 2-year-olds who receive some specific forms of support are also entitled to [15 hours per week childcare support](#).

# How will childcare entitlements change up to 2025?

By September 2025, working parents of all children over the age of nine months to the age of 5 will be entitled to 30 hours childcare support. This will be rolled out in phases:

- From **April 2024**, working parents of 2-year-olds will be able to access 15 hours childcare support.
- From **September 2024**, 15 hours childcare support will be extended to working parents of children from age of 9 months to 3-year-olds.
- From **September 2025**, working parents of children aged 9 months to the age of 5 will be entitled to 30 hours of childcare support a week.

# Why won't additional support be fully available until 2025?

This staggered approach will give childcare providers time to prepare for the changes, ensuring there are enough places and staff ready to meet increased demand. We want to make sure that taxpayers' money is used efficiently, and the new offer is delivered in the best way.

As with the current offer, providers may ask for charges for additional services.

Visit [the Childcare Choices website](#) for further information.

# Will there be changes to childcare for school-age children?

The government is working to deliver its ambition for all parents of primary school aged children to access 'wraparound' childcare in their local area between 8am and 6pm. 16 local authorities from Barnsley to Wiltshire have been selected to work with the government to develop plans for this universal provision and all local authorities will start to receive their share of £289 million in funding from January 2024, with parents expected to see an expansion in the availability of wraparound care from September 2024. [More information on wraparound childcare is available on GOV.UK.](#)



# How are you supporting nurseries, childminders and childcare providers to deliver the new offer?

We're increasing the hourly rate paid to childcare providers by the government, to help them to deliver their existing 30 hours entitlement.

Nurseries are set to receive a £204 million cash boost as part of the Government's promise to deliver the largest ever investment in childcare. Every area across the country is getting a share of the government funding which childcare providers can use to ease cost pressures such as staffing costs, training and bills.

Funding rates per child paid **from September** will increase from an average of £5.29 to £5.62 for three and four-year-olds, and from an average of £6.00 to £7.95 for two-year-olds. [Find out more in DfE's press release](#), and in the published [early education entitlements and funding update](#).

The department is now consulting on how the funding for the new entitlements in 2024-25 will be distributed.

# Why are you consulting on the funding formula?

While the three- and four-year-old average hourly rate will continue to be calculated through the existing Early Years National Funding Formula, the historic increase in funding announced by the Chancellor at Spring Budget has allowed the expected average rate paid to local authorities for 2024/25 to be set at £8.17 for two-year-olds and £11.06 for under twos.

The new formula reflects extensive data gathering on the costs early years providers face in offering places for different age groups and how those costs vary across the country. It builds on the existing formula for three- and four-year-olds, whose working parents already receive 30 hours of childcare support a week.

The consultation runs until **8 September 2023**, and we are seeking views to make sure it remains fair in light of the radically expanded childcare support offers.

- [Respond to the consultation](#)
- [Share the consultation](#) on [Twitter](#) or [Facebook](#)
- **Contact** [EarlyYearsEntitlementsExpansion.CONULTATION@education.gov.uk](mailto:EarlyYearsEntitlementsExpansion.CONULTATION@education.gov.uk) if you have any questions

Following the consultation, final 2024-25 rates for all age groups under both formulas will be confirmed in the autumn.

# How many children can a childcare provider look after?

We are increasing the number of children a member of staff can look after – known as the staff-to-child ratio. From September 2023, one member of staff will be allowed to look after five 2-year-olds, up from four 2-year-olds which is the current rule. This brings England in line with Scotland and other comparable countries. These changes to ratios are optional and intended to give providers more flexibility in how they run their businesses.

# What childcare support is available for people on Universal Credit?

Further support is now available for parents on [Universal Credit](#). Eligible parents can get help to cover the costs for the first month of childcare when they enter work or increase their hours. Those parents will now receive up to 85% of those childcare costs back before their next month's bills are due – meaning they should have money to pay one month in advance going forward.

The maximum amount of support has also recently increased from £646 up to a maximum amount of £951 per month for one child, and from £1,108 up to a maximum amount of £1,630 for two or more children.

Further information is available in [DWP's press release](#).

# Why are you consulting on the Early Years Foundation Stage?

The Department for Education has launched a consultation on proposed changes to the requirements in the Early Years Foundation Stage (EYFS) to offer providers increased flexibility, alleviate known burdens and explore how to give providers more choice over how they operate.

We are keen to understand how these changes may support settings to deliver the new entitlements announced at the Spring Budget.

This consultation runs until **26 July 2023**, and we hope to hear from as many people and organisations as possible, so we can gather a broad range of views to help us reach well-informed decisions.

- **Respond** to the consultation on [Citizen Space](#)
- [Share the consultation](#) on Twitter and Facebook via Citizen Space (scroll to bottom of the page for links to share)
- **Contact** [eyfs.consultation@education.gov.uk](mailto:eyfs.consultation@education.gov.uk) if you have questions