

**Student Awards Agency Scotland/
Scottish Funding Council**

**Further & Higher Education
Childcare Funds
Guidance**

Academic Year 2016-2017



**The Scottish
Government**
Riaghaltas na h-Alba



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The College and University Childcare Funds

Introduction

1. These notes provide guidance to assist managers in the operation of the College and University Childcare Funds, which have been allocated to them by Scottish Ministers.
2. Colleges and universities should use these guidelines to assist them to devise suitable systems, for which they will be accountable, to undertake the receipt and disbursement of the Funds.

About the Funds

Main Changes for 2016-2017

3. Care-experienced students and students who are carers have been added to the priority group for the FE and HE funds. Mature students have been added to the priority group for HE students.
4. Students who have been granted leave to enter the UK under the Syrian Vulnerable Persons Relocation Scheme (VPRS) will be eligible to access the fund. See paragraph 35 for more information.
5. Certain Postgraduate Diplomas now attract a living cost loan and a tuition fee loan from SAAS. Eligible students must take out their full living cost loan before accessing support from the Childcare Fund – see paragraph 24 for more information

General

6. The college and university childcare funds have two elements, they are:
 - **The Lone Parents Childcare Grant (LPCG) element** which will be an entitlement payment of **up to** £1,215 per year to all **eligible** further and higher education students who are lone parents and who have formal registered childcare expenses while studying. **The LPCG is not income assessed.**

And

- **The Discretionary Childcare Funds** which all students may apply to for financial help with formal registered childcare expenses. Payments from the Discretionary Childcare funds will be made at the discretion of institutions and based on an assessment of need.
7. In addition, the Scottish Government, in conjunction with the Student Awards Agency Scotland (SAAS) and the Scottish Funding Council (SFC), will issue one common guidance document across both sectors for distribution of childcare funds.

8. The college and university childcare funds will continue to sit alongside the Further Education Discretionary Funds (FEDF) and the Higher Education Discretionary Funds (HEDF). Separate guidance for the FEDF will be issued by the SFC and SAAS will issue a separate guidance document for the HEDF.
9. SFC distribute the childcare element of the HE Discretionary Funds direct to colleges for all **eligible** FE and HE students. In effect this will create one pool of funding for childcare costs for both FE and HE students in the college sector.
10. The Lone Parents Childcare Grant (LPCG) entitlement element of these funds, for both FE and HE students is included in the funds.
11. SFC continue to allocate the main FE Discretionary Funds to colleges.
12. SAAS allocates the main HE Discretionary Funds to colleges.
13. SAAS will also allocate the higher education LPCG to universities as part of their childcare fund allocation and these **will be distributed by the universities as an entitlement to eligible lone parents**.
14. SAAS will continue to allocate the childcare element of the HE discretionary funds and the main HE discretionary funds to universities.

Discretionary Childcare Funding in Colleges

15. All **eligible** FE and HE student parents attending courses at college will be able to apply for help with registered childcare costs from the College Childcare Fund, at the discretion of their college.
16. Lone parent students will also be able to apply for **additional** help with registered childcare costs (over and above the Lone Parents Childcare Grant) from the College Childcare funds, at the discretion of their college.
17. Students with both Childcare and Discretionary Fund needs will continue to be able to access support from the main Discretionary funds as well as the Childcare Funds.

Discretionary Childcare Funding in Universities

18. **Full- time** eligible HE students attending university will be able to apply for help for registered childcare costs from the University Childcare Funds, at the discretion of their university.
19. Full-time HE lone parent students will also be able to apply for **additional** help with registered childcare costs (over and above the Lone Parents Childcare Grant) from the University Childcare funds, at the discretion of their university.
20. Students with both Childcare and Discretionary Fund needs will continue to be able to access support from the main Discretionary funds, as well as the Childcare Funds, at the discretion of their university.

Purpose of the College and University Childcare Funds

21. The College and University Childcare Funds sit alongside the FE and HE Discretionary Funds and are available to all **eligible** students with childcare responsibilities. The funds provide assistance with the cost of **formal registered childcare expenses**. They do not place limits on the amounts individuals can access and gives institutions the flexibility to determine award levels themselves.

22. However, it should be remembered that both FE and HE **eligible** Lone Parent students are **entitled** to a payment of **up to a maximum of £1,215 per year*** from the Childcare Funds and it is the institutions' responsibility to ensure that there are always funds available to make these payments to Lone Parents from the childcare funds.

*** These payments will be assessed taking account of other payments made for childcare costs from other sources.**

Administration Fund

23. There will no longer be a separate HE Administration Fund. The money that had formerly been set aside to administer the HE Childcare Fund will now be incorporated into the HE Discretionary Funds. However, you can meet reasonable administration expenses for the auditor's fee and publicity costs for the scheme from the HE Discretionary Funds.

