

## Childcare Allowance Information and Notes for Guidance on completing your Application

Students who are in receipt of, or who will be applying for an NHS Bursary can also apply for further financial help if they have to pay for registered childcare whilst they are attending their course. The allowance is intended as an additional means of help towards childcare costs but it will not cover all of your costs.

You can only apply for Childcare Allowance if you have firstly applied for Dependants Allowance through your online BOSS account. The Childcare Allowance is processed outside of the BOSS online system. In the Dependants Allowance section of your main bursary application you will be asked questions about your dependent child/children and then asked if you would like to apply for Childcare Allowance.

# Applications need to be submitted as soon as possible as we can only backdate for a maximum of 4 weeks from receipt of the application Form CC1.

If you answer 'yes' to this, a section in BOSS will open and it will require details about your childcare provider/s. Once your BOSS application is submitted, you will need to download and print a paper 'Form CC1 Childcare Allowance Application Form' for the relevant award period/academic year.

Please use this link: <u>http://www.nwssp.wales.nhs.uk/forms</u>

This form needs to be completed by you and also signed by your childcare provider. Please see the Information and Notes for Guidance to assist you in completing your Application for Help with Childcare Costs.

If you have more than one childcare provider you need to complete a separate form for each provider.

Please return to the Pontypool address along with a cover sheet which you obtain from your online BOSS account.

If you do not send the cover sheet we will not be able to process the form.

DST-NWSSP Cwmbran House Mamhilad Park Estate Pontypool NP4 0XS

## Childcare Allowance & the implications of Assessable Income

The Childcare Allowance is an additional allowance and is assessed separately from the Bursary and Dependants Allowance. The Bursary and its additional allowances are ALL means tested.

We are unable to consider/process application for help with childcare costs until you have applied and been assessed for the Bursary and Dependants Allowance. Once your Bursary has been assessed, the Bursary Team will prompt the Childcare Team and your application then enters a queue to be considered. Once the outcome is known, you will be emailed to inform you of your eligibility.

If you are part of a couple, we will need to determine if there is any income we need to take into consideration when assessing the Childcare Allowance, which we call assessable income. This is the figure left after deducting all possible disregards such as Tax, NI, life insurance, mortgage or rent. We also deduct £1000 for each dependent.

Any assessable income left will be deducted from any possible Childcare Allowance award. Sometimes the figure left can be higher than the total of the estimated costs on the Form CC1 application that was submitted. This means you would not be entitled to any help with childcare costs as the assessable income figure wipes out any possible award. If the figure left is lower than the possible award you would be awarded the balance, so if your estimated costs were for example £5000, less 85% £4250 the assessable income was £3000, you would be awarded the £1250 (difference between the 2 amounts) which would be paid by instalments over the award period.

£30000	Gross Income
£ -7500	Less Tax/NI
£22500	Net Income
£-6500	Less Mortgage/Rent
<u>£ -200</u>	Life Insurance
£15800	Leaves
<u>£ -3000</u>	£1000 disregarded per dependent (1 adult, 2
	children)
£12800	Balance left
<u>£ -4750</u>	Amount of possible Dependents Allowance, zero
	payable due to balance of income left of £12800
£ 4250	Total of estimated costs
£-8050	Total of assessable
£-3800	Leaves a negative figure in effect zero award

Please see below example for a couple with 2 children

Therefore, if the estimated costs totalled  $\pm$ 5000 less 85%, the award would be  $\pm$ 4250. As the amount of assessable income is  $\pm$ 8050 there would be no childcare allowance awarded as the  $\pm$ 8050 cancels out the estimated costs of  $\pm$ 4250.

## Changes to your Childcare Provider(s) or Childcare Needs

It is important that you inform us as soon as possible if your childcare needs or childcare provider(s) change to ensure that you are receiving the correct childcare allowance. If you do not, you could receive an incorrect amount and will have to repay any overpayments.

If, after having applied for Childcare Allowance you:

- Leave or suspend studies
- change your Childcare Provider
- wish to add an additional childcare provider, or
- need to add another child or children to your Childcare Allowance for whom you have not previously claimed
- Move address you will need to completed a change of circumstances on your BOSS account but also inform the Childcare Team in case documents are to be sent to you before the change of circumstances is processed.

You should inform us as soon as possible, as this will affect your entitlement.

You should do this by downloading completing a Form CC3 from this link: http://www.nwssp.wales.nhs.uk/forms

#### Confirmation of Childcare Payments Form (CC2)

In addition to submitting a Childcare Allowance application each academic year, you will also be asked periodically to arrange for your registered childcare provider to complete Confirmation of Childcare Payment forms (CC2) to provide evidence of your actual weekly childcare costs. Section 1 should be completed by you and Section 2 of the form must be completed by your **Registered Childcare Provider only** to confirm the amounts you have paid for childcare.

