Ministry of Defence

UK Nursery Authority (UKNA) Frequently Asked Questions

This FAQ leaflet will be updated with further information about how to register and claim prior to UKNA launch from September 2026.

Contents

General information

Full information can be found in the DIN, search 'UK Nursery Authority' on defnet: DINs Search or Defence Connect: Group: Defence Instruction Notices - DIN's | Defence Connect

What is UK Nursery Authority (UKNA)?

A scheme that will reimburse eligible working parents in Scotland, Wales and Northern Ireland for the difference in the costs of Early Years childcare hours, matching the "free" (Government funded) childcare hours they would be entitled to if assigned to England.

UKNA bedding in period

UKNA is a new scheme, and as it is implemented, some minor adjustments may be required where aspects have not been fully captured in the guidance or are not working as intended. We have a mailbox that is manned Monday to Friday, so if you have any questions about the scheme that we haven't covered, or if you notice that something isn't quite right, please let us know. There will be no changes to the policy rules, however your feedback will help us to make amendments to guidance where needed, which may help other families using the scheme.

What Government funded childcare is available in my location?

In England
- Working families are entitled to 30 hours per week for 38 weeks of the year from 9-months to school starting age.
- All families are entitled to 15 hours per week for 38 weeks of the year from 3-years-old to school starting age.

In Scotland
- Families that receive certain benefits, or where a parent or the child has experience of care, may be entitled to funded early learning and childcare from 2-years-old to school starting age.
- All families are entitled to 30 hours per week for 38 weeks of the year from 3-years-old to school starting age.

In Wales
- Working families are entitled 30 hours per week for 48 weeks of the year from 3-years-old to school starting age.
- All families are entitled to 10 hours per week for 48 weeks of the year from 3-years-old to school starting age.
- All families are entitled to 12.5 hours per week for 39 weeks of the year for 2-years-olds if in a Flying Start area.

In Northern Ireland
- Parents with 'target age' children, parents that 'deferred entry' to pre-school for their child and in some cases parents with 'under-age' children, receive 12.5 hours per week for 38 weeks of the year until they start school (some providers offer 22.5 hours).
- 15% subsidy towards the cost of childcare.

Is it compulsory to claim early years childcare funding?

It is not compulsory to claim UK Nursery Authority. The funding is in place to offer eligible Defence personnel with families living in Scotland, Wales, or Northern Ireland, the same entitlement to Early Years childcare funding as is in place for working families in England.

What is the difference between funded universal childcare and working families entitlement?

Universally funded childcare is available to all families with children in the age group specified by each Devolved Government offer.
Additional funding is available to families where both parents (or a sole parent in a lone parent family) are working.

UKNA provides similar support to the additional funding offer in England for working families only. Please see the question 'Who is eligible?' on page 4.

Where can I find more information?

The Defence Childcare Information Page on defnet and Defence Connect is where Service personnel can access all of the information about UKNA funding.
For detailed policy information search 'UK Nursery Authority' at DINs Search (defnet) or Group: Defence Instruction Notices - DIN's | Defence Connect.
Families can find UKNA scheme information on Discover my Benefits (www)

Eligibility

Who is eligible to claim?

To be eligible to claim the UKNA funding the following eligibility criteria must be met:

- At least one partner (or single parent) is Serving as an Armed Forces Regular, including Full Time Reserve Service (Full Commitment). Service personnel will be eligible following their completion of Phase 1 training until their termination date (TX).
- Family living in Scotland, Wales, or Northern Ireland.
- Child must be aged 9 months to 2 years old in Scotland and Wales.
- Child must be aged between 9 months and 4 years old in Northern Ireland.
- Child living with the Service person for at least 50% of the time, unless separated due to Service commitments (unaccompanied assignments, deployment, residential courses etc.).
- Partner (or a sole parent in a lone parent family) must be in paid employment, self-employed or starting or re-starting work within the next 31 days, and have a weekly income equivalent to at least 16 hours at the UK National Minimum or Living Wage.
- Both parents (or a sole parent in a lone parent family) must each have an adjusted net income of £100,000 or less per annum.
- An active Tax-Free Childcare (TFC) account must be set up with HMRC for each child.
- Childcare provider must be able to accept TFC payments.

