

FACT SHEET – THE STRETCHED OFFER

Frequently Asked Questions:

What is the stretched offer?

Free Early Education Entitlement (FEEE) is government funding available for 15 hours (or 30 hours if eligible) over 38 weeks of the year for eligible children. This potentially leaves 14 weeks where parents / carers will not receive any funding if their child attends a childcare provider for more than 38 weeks of the year. The Government's guidance allows childcare providers to offer stretched hours, although this is not mandatory and is a private business decision for the provider. Providers are also able to offer stretched hours if they do not wish to offer term time funded hours. Therefore, parents / carers can receive funding all year round if they want, by spreading their 570 hours (universal FEEE) or 1,140 hours (extended 30 hours FEEE) over the number of weeks their child attends. Below is an example of a calculation for a child attending a setting for 50 weeks per year. This could allow parent's or carers the following stretched offer:

Universal 15-hour offer (570 annually)

570 hours / 50 weeks = 11.4 hours per week stretched

Extended 30-hour offer (1140 annually)

1140 hours / 50 weeks = 22.8 hours per week stretched

Please note that the above calculation is based on a child attending the setting from the Autumn period. If a child joins in the Spring or Summer period, they will have less hours to stretch over fewer weeks as government funding is pro-rata from when their child becomes eligible ***(A1.5 Local authorities should secure a pro-rated number of free hours for children who first take up their place part-way through the year. The total number of hours should be adjusted to reflect the portion of the year remaining from the relevant date after the child is first eligible (i.e., from 1 April, 1 September or 1 January)).***

What are stretched hours?

Stretching hours is where parents / carers can use less hours per week but over a longer period e.g., approximately 11.4 hours per week for 50 weeks. This is limited to total hours available in a period.

Stretched hours are usually utilised by parents / carers when their child attends a setting all year round, allowing them to use less of their funded hours over more weeks. Stretching their hours

allows for their FEEE hours as well as any additional costs that parents / carers may incur to be spread in equal payments over the number of weeks their child attends, meaning parents / carers aren't hit with large bills in holiday periods. As a result, stretched hours are a popular choice for parents / carers.

What are banked hours?

Banking hours is where parents / carers can use less hours in one period and then use the remainder in another e.g., through the summer holidays.

Children not claiming their full entitlement of 15 / 30 hours during term-time, can bank their funded hours for use in holiday periods. Banked hours are usually claimed when parents / carers decide they want their child to do extra hours in the holidays, and have spare hours accrued from not previously claiming their full entitlement.

For example, a child has 240 hours to use in the autumn, but only uses 215 hours of their allocation. This child will have an additional 25 hours spare to use in either the spring or summer holidays.

What is the difference between stretching and banking?

Stretching is taking the same funded hours each week consistently, whereas banking is using spare hours accrued on ad hoc sessions.

How many stretched hours can be claimed per period?

The maximum number of hours that can be claimed in each period for stretched hours is displayed on the [FEEE Calendar](#).

How many banked hours can be claimed per period?

The maximum number of hours that can be claimed in each period for banked hours is displayed on the [FEEE Calendar](#).

If a parent / carer is using two providers and the other provider is offering stretched funding, do I have to offer stretched funding?

No, if a parent / carer is using two providers and the other provider is offering stretched funding you do not have to. However, as stretched hours are a popular choice with parents / carers, it is an additional selling point for your provision if you do have this as an option. You will need to

ensure that you calculate the hours your setting can use, since the child's other setting is stretching.

For example, if a child has 570 hours for the year and is claiming stretched with another provider, doing 5 hours over 50 weeks, the other provider will be claiming a total of 250 hours (5 hours x 50 weeks). This will leave 320 hours remaining (570 hours – 250 hours) for your setting to use over the academic year / 38 term time weeks. This means that no more than 8.42 hours per week (320 hours / 38 weeks) can be claimed by your setting. Using the above example, the following will be claimed across the year:

Period / Weeks	Stretched Provider	Term Time Provider	Total Claim for Period
Autumn – 16 Term Time / 17 Stretched	5 hours x 17 Stretched weeks = 85 hours	8.42 hours x 16 Term Time weeks = 134.72 hours	85 + 134.72 hours = 219.72
Spring – 11 Term Time / 12 Stretched	5 hours x 12 Stretched weeks = 60 hours	8.42 hours x 11 Term Time weeks = 92.62 hours	60 + 92.62 hours = 152.62
Summer – 11 Term Time / 21 Stretched	5 hours x 21 Stretched weeks = 105 hours	8.42 hours x 11 Term Time weeks = 92.62 hours	105 + 92.62 hours = 197.62
Total Hours claimed across the Year:			569.96

Please note that if a child has any remaining decimals left at the end of the academic year, you can claim these as a late adjustment in the summer period. For instance, in the above example, the child will have 0.04 hours left (570 hours – 569.96) that can be claimed.

Do school leavers lose out in the Summer Period if they use stretched funding?

No, school leavers do not lose out in the Summer period if they use stretch funding. Providers may need to re-calculate their stretched hours over one less week, depending on how many weeks a school leaver can claim over the Summer period. Please always check the current [FEEE Calendar](#) which will specify how many weeks should be claimed for any school leavers.

When do you have to use your banked hours by?

Once a child has banked hours, you can use them at any time within the academic year, provided you do not exceed the 15 or 30 maximum hours per week. Parents / carers usually choose to bank hours and use them during holiday periods or an ad hoc session (as long as they do not exceed the 15 or 30 hours per week). If the child has any unused hours at the end of summer

period, these will be lost. To clarify, no banked hours can be carried from the summer into the autumn period.

If a child moves to my setting mid-period / year, can they stretch their hours?