Eligibility for FE Students

Eligible to apply:	The College Childcare Funds
Domicile/residence	Students must be eligible under the residency rules set out in Part 2 of Schedule 3 to the Education (Access Funds) (Scotland) (No.2) Determination 2016.
Age	Must be past compulsory school leaving age
Eligible Courses	In addition to fundable courses, applicants must be fundable students. An explanation of 'fundable' may be found in the Funding Council's circular letter SFC/GD/01/2015.
Other Criteria	Colleges must ensure that they take account of the Regulations of Care (Scotland) Act 2001 and all childcare regulations when using the CCF to cover students' childcare costs. This act is at : http://www.legislation.gov.uk/asp/2001/8/contents
Priority Groups	Mature Students, Lone Parents, Students studying part-time, care-experienced students, student carers.

Eligibility for HE Students

Eligible to apply:	The University and College Childcare Funds
Domicile/residence	Students must be eligible under the residency rules set out in Part 2 of Schedule 3 to the Education (Access Funds) (Scotland) (No.2) Determination 2016.
Age	Must be past compulsory school leaving age
Eligible Courses	Must be attending an eligible full-time course of study, as defined by SAAS. This includes postgraduate courses that qualify for tuition fee loan funding from SAAS.
Other Support	Must have used full entitlement of all other available support such as student loan and bursaries. HE lone parents should also have claimed the Lone Parents Grant from SAAS and have claimed Child Tax Credits and free nursery places etc., as provided by their local authority. Students must meet the eligibility criteria for tuition fees to be eligible for assistance from the Childcare Fund, apart from the Lone Parent Childcare Grant element.
Other Criteria	Must be paying registered childcare costs.
Priority Groups	Mature students, lone Parents, care-experienced students, student carers.

Postgraduate Courses

24. Certain Postgraduate Diplomas now attract a living cost loan and a tuition fee loan from SAAS. Eligible students must take out their full living cost loan before accessing support from the Childcare Fund.

Students do not have to take out the tuition fee loan, in order to apply to the Childcare Fund. However, universities should consider why someone had not taken out the tuition fee loan, and whether that decision was impacting on their request for Childcare support. For example, if someone elected to pay their own fees and not take out a tuition fee loan; was that impacting on their need to cover childcare costs from elsewhere.

The list of postgraduate courses that attract tuition fee and living-cost loan support can be found on the SAAS website - http://www.saas.gov.uk/full_time/pg/eligibility.htm

Residence

Ordinary residence

25. A number of the paragraphs in Part 2 of Schedule 2 require that an individual be “ordinarily resident” in Scotland on the first day of the first academic year of the course and/or to have been ordinarily resident in a particular geographical area (e.g. in the case of paragraph 1 of Part 2 of Schedule 2, “the United Kingdom and Islands”) throughout a period of 3 years immediately preceding the first day of the first academic year of the course.

26. The words “ordinarily resident” have been interpreted by the courts as having a particular meaning. The way in which the courts express the meaning of the words varies from case to case but two examples which might be considered helpful are:

- the place where a person is “habitually or normally resident.....apart from temporary or occasional absences of a long or short duration”
- a person’s “abode in a particular place or country which he has adopted voluntarily and for settled purposes as part of the regular order of [his or her] life for the time being, whether of long or short duration”.

In addition, the Determination contains additional provisions (see Part 3 of Schedule 2) which deal with ordinary residence. For example, paragraph 4 of Part 3 of Schedule 3 makes provision for certain circumstances in which a student will not be considered to be ordinarily resident in the United Kingdom for the 3 year period if the institution is satisfied that the person was resident there for any part of that period wholly or mainly for the purposes of receiving full time education.

Provision is also made in Part 3 of Schedule 2 which means that in certain circumstances a student will be assessed as having been resident in the relevant area even if he or she was not actually there if the student or their family member (e.g. a parent, spouse or civil partner) was temporarily employed or studying elsewhere (see, paragraphs 2 and 3 of Part 3 of Schedule 2). Please contact SAAS for further information and advice.

Settled status (Paragraphs 1 and 4 of Part 2 of Schedule 2 to the Determination)

27. Two of the paragraphs in Part 2 of Schedule 2 (paragraphs 1 and 4) generally require a student to have ‘settled status’ – i.e. to be settled in the United Kingdom within the meaning given by section 33(2A) of the Immigration Act 1971.

