

# Grants for Dependants

## Higher Education Student Finance in Wales 2017/18 Academic Year – Version 2.0 November 2017

### Summary

The purpose of this document is to provide guidance for key delivery partners on Student Finance Wales (SFW) Grants for Dependants in Academic Year (AY) 2017/18.

References to the Regulations have been updated to refer to the Education (Student Support) (Wales) Regulations 2017. The Regulations may be subject to further amendments.

For information on the support package payable to ITT students who started their course prior to AY 2010/11 please refer to the AY 2014/15 version of this document.

### Disclaimer

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 or a definitive statement of the law. 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 Regulations remain the legal basis of the student support arrangements for the academic year 2017/18. In the event of anomalies between this guidance and the Regulations, the Regulations prevail. Please note the Regulations are subject to amendment.

Please note this guidance is for Welsh students only.

### Further Information

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A	Update Log
B	Authority Contact Details
C	Childcare Grant Timetable

### Abbreviations

Abbreviation	Full
ADG	Adults Dependants' Grant
CCG	Childcare Grant
CCG1	Application for help with childcare costs
CCG2	Confirmation of childcare payments
CIS	Children's Information Service
CMS	Courses Management Service
CSSIW	Care and Social Services Inspectorate for Wales
CTC	Child Tax Credit
DSA	Disabled Students Allowances
EYR	Early Years Register

GCR	General Childcare Register
PLA	Parents' Learning Allowance
RRML	Reduced Rate Maintenance Loan
SFW	Student Finance Wales
SSG	Special Support Grant
TG	Travel Grant
UC	Universal Credit
WGLG	Welsh Government Learning Grant
WTC	Working Tax Credit
YSB	Young Students' Bursary

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## 1 Introduction

This chapter explains the supplementary Grants for Dependants available to full-time students under Part 5 of the Regulations (which covers grant for living costs). Unless otherwise stated, the Regulations referred to throughout this chapter are the Education (Student Support) (Wales) Regulations 2017.

The grants for living and other costs are:

- Grants for dependants, consisting of Adult Dependants' Grant (ADG) (regulation 26), Childcare Grant (CCG) (regulation 27) and Parents' Learning Allowance (PLA) (regulation 28);
- Disabled Students' Allowances (regulation 24) which are covered in the separate 'Disabled Students' Allowances' guidance chapter; and
- Welsh Government Learning Grant (regulations 35-37), Special Support Grant (regulations 38 - 40), and Travel Grant (regulations 32-34). Guidance on these grants is contained in the 'Assessing Financial Entitlement' guidance.

## 2 Policy

### 2.1 General Eligibility

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The general eligibility criteria for full-time student support, including grants for living and other costs, can be found in the 'Assessing Eligibility' guidance chapter.

- The only grants for living and other costs to which previous study rules apply are the Welsh Government Learning Grant and Special Support Grant (see the 'Assessing Financial Entitlement' guidance chapter).
- Grants for living and other costs are available to eligible students regardless of age.
- A student can only receive support for a designated course. Where the eligible course does not appear on the Course Management Services (CMS) database, SFW will not be able to fully process the application.
- Students are eligible for grants for living and other costs whilst attending an overseas institution as part of their UK course, whether obligatory or optional (see [overseas study](#) in respect of the Childcare Grant).

### 2.2 Prisoners

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- For full-time students who are eligible prisoners and commence their course on or after 1 September 2012, support is only available for tuition fees. No maintenance support (including dependants' grants) will be available to any prisoner (including an eligible prisoner) who starts a course on or after 1 September 2012.
- No Disabled Students' Allowances (DSAs) (including DSAs for postgraduate courses) will be available to any prisoner (including an eligible prisoner) who starts a course on or after 1 September 2012. The responsibility to provide support for disabled prisoners lies with the Prison Service.
- Full-time students who are prisoners and who started a course prior to 1 September 2012 are not generally eligible for grants for living and other costs under part 5 of the Regulations except DSAs (regulation 58(7) & (8)). Students who have spent part of the academic year in prison are potentially

eligible for additional grants for living and other costs calculated on a pro-rata basis. In exceptional circumstances SFW may use their discretion to award, in addition to DSAs, 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 and 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.

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### **2.3 EU Nationals**

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.

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### **2.4 Means tested NHS Bursaries**

Under regulation 23(3), students are not eligible to apply for grants for living and other costs for any academic year during which they are eligible 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 74(1) of the Education (Scotland) Act 1980 (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 for an NHS Bursary from Wales should be directed to the NHS Student Bursaries website at <http://www.nwsspstudentfinance.wales.nhs.uk/home> or for England [www.nhsbsa.nhs.uk/students](http://www.nhsbsa.nhs.uk/students) for information about the financial support available through the NHS Bursary Scheme. Or they can phone the NHS Student Bursaries England Helpline on 0300 330 1345 or for Wales 029 2037 6854.