Yes, but only if they have enough hours remaining. If the child has moved from another setting you will need to check how many funded hours remain before you can calculate their stretched offer. To find out how many spare hours a child may have, please email feee@leics.gov.uk who will be able to advise you. You should provide the child's initials, DOB and, if known, the name of the child's previous setting. Please note that if the child moves mid period, we may not be able to provide this information until the child's other setting submit their reduction of hours, if they haven't already.

Can you stretch or bank hours if your setting hasn't done it before?

Yes, you can stretch or bank hours if your setting hasn't done it before. Whilst there is no obligation to offer stretched hours, if you can accommodate a request, we would recommend you doing so.

How do you stretch hours over the summer holidays?

If a parent / carer wishes to stretch their hours during the summer period, firstly you need to establish how many hours the child has remaining. You then calculate the stretched hours by dividing the number of hours they have, by the total number of stretched weeks available in the Summer Period. For actual dates, please view the [FEEE Calendar](#).

Am I able to charge parents and carers what I want for the non-funded hours after the funded stretched hours have been deducted?

Providers are able to charge parents and carers what they want for the non-funded hours, but these charges have to be clear and transparent in your setting's fee documentation. As per the Statutory Guidance, 'the provider cannot charge parents "top-up" fees (any difference between a provider's normal charge to parents and the funding they receive from the local authority to deliver free places)'. The definition of "topping-up" is 'an amount added to something in order to raise it to or maintain it at a desired level.' Please see an example of "topping up" below, which is prohibited:

A child attends a setting on a full-time basis accessing 50 hours per week. Of these 50 hours, 22.8 hours of FEEE are being claimed each week, leaving the parent to pay for the remaining 27.2 non-funded hours plus any food costs or consumables. The provider deducts the 22.8 hours FEEE funding that the local authority provides from their full-time session cost and charges the parent the remaining balance, that equates to their daily rate. The provider therefore receives the full cost of

their advertised session from both the local authority and the parent. This explanation 1) assigns a monetary value to the FEEE hours and 2) is a top-up.

The Statutory Guidance does not state that providers charging for non-funded hours and food, or consumables cannot exceed their advertised session rates. It does however, clearly state that providers need to be clear and transparent for parents and carers on their charges for additional hours or services, and that these should be itemised and shown on their invoices.

If a child is on holiday or off sick, what happens to their stretched hours?

If a child is on holiday or sick for a short period of time, you can still claim the stretched hours and no money would be reclaimed. In the case of a longer absence, please contact the FEEE Team at feee@leics.gov.uk.

How do I claim for stretched hours on the headcount / adjustment task?

On the Provider Portal you will need to input the number of weeks that the child is stretching for in the period, please refer to the [FEEE Calendar](#) for further guidance. You also need to tick the 'Stretching Entitlement' box on the 'Funding Details' tab. At headcount, you will need to state how many stretched hours the child is using of their funding per week. Please refer to the correct calculation below:

A child claims 570 hours stretched across the 50 weeks of the year, meaning they should be claiming 11.4 hours per week. Therefore, in the autumn period, as the provider will be open for 17 weeks, they should be claiming for 11.4 hours x 17 weeks = 193.8 hours to be claimed on the autumn headcount.

In the past, some providers have made errors and calculated the claim incorrectly. They have tried to claim the maximum number of funded hours per week (15 or 30 hours) and claimed the maximum number of stretched weeks. See an incorrect calculation below:

A child claims 570 hours stretched across the 50 weeks of the year, but they try and claim 15 hours x 17 weeks = 255 hours – this is incorrect, as they are claiming the maximum number of hours and trying to claim them over more weeks.

At the adjustment, you will still need to tick the stretched box on the funding details page, and then on the 'Pending Adjustment' tab, you should show the calculation of hours in the notes box, e.g. it should state, "child is claiming 11.4 hours x 17 weeks in Autumn". You should then put the total number of funded hours you wish to claim for the period, in the hours box on the 'Pending Adjustment' tab.

When will I receive payment for banked hours?

Payment for banked hours submitted on the headcount will be paid with the actual payment amount. If you have submitted any banked hours on the adjustment task, you will receive payment for these hours at the next payment point. For any banked hours that are claimed on the late adjustment, the FEEE Team aim to pay in the next period on an ad hoc basis. For actual payment dates, please view the [FEEE Calendar](#). Banked hours should only be claimed in the period that they are being used in.

How do I obtain a breakdown of my stretched hours payments?

You can find details of your headcount payments made by logging into the Provider Portal and looking on the 'Summary' tab. Please note that whilst the FEEE Team are processing the submission, the data you see may change daily – please do not contact the FEEE Team until it has been confirmed that the payments have been fully processed, as they could be amended until this date.

To view your adjustment payment in the Provider Portal, you will need to log in and access the relevant headcount for the period and click on the 'Adjustment' tab. You can see the total amount due to be paid under 'Paid as Adjustments'. If you click on the arrow to the left of this, you can view the children who have been processed and it will state what is going to be paid for each child. Please also refer to the 'Reason' column as this will show if your original claim has been reduced by the FEEE Team and for what reason. If the system states 'Not Paid' this will be because you owe the local authority funding back and it will show the amount owed in brackets, which will be deducted from your next payment.

To view a late adjustment payment, you will be able to find out what has been paid in the 'Adjustments' tab in the Provider Portal of the current period. For example, a late spring adjustment will appear in the current summer period, as this will be when it is processed by the FEEE Team. You will also receive an email from the FEEE Team once the late adjustment has been processed informing you of the payment and date to be paid.



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For more FEEE information for Providers, please visit the [FEEE Website for Providers](#)