What is the UK National Minimum or Living Wage?

The UK National Minimum or Living Wage changes each year in April. For current rates visit GOV.UK
The equivalent of 16 hours per week is measured for eligibility purposes, on average over a period of three months (13 weeks; in line with HMRC guidelines,) on a reasonable expectation basis.

If a parent earns £100K or more and the other earns less than £100K, do they qualify for UKNA?

No, if either parent earns £100K or more they do not qualify for the UKNA Scheme.
If both parents earn less than £100K each, they will be eligible to claim UKNA so long as they meet the minimum earnings criteria.
The upper income limit for the UKNA funding is based on the £100K figure dictated by HMRC in terms of TFC eligibility (this is also where the personal allowance starts to decrease).
Parents not eligible for TFC will not be able to claim UKNA funding. Parents need to be aware that if claiming UKNA funding pushes a parent over the £100K threshold, they will not be eligible for a TFC account and therefore will not be able to claim UKNA funding. Parents who also claim Wraparound Childcare (WAC) funding should be aware that if claiming WAC and UKNA funding pushes a parent over the £100K threshold, they will not be eligible for a TFC account and therefore will not be able to claim UKNA funding.

My partner is self-employed, are we eligible?

As long as you have an active Tax-Free Childcare (TFC) account in place for your child, and fulfil all other eligibility criteria, you will be eligible to claim UKNA. By 'active' we mean that the account is reconfirmed every 3 months, is eligible for, and in receipt of, the 20% government top-up.

Eligibility

What happens if my partner stops working, and we become ineligible?

If you become ineligible, you will enter a grace period. The grace period means that you can carry on claiming until the end of the current 'full' term, as long as the child remains at the same childcare provider. This will allow parents to re-enter employment / earn the minimum threshold whilst preserving the entitlement to the working families funding. Once the grace period has ended, you will no longer be able to claim UKNA. Parents should reapply if their circumstances change, and they become eligible again.

Do I need to be assigned to Scotland/Wales/Northern Ireland to claim UKNA?

No, the Serving parent does not have to be assigned to Scotland/Wales/Northern Ireland. The family must be living in Scotland/Wales/Northern Ireland, whether they are accompanying a Service parent or not.

All 3- and 4-year-olds in England receive 15 hours of funded childcare, for 38 weeks of the year. Why is UKNA for working families only?

The scheme was approved for working parents who have an active TFC for their children. The different locations have their own early years childcare offers for nonworking parents of 3- and 4-year-old children.

What does 'separated for Service commitments' mean?

Separated for Service commitments includes:
- Deployments & residential courses.
- Unaccompanied assignments (i.e., Service person lives in SLA during the week and returns to the family home at the weekends).
- Unaccompanied assignments overseas, where the family remain in one of the Devolved Administrations.

Will my PSTAT Cat affect my eligibility?

Personnel who are PStat Cat 1, 1(s), 1(c), 2, 5(s) or 5(c) or who are recorded as LTR or LTR(E) will be eligible so long as they meet the remaining eligibility criteria. Registrations from SP within other PStat Cats will need to confirm that the child lives with them for at least 50% of the time and the child is not normally resident with another parent or relative. Once the review is complete the SP will receive a registration outcome from their Unit HR.

Are both parents in a Dual Serving couple able to register for UKNA?

No, only one parent in Dual Serving couple can register and claim for UKNA.

Do we need to be married to claim UKNA funding?

Service personnel do not need to be married to be eligible to claim UKNA funding.

Eligibility

My partner is in receipt of benefits, are we eligible for UKNA?

If your partner is not currently working, you may still be eligible for entitlements available to working families if you are working, and your partner is in receipt of Incapacity Benefit, Severe Disablement Allowance, Carer's Allowance or (in Scotland only) Carer Support Payment, or contribution-based Employment and Support Allowance.

If you claim either Universal Credit or childcare vouchers, you cannot get Tax-Free Childcare at the same time and therefore will not be eligible for UKNA.

Do I need to live on base to be eligible?

No, you do not need to live on base to be eligible.

Do working parents remain eligible when on leave?