From AY 2013/14, SAAS changed the funding regime for new and continuing Allied Health Profession (AHP) students studying in Scotland and, with the exception of nursing and midwifery students, have made available the “Young Students’ Bursary (YSB)” and “Independent Students’ Bursary (ISB)”. These are income assessed bursaries that are available to all students in Scotland, including students from England, Wales and Northern Ireland studying AHP courses in Scotland. DfE will continue to provide reduced rate loan for living costs to all AHP students from England who are studying in Scotland, as they remain in a bursary year; have their fees paid and can apply for a living costs bursary.

For AY 2017/18, the Welsh Government has confirmed it will retain the current bursary package for all students studying eligible healthcare courses in Wales. However, students studying an eligible healthcare course in Wales now must sign an agreement to work in the NHS in Wales for 2 years post qualification in order to be eligible for the healthcare bursary. This will apply to all students (Wales and UK domiciled). Where the student agrees to the 2 year tie-in, they are eligible to apply for the bursary and will only receive the applicable Reduced Rate Maintenance Loan (RRML) package from SFE/SFW/SFNI/SAAS. If the student chooses not to agree to the 2 year tie-in, they will be ineligible for the healthcare bursary and will qualify for the standard undergraduate package of support from SFE/SFW/SFNI/SAAS.

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### **2.5 ITT Courses**

Designated full-time first degree and postgraduate ITT courses of at least one academic year in length will attract the same support package as full-time non-ITT first degree courses. Designated part-time first degree and postgraduate ITT courses of at least one academic year in length will attract the same part-time support package of fee grant or fee loan, course grant, targeted support (Adult Dependents’ Grant, Childcare Grant and Parents’ Learning Allowance) and DSAs as part-time non-ITT first degree courses.

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### **2.6 ‘2010 Cohort’ students**

A ‘2010 cohort’ student is an eligible student who began their present course on or after 1 September 2010 and before 1 September 2011 other than:

- a 2010 gap year student;
- an eligible student who started the present course on or after 1 September 2010 where that course is an end-on course following on from a course that the student began—
  - before 1 September 2010; or
  - before 1 September 2011 and in relation to which the student is a 2010 gap year student.
- an eligible student who started the present course on or after 1 September 2010 having had his or her status as an eligible student transferred to that course as a result of one or more transfers of that status by the Welsh Ministers pursuant to Regulations made under section 22 of the Teaching and Higher Education Act 1998 Act from a designated course which he or she began —
  - before 1 September 2010; or
  - before 1 September 2011 and in relation to which the student is a 2010 gap year student.

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## **2.7 '2011' Cohort' students**

A '2011 cohort' student is an eligible student who began their present course on or after 1 September 2011 other than:

- a 2011 gap year student;
- an eligible student who started the present course on or after 1 September 2011 where that course is an end-on course following on from a course that the student began—
  - before 1 September 2011; or
  - before 1 September 2012 and in relation to which the student is a 2011 gap year student.
- an eligible student who started the present course on or after 1 September 2011 having had his or her status as an eligible student transferred to that course as a result of one or more transfers of that status by the Welsh Ministers pursuant to Regulations made under section 22 of the 1998 Act Act from a designated course which the student began—
  - before 1 September 2011; or
  - before 1 September 2012 and in relation to which the student is a 2010 gap year student.

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## **2.8 '2012' Cohort' students**

A '2012 cohort' student is an eligible student who starts a course on or after 1 September 2012 (regardless of any previous study the student has). The following points should be noted

- New entrants in AY 2012/13 whose course began in August 2012 are '2011 cohort' students.
- There is no gap year protection for students who were offered places at HEIs in AY 2011/12 who deferred entry until 1 September 2012 or later. Those students are classed as '2012 cohort' students.
- Welsh domiciled students who are continuing on a course which started before 1 September 2012 and who do not change their mode of study (for example from full-time to part-time) on or after 1

September 2012 will remain eligible for the package of support available to their original cohort group as defined above. Those who do change their mode of study on or after 1 September 2012 will then be assessed as '2012 cohort' students.

## **2.9 Sandwich courses and work placements**

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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 eligible to receive grants for living and other costs, subject to income assessment.

Under regulation 23(6) students are not eligible for grants for living costs in any academic year of a sandwich course in which the periods of full-time study are in aggregate less than 10 weeks and where the student is on a paid placement, or an unpaid placement of a type specified in regulation 23(7). Students who do not qualify for grants for living and other costs under regulation 23(6) are eligible for the reduced rate maintenance loan which is not subject to income assessment (regulation 45).

Under regulation 23(7) students undertaking the following 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):

- unpaid service in a hospital or in a public health laboratory in the UK or with a primary care trust in the UK;
- unpaid service with a local authority in the UK acting in the exercise of their functions relating to health, welfare or the care of children and young persons or with a voluntary organisation providing facilities or carrying out activities of a like nature in the UK;
- unpaid service in the prison or probation and aftercare service in the UK;
- unpaid research in an institution in the UK or, in the case of a student attending an overseas institution as a necessary part of their course, in an overseas institution. In the Department's view research in an institution must involve some activity within the institution, but not all of the work or activity must take place within the institution's physical bounds. Some research work might require a student to undertake some research away from their institution but as long as their base is established at the institution, such work can be regarded as part of their work in the institution;
- unpaid service with a Health Authority or a Strategic Health Authority, a Health Board or a Special Health Board in Scotland, or a Health and Social Services Board in Northern Ireland.

