

Grace Period or Temporary Exemption Period (TEP)

Chwarae Teg gave evidence to the Children, Young People and Education Committee on 24 May in relation to the Childcare Funding (Wales) Bill. Chwarae Teg were unclear as to whether or not there would be a “grace period” in respect of the Childcare Offer for Wales.

A “grace period” refers to a period of time during which a child would continue to receive Government-funded childcare, should his/her parent/s fall out of eligibility for the childcare element of the 30 hour offer. One of the most common reasons for this is likely to be where one or both parents lose their job or their hours are reduced below the minimum requirement.

The model currently being piloted in Wales does include a “grace period”, although it is referred to as Temporary Exemption Period (TEP). The Welsh Government recognises that it is important that families who fall out of eligibility are still able to access the offer for a limited period of time. Not only does this provide stability for both children and childcare providers but it also gives parents the opportunity to regain eligibility.

Under the current model, when a person becomes ineligible for the childcare offer they enter an 8 week TEP, during which time their child can continue to receive Government-funded childcare.

It is the parent’s responsibility to inform both their local authority and their provider that their circumstances have changed and that they are no longer eligible for the offer. Should a parent’s circumstances change and they do not immediately inform their local authority, their TEP will still run from the point at which they stopped being eligible for the offer. For example, if a parent falls out of eligibility but fails to inform their local authority until 4 weeks later, only 4 weeks of their TEP will remain. At the point a parent’s TEP ends they will no longer be able to access the offer and they become responsible for paying the costs associated with using that childcare provider.

This approach is currently being tested as part of early implementation of the offer in Wales and will be subject to review as part of the evaluation of the first year pilots. The Welsh Government is fully committed to there being a fair and consistent temporary exemption period when the offer is rolled out in Wales.

What happens in England?

If a child becomes ineligible for the 30-hour offer, local authorities in England are required to continue funding their place for a ‘grace period’ (the child will still be eligible for the universal 15-hour free entitlement offer).

During the autumn and spring terms, this means funding a child:

- until the end of the term if they become ineligible during the first half of the term;

- until the end of the following half-term if they become ineligible during the latter half of the term.

During the summer term, this means funding a child:

- until the end of the term if they become ineligible in the first half of the term;
- until the start of the September term if they become ineligible in the latter half of the term.