Families will usually remain eligible if the parent(s) are on annual leave or in receipt of Statutory Sick Pay (SSP), Statutory Maternity Pay (SMP), Statutory Shared Parental Pay (ShPP), Statutory Paternity Pay, Statutory Adoption Pay (SAP), Statutory Neonatal Care Pay, or are on Bereaved Partner Paternity Leave. If parents are on adoption leave for an eligible child, they must return to work within 31 days of the date they first apply for the working families funded childcare for that child.

I commute to work weekly, my children remain in the family home, am I eligible?

Personnel who live away during the week and return to the family home at weekends and during leave periods (choosing to live unaccompanied) are classed as being separated for Service reasons which satisfies the UKNA eligibility criteria.

Will claiming UKNA funding effect Wraparound Childcare (WAC) claims for older children?

If claiming UKNA and WAC pushes the Serving parent above the £100,000 adjusted net income maximum earning threshold, this will make them ineligible for a TFC account and therefore ineligible for both UKNA and WAC funding.

It will not affect eligibility for universal Government childcare schemes.

Eligibility – Contract Types

Why are FTRS HC and LC and MPGS not eligible for UKNA?

The UKNA scheme is for Regular or Full Time Reserve Service (Full Commitment), (FTRS(FC)) Service personnel as long as the eligibility criteria are met. These two contract types represent those who are most likely to be impacted by either mobility and/or deployment which can have a negative impact upon Service families. This is in alignment with the Service person eligibility for the overseas variant of the Defence Nursery Authority scheme, Overseas Nursery Authority (ONA).

Are Royal Fleet Auxiliary (RFA) eligible to claim UKNA?

RFA personnel are not eligible to claim UKNA funding as they are MOD civilians.

Can Regular Service personnel on Flexible Service (Restricted Separation) or Flexible Service (Part-Time Working) claim UKNA?

This will depend on TFC account eligibility, if you are eligible for TFC whilst working on a Flexible Service agreement and you meet all other UKNA eligibility criteria, you will be able to claim UKNA funding.

Are Sponsored Naval Reserves eligible to claim UKNA?

Sponsored Naval Reserves are not eligible for UKNA as they are not employees of the MOD; they are civilians. Their employer has agreed with the MOD that a stated element of their contractor's workforce is made up of employees who have accepted a liability to be called out to permanent service if needed.

If called out to permanent service, any childcare support would be considered under the Reservist Award.

Eligibility – Child Information

What is the definition of a Service child?

- A Service child in the context of this scheme is a child who the Service person has financial responsibility for, and the child lives with the Service person for at least 50% of the time; unless separated due to Service commitments.
- Adopted children, children of long-term relationships and domestic partner children, where they meet the eligibility criteria, are eligible.
- Foster children are not eligible.
- Where the child is normally resident elsewhere for example with another natural parent or relative, the Service person will be unable to claim UKNA funding.

Why are foster children not eligible to join the UKNA Scheme?

Fostered children are 'looked after children' and the Local Authority (LA) is responsible for them. The way the LA delivers its responsibility is by employing foster carers, but the LA remains responsible for the child.
UKNA eligibility is based on Tax-Free Childcare (TFC) criteria set by HMRC, part of the eligibility criteria for TFC is that the parent has responsibility for the child.

Is there a maximum number of children who can be accepted onto the UKNA scheme?

There is no maximum number of children that can be accepted, so long as the eligibility criteria is met.

Tax-Free Childcare (TFC)

Do I need to have a Tax-Free Childcare (TFC) account to claim UKNA?

To be eligible to register for UKNA funding, a valid and active TFC account must be in place for each child that you want to claim for (active means that you reconfirm your account with HMRC every 3 months and receive the 20% top up from HMRC when you deposit money into the account, or you receive the 20% top up from HMRC via the TFC manual process).

- Payments to the provider must be made via the TFC account.
- Service personnel will be able to claim 80% of the childcare costs back via UKNA with the remaining 20% being paid directly into the TFC account from HMRC.
- No claims can be submitted prior to the TFC being activated, and Service personnel have registered for UKNA.

Full eligibility criteria for TFC accounts can be found at the following link [Tax-Free Childcare: Check if you're eligible - GOV.UK]

Either parent can apply for a TFC account. It is important that the parent that administers the account can reconfirm the eligibility with HMRC every 3 months. If the account is administered by the Serving parent and they are due to deploy during the reconfirmation period, you may want to change this to enable the parent that isn't deploying to reconfirm the TFC account during that time and continue to pay the provider from the TFC account.