## **2.10 Students who become eligible during the course**

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Under regulation 24(11) & (12), a student may qualify for grants for living and other costs from, and including, the academic year during which:

- the student's course becomes designated;
- the student, their spouse, civil partner or parent is recognised as a refugee or becomes a person with leave to enter or remain;
- the state of which the student is a national accedes to the European Union 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;



- the student acquires the right of permanent residence;
- the student's Turkish parent becomes a worker;
- the student or their relevant family member becomes a person described in paragraph 6 of Schedule 1;
- the student's parent becomes a Swiss national.

In these circumstances the student will be potentially eligible for:

- Welsh Government Learning 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 DSAs 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 Dependents' 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.

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 **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 they become eligible due to an event listed above. Also refer to the 'Assessing Eligibility' guidance chapter.

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

Regulation 58(1), (16) and (17) provides SFW 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 58(16) provides SFW with the discretion to pay grants for living and other costs if a student is absent from their course. Further information on exercising this discretion is contained in the 'Change of circumstances' guidance chapter. If a student has withdrawn from their course due to serving a prison sentence, SLC should be advised of the withdrawal assessment to allow for rescheduling of financial support and recovery of any overpayment.

## **3 Grants for Dependants**

The grants for dependants in AY 2017/18 under regulations 26-28 are:

- Adult Dependents' Grant;
- Childcare Grant; and
- Parents' Learning Allowance.

### ***3.1 Definitions for dependants***

. For the purposes of grants for dependants, the following definitions apply (regulation 30(1)):

<b>Definition</b>	<b>Description</b>
Dependant	In relation to an eligible student, the student's partner, student's dependent child or an adult dependant, who in each case is not an eligible student and does not hold a statutory award.

Partner	The spouse or civil partner of an eligible student; The co-habiting opposite or same sex partner of a student who is aged 25 or over on the first day of the relevant year of the course; The definition of a partner does not include a partner of the student where the SFW considers 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	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 the SFW considers 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	Wholly or mainly financially dependent
Dependent child	In relation to an eligible student, a child dependent on the student.

A child or adult person can be considered to be 'dependent' on an eligible student if:

- (a) they are wholly or mainly financially dependent on the eligible student alone; or
- (b) they are wholly or mainly financially dependent on the eligible student and the student's partner together (i.e. where the child or adult person is equally financially dependent on the eligible student

and the student's partner who together are providing all or most of his financial support).

The definition of 'dependant' means that an eligible student aged under 25 is not eligible for an Adult Dependents' Grant in respect of a co-habiting same sex or opposite sex partner. The definition of 'dependant' also means that an eligible student is not eligible for an Adult Dependents' Grants in respect of a dependent child or an adult dependant who is also an eligible student or who holds a statutory award (regulation 30(1)(c)).

The following table summarises when the cohabiting opposite or same sex partner or civil partner/spouse of a student is a dependant.

Full-time Student	Cohabiting opposite sex or same sex partner	Spouse / Civil Partner
Under 25 years old	X	✓
Aged 25 years or over	✓	✓

## 4 Determining where financial dependence lies

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

All students aged 25 and over (or under 25 if they are married or in a civil partnership) must be subject to a means tested assessment to determine if they are eligible for dependant's grants.

#### **4.2 Students aged under 25 with a child and living with a partner**

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Depending on the student and partner's circumstances, the following applies:

- Where a student is under 25 and living with a partner, the partner is not a dependant of the student under regulation 30 (1)(j)(iii). Therefore the partner's income should not then be used to assess the grants for dependants under regulation 26.
- 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 the student's 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, 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 the student's partner should be added to the student's estimated income. Any child benefit should be included and should be attributed to the person who is the named recipient.

#### **4.3 Adult Dependants' Grant**

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In AY 2017/18, the amount of Adult Dependants' Grant (ADG) under regulation 26 is **£2,732** for one only of:

- an eligible student's partner (as defined in paragraph 11); or
- an adult dependant of the student whose net income does not exceed **£3,923**. (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 residual income of a partner (as determined by paragraph 6 of Schedule 5 of the Regulations), whatever the amount, is always included in the dependants' grant income assessment because there is no maximum amount specified in regulation 26(2)(a) for a partner. 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.

There is no requirement for a student to apply separately for the ADG. Provided they have indicated on the full-time application (online or paper) that they have an adult dependant, there is no requirement for them to make any separate request to receive this grant.

#### **4.4 Student's partner is an eligible student or holds a statutory award\*\***

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An eligible student may not claim ADG in respect of their partner, or for another adult dependant, if that partner or adult dependant is also an eligible student and holds a statutory award. However, these students can still apply for 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 under his or her statutory award.

**\*\* statutory award** means any award bestowed, grant paid or other support provided by virtue of the 1998 Act or the 1962 Act, or any comparable award, grant or other support in respect of undertaking a course which is paid out of public funds.

