

How will taking up the Childcare Offer effect my benefits - Parent FAQs

What is the Childcare Offer for Wales? The Childcare Offer will provide eligible working parents with a combined 30 hours of early education and childcare for 3 and 4 year olds, for up to 48 weeks per year. You are eligible to receive the additional childcare if you live within a pilot area, have a child within the age range and earn on average a weekly minimum equivalent to, or more than, 16 hours at national minimum wage (NMW) or national living wage (NLW) but less than £100,000 per year.

I'm on working tax credits, can I take up the Offer? Yes. Receiving the Offer will not impact on your family's entitlement to receive working tax credits and you can access the Offer and tax credits at the same time.

Will the amount of working tax credits I receive be effected? Working tax credits are calculated on income and estimated childcare costs. Receiving the Offer may lead to an increase in your income (if for instance you can take on more hours) or a reduction in your childcare costs, meaning the amount of tax credits you receive may be reduced.

If I take up the Offer will I need to declare a change in my circumstances? Does that mean I'll get transferred onto Universal Credit? You will need to let DWP know that you're taking up the Offer and the amount you expect to spend on childcare is changing. However, this will not be counted as a formal change of circumstances and you will not be automatically transferred onto Universal Credit.

I'm on Universal Credit can I take up the Offer? Yes, those in receipt of Universal Credit can take up the Offer.

Can I still use the childcare support provided through Universal Credit and the Offer?

You can't use the childcare costs element of Universal Credit for hours of childcare funded by the Offer, but you can claim Universal Credit childcare costs for any additional childcare you need to pay for, either for your 3-4 year old or any other child in your household.

What about Tax-Free Childcare? Can I use Tax-Free Childcare with working tax credits/Universal Credit and the Offer? You can use Tax-Free Childcare if you're taking up the Offer, for any additional hours of childcare you require. However you can not use Tax-Free Childcare if you are in receipt of working tax credits or Universal Credit.

