ADM Chapter F7: Childcare costs element

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Introduction

F7001 Support for the costs of childcare within UC is available to lone parents and to couples, where all members are either in work or are treated as in work, regardless of the number of hours they work.

F7002 A claimant’s maximum amount will include a specific additional element where the claimant incurs a cost for at least one child or QYP for whom they are responsible\(^1\) that requires registered childcare.

\(^1\) UC Regs, reg 4

F7003 The following guidance describes the conditions for a childcare cost element within UC.

F7004 – F7009
Qualifying conditions F7010-F7029

General test F7010

The work condition F7011- F7029

General test

F7010 An amount in respect of childcare costs is to be included in an award of UC where the claimant satisfies in respect of an assessment period

1. the work condition (see F7011 to F7015) and
2. the childcare costs condition\(^1\) (see F7030 to F7040).

1 UC Regs, reg 31

The work condition

Single claimant in paid work

F7011 The first condition of the childcare element requires that the claimant is in paid work. This condition is met, in respect of an assessment period, if the claimant

1. is in paid work or
2. has an offer of paid work where he is due to start that work before the end of the next assessment period\(^1\).

1 UC Regs, reg 32(1)(a)

Example 1

Colin is in receipt of UC with an assessment period that runs from the 8th of each month. On 12.3.14. Colin secures a new job which he is to start on 6.5.14. For the purpose of the first condition of the childcare costs test Colin is in paid work for the assessment periods that run from 8.3.14.
**Example 2**

Susan has an offer of paid work that is due to start on 3.10.21. In order to secure suitable childcare and give her daughter chance to settle in to the new routine, that childcare commences on 10.9.21. As susan’s assessment period runs from the 12th of each month, childcare costs can be paid for the AP 12.8.21 to 11.9.21

**Couples in paid work**

F7012 Where the claimant is a member of a couple\(^1\) (including a person who is a member of a couple but who is paid as a single person\(^2\)) the claimant can be in paid work, or have an offer of paid work\(^3\) but the other member has to be in paid work\(^4\), or fall into the exceptions in F7013.

\(^1\) WR Act 12, s39; \(^2\) UC Regs, reg 3(3); \(^3\) reg 32(1)(a); \(^4\) reg 32(1)(b)

F7013 Where only one of the couple is in paid work, the work condition described at F7010.1 is still met if the partner who is not working is unable to provide childcare themselves because they

1. have LCW (See ADM Chapter F5) or

2. have regular and substantial caring responsibilities for a severely disabled person (See ADM Chapter F6) or

3. are temporarily absent from the claimant’s household\(^1\) (See ADM Chapter E2).

\(^1\) UC Regs, reg 32(1)(b)

**Example**

The UC benefit unit comprises of Ben, Sara and their daughter Pauline. Ben works as a cleaner for 2 days each week, Sara does not work but is unable to look after Pauline whilst Ben is at work because she is providing full time care for her disabled mother who also lives with them. For the purpose of the work condition both Ben and Sara satisfy the paid work test.

**What is paid work**

F7014 Paid work means\(^1\) work done for payment or in expectation of payment. It does not include being

1. engaged by a charitable or voluntary organisation, or
2. a volunteer, in circumstances in which the payment received by or due to be paid to the person is in respect of expenses.

1 UC Regs, reg 2(1)

**Treated as in paid work**

F7015 A claimant will be treated as satisfying the paid work test in F7011.1 where, in relation to that assessment period, the claimant

1. has ceased paid work

   1.1 in that assessment period or

   1.2 in the previous assessment period or

   1.3 in the month immediately preceding the commencement of a new award, but only where the assessment period in question is either the

      1.3.a first assessment period or

      1.3.b second assessment period

   following the commencement of that new award¹ or

2. is receiving²

   2.1 SSP

   2.2 SMP

   2.3 statutory paternity pay

   2.4 statutory shared paternity pay

   2.5 statutory adoption pay

   2.6 MA²

   2.7 parental bereavement leave.