What does 'active' TFC account mean?

By 'active' we mean that the account was reconfirmed every 3 months, is eligible for, and in receipt of, the 20% government top-up.

What happens when the TFC top up has been used and parents no longer receive a top up?

HMRC contribute up to £500 per quarter per child. To get the full £500 top up parents must pay £2000 into the child's TFC account per quarter. If the childcare costs more than £2500 per quarter, parents must continue to pay the provider via the TFC account as this is part of the eligibility check for UKNA. Once the HMRC top up has been used, UKNA claims will be paid in full (up to the number of hours per week, per child, that the parent is eligible to claim for).

Tax-Free Childcare (TFC)

I am on the secure payroll and unable to access Government digital services to set up a TFC account.

Service personnel or their partners that have been informed that they cannot use the Government digital services to apply for a TFC account must:

- Confirm that they meet UKNA eligibility criteria.
- Confirm that they meet TFC eligibility criteria.
- Confirm that the provider is TFC registered.
- They or their partner contact the HMRC TFC PD1 team on (+44) 03000 534 730 to apply for a manual TFC account with HMRC in lieu of an online TFC account.
- If eligible, HMRC will then supply a TFC eligibility confirmation letter or email.
- Once the parent has received the letter or email, they will be able to register for UKNA. A copy of this letter or email will need to be supplied to Unit HR staff before the registration can be approved.
- Pay their childcare provider .
- They or their partner contact the HMRC TFC PD1 team on (+44) 03000 534 730 to arrange a manual 20% payment in lieu of a TFC account.
- HMRC will then supply a payment confirmation letter or confirmation email. If a payment confirmation letter or email is not received, the quarterly TFC eligibility confirmation letter or email can be used as evidence for audit if required.

Providers

My family live in Wales/Scotland but our childcare provider is across the border in England. Are we eligible?

Yes, as long as other eligibility criteria are met, you will be able to claim for a childcare provider in England until the Government funded childcare in Wales/Scotland commences for your child. At that point you will not be eligible for UKNA.

My family live in England but our childcare provider is across the border in Wales/Scotland. Are we eligible?

No, as there is Government funding available in England for children aged 9 months to school starting age, UKNA can not be claimed.

Can I use multiple providers?

Yes, as long as the total number of MOD funded hours claimed in a week and the total number of weeks claimed does not exceed the maximum permitted (30 hours per week for 38 weeks, or the equivalent if stretching the hours).

My provider only offers full-time placements? Can I claim more than 30 hours for 38 weeks of the year (or 17.5 hours for 4-year-olds in Northern Ireland)?

No. Defence will only fund the difference in the costs of Early Years childcare hours, matching the “free” (Government funded) childcare hours you would be entitled to if assigned to England.

Can I claim UKNA to cover provider administration charges or additional costs?

No. UKNA will not reimburse provider administration charges (e.g. insurance, enrolment, processing fees) or any additional charges over direct childcare charges (e.g for nappies, food and other resources).

What types of childcare providers can be used when claiming UKNA?

Childcare providers must be Ofsted (or equivalent) registered to minimise the use of unregistered and unregulated childcare provision. UKNA can only be claimed for when using childcare providers, (including childminders), that are paid for through the child’s active TFC account. Parents are responsible for ensuring that their chosen provider meets these criteria. Childcare provided by nannies is not supported under UKNA.

Tax Implications

Are there any tax and National Insurance implications?

Yes, as the MOD is reimbursing you for your childcare costs, it is deemed an extra income which makes it a ‘taxable benefit’ by HMRC. To offset this, Defence pays extra to cover any tax and National Insurance (NI) payments you may incur when making UKNA claims – this is called grossing up.

This process can have a knock-on effect on your individual tax and NI allowance and brackets. Where income is increased, it is possible that some SP may move to a higher tax bracket, or may find that future Universal Credit, means tested tax credits (e.g., Child Tax Credits), Child Maintenance Service awards, Child Benefit payments (if they reach High Income Child Benefit Tax Charge level, currently £60,000), the rate of repayment on Student Loans etc. are affected.
If pushed into a higher tax bracket, the rate of tax paid on second incomes such as pension, dividend, or rental income etc. may be affected since these are taxed at the highest rate (i.e., the personal tax-free allowance and basic rate taxation etc. will be set against MOD employment income).