#### **4.5 Student's partner is an eligible student or holds a statutory award\*\***

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Where a student has a dependant who is ordinarily resident outside the United Kingdom, SFW has discretion to determine the basic amount of ADG payable, if any, to a maximum of £2,732 (regulation 26(3)(b)).

## **5 Childcare Grant**

### **5.1 Student's partner is an eligible student or holds a statutory award\*\***

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The Childcare Grant broadly mirrors the childcare element of the Working Tax Credit (WTC) / Universal Credit (UC) administered by HM Revenue & Customs. 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 / UC.

The childcare element of the WTC / UC is payable in respect of registered or approved childcare. The types of [qualifying childcare](#) that can potentially attract the childcare element of WTC / UC, and therefore also potentially attract the Childcare Grant, are set out below.

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. For instance, Childcare Grant cannot be used to pay a relative.

Students cannot claim Childcare Grant if they have a partner who 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 should only be claimed from one government source, even where that funding does not cover the full costs of childcare.

Students who are potentially eligible for the Childcare Grant are:

- lone parents (a lone parent is a single parent who is not living with a spouse or partner, who has most of the day-to-day responsibilities in raising a child or children);
- student couples with children; and
- student parents with partners, including partners with income. (Entitlement is subject to the level of income and the amount of childcare costs.)

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; including a dependent child who is born after the beginning of the academic year; 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, including a dependent child who is born after the beginning of the academic year.

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 them. A learning difficulty is defined in the Act as a significantly greater difficulty in learning than the majority of children of their age or a disability that prevents or hinders a child from making use of educational facilities of a kind generally provided for children of their age in schools within the Local Authority area.

The [definition of 'dependant'](#) (regulation 30(1)) also applies to the Childcare Grant.

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.

## **5.2 Qualifying Childcare in Wales**

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A Welsh domiciled student who incurs charges for the following types of childcare in Wales is potentially eligible for the Childcare Grant.

- care provided by Registered childcare including childminders, nurseries, playgroups, children's centers and holiday play schemes for children aged under eight.
  - Only childcare for children under eight has to be registered. However, children aged eight and over who are in childcare that is also for children under eight years are also eligible for the grant because they are attending registered childcare. Nurseries and play schemes registered by the National Assembly for Wales through the Care and Social Services Inspectorate for Wales (CSSIW). A registration number will be supplied and the carer is required to display their registration certificate on the premises;
- out-of-school hours clubs provided by a school on school premises or by a local authority. Some schools provide day care for very young children and for children outside normal school hours. A Childcare Grant may be paid for this type of childcare as long as the school is registered as a day care provider by CSSIW;
- 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;
- care provided by an approved foster carer (the care must be for a child who is not being fostered by the foster carer); or
- childcare provided in the child's own home or if several children are being looked after in one of the children's home by a carer approved under the Approval of Child Care Providers (Wales) 2007 scheme.

## **5.3 Qualifying Childcare in England**

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A Welsh domiciled student who incurs charges for the following types of childcare in England is potentially eligible for the Childcare Grant. Refer to SFE Guidance Notes for more information.

### **Ofsted Registered childcare**

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 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 seven.

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.

Registered childcare providers can include registered childminders, nurseries, after school care and other 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.

#### **5.4 Additional Qualifying Childcare in England**

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A student who incurs charges for the following types of childcare in England who is currently eligible for Working Tax Credit (WTC) / Universal Credit (UC) purposes will also potentially be eligible for the Childcare Grant.

- 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.

#### **5.5 Qualifying Childcare in Scotland**

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. A Welsh 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 child minders, nurseries and play schemes registered by the Scottish Commission for the Regulation of Care;
- out-of-school hours clubs 'registered' by the Scottish Commission for the Regulation of Care;
- 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 the Scottish Commission for the Regulation of Care as a child minder 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 the Scottish Commission for the Regulation of Care.

## **5.6 Qualifying Childcare in Northern Ireland**

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A Welsh 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 child minders, nurseries and play schemes registered by a local Health and Social Care 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 local Health and Social Care 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 Care Trust if the child is under the age of 12, or approved under the Approval of Home Child Care Providers (Northern Ireland) Scheme 2006, 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) Scheme 2006.

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

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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 has been successful and their registration or approval confirmed.

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

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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 Childcare Approval Scheme in England 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 children to whom the provider is a parent or relative;
- charges paid by the student to their partner in respect of childcare for the student's child or a child of their partner 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.

This broadly reflects 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 'child minder' 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.

## **5.9 Compulsory education charges**

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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 WTC / UC position.

## **5.10 Audit of childcare grant applications**

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Although there is currently no facility on the system for SFW to identify a selection of Childcare Grant applications for audit, a sample check of 10-15% of applications should 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 the 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 'Childcare Grant Application Form'). The Department expects SFW to pursue any application upon which there is a doubt about its veracity.

In carrying out the sample check, SFW will wish to confirm with the relevant body that the childcare provider detailed on the Childcare Grant application form and 'Confirmation of Childcare Payments' form is registered or approved by Ofsted. In carrying out their sample checks, SFW should contact their local Children's Information Services (CIS) in the first instance to check the registration status of a childcare provider. Ofsted supply CIS with updated information on childcare providers on a daily basis. This will enable CIS 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. In Wales the regulation of Childcare Services is the responsibility of CSSIW.