1 UC Regs, reg 32(2)(a); 2 reg 32(2)(b)

**Example 1**

Bill is receiving SSP whilst off work sick. He claims UC and his award commences on 3.3.14. For the purpose of the work condition and any childcare costs that he may still incur, Bill is treated as in paid
work. Under this provision he can be treated as in paid work for the assessment period that runs from 3.3.14. and for each assessment period thereafter whilst he is receiving SSP.

**Example 2**

Stan ceased work on 18.7.14, he claims UC and his award commences on 28.7.14. For the purpose of the work condition and any childcare costs that he may still incur, Stan is treated as in paid work. Under this provision he can be treated as in paid work for the assessment period that runs from 28.7.14 to 27.8.14 and 28.8.14 to 27.9.14. (this is because of the limitation imposed by F7015 1.3).

F7016 – F7029
The childcare costs condition F7030-F7052

**General test** F7030

**Relevant childcare** F7031-F7052

**General test**

F7030 In order to qualify for the childcare costs element, one of the conditions which the claimant must satisfy is that they have paid charges for relevant childcare. This cost condition is met, in respect of an assessment period, where the claimant has reported to the DM that he has paid charges in, or in respect of, that assessment period for relevant childcare in respect of

1. a child or

2. a qualifying young person

for whom the claimant is responsible and those charges are attributable to that assessment period.

1 UC Regs, reg 33(1)(za)

**Relevant childcare**

F7031 Relevant childcare means that the childcare provider is registered or approved, for example registered with OFSTED.

F7032 For childcare provided in England, the care is provided

1. by a person registered under prescribed legislation or

2. under the direction of a proprietor of a school as part of the school’s activities

   2.1 out of school hours where a child has reached compulsory school age or

   2.2 at any time where the child has not reached compulsory school age.
3. by a person providing domiciliary care who is registered with the Care Quality Commission

1 UC Regs, reg 35(2); 2 Childcare Act 2006, part 3;

F7033 For childcare provided in Scotland\(^1\) the care is provided by

1. a person where the circumstances in which the care service provided by that person consists of

   1.1 child minding or

   1.2 day care of children under prescribed legislation\(^2\)

   and is registered\(^3\) or

2. a child care agency where the service is under prescribed legislation\(^4\) or

3. a local authority where the care service provided consists of

   3.1 child minding or

   3.2 day care of children under prescribed legislation\(^2\)

   and is registered\(^5\).

1 UC Regs, reg 35(3); 2 Public Service Reform (Scotland) Act 2010, Sch 12; 3 Public Service Reform (Scotland) Act 2010, part 5; 4 Public Service Reform (Scotland) Act 2010, Sch 12 para 5; 5 Public Service Reform (Scotland) Act 2010, part 5 & Sch 12;

F7034 For childcare provided in Wales\(^1\) the care is provided

1. by a person registered under prescribed legislation\(^2\)

2. other than certain prescribed care\(^3\), in circumstances which the care would be day care under prescribed legislation\(^4\)

3. by a childcare provider approved in accordance with prescribed legislation\(^5\)

4. out of school hours, either by a
4.1 school on school premises or

4.2 local authority (whether on school premises or elsewhere)

5. by a domiciliary care worker under prescribed legislation

6. by a foster parent where

6.1. the care of the child is other than for the fostered child and

6.2. the care would be, but for the fact that the child is too old for

6.2.a. child minding or

6.2.b day care

under prescribed legislation.

1 UC Regs, reg 35(4); 2 Children and Families (Wales) Measure 2010, part 2;
3 Child Minding and Day Care Exceptions (Wales) Order 2010, art 11, 12 & 14; The UC(Childcare in Wales) (Amendment) Regulations 2021;
4 Children and Families (Wales) Measure 2010, part 2; 5 Tax Credits Act 2002, s12(5);
6 Domiciliary care Agencies (Wales) Regulations 2004;
7 Children and Families (Wales) Measure 2010, part 2;

F7035 For childcare provided outside GB that registration or approval is by the Secretary of State

1 UC Regs, reg 35(5)

F7036 – F7039

F7040 The childcare arrangement charges, described in F7030, need to be paid for the purpose of enabling the claimant

1. to take up paid work or

2. to continue in paid work or

3. where F7015 applies, maintain child care arrangements that were in place when they
3.1 ceased paid work

3.2 started to receive the benefits listed\(^1\) at F7015.2.