If claiming UKNA funding pushes your individual income over £60,000 AND you or your partner get Child Benefit, you may have to pay the High-Income Child Benefit Charge.
If your income is over the £60,000 threshold. You can choose to either:

- receive Child Benefit payments and pay any tax charge at the end of each tax year (Service personnel should be aware that for this option they would have to file a Self-Assessment Tax Return each year).
- opt out of receiving Child Benefit payments and not pay the tax charge.

SP can find out more about the High-Income Child Benefit Charge at High Income Child Benefit Charge: Overview - GOV.UK (www.gov.uk)

We encourage you to read the guidance and regularly review, a grossing up guide is available as a resource on the UKNA page of Discover my Benefits (www), Defence Childcare Information Page on defnet and Defence Connect .

All Service personnel are encouraged to seek independent financial advice on this prior to participating in the UKNA scheme.

Do I need to declare UKNA on my tax return?

UKNA is paid in to your Armed Forces salary. If your salary is your only income, then tax and NI will be calculated automatically.

If you have additional income streams, then you should seek independent financial advice about declarations. If in any doubt you should seek independent financial advice.

Tax Implications

Grossing up. What does this mean, and what will the Statement of Earnings show?

UKNA is a 'taxable benefit', Defence pays extra to cover any tax and National Insurance (NI) payments you may incur when making UKNA claims – this is called ‘grossing up’.

The UKNA credit shown on the Statement of Earnings (payslip) will show as ‘childcare’ followed by ‘SNA (Scotland), WNA (Wales) or NINA (Northern Ireland)’. There will also be a deduction shown as ‘childcare SNA / WNA / NINA Offset’, this is the claim amount which will have already been paid into the bank account linked to JPA, within 5 working days of claiming. The credit amount covers the claim amount plus the extra PAYE and NI that had to be paid because of receiving the claim amount. There will be a message at the bottom of the payslip showing the claim, PAYE and NI amounts.

Grossing up can have a knock-on effect on your individual tax and NI allowance and brackets – if you are on the cusp; it could push you into a higher one. See above question for further information.

Registration details will be updated in this FAQ from September 2026.

How do I register for UKNA?

Registrations cannot be submitted before 1 September 2026. Children must be recorded and verified on JPA prior to Service personnel registering for UKNA, Unit HR staff can help with this. Service personnel should register any eligible child(ren) for UKNA as soon as they become eligible and are able to do so. A separate registration must be completed for each child they want to register.

Full details of the registration process, including the registration form, will be made available from September 2026. Service personnel must familiarise themselves with the updated guidance in the DIN prior to registering.

Registration details will be updated in this FAQ from September 2026.

Making an UKNA claim information will be updated in this FAQ from September 2026.

When can UKNA claims be submitted?

Service personnel must not submit a claim for UKNA until their child(ren)'s registration has been approved.

How are UKNA claims submitted and what can be claimed for?

Full details of the claims process will be made available from September 2026. Service personnel must familiarise themselves with the updated guidance in the DIN prior to claiming the UKNA Allowance.

Payment of Claims

How will the payment show on payslips?

The UKNA credit shown on the Statement of Earnings (payslip) will show as 'childcare' followed by 'SNA (Scotland), WNA (Wales) or NINA (Northern Ireland)'. There will also be a deduction shown as 'childcare SNA / WNA / NINA Offset', this is the claim amount which will have already been paid into the bank account linked to JPA, within 5 working days of claiming. The credit amount covers the claim amount plus the extra PAYE and NI that had to be paid because of receiving the claim amount. There will be a message at the bottom of the payslip showing the claim, PAYE and NI amounts.

See page 13 for more information about the grossing up and the tax implications of UKNA claims.

Is there any guidance on how to work out what can be claimed?

Yes, there will be a UKNA calculator that shows how much you can claim from the information that you enter into it. Step-by-step guidance on how to use the UKNA calculator will be available on the Defence Childcare Information page from September 2026.