When information is not easily forthcoming from CIS, or where there is concern or doubt about a provider's registration that the CIS cannot answer, SFW could contact the relevant Ofsted regional centre by calling the national help line on **0300 123 1231**. The call will be automatically diverted to the closest regional centre.

## **6 Amounts of Childcare Grant**

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. 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 £161.50 per week (i.e. a maximum of 85% of £190 actual childcare costs). The maximum annual Childcare Grant for a student with one dependent child using childcare for the whole year is £8,398.
- for two or more dependent children, 85% of the actual cost of registered or approved childcare, paying up to a maximum grant of £274.55 per week (i.e. a maximum of 85% of £323 actual childcare costs). The maximum annual Childcare Grant for a student with two or more dependent children using childcare for the whole year is £14,276.60.

Since AY 2014/15, 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 £115 per week, or 85% of actual costs,



whichever is less (regulation 27(7)). Once a childcare provider has been identified, the Childcare Grant entitlement should be reassessed using the appropriate maximum amount for one or more children.

The Childcare Grant pays 85% of actual childcare costs, but the amount of weekly Childcare Grant paid cannot exceed £161.50 per week for one child or £274.55 per week for two or more children. For example:

Number of children in prescribed 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	£161.50 (as the Childcare Grant pays 85% of actual costs of up to £190 per week)
Student C – 2 children	£120	£102 (85% of the actual childcare costs)
Student D – 2 children	£350	£274.55 (as the Childcare Grant pays 85% of actual costs of up to £323 per week)

### **6.1 Maximum childcare grant in the first and final week of the academic year**

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 27(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 (£161.50 or £274.55 as appropriate) by the number of days of that week falling within the academic year and dividing by seven (regulation 27(6)(b)). For example, £161.50 divided by 7 is £23.07).

This means that if the student's academic year starts in the autumn and they claim a Childcare Grant in respect of the period from Thursday 8 September to Sunday 11 September 2016, the maximum grant payable is £92.28 for one child or £156.88 for two or more children (this is based on daily amount multiplied by 4). If the student claims a Childcare Grant in respect of the period from Monday 12 September to Friday 16 September 2016, the maximum grant payable is £115.35 for one child or £196.11 for two or more children (this is based on daily amount multiplied by 5).

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. SFW should note that 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.

### **6.2 Childcare grants and retainer fees paid to childcare providers**

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. 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.

### **6.3 Childcare grants and retainer fees paid to childcare providers**

The amount of Childcare Grant is reduced by one half if the eligible student's partner is an eligible student (qualifies for support for a designated course) 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 29(9)).

#### **6.4 Periods covered by childcare grant**

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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 for the period from the beginning of 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 October and assumes the student pays for childcare every week during the academic year.

1 September 2017 – 3 July 2018	4 July 2017 – 31 August 2018 (long vacation)
85% of childcare costs for 44 weeks	85% of childcare costs for 8 weeks

The example above is based on a student claiming Childcare Grant for the long vacation and whose academic year begins on 1 September 2017. The Childcare Grant payments start on 1 September even though the first day of term one is 1 October 2017. The Childcare Grant in respect of the months of July and August 2018 is paid in advance with the third instalment of support. The grant for childcare costs incurred in September 2018 is paid in arrears with the first instalment of support in the following academic year.

#### **6.5 Childcare grant for final year students**

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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 27(5)). For example, the first day of term is 1 October 2017 and the final term of the course ends on 24 Jun 2018. 85% of weekly childcare costs are paid for each week childcare is used between those dates.

#### **6.6 Students who have a partner with income**

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Some students with a partner in receipt of income may still receive a Childcare Grant but this depends upon the number of dependent children, the cost of the childcare, and the number of weeks that the childcare is used, as well as the level of the income of the partner (if treated as a dependant under regulation 30(1)). The following table gives the income threshold under the dependants' grant means test for receiving £1 of Childcare Grant for students with a partner who has an income. The calculation is based on the assumption that the student is incurring the maximum childcare costs and using registered or approved childcare for 52 weeks. For students with lower childcare costs, and those using childcare for part of the year, a separate calculation should be carried out.

Number of dependent children	Maximum level of partner's income
One child	<b>£11,870 per annum</b>
Two children	<b>£18,907 per annum</b>

It should be noted that the maximum levels of income given above would in both cases pay £1 of Childcare Grant and the full PLA of **£1,557**. Income that exceeds the maximum levels given above reduces the amount of PLA £ for £.

#### **6.7 Childcare grant, Early Years Education and free childcare**

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Students cannot receive Childcare Grant for any childcare that is provided free of charge and when applying should only include childcare for which they have to pay a registered or approved 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.

Local Authorities will provide funding to the early learning providers to enable them to make free places available to eligible children. Therefore, our advice is that the higher education Childcare Grant cannot be paid for a period covered by a free early learning place. The Code of Practice on the provision of free nursery education places for three and four year olds makes clear that early learning place providers should not charge parents up-front for an early learning place to be refunded at a later date.