Example 1

Ben is in receipt of UC. His benefit unit comprises of Ben, Sara and their daughter Pauline and the assessment period runs from the 26th of each month. Ben works as a cleaner for 2 days each week and pays £200 nursery fees at the end of each month for Pauline’s childcare; Sara does not work but is unable to look after Pauline whilst Ben is at work because she is providing full time care for her disabled mother who also lives with them. Ben is made redundant and his last day of work is 8.8.14. Pauline is kept in childcare whilst Ben is unemployed because he is confident of securing further employment in the near future and doesn’t want to lose the nursery place. Ben continues to satisfy the childcare costs condition, however if Ben remains without paid work the payment of the childcare costs element will be restricted to the end of the assessment period following the assessment period during which he ceased work; in this case that would be up to 25th September (this is because of the limitation imposed by F7015 1.2).

Example 2

Ben ceases work on 8.8.14 and makes his first claim for UC from 26.8.14, he reports that he will still, whilst unemployed, be paying £200 a month nursery fees for his daughter Pauline’s childcare. For the purpose of the childcare costs condition Ben satisfies this test. However if Ben remains without work the payment of the childcare costs element will be restricted to the end of the second assessment period following the month during which he ceased work; in this case that would be up to 25th October (this is because of the limitation imposed by F7015 1.3).

F7041-F7052
Time limits to notify childcare costs before 16.10.19 F7053-F7058

Attributable to an assessment period F7055

Costs paid in advance of the award F7056

Costs paid in advance during the award F7057

Late notification F7058


F7054 To be eligible for the childcare costs element in any assessment period, the DM needs to have received notification of the amount of childcare costs that have been paid by the claimant (and are attributable to that assessment period) before the end of the relevant assessment period\(^1\).

1 UC Regs, reg 33(1)(za)

Example

Cornelius has an assessment period that starts on the 13th of each month and ends on the 12th of the following month. He pays his childcare costs in respect of 1\(^{st}\) January to 31\(^{st}\) March in advance but does not remember to report these costs until 28\(^{th}\) February. The costs paid in respect of 1\(^{st}\) January to 12\(^{th}\) February are out of time (as they relate to assessment periods which ended before the costs were reported), so will not be included in the childcare costs element. However, the costs paid in respect of 13\(^{th}\) February to 31\(^{st}\) March are reported in time so will be accepted.

Note: For the costs from 1\(^{st}\) January to 12\(^{th}\) February the DM can consider them if the late notification criteria are satisfied.

Attributable to an assessment period

F7055 In determining that the claimant has notified the DM of his costs in time, as per F7054, the DM would have considered if the costs where attributable to an assessment period. To be attributable to an assessment period those costs

1. have to be paid in that assessment period for childcare in respect of that assessment period or
2. have to be paid in that assessment period for childcare in respect of any previous assessment period or

3. have to have been paid in either of the two previous assessment periods for childcare in respect of that assessment period

Example

Cornelius has an assessment period that starts on the 13th of each month and ends on the 12th of the following month. He pays his childcare costs on the 10th of January for the costs he incurred during December and he notifies the Department of his payment by telephone on the 11th January. The notification is in time and the childcare costs (for the period of 1st December to 31st December) are all attributable to the assessment period of 13th December to 12th January. [The costs paid in respect of 1st December to 12th December are attributable under F7055.2, whilst those paid in respect of 13th December to 31st December are attributable under F7055.1]

Costs paid in advance of the award

F7056 Where the claimant has paid childcare costs before, or in respect of childcare provided before the commencement of his current award, then the months prior to the commencement of the UC award should be treated notionally as assessment periods in order to determine whether the criteria described in F7055 as regards attribution to a particular assessment period are met.

Note: in such cases, each preceding month should be treated as beginning on the same day as it would have done if it were an assessment period.