We will not pay your next childcare allowance instalment unless you have returned a completed form by the required date. If you return your form after this date, your next payment will be delayed. Please note that Student Awards Services will check your childcare costs with your childcare provider(s).

If you have notified us of a change to a new registered childcare provider, please contact us to request a Confirmation of Childcare Payments form (CC2) for your childcare provider to confirm your actual childcare costs up until your child/children's last day of attendance.

#### **Fraud**

If you knowingly withhold information, or provide false information, in order to receive more Childcare Allowance than you are entitled to, you will be committing fraud. If at any time we suspect that a claim is fraudulent a referral will be made to NHS Counter Fraud Services (CFS) Wales for further investigation.

If you suspect that someone may be claiming childcare costs fraudulently, you can use the Freephone **NHS Fraud and Corruption Reporting Line (FCRL) 0800 028 40 60** to pass on information anonymously. All calls are treated in confidence and investigated by professionally trained staff.

If a person is found to be guilty of fraud following an investigation, they may be liable to prosecution and/or civil proceedings.

#### For example:

A student nurse inflated the cost of her childcare in order to receive a greater amount for her Childcare Allowance. An audit later discovered the discrepancy and the matter was referred to NHS Counter Fraud Services for investigation. She was later charged with fraud by false representation, contrary to Section 2 of the Fraud Act 2006, she pleaded guilty and was ordered to undertake 120 hours of unpaid work and to repay the amount of £4,213.23.

These notes are to assist you in completing your Application for an NHS Wales Childcare Allowance and are for guidance and information only. All awards will be subject to the NHS Wales Bursary Scheme.

## Note 1:

If you are single, divorced, separated or widowed you will need to provide:

- Evidence of Child Benefit
- A full photocopy (8 pages) of your latest Tax Credits Award Notice received from HM Revenue and Customs (HMR&C) that confirms you are claiming Tax Credits as an individual (see also note 6) and/or a FULL copy of your Universal Credit Statement which shows all persons included on the claim and everything that you have been assessed for.
- A photocopy of your Council Tax Exemption received from your Local Council that confirms as a full-time student your property is exempt from Council Tax. However, if you are a 1<sup>st</sup> year student we will accept a copy of your bill which shows Single Person Discount. On commencement of your course your university will provide you with an exemption certificate; this certificate should be sent to your Local Council who in turn will provide you with a revised statement that will confirm you are exempt from making Council Tax payments, a copy of this will be required for the following academic years.
- Students that reside with parents will need to provide supporting evidence for example, a photocopy of their parent's latest Council Tax statement that confirms address of applicant.

## Note 2:

Tax Credits/Universal Credits are payments from the Government. If you're responsible for at least one child or young person, you may qualify for Child Tax Credit. Students do not have to be working to qualify for Child Tax Credit. **Child Tax Credit will not affect your entitlement to Childcare Allowance;** 

If you work, but are on a low income, you may qualify for Working Tax Credit. You can often get both types of tax credits. Working Tax Credit contains a childcare element, which currently pays 70% of registered or approved childcare costs. Students in Higher Education, including NHS Students, are not normally entitled to claim Working Tax Credit themselves unless they work 16 hours or more per week. If you, your spouse, civil partner or partner receive the childcare element of the Working Tax Credit, Universal Credit or tax free childcare from HMRC, you will not be eligible for the NHS Wales Childcare Allowance. If your current notice of award states that you are in receipt of the childcare element of Working Tax Credit and you decide that you wish to receive NHS funding it will be necessary for you to contact HMRC to request an updated notice that will confirm you no longer have qualifying childcare costs.

Further online information about Child or Working Tax Credit is available at <u>www.gov.uk/browse/benefits/tax-credits</u> or by telephoning the tax credits helpline directly on **0345 300 3900.** 

#### Note 3:

## NHS Wales does not fund the use of a Nanny/Private Nanny

In line with Welsh Government regulations, the provider must be registered with CIW or Ofsted as a childminder/childminding service, Nanny's are regarded as a Child Carer "Approved" nannies are different from "registered services" and not regulated/inspected in the same way, therefore are unable to be used as a provider.

You must use a childminder or day-care provider registered by the Care Inspectorate Wales (CIW) under part of the Children Act 1989 (b). In England, childminders and day-care providers are registered by the Office for Standards in Education (OFSTED), or you must use a provider who has been approved by a specially accredited organisation.