However, providers can charge for services provided outside of the free entitlement – this is a private matter between parents and providers. These services usually take place before and/or after the early learning place and is sometimes referred to as wrap around or out of school care. The Childcare Grant may be paid to cover the cost of childcare charged to the student as long as the provider is registered or approved. Students should only include it in their applications for childcare for which they have to pay a childcare provider. If they include a free early learning place in their application, providers will be unable to confirm that the student has made payments.

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## **6.8 Childcare Grant, Child Tax Credit and the Childcare Element of Working Tax credit / Universal Credit**

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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.

Working Tax Credit (WTC) / Universal Credit (UC) 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 / UC do not preclude a student from claiming Childcare Grant.)

The childcare element of WTC / UC can meet up to 70% of the cost of registered or approved childcare up to a maximum cost of £175 a week for families who pay childcare for one child and £300 a week for families who pay childcare for two children or more. The maximum amount of childcare element of WTC / UC someone could have is £140 a week for one child or £240 a week for two or more children, although the actual amount a family receives in childcare element of WTC / UC is subject to the family's gross income.

Students who satisfy the entitlement rules for the childcare element of WTC / UC can choose either to claim the childcare element of WTC / UC or the Childcare Grant. They cannot claim the WTC / UC childcare element if they or their partner are also receiving the Childcare Grant.

Similarly regulation 27(3) of The Education (Student Support) (Wales) Regulations 2017 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 / UC. This provision reflects the policy intention that an eligible student should not receive childcare support from the Childcare Grant and the WTC / UC childcare element at the same time.

If a student indicates that they or their spouse/partner are in receipt of an award from the WTC / UC 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 / UC award does not include the childcare element of WTC / UC. The eligible student should be asked to produce a WTC / UC award notification that should indicate if the student or their partner is in receipt of the childcare element of WTC / UC. If the student or partner is not in receipt of the childcare element of WTC / UC there will be no mention of it in the WTC / UC award notice. This information should also help SFW determine the start/termination dates for Childcare Grant payments.

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 / UC 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 WTC / UC childcare element 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 / UC 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 / UC award no longer includes the childcare element of WTC / UC.

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 / UC.

For more information on tax credits:

- visit <https://www.gov.uk/browse/benefits/tax-credits> 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).

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### **6.9 Childcare Grant and students on work placements**

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Students are generally not eligible for a Childcare Grant in any academic year in which the periods of full-time study are in aggregate less than 10 weeks and where they are on a paid/unpaid placement for the rest of the year (regulation 23(6)). Some exceptions, set out in regulation 23(7), may apply. Students on work placements whose periods of full-time study in the academic year are 10 weeks or more may receive a Childcare Grant.

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### **6.10 Childcare Grant applications from students at an overseas institution**

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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 a Ministry of Defence accreditation scheme to approve providers who care for the children of personnel based overseas. Students requesting support for childcare provided abroad should be referred to their institution to enquire about any relevant funding it may offer.

## **7 Parents' Learning Allowance**

A Parents' Learning Allowance (PLA) of up to **£1,557**, subject to income assessment, 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 registered or approved childcare.

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. Students do not have to be using registered or approved childcare to be eligible for the Parents' Learning Allowance. PLA is not treated as income when students are assessed for income-related benefits, including Housing Benefit.

There is no requirement for a student to apply separately for the PLA. Provided they have indicated on their application that they have dependent children, there is no requirement for them to make any separate request to receive this grant.

Subject to an assessment of income, the PLA will be paid to:

- full-time students with dependent children who are assessed to receive at least £1 of Childcare Grant and/or £1 of Adult Dependents' Grant. Such students are entitled to receive the full amount of PLA (**£1,557**);
- full-time students with dependent children who are eligible in principle for the Adult Dependents' Grant and/or the Childcare Grant but are not entitled to receive any payments of those grants because the income of their dependants is sufficiently high to offset them. After applying the dependants' income (as specified below) against the Adult Dependents' Grant and the Childcare Grant, any remaining income is set against the PLA on a £ for £ basis;

- 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 below) is set against the PLA on a £ for £ basis after applying the appropriate threshold.

If the aggregate amount of PLA determined is between £1 and £49 then the student will be entitled to a minimum amount of PLA payable of £50 (regulation 29(10)).

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 the student and their 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.

## 8 The Dependants' Grant Income Assessment

### 8.1 *Assessment of dependants' income*

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Information provided by the student on their application is used to determine the amount of Adult Dependants' Grant and Parents' Learning Allowance due. The system also displays a message to the SFW assessor prompting them to check the system calculation and amend if necessary.

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 2014/15, 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 disregards. For child dependants the net income in the prior financial year is used. Estimates of net income (regulation 30(7)) 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 in AY 2014/15 or later.

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. 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.