Example

Cornelius has an assessment period that starts on the 13th of each month and ends on the 12th of the following month. He makes his UC claim on 13th March and reports having made an advance payment of childcare costs, on 31st January, covering the period from 1st January to 31st March. The DM treats the months prior to 13th March as notional assessment periods and as such Cornelius is able to establish that the costs were paid in a previous assessment period for the childcare in respect of the current assessment period, as per F7055.3. The costs paid in respect of the period of 13th March to 31st March can therefore be included in the childcare costs element.
Costs paid in advance during the award

F7057 Where the claimant pays charges for relevant childcare in advance in respect of more than one month or more than one assessment period in a single payment, as described in para F7055.3, then the proportion of the advance payment paid in respect of all or part of an assessment period is calculated using the following formula:\(^1\)

\( \frac{PA}{D} \times AP \)

Where

- \( PA \) is the total amount of the advance payment less any amounts which are to be left out of account, as described at F7081 to F7085.
- \( D \) is the total number of days covered by the payment
- \( AP \) is the number of days covered by the payment which also fall within the assessment period in question.

Example

Cornelius has an assessment period that starts on the 13th of each month and ends on the 12th of the following month. He pays £500 childcare costs on the 10\(^{th}\) of January and he notifies the Department by telephone on the 11\(^{th}\). The costs he paid are to cover childcare costs for January and February (59 days) and no amounts are to be left out of account under F7081-7085. Therefore

1. in the assessment period of 13\(^{th}\) December to 12\(^{th}\) January, 12 days are covered by the payment (1\(^{st}\) January to 12\(^{th}\) January and so the amount of the advance payment in respect of this is £101.69 (500/59 x 12)

2. for the assessment period of 13\(^{th}\) January to 12\(^{th}\) February, the amount is £262.71 (500/59 x 31) as all 31 days are covered by the advance payment, and

3. in the assessment period 13\(^{th}\) February to 12\(^{th}\) March, 16 days are covered by the payment (13\(^{th}\) February to 28\(^{th}\) February), so the amount is £135.59 (500/59 x 16).
Late notification

F7058 Where costs are reported late the time limit for notifying the DM that childcare costs have been paid can be extended provided all of the five conditions described at A4205 to A4209 are satisfied.

Example

Cornelius has an assessment period that starts on the 13th of each month and ends on the 12th of the following month. He pays his childcare costs in respect of 1st January to 31st March in advance but does not remember to report these costs until 28th February. The costs paid in respect of 1st January to 12th February are out of time (as they relate to assessment periods which ended before the costs were reported), so will not be included in the childcare costs element. However, the costs paid in respect of 13th February to 31st March are reported in time so will be accepted.

The DM invites Cornelius to apply for an extension of time and to include his reasons and special circumstances for being late in reporting the costs in respect of 1st January to 12th February. Cornelius explains that the stress of coping with a serious illness in the family caused him to forget to notify the costs earlier. The DM decides that special circumstances prevented Cornelius from reporting that he had paid the charge within the relevant notification period, and accepts the late notification.
Time limits to notify childcare costs from 16.10.19 F7059 - F7065

Attributable to an assessment period F7061

Costs paid before the award, or paid on or after the date of claim for a period before the start of the award F7062 - F7063

Costs paid in advance during the award F7064

Late notification F7065


F7060 From 16.10.19\(^1\), the time limit for reporting costs is the end of the assessment period that follows the assessment period in which the childcare costs were paid\(^2\).

\(^1\) UC (Childcare Costs and Minimum Income Floor)(Amdt) Regs 2019, reg 2; \(^2\) UC Regs, reg 33(1)(za)

Example

Cornelius has an assessment period that starts on the 13th of each month and ends on the 12th of the following month. He pays his childcare costs in respect of 1\(^{st}\) January to 31\(^{st}\) January on 2\(^{nd}\) January and reports them on 10\(^{th}\) February. The costs were reported before the end of the assessment period following the one in which they were paid, which was in time. See paragraph F7061 for guidance on how to attribute the costs to assessment periods.