A person will be settled in the UK within the meaning of section 33(2A) of the Immigration Act 1971 if they are ordinarily resident in the UK and are not subject under the immigration laws to any restriction on the amount of time they may stay in the UK. This would include UK nationals, non-UK nationals with indefinite leave to enter or remain, and nationals of EEA states (other than the UK) and their family members who have attained a right of permanent residence in the UK under Directive 2004/38/EC (as implemented in the UK by the Immigration (European Area) Regulations 2006).

28. A student with 'settled status' will be eligible if they are ordinarily resident in Scotland on the first day of the first academic year of the course and have been ordinarily resident in the United Kingdom and Islands throughout the 3 year period immediately preceding the first day of the first academic year of the course (paragraph 1 of Part 2 of Schedule 2).

29. A student with 'settled status' who does not meet both of these ordinary residence criteria (i.e. those in paragraphs 1(a) and (b) of paragraph 1 of Part 2 of Schedule 2) may be able to establish eligibility on the basis of paragraph 4 of Part 2 of Schedule 2. Para 4 (2) (b) of Part 2 of Schedule 2 enables a UK national (and certain family members of such nationals) and persons with a right of permanent residence in the United Kingdom under Directive 2004/38/EC to establish eligibility where they

- has exercised a right under Article 7 of Directive 2004/38 or any equivalent right under the EEA agreement or the Switzerland Agreement in a state other than the United Kingdom; or
- In the case of a person who has a right of permanent residence in the United Kingdom under Directive 2004/38/EC, has gone to the state within the EEA and Switzerland of which that person (or that person's family member) is a national.

Economically Active EEA and Swiss nationals and their family members (Paragraphs 2 and 3 of Part 2 of Schedule 3 to the Determination)

30. Paragraphs 2 and 3 of Part 2 of Schedule 2 apply to certain economically active EEA and Swiss nationals (paragraph 2) and their family members (paragraph 3) who have been ordinarily resident in the European Economic Area or Switzerland throughout the period of 3 years immediately preceding the first day of the first academic year of the course, and who are ordinarily resident in Scotland on the first day of the first academic year of the course.

Refugees (Para 5 of Part 2 of Schedule 2 to the Determination)

31. Applicants who have been granted refugee status (i.e. recognised by the UK Government as a refugee) and have been ordinarily resident in the UK and Islands at all times since they were first recognised as a refugee (or who are the spouse, civil partner, or child of such a person) are eligible to apply, provided they are ordinarily resident in Scotland on the first day of the first academic year of the course.

Persons refused refugee status but allowed to enter or remain in the UK (Para 6 of Part 2 of Schedule 2 to the Determination)

32. People who have applied for but been refused refugee status but granted a form of leave to enter or remain (for example Discretionary Leave or Humanitarian Protection) are also able to apply provided they are ordinarily resident in Scotland on the first day of the academic year of the course and have been ordinarily resident in the UK and Islands at all times since the person was first granted leave to remain. The spouse, civil partner and child of such a person will also be eligible provided they are ordinarily resident in Scotland on the first day of the first academic year of the course.

Iraqi Nationals – Locally Engaged Staff Assistance Scheme (Para 7 of part 2 of Schedule 2 to the Determination)

33. Iraqi nationals who: have been granted indefinite leave to enter the UK under the Locally Engaged Staff Assistance Scheme (Direct Entry) operated by the Home Department; have been ordinarily resident in the UK and Islands since they were first granted that indefinite leave; and are ordinarily resident in Scotland on the first day of the first academic year of their course are eligible for Discretionary Funds. In addition, their spouses, civil-partners and children are also eligible if ordinarily resident in Scotland on the relevant date.

Temporary Protection (Para 8 of Part 2 of Schedule 2 to the Determination)

34. Students who have been granted temporary protection (within the meaning of Part 11A of the Immigration Rules) and are under 18 on the “relevant date” (see Part 1 of Schedule 3) are eligible if they are ordinarily resident in Scotland on the first day of the first academic year of the course, and have been ordinarily resident in the UK and Islands at all times since they were first granted temporary protection.

Syrian Nationals – Syrian Vulnerable Persons Relocation Scheme

35. Syrian nationals who have entered the United Kingdom through the Syrian Vulnerable Persons Relocation Scheme (VPRS) are eligible providing they meet the following conditions:

- Are a Syrian national who has been granted humanitarian protection to enter the UK under the Syrian VPRS; and
- Has been ordinarily resident in the United Kingdom and Islands at all times since they were granted Humanitarian Protection; and
- Are ordinarily resident in Scotland on the relevant day

Or

- is the spouse, civil partner or child of a person above and;
- is ordinarily resident in Scotland on the relevant day

Non-UK EC nationals (Para 9 of Part 2 of Schedule 2 to the Determination)

36. A person who is a non-UK EU national (or the child of such a person) is eligible to apply, provided he or she is ordinarily resident in Scotland on the first day of the first academic year of the course, and has been ordinarily resident in the UK and Islands throughout the immediately preceding three year period (provided that if that residence has been wholly or mainly for the purpose of receiving full time education, the person was ordinarily resident in the EEA or Switzerland immediately before the 3 year period).