### 8.2 *Assessment of dependants' income*

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Regulation 30(8) allows recurrent payments made by the student or the student's partner in respect of obligations incurred by the student before the start of the course to be deducted from the partner's income where such obligations were 'reasonably incurred', which is for SFW to decide. They might include payments made under insurance policies, such as household insurance, contents insurance, medical insurance and life insurance, payments under a mortgage agreement (mortgage payments and mortgage endowments), council tax payments, rent payments, repayments under a loan agreement, such as a Building Society home improvement loan and obligatory maintenance payments. However, SFW have the discretion to decide which types of recurrent payment to deduct, and this list is not binding but intended purely as a guideline as to what might be regarded as permissible items. If SFW considers that a lesser obligation could reasonably have been incurred in the circumstances, a correspondingly lesser sum may be disregarded. 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 taken into account.

### 8.3 Applying the dependants' income

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The dependants' aggregated income for the prior tax year less one of the following applicable thresholds (regulation 29(2)):

- **£1,159** for a student with no dependent children;
- **£3,473** for a couple with one child;
- **£4,632** for a couple with two or more children;
- **£4,632** for a lone parent with one child;
- **£5,797** for a lone parent with two or more children;

reduces the student's entitlement to dependants' grants where applicable £ for £ in the following order:

- Adult Dependants' Grant;
- Childcare Grant; and
- Parents' Learning Allowance.

The dependants' aggregated income less the applicable threshold 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 threshold applied) exceeds or equals the aggregate of the basic amounts of the grants for dependants, the amount payable for grants for dependants is nil.

After the contribution has been applied, if the amount of PLA for which the student is eligible is between £1 and £49 the student will be entitled to a PLA of £50.

#### **Example 1**

A student has a spouse/civil partner with income of £3,070 and two children under 15 with net income of £1,125 each. 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	£3,070
Child 1	£1,125
Child 2	£1,125
<b>A. Total dependants' income</b>	<b>£5,320</b>

**Step 2:** Choose the threshold which applies to the student's circumstances.

<b>Student's circumstances</b>	<b>Applicable threshold</b>
<b>B. 2 parents and 2 children</b>	<b>£4,632</b>

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

<b>A. Total dependants' income</b>	<b>£5,320</b>
<b>B. Applicable threshold</b>	<b>£4,632</b>
<b>Dependants' income (A - B)</b>	<b>£688</b>

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

Grant	Amount
Adult Dependants' Grant	<b>£2,732</b>
Childcare Grant (85% of actual costs - 52 x £127.50)	£6,630
Parents' Learning Allowance	<b>£1,557</b>
<b>Total</b>	<b>£10,919</b>

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

<b>A. Total dependants' grants</b>	<b>£10,919</b>
<b>B. Dependants' income</b>	<b>£688</b>
<b>Amount of dependants' grant to be paid (A – B)</b>	<b>£10,231</b>

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

Grant	Amount
Adult Dependants' Grant (full grant reduced by contribution of £688)	<b>£2,044</b>
Childcare Grant (85% of actual costs - 52 x £127.50)	£6,630
Parents' Learning Allowance	<b>£1,557</b>
<b>Total dependants' grant paid</b>	<b>£10,231</b>

## **Example 2**

A student has a spouse/civil partner with income of **£11,018** and one child. The student uses **registered or approved** childcare for 40 weeks and the actual costs are £100 per week.

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

Dependants	Income
Spouse/Civil Partner	<b>£11,018</b>
<b>A. Total dependants' income</b>	<b>£11,018</b>

**Step 2:** Choose the threshold which applies to the student's circumstances (regulation 30(2)).

Student's circumstances	Applicable threshold
<b>B. 2 parents and 1 child</b>	<b>£3,473</b>

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

<b>A. Total dependants' income</b>	<b>£11,018</b>
<b>B. Applicable threshold</b>	<b>£3,473</b>
<b>Dependants' income (A - B)</b>	<b>£7,545</b>

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

Grant	Amount
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Adult Dependants' Grant	<b>£2,732</b>
Childcare Grant (85% of actual costs - 40 x £85)	£3,400
Parents' Learning Allowance	<b>£1,557</b>
<b>Total</b>	<b>£7,689</b>

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

<b>A. Total dependants' grants</b>	<b>£7,689</b>
<b>B. Dependants' income</b>	<b>£7,545</b>
<b>Amount of dependants' grant to be paid (A – B)</b>	<b>£144</b>

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

<b>Grant</b>	<b>Amount</b>
Adult Dependants' Grant	Nil
Childcare Grant (85% of actual costs (52 x £127.50)	Nil
Parents' Learning Allowance	<b>£144</b>
<b>Total dependants' grant paid</b>	<b>£144</b>

The total of the dependants' grant under regulations 26-28 is subject to the main income assessment. This means that any student contribution or household contribution is applied to the dependants' grants.

## 9 Payment of Grants for Dependants

Regulations 58 and 61 provide for payments of grant for living costs and maintenance loan to be made for periods of the year other than quarters.

Dependants' grants 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.

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

The number of a student's dependants may change during an academic year. When this occurs, SFW should determine who the student's dependants are for each of the three quarters for which the grant is payable (regulation 29(12)). The dependants' grants should be reassessed on a pro rata basis from the date the number of dependants changes.

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 29(13)).

## 10 Administration

### ***10.1 Administering Childcare Grant applications***

Refer also to the guidance chapter 'Change of Circumstances' which provides guidance on reassessments and stopping payments.