Attributable to an assessment period

F7061 To be attributable to an assessment period (AP1), childcare costs must have been

1. paid in AP1 for childcare that is provided in AP1\(^3\) or

2. paid in AP1 for childcare that was provided in any previous assessment period\(^2\) or

3. paid in either of the two previous assessment periods for childcare that is provided in AP1\(^3\)
Example 1

Cornelius has an assessment period that starts on the 13th of each month and ends on the 12th of the following month. He pays his childcare costs in respect of 1\textsuperscript{st} January to 31\textsuperscript{st} January on 2\textsuperscript{nd} January and reports them on 10\textsuperscript{th} February. He reported them before the end of the assessment period following the one in which he paid them, so they were reported on time.

Costs for 1\textsuperscript{st} January to 12\textsuperscript{th} January are attributable to assessment period 13\textsuperscript{th} December to 12\textsuperscript{th} January under 1, so are included in the childcare element for that assessment period. Costs for 13\textsuperscript{th} January to 31\textsuperscript{st} January are attributable to assessment period 13\textsuperscript{th} January to 12\textsuperscript{th} February under 3, so are included in the childcare element for that assessment period.

Example 2

Cornelius has an assessment period that starts on the 13\textsuperscript{th} of each month and ends on the 12\textsuperscript{th} of the following month. He pays his childcare costs on 2\textsuperscript{nd} February for the period 1\textsuperscript{st} January to 31\textsuperscript{st} January and reports them on 10\textsuperscript{th} February, which is in time.

Costs from 1\textsuperscript{st} January to 12\textsuperscript{th} January are attributable to assessment period 13\textsuperscript{th} January to 12\textsuperscript{th} February under 2, so can be included in the childcare element for that assessment period. Costs for 13\textsuperscript{th} January to 31\textsuperscript{st} January are also attributable to assessment period 13\textsuperscript{th} January to 12\textsuperscript{th} February under 1, so in this case costs for the whole period from 1\textsuperscript{st} January to 31\textsuperscript{st} January are included in the childcare costs element for assessment period 13\textsuperscript{th} January to 12\textsuperscript{th} February.

Costs paid before the award, or paid on or after the date of claim for a period before the start of the award

F7062 Where the claimant has paid childcare costs

1. before the commencement of the UC award in respect of a period after the commencement of the award, or

2. on or after the commencement of the UC award in respect of a period before the award

the months prior to the commencement of the UC award should be treated notionally as assessment periods in order to determine whether the criteria described in paragraph F7061 as regards attribution to a particular assessment period are met.

Note: in such cases, each preceding month should be treated as beginning on the same day as it
would have done if it were an assessment period\textsuperscript{1}.

\textit{1 UC Regs, reg 34A(3)}

F7063 This provision enables costs to be attributable to an assessment period (AP1) if they were

1. paid in AP1 for childcare that was provided in a notional assessment period \textbf{or}

2. paid in either of the two notional assessment periods preceding AP1 for childcare that is provided in AP1.

\textbf{Note:} the provision does not allow charges to be attributed to an assessment period if they were both paid in a notional assessment period and were in respect of childcare that was provided before the first assessment period.

\textbf{Example 1}

Cornelius has an assessment period that starts on the 13\textsuperscript{th} of each month and ends on the 12\textsuperscript{th} of the following month. He makes his claim on 13\textsuperscript{th} March and reports on 20\textsuperscript{th} March that he paid childcare costs on 15\textsuperscript{th} March in respect of childcare from 1\textsuperscript{st} March to 31\textsuperscript{st} March. The DM treats the month from 13\textsuperscript{th} February to 12\textsuperscript{th} March as a notional assessment period.

Costs in respect of 1\textsuperscript{st} March to 12\textsuperscript{th} March are attributable to assessment period 13\textsuperscript{th} March to 12\textsuperscript{th} April under F7061 \textbf{2}, because they were paid in that assessment period and are in respect of a previous notional assessment period. Costs from 13\textsuperscript{th} March to 31\textsuperscript{st} March are attributable to assessment period 13\textsuperscript{th} March to 12\textsuperscript{th} April under F7061 \textbf{1}. Costs from 1\textsuperscript{st} March to 31\textsuperscript{st} March can therefore all be included in the childcare costs element for assessment period 13\textsuperscript{th} March to 12\textsuperscript{th} April.