37. Note that while EU nationals (other than a UK national who has not utilised a right of residence - i.e. exercised a right under Article 7 of Directive 2004/38/EC or any equivalent right under the EEA Agreement or the Switzerland Agreement in a state other than the UK) and their family members are eligible for tuition fee support from SAAS where they have been ordinarily resident in the EEA, Switzerland or the EU overseas territories during the relevant 3 year period prior to the start of their course. **They are generally not however eligible for support from the Childcare Funds** unless such EU nationals are able to establish eligibility on the basis of another paragraph of Part 2 of Schedule 2 to the Determination.

Child of Swiss nationals (Para 10 of Part 2 of Schedule 2 to the Determination)

38. The child of a Swiss national who is ordinarily resident in Scotland on the first day of the first academic year of the course and who has been ordinarily resident in the EEA and Switzerland for the preceding 3 year period (provided that if that residence has been wholly or mainly for the purpose of receiving full time education, the person was ordinarily resident in the EEA or Switzerland immediately before the 3 year period) will also be eligible.

Child of a Turkish Worker (Para 11 of Part 2 of Schedule 2 to the Determination)

39. A Turkish worker is a Turkish national who is ordinarily resident in Scotland and is or has been lawfully employed in the UK. Their child is eligible if they are ordinarily resident in Scotland on the relevant date and have been ordinarily resident in the EEA, Switzerland or Turkey throughout the period of 3 years proceeding the first day of the first academic year of the course.

Forces Personnel

40. Under the temporary non-resident arrangements, forces personnel are treated as being resident in the country in which they were ordinarily resident when they "signed up". If they are ordinarily resident in Scotland but are serving overseas, they would also be eligible. Family members of serving forces personnel are also considered eligible in the country in which the serving forces personnel signed up.

Age

41. Students entering FE and HE courses before they have reached their official school leaving date are not eligible to apply for support from the Childcare Funds.

Attendance

42. Institutions must be satisfied that students are attending/undertaking an appropriate course of education and that their attendance is satisfactory and in line with any other national or local guidance on this issue.

Previous Study Rules/Link to Tuition Fee Eligibility

43. HE Students must meet the eligibility criteria for tuition fees to be eligible for assistance from the Childcare Funds. However, you can still award the Lone Parent Childcare Grant element to eligible students who are not receiving tuition fee support due to previous study rules.

44. There are currently no previous study rules that would have an effect a FE student's eligibility for assistance from the Childcare Funds.

Other Support

45. **In higher education**, student loans are an integral part of the system of student support. Students who are eligible for a maintenance student loan are, of course, free to decide whether to take out a loan and, if so, how much to borrow. However, a full-time student must have taken out a maintenance student loan, if eligible, and applied for the full amount to which they are entitled before receiving help from the Childcare Funds. Institutions should contact the SAAS if they are unsure whether a student has applied for their maximum loan entitlement.

46. **In further education**, students can apply for FE bursary funds. This fund is for full-time students and is means tested depending on age, family circumstances and income. This fund is cash limited and students who meet the eligibility criteria may not necessarily receive funding.

Other Childcare Support available to students with childcare costs.

Scottish Domiciled Students Only

47. Students with children can also receive support through Tax Credits. Her Majesty's Revenue and Customs (HMRC) will pay Child Tax Credit to those responsible for at least one child, whether or not they are in paid work. Students who are working or have a partner who is working may be eligible for Working Tax Credit. Where both members of a couple work at least 16 hours per week, Working Tax Credit can include help with registered childcare costs. Further information on Tax Credits is available at <https://www.gov.uk/benefits-credits/tax-credits> or by calling 0345 300 3900. Universal credit will replace Tax Credits over the next few years. Universal credit can help with childcare costs for people in work, and provides financial support for parent students who have a low income.

49. Students who are in receipt of Child Tax Credit or some other benefits may also be eligible for free school meals. Students should contact their own local authority for more information.

50. HE Students who are widowed, divorced, separated or single with at least one dependent child are eligible for the Lone Parent Grant from SAAS. Institutions should ensure that they have claimed their full entitlement of Lone Parent Grant from SAAS when assessing any need for support through the Childcare Funds.

