Parents eligible for both entitlements for 2-year-olds.

A parent may meet the eligibility criteria for both the entitlement for families in receipt of additional support (aka, the disadvantaged entitlement) and the working parent entitlement. Local authorities have a duty to account for any hours available under the disadvantaged entitlement when determining how many hours a parent is eligible for under the working entitlement. This means that, for the period 1 April 2024 – 31 August 2025, a parent who meets both sets of eligibility criteria is not eligible for any hours under the working parent entitlement and must be recorded as disadvantaged.

The department is reviewing the policy position from 1 September 2025, and we will provide an update in due course.

## What happens when the child reaches the term following their third birthday / can a child transition from using the disadvantage entitlement to using the universal and working parent entitlements when they turn three (i.e. receive 30 funded hours)?

If a parent has already applied for a working parent code, they should be encouraged to keep reconfirming as this will prevent them having to reapply in full when their child turns three. They will also need to keep reconfirming if they are using Tax-Free Childcare. Where a parent has been reconfirming, they will be able to smoothly transition to using the universal and working parent entitlement when the child reaches the term following their third birthday.

If a parent did not have a code, or does not want to keep reconfirming, they should be reminded that they will need to apply for the working entitlement again when their child turns three or shortly before their child turns 3. If they do not re-apply for the working parent entitlement, they will only benefit from the universal 15-hours entitlement for 3- and 4-year-olds.

## What if the parent has fallen out of eligibility for the working parent entitlement? Should local authorities honour the grace period as if they had been recorded as a working parent?

The local authority needs to be sure that the parent was eligible for the working entitlement in the previous term. If the parent had a valid code the previous term and would have otherwise been recorded as a working parent (e.g. they have only used one term of provision or have been reconfirming their code) the grace period should be honoured as if they had been recorded as a working parent, as long as the child is continuing in a place at the same provider. Children cannot start at a new provider whilst in a grace period.

The parent should be advised that they are in their grace period and that they need to reconfirm again before the grace period expires, otherwise they will only be eligible for the universal 15 hours.

If the parent has not previously had a working parent code or has used more than one term of provision and has not been reconfirming, the child will move to using the universal 15 entitlement for 3- and 4-year-olds only.