\textbf{Example 2}

Cornelius has an assessment period that starts on the 13\textsuperscript{th} of each month and ends on the 12\textsuperscript{th} of the following month. He makes his UC claim on 13\textsuperscript{th} March and reports that he made an advance payment of childcare costs on 28\textsuperscript{th} February, covering the period from 1\textsuperscript{st} March to 31\textsuperscript{st} March. The DM treats the month from 13\textsuperscript{th} February to 12\textsuperscript{th} March as a notional assessment period.

Costs for 1\textsuperscript{st} March to 12\textsuperscript{th} March cannot be attributed to assessment period 13\textsuperscript{th} March to 12\textsuperscript{th} April because none of the conditions in F7061 is satisfied. Costs for 13\textsuperscript{th} March to 31\textsuperscript{st} March can be attributed to assessment period 13\textsuperscript{th} March to 12\textsuperscript{th} April under F7061 \textbf{3}, and can therefore be included in the childcare costs element for that assessment period.
Costs paid in advance during the award

F7064 Where the claimant pays charges for relevant childcare in advance in respect of more than one month or more than one assessment period in a single payment, as described in F7061.3, then the proportion of the advance payment paid in respect of all or part of an assessment period is calculated using the following formula\(^1\)

\[(PA/D) \times AP\]

Where

\(PA\) is the total amount of the advance payment less any amounts which are to be left out of account, as described at ADM paragraphs F7081 to F7085.

\(D\) is the total number of days covered by the payment

\(AP\) is the number of days covered by the payment which also fall within the assessment period in question.

\(^1\) UC regs, reg 34A(2)

Example

Cornelius has an assessment period that starts on the 13th of each month and ends on the 12th of the following month. He pays £500 childcare costs on the 10\(^{th}\) of January and notifies the Department by telephone on the 11\(^{th}\). The costs he paid are to cover childcare costs for January and February (59 days) and no amounts are to be left out of account under ADM paragraphs F7081-7085. Therefore

1. in the assessment period of 13\(^{th}\) December to 12\(^{th}\) January (AP1), 12 days are covered by the payment (1\(^{st}\) January to 12\(^{th}\) January) and so the amount of the advance payment in respect of AP1 is £101.69 (500/59 x 12)

2. for the assessment period of 13\(^{th}\) January to 12\(^{th}\) February (AP2), the amount is £262.71 (500/59 x 31) as all 31 days are covered by the advance payment, and

3. in the assessment period 13\(^{th}\) February to 12\(^{th}\) March (AP3), 16 days are covered by the payment (13\(^{th}\) February to 28\(^{th}\) February), so the amount is £135.59 (500/59 x 16).
Late notification

F7065 Where costs are reported late, the time limit for notifying the DM that childcare costs have been paid can be extended\(^1\) provided all of the five conditions described in ADM A4205 to A4209 are satisfied.

1. UC regs, reg 33(2)

Example

Cornelius has had an award of UC since 13\(^{th}\) October and his assessment period starts on the 13th of each month and ends on the 12th of the following month. He pays his childcare costs in respect of 1\(^{st}\) January to 31\(^{st}\) January in advance on 31\(^{st}\) December but does not remember to report them until 28\(^{th}\) February. The costs in respect of the entire period are out of time as they were not reported by the end of the assessment period following the assessment period in which they were paid.

The DM invites Cornelius to apply for an extension of time and to include his reasons and special circumstances for being late in reporting the costs. Cornelius explains that the stress of coping with a serious illness in the family caused him to forget to notify the costs earlier. The DM decides that special circumstances prevented Cornelius from reporting that he had paid the charge within the relevant notification period, and allows the late notification.

**Note:** When considering where the claimant’s circumstances fall in F7061 - F7065, please note childcare costs can only be paid for a maximum of 3 APs.
**Excluded childcare F7066-F7079**

F7066 Certain childcare arrangements are excluded and as such the claimant is ineligible for a childcare costs element. The type of childcare that is excluded is where the care is provided by a

1. close relative of the child wholly or mainly in the child’s home **or**

2. foster parent

**Note:** "close relative" is defined in paragraph F7111. The close relative is in relation to the child and not in relation to the claimant, so the child’s grandparent would not be a close relative.