English Domiciled Students (HE students only)

51. Under arrangements in place since September 2007, HE English domiciled students studying in Scotland may be able to receive a Childcare Grant from their Local Education Authority if they are using certain types of childcare (see below). These students would **not** then qualify for assistance from the College or University Childcare Fund, **although they would continue to be eligible for assistance from the general Discretionary Funds.**

52. The types of childcare that qualify for the English HE Childcare Grant have been extended to include other forms of childcare which qualify for the childcare element of Working Tax Credit (WTC) administered by HMRC. This means that childcare in Scotland and Northern Ireland which counts as qualifying childcare for the WTC childcare element, now also counts as qualifying childcare for the Childcare Grant. An English-domiciled student studying in Scotland may be able to receive the Childcare Grant if they use any of the following types of childcare.

- Childcare provided by child-minders, nurseries and play schemes registered by the Care Inspectorate.
- Childcare provided by out-of-school-hours clubs registered by the Care Inspectorate on school premises and run by a school or a local authority.
- Childcare provided by an approved foster carer. (The care must be for a child who is not being fostered by the foster carer.)
- Childcare provided in the child's own home by (or introduced through) childcare agencies, sitter services and nanny agencies which are required to be registered by the Care Inspectorate.

Nursing and Midwifery Students

53. Students supported under the Nursing and Midwifery Student Bursary Scheme are not entitled to help from the Childcare Funds.

| * ————— However, they may be eligible for help towards their childcare costs from a new Nursing and Midwifery Discretionary which is being introduced for academic year 2016-2017. More information about this fund, including the eligibility criteria and what the funds can be used for will be issued in due course.

Assessment of Need

Lone Parents

54. Lone parent students who have to pay all or part of the cost for registered or formal childcare, can receive up to **£1,215** a year, depending on the cost of childcare from their college or university childcare fund. "Formal" childcare includes child-minders, after-school clubs and providers of day-care and education. (If full childcare costs are paid from other sources a student should **not** apply for this grant.)

55. **The Lone Parents Childcare Grant is not income assessed** but a student must provide evidence that they are a lone parent with registered or formal childcare expenses and details of funding for childcare from any other sources. *Please see Annex A for a suggested form that you may find useful for this purpose.*

56. FE Students might provide a copy of the front page of their tax credit award and the relevant page which shows they have made a claim as an individual or a copy of a letter from the Department for Work and Pensions which shows that they receive benefit as a lone parent. Also, details of their childcare provider and confirmation of how much they pay.

57. If Lone parents (in both FE and HE) have childcare costs in excess of the maximum LPCG, they can also apply for additional help with childcare costs to the Discretionary Childcare Funds. In such cases, lone parents should be assessed for Discretionary Childcare Funding in the same way as other students. Please see below:

How Needs are Assessed for Discretionary Childcare Funds

58. Colleges and universities are best placed to decide who, based on need, should receive support from the Childcare Funds. However, you may wish to consider the guidance below when assessing a student's eligibility for funding from the childcare funds. **Please note that this is guidance only and colleges and universities may have their own procedures in place for assessing eligibility.**

59. In the needs assessment, colleges and universities must consider what evidence to get to confirm a student's financial position. For example instead of a single bank account balance, monthly statements may better indicate this. Evidence regarding student loan support might be helpful as well, for example a copy of the loan agreement/award letter. FE students may already have provided similar information whilst being assessed for bursary eligibility.

60. When assessing applications, details of the student's weekly income (including their partner's income where applicable) and expenditure should be provided where appropriate. Information that may typically be required from students to support their application is detailed below as a guide.

HOUSEHOLD INCOME	EXPENDITURE
Gross Income/Earnings from Employment	Mortgage/Rent
Pension Income	Council Tax
Benefits Income*	Formal Childcare Costs
Income from Rent/Lettings	Bank Loan Repayments
Career Development Loan	Food/Housekeeping
Scholarship Income	Gas/Electricity
Child Support Payments	Child Support Payments
Student Loan	
Supplementary Grants (other than Disabled Students Allowance (DSA))	

* excluding Disability Living Allowance (DLA) and Personal Independence Payment (PIP)

61. Institutions may ask students to provide any other information which they believe is relevant to the application, e.g. marital status, number of dependent children and their ages, whether the student is a homeowner or tenant, any outstanding debts incurred prior to the start of the course; whether the student has savings etc.

62. For both FE and HE students, it is for colleges and universities to decide what evidence is required in order to verify the information provided by the student. However, in the interests of prudence and value for money, they should examine a random sample of cases to compare estimated expenditure with actual expenditure incurred. Students should therefore be informed that they may be asked to provide proof of actual expenditure later in the year. Institutions must remember, however, that payments from the Childcare Funds should only be made when the student has applied for their full maintenance student support and supplementary grant entitlement (if eligible).