## ***10.2 Processing Childcare Grant applications***

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SLC's system now 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 the amounts are entered in the 'Exceptions' section, pro-rata will not be 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.

If the 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.

Annex 1 includes a summary timetable showing what actions SFW should take during the course of the academic year.

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

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The financial notification letter produced under the single system details the breakdown of the various elements of the grants for dependants. Students should be advised to show the financial notification letter to their institutions when applying for discretionary hardship support from their HE Provider and to Job Centre Plus and/or the local authority Housing Benefit / Universal Credit section if applying for income related benefits

## ***10.4 Childcare grant leaflets and forms***

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The booklet entitled 'Childcare Grant and other support for student parents in higher education 2017/18' and the forms 'Application for help with childcare costs' (CCG1) and 'Confirmation of childcare payments (CCG2)' can be downloaded from the SFW website. Where a student indicates on the online application or PN1 / PR1 forms that they want to apply for the Childcare Grant, an information pack, which includes an application form, will be sent to the student for them to complete and return.

## ***10.5 Childcare Grant Application Form***

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The student should apply for a Childcare Grant by completing a 'Childcare Grant Application form' (CCG1) and send it to SFW. The applicant may provide an estimate of their likely childcare costs on their application form given that they are unlikely to be aware of 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.

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

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Childcare providers are asked to complete Section 2 of the CCG1 confirming they are either 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 £115 per week. 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 applicant's grant entitlement may need to be reassessed.

## ***10.7 Student does not return the Childcare Grant Application Form***

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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.

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**10.8 Student who return the Childcare Grant Application Form**

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Where a CCG1 is returned, the student's entitlement to childcare costs 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.

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**10.9 Confirmation of payment to a childcare provider**

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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.

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.

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

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

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Students should send evidence of payments made to a childcare provider on form CCG2 by each of the dates in the annex 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 SFW.

If a student has not returned their form CCG2 by the required dates, a reassessment 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.

## **11 Finalising Assessments**

### ***11.1 Students not in receipt of childcare during their longest vacation***

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Once a student has confirmed their actual childcare costs for the final term of AY 2017/18 and indicated they will not require a Childcare Grant for their longest vacation, the student should be reassessed and a revised support notification sent for AY 2017/18 to show that the assessment is now final.

### ***11.2 Students in receipt of a childcare grant during their longest vacation***

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Most academic years begin on 1 September and the longest vacation is the summer vacation. Childcare Grants for the longest 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.

If a student receives a Childcare Grant for the longest vacation they need to confirm their actual childcare costs just after the start of AY 2017/18.

### ***11.3 Students who have not confirmed childcare costs for their previous AY***

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Where a Childcare Grant application is received for AY 2017/18 and the student has not yet confirmed his/her childcare costs for the longest vacation in AY 2016/17, this should not delay or prevent assessments for AY 2017/18. In these circumstances the following action should be taken:

- assess the student for a Childcare Grant in AY 2017/18 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 AY 2016/17 showing the revised amount of dependants' grants.

The Support Notification for AY 2017/18 should include the amount of Childcare Grant for AY 2017/18 not taking into account any overpayment incurred during AY 2016/17.

### ***11.4 Underpayments or Overpayments of childcare grants***

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SLC will identify any overpayments from the revised AY 2016/17 notifications and deduct the overpayment from the AY 2017/18 grants if the student is continuing on the same course. If the student is not continuing on the same course, SLC will make separate arrangement for collection of the overpayment. If a student's Childcare Grant has been underpaid in AY 2016/17, SLC will pay the outstanding amount. If SLC receive a reassessment after the third instalment has been paid, the balance will be made to the student as opposed to adding the outstanding balance onto the following year's grant.

## Annex A

Date	Updates
April 2017 (v1.0)	First version published
November 2017	Updated (corrections to version number and section headings only)

## Annex B

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

Name	E-mail
Student Finance Division	<a href="mailto:studentfinancedivision@wales.gsi.gov.uk">studentfinancedivision@wales.gsi.gov.uk</a>

For information on the support package payable to old system students, please refer to the AY 2013/14

## Annex C

### 11.5 CHILDCARE GRANT TIMETABLE

From March 2017 onwards	SFW to enclose the publications 'Childcare Grant and other support for student parents in higher education 2017/18 and the forms 'Application for help with childcare costs' (CCG1) and 'Confirmation of childcare payments' (CCG2) to students who have indicated they will incur childcare costs.
Around October 2017	Send a reminder letter to students. The letter will remind them they need to return the form 'Confirmation of childcare payments'.
Around November 2017	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 2017	SFW will need to reassess students as appropriate.
Around January 2018	Send a reminder letter to students. The letter will remind them they need to return the form 'Confirmation of childcare payments'.
Around February 2018	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 2018	SFW will need to reassess students as appropriate including childcare costs for the summer vacation.
Around July 2018 (or August 2018 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 2018 / September	Obtain confirmation of childcare costs for term 3 and the summer vacation.

2018	Finalise assessments for AY 2017/18 if a Childcare Grant was received.
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