1 UC Regs, reg 35(7)

F7067 The care provided by a close relative in a place other than the child’s home, perhaps in the close relative’s home, is an acceptable childcare arrangement (providing the child carer is registered as in F7031).

F7068 – F7079
Amounts F7080 - F7089

Childcare charge limit F7080

Excessive charges and reductions F7081-F7089

Childcare charge limit

F7080 The amount of the childcare cost element is limited to either

1. 85% of the charges for relevant childcare that are attributable to that assessment period or

2. £646.35 where the care is for one child or

3. £1108.04 where the care is for two or more children

whichever is the lesser amount\(^1\)

1 UC Regs, reg 34(1)(a)

Excessive charges and reductions

F7081 The amount of childcare charges paid by the claimant should be reduced where the DM considers those charges to be excessive when having regard to the extent to which

1. the claimant or

2. where the claimant is a member of a couple, the other member

is engaged in paid work.

Note: This provision is not activated where the claimant is not actually engaged in paid work, for example where they satisfy the work condition via 7011.2 – has an offer of paid work or 7015.1 – has ceased paid work.
F7082 The amount of the reduction is the amount considered excessive\(^1\).

1 UC Regs, reg 34(2)(a)

F7083 What makes a childcare cost excessive is not prescribed and will be for the DM to determine by having regard to all the circumstances including the claimants working pattern compared to the corresponding childcare arrangements.

F7084 DM’s should note, when deciding on excessive childcare charges, that

1. childcare charges may still be considered excessive even if they are less than the maximum limit
2. the location of the childcare provider in relation to the claimant’s place of work and the available transport options in-between may require longer periods of childcare
3. no account is taken of the level of the childcare charge per hour
4. reasonable travel time could be included in the extent to which the claimant is engaged in paid work
5. comparisons with other registered child carers should not be made
6. school holidays, the age of the child/children or a disability can legitimately increase the time needed for childcare
7. childcare may have to be purchased in blocks of time or sessions which can legitimately increase the childcare costs.

**Example 1**

Carly reports paying £300 childcare cost per month to Royal Nursery who charge £30/hr. She does 10 hours work in the assessment period and therefore the costs, although very high, are not excessive.

**Example 2**

Jane reports paying £840 childcare cost per month to Cherub Nursery who charge £15/hr. She works 10 hrs over 4 days each week. Although the charges represent 16 more hours than Jane works they are not considered excessive because she has about one hours travelling from the nursery to work and a further hour back each day.

**Example 3**
Warren normally works a rolling shift system covering 12 hrs over 4 days a week, the days he is required to work changes from week to week. Warren pays £100 a week to Sunshine Nursery for the costs of providing childcare over 5 morning sessions each week. A comparison between the number of hours worked (12) to the number of hours childcare is paid for (20) suggests 8 hrs or £40 could be excessive. The DM makes further enquiries to establish the reasons behind the extra hours care. If it is because of Warren’s reasonable travel arrangements the cost would not be excessive. If it is because the childcare sessions can only be purchased in weekly blocks (half or full days) the cost would not be excessive. If the childcare provider was sufficiently flexible to enable Warren to purchase specific periods at short notice the cost would be excessive.

If the DM did consider the charges to be excessive the amount of Warren’s childcare cost element would be, in an assessment period that captured 5 payments,

\[
£500 (5 \times £100) - £200 (5 \times £40) = £300 \times 85\% = £255
\]

F7085 The amount of childcare charges are also reduced by any amount that is met by

1. an employer or
2. some other person or
3. payments out of funds\(^1\) provided by the Secretary of State, Scottish or Welsh ministers that are in connection with the claimant’s participation in work related activity or training\(^2\).