63. Factors for consideration in the assessment of need

- Whether the claimed deficit between income and expenditure constitutes real need and cannot reasonably be reduced to a manageable level by the student.
- Whether the payment should be in instalments or in the form of a short term repayable cash advance and the frequency with which payments to individuals should be made and entitlement reviewed.
- The availability of support from alternative sources, e.g. bursaries, assistance from SAAS, assistance from a Local Education Authority (for students from England, Wales and Northern Ireland), Social Security Benefits, Career Development Loans or similar schemes.
- The circumstances of students and types of need prevalent locally and any existing local schemes for improving access.
- In considering requests for support from the Funds from students who have temporarily suspended their studies through illness or who may be experiencing difficulty in finding a placement in industry as an essential part of their course, institutions should first check whether the student continues to be registered as a student. They should also take into account the prospect of the student resuming his or her course and the availability of support from other sources

Advice to students

64. Colleges and universities may receive enquiries about assistance from the College and University Childcare Funds before courses actually start. Those administering these Funds may advise prospective eligible students of the amount which they will receive on starting their course, especially lone parents' entitlement to the LPCG.

Disbursement and Payment Amounts

65. Assistance from the College and University Childcare Funds may be given in the form of a direct payment to the student or to a nominated third party, for example, a childcare provider.

66. When institutions choose to make direct payments to students they must ensure that students use the money for its intended purpose. It is up to individual institution to decide how best to monitor this proof for example, request receipts to show that the money has been passed to their childcare provider.

Institutions should make it clear to students what their responsibilities are for example that they must use the money to pay their childcare provider immediately.

67. There is no limit to what an institution can award each student from the Childcare Funds. However, institutions should remember to retain enough funds to help as many student parents as possible and to ensure that there are always enough funds to pay the LPCG to eligible students.

68. Childcare costs will only be met to cover the time a student is studying. For example, if a student is attending college for only three days we would not cover costs of nursery provision for five days.

Treatment of Funds by Colleges and Universities

69. Institutions should have an appeals procedure in place for cases where students have applied unsuccessfully for help from the Childcare Funds. This procedure should be clear and students should be informed of their right to appeal. It will be for each college and university to resolve any appeals internally with individual students about the award of a payment from the funds.

70. Colleges and universities should have a transparent application and decision-making process. Again it will be for each institution to ensure that they have their own arrangements in place.

Publicity

71. Institutions are responsible for publicising the availability of these Funds to their students.

Treatment by the Department of Work and Pensions (DWP) of payments from the College and University Childcare Funds.

72. Payments from the Funds will be disregarded as long as they are not intended for general living costs and do not, therefore, duplicate provision from the benefits system.

Administration

73. Universities will be notified by the end of May of the amount allocated to them for the Childcare Funds and funds will be distributed in August and March. College funds will be notified in the college outcome agreements and in line with the recent reclassification of colleges, which takes effect from 1 April 2014, colleges will draw down these funds monthly as required. The College and University Childcare Funds will include the allocated budget for LPCG for HE students. Colleges and universities will also be advised of the number of HE Lone Parents who have previously received the LPCG and SFC will advise colleges of the average number of lone parents who have received help from their discretionary childcare funds in previous years.

Transfer and carry forward of Funds – colleges

74. Colleges can transfer money between funds. They are encouraged to do so to enable them to effectively meet the needs of their students and their community. When using childcare funds to meet shortfalls in bursary funds, this must meet the conditions of the bursary policy in full.

75. Any college who wishes to do this should inform the SFC in writing or by email. Colleges cannot use Childcare funds of students who are not eligible. Colleges should also ensure that they have met the childcare needs of students who are already being supported at the college before considering using these funds for bursary purposes.

Colleges will need to review this request annually.

Use of bursary funds

76. Colleges may use bursary funds as Childcare funds. The maximum amount of bursary funds that can be spent as CCF is half of the CCF allocation for the year. This use of bursary funds is **not a transfer** into the CCF. This spend must be included in the relevant bursary sections of the audited returns.

77. The original childcare allocation must be **fully committed** before bursary funds are used.

78. Where a college has used some of its bursary funds as CCF but has not spent its childcare allocation in full the SFC will not consider those bursary funds as spent unless previous permission has been granted. The unspent bursary funds will, as a result, be subject to a claw back under the bursary claw back rules.

79. Colleges will be required to report spend on childcare funds for FE and HE separately and any funds transferred should be recorded as spend under FE or HE childcare funds in the college audited student support return.