You should only enter the details of the child/children that will be in receipt of registered or approved childcare however, childcare allowance **cannot** be claimed if:

- The childcare provider is a **direct relative**\* of the child or children being claimed for and they are:
- Providing care for the child/children in the child's own home;
- Providing care away from the child's home but care is wholly or mainly for the child/children for whom childcare allowance is being claimed.
- \*Direct relative means a parent, grandparent, aunt or uncle, brother or sister, or a step-parent of the child/children. A relative is not necessarily a 'blood' relative. If you have a partner, it also includes their relatives.
- Registered childcare providers are inspected by CIW (or OFSTED in England) which is part of the Welsh Government. They will have a registration number if registered with either authority. Your Family's Information Service will confirm if your provider is registered. Registered childcare includes registered childminders, nurseries, playgroups, crèches, holiday play schemes and open access play provision. These types of childcare are usually for children under eight, but children aged eight and over who attend schemes that also cater for children under eight are also eligible for the allowance because they are attending registered childcare. Registered childcare may also include daycare provided by a Local Authority or by some schools on school premises when the children are looked after in their parents' absence outside school hours.
- Approved childcare is childcare that is approved by a specially accredited organisations, Quality Assurance (QA) scheme. The childcare provider looks after one or more children aged between 8 and 14 (aged 16 or under if the child has registered special needs) for payment for more than two hours in any day. A childcare provider who gains approval from an accredited organisations' QA scheme is given written confirmation of the approval. Approval is granted for a fixed period (not more than two years) and the childcare provider will be given a reference number. At present the only relevant schemes that are used in Wales are the 'Aiming High' scheme for out of school clubs and the 'Quality in Play' scheme for play settings. For further information on 'Aiming High' contact Clybiau Plant Cymru Kids Clubs, telephone 029 2074 1000. For further information on 'Quality in Play' contact Play Wales, telephone 029 2048 6050.

The childcare start date entered should not be before the first day of the month in which your course commences. The childcare must be provided by a registered or approved childcare provider and the child must be aged 14 or under (aged 16 or under if the child has registered special needs), before the beginning of the school academic year, this being 1<sup>st</sup> September.

# Note 4:

The Childcare Allowance is subject to means testing for all students in the same way as the Dependants Allowance. How much you will receive will depend on the income available to you and your family. The NHS Wales Childcare Allowance pays up to 85% of your actual registered or approved childcare costs to a **net maximum amount of £128.78 per week for one child and £209.95 per week for two or more children**. Any amount you are awarded is non- taxable.

Childcare allowance is calculated individually and the amount awarded will depend on your circumstances and the income available to you and your family. Your entitlement to an NHS Wales Childcare Allowance will be based on the initial information that you provided on your application for an NHS Wales Bursary.

The childcare allowance is payable from the course start date in the 1<sup>st</sup> year to the end of that award period. It can be claimed for up to 52 weeks for subsequent award periods as long as you are on the course. For students in their final year of training the allowance can only be paid up to the last day of attendance on the course.

Childcare allowance is usually paid in 12 monthly instalments along with your NHS Wales Bursary payment. You must enter each child's name and your weekly registered childcare costs (after taking off other grants for childcare), **for the current academic year only.** Childcare costs can vary considerably depending on the type of childcare, the age of your child and the number of hours that you need, for example:

- **Full Day Care/Childminder**, You may have to pay your registered childcare provider every week even if your child/children do not attend due to holidays or sickness etc; or you may have to pay your childcare provider a retainer. Should this be the case, you should enter the childcare start date, the childcare end date, number of weeks required followed by your weekly cost. Should your costs vary at different times of the academic year then a separate entry should be made for each period;
- **Out of School Care**, Should you require help with childcare costs for Before/After School Club only, you should enter the term dates for which childcare is required followed by your weekly cost. Should your costs vary at different times of the academic year then a separate entry should be made for each period;
- Sessional daycare/Holiday Club, Should you require help with childcare costs during school holidays only, you should enter the dates, number of weeks for which childcare is required followed by your weekly cost. Should your costs vary at different times of the academic year then a separate entry should be made for each period

# Note 5:

All three and four year olds are entitled to a free part time early education place. This applies until they reach compulsory school age (the term following their fifth birthday). In Wales, the place should be provided for at least ten hours a week. There is no minimum to the number of weeks in a year the sessions should be provided. Although this service is free, you may be charged fees for any services that exceed the minimum entitlement.

Free nursery education can take place in nurseries, playgroups, preschools, private day nurseries or with a childminder. However, not all nurseries, schools or playgroups take part in the scheme. You can find out more information with regards to your child's eligibility for a Free Early Years education place through your Local Family Information Services.

If you receive Free Early Years education for your child or children you **cannot** receive the NHS Wales Childcare Allowance for the periods or sessions of childcare for which Free Early Years education applies. However, you may claim for any additional or extra hours that are not covered by the free sessions, for example:

If your childcare costs per week are £100 in total, but £30 of this is paid by the Early Years Education Scheme, you should only declare, and claim for, the remaining £70 per week on your application for help with childcare costs.

Some Early Years education providers may ask you to make a payment for your child's free early year's education, which will later be refunded to you. If you are expecting a refund for your childcare from another source, please indicate this in your application for help with childcare costs, **but do not include this amount in your claim**.

Please note if you are in receipt of any other help with childcare costs, this will need to be declared in order for us to establish if we need to incorporate it in the assessment.

The above information and guidance notes may not cover all individual circumstances. Should you require any information that is not included, please contact Student Awards Services on 029 2090 5380.