1 UC Regs, reg 34(2)(b); 2 reg 34(3)

Zero hour contracts

F7086 The claimant may not have an identifiable working pattern because they are employed on a zero hours contract. In this situation the DM will need to make a comparison, as described at F7081, between the hours actually worked in the assessment period and the hours of childcare. A claimant might not be able to reduce their contracted hours of childcare at short notice if their actual hours of work are fewer than expected in a particular period. In that case, their childcare costs may not be excessive if they reflect the number of hours the claimant normally works.

F7087 – F7089
Childcare costs element extension period F7090-F7094

Run on after death F7090-F7094

Run on after death

F7090 Where childcare costs have been awarded but a child or young person for whom the claimant is responsible dies the award can continue as if the child or young person had not died until the end of the second assessment period following the assessment period in which the death occurred\(^1\).

1 UC Regs, reg 37

Note: If the parent does not have any childcare expenditure after the death of the child then the run on will probably only consist of the child element.

Example

Steve and Janet are entitled to UC for themselves including an allowance for their son Max. Each assessment period (that runs from the 10th of each month) Steve claims a £500 childcare cost element in respect of the relevant childcare costs that he had paid out at the end of the previous month. Max dies on 11.08.14. The provider has a two month cancellation policy (regardless of circumstance) and so Steve pays the appropriate fees for a further two months after Max's death. Because of the run on rule the childcare element can be included for the assessment periods 10.09.14 to 9.10.14 and 10.10.14 to 9.11.14.
Definitions F7095-F7999

Meaning of Proprietor F7095

Meaning of school premises F7096-F7110

Close relative F7111

Qualifying young person F7112-F7999

Meaning of Proprietor

F7095 Proprietor\(^1\) means

1. the governing body incorporated under prescribed legislation\(^2\) or

2. the person or persons responsible for the management of the school

1 UC Regs, reg 35(6); 2 Education Act 2002, s19;

Meaning of school premises

F7096 School premises are premises that may be inspected as part of an inspection of the school\(^1\).

1 UC Regs, reg 35(6)

F7097 – F7110

Close relative
A close relative in relation to a person means:

1. parent
2. parent-in-law
3. son
4. son-in-law
5. daughter
6. daughter-in-law
7. step-parent
8. step-son
9. step-daughter
10. brother
11. sister
12. where any of 1. - 11. is a member of a couple, the other member of the couple.

Qualifying young person

A qualifying young person is a person who has reached the age of 16 but not the age of 20 and who is:

1. aged 16 years, but only for the period up to, but not including, the 1st September that next follows their 16th birthday
2. aged up to 19 years, but only for the period up to, but not including, the 1st September that next follows their 19th birthday where they are enrolled on, or accepted for:
   2.1 approved training
   2.2 a course of education
2.2.a which is not advanced education

2.2.b at a school, college or other establishment that is approved by the Secretary of State

2.2.c where they spend on average more than twelve hours a week during term time in receiving tuition doing examinations or practical work or supervised study

this must not include meal breaks or unsupervised study, including homework, whether done on or off the premises of the educational establishment\(^2\).

3. aged 19 and has been

3.1 undertaking a course of education or training or

3.2 accepted or enrolled for a course of education or training before reaching that age\(^3\).

**Note 1:** The education or training described in 3.1 and 3.2 does not include education or training that is provided through a contract of employment\(^3\).

**Note 2:** A person shall be treated as undertaking a course of FTE during the period between the end of one course and the start of another where the person is accepted for or enrolled on the latter course.

**Note 3:** Where a child or qualifying young person turns 16 or 19 on the 31st August the period described at 1. and 2. will end on that same day.

1 Employment and training Act 73, s 2(1); Enterprise and New Towns (Scotland) Act 90, s 2(3);
2 UC Regs, reg 5(1); 3 reg 5(2); 3 reg 5(3)

F7113 Any person who falls within ADM F7112 is not a qualifying young person if they are receiving UC, JSA or ESA\(^1\)

1 UC Regs, reg 5(5)

**School**

F7114 School means a school that Her Majesty’s Chief Inspector of Education, Children’s Services and Skills is, or may be, required to inspect\(^1\).

1 UC Regs, reg 35(5A)
The content of the examples in this document (including use of imagery) is for illustrative purposes only