80. **Colleges must account for their total spend on each fund, including transferred money, in their audited statements. Colleges cannot carry forward any of their Childcare Funds, into the following academic year.**

Transfer and carry forward of Funds – universities

81. Universities can transfer money between funds to make best use of their allocations of Childcare and Discretionary funds and need not ask permission from SAAS before doing so. However, they will be asked to account for transfer of funds in their audited statements.

82. Universities will **not** be allowed to carry forward any of their Discretionary Funds, including Childcare Funds.

Annual audited returns required by the SFC from Colleges

83. Colleges will be required to report their Childcare fund spend within SFC's FES 4 return. Colleges will also be required to send their audited aggregated student support returns for Childcare Funds to SFC. Returns relating to the 2016-17 allocations of Childcare Funds should be submitted in October 2016.

84. SFC document SFC/GD/XX/2016 provides guidance on completing the FES returns. More detailed audit guidance will be issued by SFC later this year.

Annual audited returns required by SAAS from Universities

85. Universities will be required to send their Fund Accounts returns for Childcare Funds with their main Discretionary Fund accounts to SAAS by 31 October. Please see **the guidance for HE Discretionary Funds for this and also for details of the in-year re-distribution.**

Question and Answers

Lone Parents Childcare Grant – Further Education Students

Is this an extra payment to Lone parents?

This payment is not over and above funding that the college would have contributed to childcare costs from their discretionary funds. However, in guaranteeing a payment from the funds (up to a maximum each year of £1,215 for each lone parent) the student will have some degree of certainty of the level of funding they will receive for formal registered childcare costs. From statistics available to us from previous years, we have assessed that colleges, on average, paid their students from their discretionary childcare funds at least £1,215 a year towards childcare costs. Therefore, in guaranteeing a payment up to this amount for lone parents, we expect that colleges will still be able to help all their student parents as they have done in previous years.

Will there be extra funding in FE for childcare this coming year?

In the college sector, FE students benefit from the pooling of HE and FE childcare funds. Traditionally, there was an underspend in HE childcare funds, by pooling the funds together both FE and HE students are able to access them.

How do we assess a student for the Lone Parents childcare grant? Is it means tested?

The LPCG is not means tested but funding managers may wish to take account of funding from other sources that is paid to the student to help them with childcare costs. At **annex A** you will find a form that you may find useful when assessing a student for LPCG.

Why are Lone Parents receiving an entitlement while others are not?

It has always been accepted that lone parents are a priority group when assessing funding for childcare costs. Lone parents have generally less income and a greater dependence on formal childcare. We will continue to assess and review the funding arrangements for all students with childcare costs.

Lone Parents Childcare Grant – Higher Education Students

Will lone parent HE students still have to apply to SAAS for the LPG before they can be considered for the LPCG?

Yes, funding managers should ask that lone parent HE students apply to SAAS for their LPG **before** they can be assessed for the LPCG and other funding for childcare.

What is classed as ‘Registered Childcare’?

Childcare providers must be registered with the Care Inspectorate. Individual child minders must also be registered but nannies do not have to. However, the Childcare Fund can be used by students who use nannies that are recruited through agencies that are registered with the Care Inspectorate.

Is this extra information we need to obtain from the student?

In previous years, funding managers had to ensure that lone parent students had applied to SAAS for their lone parent grants before being considered for discretionary childcare funding. Now, they need only ensure the student is a lone parent. This could include evidence of their LPG award from SAAS. **However, please remember that even if a lone parent student has not received the LPG, perhaps because they were means tested ‘out’ of receipt, they are still eligible to apply for LPCG.**

Isn’t this extra work for funding managers?

Funding managers have always had to assess a student’s eligibility for childcare funding and every institution has its own method of assessment. Lone parents should not be income assessed on the first £1,215 (LPCG element) of funding they may be eligible to receive to help them with childcare expenses. But, if a lone parent applies for funding, over and above the LPCG maximum, they should be assessed in line with your institution’s policy in order to establish eligibility for help from the Discretionary Childcare Funds.

Will every HE LPCG receive a payment of £1,215 towards their childcare expenses?

No, it depends how much a lone parent student is paying for formal registered childcare and how much help they are receiving from other sources. For example, if a full time HE lone parent student has to pay for after school care for a child, totalling £1,200 during term time, and the student is not receiving help from other sources then the student would only be entitled to a LPCG of £1,200. Another lone parent student may be paying £3,000 for a registered child minder who looks after her child during term time. The student is not receiving help from elsewhere but is only entitled to the maximum LPCG of £1,215. She can, however, apply for additional help from the Discretionary Childcare Funds.

What are the eligibility criteria for the LPCG?

In higher education, a student must be attending an eligible full time course of study. They should have claimed the LPG from SAAS and have claimed Child Tax Credits and free nursery places etc. as provided by their local authority. Lone Parent students need **not** meet the eligibility criteria for tuition fees to be eligible to apply for the LPCG. That is, a student who is not receiving tuition fee support due to previous study rules can still apply for the LPCG **but they would not be eligible to apply for further funding from the childcare funds.**

Will there be extra funding to help us pay HE students the LPCG?

SAAS will transfer the LPCG budget for higher education students attending college to the Scottish Funding Council who will allocate this budget as part of the colleges' childcare funds. For HE lone parent students at university, SAAS will allocate the LPCG budget directly to the universities as part of their childcare funding. The institutions will be advised of the percentage of funds that has been included for the LPCG payments.

Allocations and Methodology

What are the allocations of HE Childcare discretionary funds based on?

The allocations are based on statistical information provided by SAAS, HESA and FES.

We have money left over from last year – what can we do with it?

Institutions cannot carry forward any of their previous year's allocation. Funds in excess of this should be returned as part of the in-year redistribution process.

What should we do if we expect to have excess funding in a given year?

The Management Information Annexes that are returned to SAAS by 31 October each year will indicate whether institutions have excess funds to return. SAAS will then request return of these funds which will then be re-allocated to those colleges and universities who have requested additional funds.

Can I move money from my FE childcare funds to my HE childcare ones?

There is no longer any distinction between FE and HE childcare funding allocations to Colleges – the funds are allocated collectively as childcare funding. Colleges cannot transfer money from their HE Childcare Fund into their main HE Discretionary Fund.

General questions

Why pool the FE and HE Childcare funds in the college sector?

It was clear from our research and consultation with our stakeholders that there is traditionally an under spend of childcare funding in the HE sector while the FE sector struggles to meet the demand for assistance with childcare expenses. It seemed sensible to pool all available resources in colleges so that any excess in one can support the other, therefore benefitting more students.

Will childcare funding come from both the SFC and SAAS to the colleges?

No, the allocation for HE childcare funding for students studying HE courses at college will be allocated to the colleges by the SFC as they normally do.

Will colleges have to keep separate accounts for FE and HE childcare funding?

No, colleges can pool the funds into one account. However, funding managers will have to keep records of who is assisted from the funds and how much is paid and whether the student is FE or HE. This way we can continue to monitor the funding allocations across the sector.

Can part- time HE students apply for help from the Childcare Fund?

No, part- time HE students cannot access the Childcare Funds whether at college or university. However, they can apply to the main Discretionary Fund for help with childcare costs.

Annex A – Application for Lone Parent’s Childcare Grant

If you have more than one childcare provider, you must fill in a separate form for each of them. Please therefore make the relevant number of copies of this form. Please also use black ink to fill in the form.

Section A: Your personal details

Name:	SAAS reference number: «students ref no»
Date of birth:	Your National Insurance No:
University or college:	

Section B: To be filled in by the student

Please give us details of the registered or formal childcare costs you expect to pay during the period 1 August 2016 to 31 July 2017. If your course begins in January or April, the 12 month period we need information for will begin on 1 January and 1 April respectively. The childcare provider you use must be registered with the Care Inspectorate in Scotland and must provide their registration number in the box provided. We will not pay for informal childcare, for example, a friend or relative. **Please note that we regularly ask childcare providers to confirm that your child/children is/are registered with them. You must advise us immediately if you change childcare provider or of any change in your circumstances that may affect your entitlement to this grant. If we have paid you more than you are entitled to, we will ask you to pay this back. If you make a false claim, we will seek prosecution.**

We cannot help you with your childcare costs if you are getting them paid in full from another source. For example, your college or university. We will take the payment you expect to receive from other sources from your childcare costs for the year. If you expect to receive a payment from your local authority for pre-school education, you should tell us how much you expect this to be, even if you are still waiting to claim this back from the authority.

Childcare costs for the year: Please enter the total cost of registered or formal childcare that you expect to pay.	£
Childcare costs you expect to receive from other sources: Please enter the total childcare costs you expect to receive from other sources.	£
Total childcare costs: Please enter the total childcare costs for one childcare provider, less what you expect to receive from other sources.	£

Details of children	
Children’s Full name	Date of Birth

Section C: To be filled in by your childcare provider

I confirm that I have agreed to provide childcare to the named child/children above and I will advise you immediately of any change to this. (Please note that it would be helpful if you could keep a record of when the above child/children are in your care and the cost of this care, as we may ask you for this information sometime in the future).

Name, address and telephone number of registered (or approved) childcare provider:

Name or Company Name

Address.....

Telephone number

My Care Inspectorate registration number is	C	S	2	0	N	N	N	N	N	N	N	N
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Manager or Proprietor’s
Name:.....Signature: Date: