

# **Leicestershire County Council Free Early Education Entitlement Guidance 2018**

## **Introduction**

Welcome to Leicestershire County Council's guidance for the delivery of the funded childcare for children aged 2, 3 and 4 years, updated May 2018.

For further advice, guidance, good practice ideas and to access a copy of the current statutory guidance and accompanying policies please [visit our website](#).

Please note that unless specified otherwise, when referring to 3 and 4 year old funding, advice and guidance should also be applied to the 30 hours extended entitlement.

## **1. The Free Entitlement**

There are currently 3 streams of funding which can be accessed:

1. The 3 and 4 year old universal offer. This offers all children up to a maximum of 570 hours (per annum which is the equivalent of 15 hours per week for 38 weeks per year).
2. The 3 and 4 year old extended offer. This offers eligible children the chance to take up to a maximum of 1140 hours per annum (which is the equivalent of 30 hours per week for 38 weeks per year). Eligibility for this funding has to be checked by parents / carers and validated by providers every 3 months. [Access information on eligibility criteria here](#).
3. The 2 year old funding offer. This offers eligible children the chance to take up to a maximum of 570 hours per annum (which is the equivalent of 15 hours per week for 38 weeks per year). Once a parent is eligible for this funding they will remain eligible even if their circumstances change. Parents are not expected to re-check their eligibility. [Access information on eligibility criteria here](#).

Where a child accesses provision part way through a term, funding is pro-rata accordingly.

### **1.1 Eligibility of children based on their age**

The following table shows when a child is eligible to receive funding from (all dates are inclusive). This is applicable to all aspects of the 2, 3 and 4 year old funding.

## Eligibility table

A child born between:	Will be eligible for a free place from:
1 April and 31 August.	The start of the autumn term after their 3 <sup>rd</sup> birthday, or if eligible, the start of the autumn term after their 2 <sup>nd</sup> birthday, until statutory school age.
1 September and 31 December.	The start of the spring term after their 3 <sup>rd</sup> birthday, or if eligible, the start of the spring term after their 2 <sup>nd</sup> birthday, until statutory school age.
1 January and 31 March.	The start of the summer term after their 3 <sup>rd</sup> birthday, or if eligible, the start of the summer term after their 2 <sup>nd</sup> birthday, until statutory school age.

### 1.2 Funding Periods

Leicestershire has moved to funding 'periods' as of Autumn 2018. This is in recognition that the constantly changing term dates can make planning difficult. This new way of working will provide consistency year after year, but also brings the funding in line with eligibility deadline dates and birth date criteria.

The highlighted number of weeks for each period (12 – Spring, 11 – Summer and 15 – Autumn) in the calendar is the maximum allowed **excluding** any banked hours.

Term – time only providers should only claim for the number of hours they are open in any period. If the total number of weeks is lower than the maximum that can be claimed for, then the remaining will be banked to enable providers to claim more in the next period.

### 1.3 Expectations of providers delivering the funding

The local authority requires that:

- any additional goods or services supplied by providers are not a condition of children accessing their funding and additional financial commitments do not create a barrier to parents accessing the funding
- where children attend for funded hours only, parents/carers should not be required to pay a retainer and where a deposit is requested arrangements should be made to return the deposit within a suitable timeframe
- providers support vulnerable families, in line with the Equality Act 2010, SEND code of practice and the statutory Early Years Foundation Stage (EYFS), by removing barriers of access to funded places, working with parents/carers to give each child the support they need to fulfil their potential.

## 1.4 Flexibility

Early years providers are expected to operate flexibly to support parents in optimising the amount of funded hours which can be taken.

Leicestershire acknowledges that it may not be always be possible for parents to access the hours they want at the provider of their choice.

The following constraints apply regarding the way in which parents/carers can access funded hours; this applies to 2, 3 and 4 year old funding:

- No more than 10 hours in any one day.
- No access before 6.00am or after 8.00pm.
- Funded time can be accrued throughout the day and does not have to be taken in a single block of time.
- No more than 2 providers should be accessed in 1 day.
- Leicestershire would recommend that children accessing the 2 year old funding do not attend more than one provider.
- There is no longer a minimum claim for providers.
- Funding can be offered 7 days a week according to your business needs.

The local authority requests that where reasonably practicable providers offer the funding in such a way that children are able to take up their funded hours in continuous blocks to avoid artificial breaks being created throughout the day, for example over the lunch time period.

Parents are able to bank hours or stretch their entitlement which Leicestershire strongly support.

- Banking hours is where parents can use less hours in a period and then use them in another period e.g. though the summer holidays.
- Stretching hours is where parents can use less hours per week but over a longer period e.g. approximately 12 hours per week for 48 weeks

For advice and guidance on how to implement a stretched offer you can email [feee@leics.gov.uk](mailto:feee@leics.gov.uk)

## 1.5 Quality

Leicestershire County Council will fund providers rated:

- **Outstanding, Good or 'Met' by Ofsted:** for all children aged 3 and 4 and eligible 2 year olds.
- Requiring Improvement/Satisfactory by Ofsted: for all children aged 3 and 4 years old.

At present, Leicestershire will not fund eligible 2 year old children in settings rated as 'Requiring Improvement/Satisfactory' by Ofsted. Where providers already claim for eligible 2 year olds and

subsequently receive a 'Requiring Improvement' judgement by Ofsted, **no new** 2 year olds will be funded in that provision until the Ofsted grade is improved upon. However, funding will continue to be paid for children who have previously been claimed for.

For those providers who are rated **Inadequate or 'Not Met'** the Council reserves the right to withdraw funding. Leicestershire will consider each case individually and act in accordance with its [removal of funding policy](#).

In all cases providers must ensure that their grading is improved to that of at least 'Requiring Improvement' at the time of the next Ofsted inspection and will be expected to work with relevant officers of the local authority.

In relation to the quality of provision, providers should note that Ofsted will, as part of their inspection schedule, make a judgement as to whether providers are seen to be actively promoting fundamental British values (democracy, the rule of law, individual liberty, mutual respect and tolerance of different faith and beliefs) as reflected in the EYFS. Where concerns are raised and well evidenced, the local authority is required to take relevant action. Providers should be aware that this may mean access to funding is withheld, withdrawn or removed as appropriate.

## **2. Funding the Entitlement**

In order to receive funding for 3 and 4 year olds and eligible 2 year olds, providers are required to sign up to the local authority's Directory of Early Years Providers and must:

- be registered by Ofsted on the early years register and subsequently be in receipt of a Certificate of Registration
- or fall under a schools Ofsted registration
- or be considered as 'exempt' from the Ofsted Registration process
- or be part of a registered Childminding Agency (CMA)
- be of the appropriate Ofsted / CMA grade as discussed above
- agree to the terms and conditions stipulated in the Provider Agreement.

Those providers delivering places for 3 and 4 year olds will receive a rate calculated through the Early Years Single Funding Formula (EYSFF). This formula offers a single base rate for all providers with a deprivation supplement calculated using the child's address.

Those providers who are supporting the delivery of the 2 year old funding will be paid a flat rate per child, per hour; no additional supplements will be paid.

### **2.1 Early Years Pupil Premium (EYPP)**

Providers may claim for additional EYPP funding, designed to support the most vulnerable 3 and 4 year olds. This funding equates to a maximum of £302.10 per annum per child and is paid as a lump sum on a termly basis as part of the final payment. [Further information on eligibility, claiming for funding and how to evidence use of the additional funding](#).

Please note that as of April 2018, any children who are newly eligible to access the EYPP funding will do so on a permanent basis and an annual re-check will no longer be necessary. Please be aware that those children who accessed the EYPP prior to April 2018 will need to have their eligibility re-checked annually.

Where a child attends multiple settings EYPP funding will be split in line with the claims made up to a maximum of 15 hours.

## **2.2 Additional entitlement for children with Special Educational Needs and Disabilities (SEND)**

Eligible children with SEND aged 2, 3 and 4 years old who access the 15 hours universal offer can access an additional 6 hours of funding. This means a total of 21 hours per week are available if the child attends Wigston Menphys Nursery Centre or Sketchley Hill Menphys Nursery Unit. This additional 6 hours is designed to support the child's attendance at a specialist setting whilst also providing an opportunity to attend a mainstream setting.

Please note that if parents become eligible for the 30 hours extended entitlement, this will supersede the above 21 hours entitlement. There will not be an additional 6 hours funding for parents accessing the 30 hours funding.

Providers are expected to claim for any additional SEND take up as they would all other claims for the FEEE funding.

The local authority recognises the costs providers incur when supporting children with SEND and top-up funding maybe available to contribute towards these costs. [Information on the application process and the criteria.](#)

### **2.2.1 Disability Access Fund (DAF):**

3 and 4 year old children in receipt of Disability Living Allowance (DLA) and in receipt of the free entitlement are eligible for the DAF. This is paid at a fixed rate of £615 per annum. Parents / carers can nominate 1 setting only to receive this funding. Providers should confirm with parents on an annual basis that they wish to re-nominate the setting for receipt of this funding. Providers must alert the local authority if the child is no longer in receipt of DLA or the parent no longer wants to nominate the setting as the funding will continue automatically.

This will not provide parents / carers with a discount but instead allows providers to maximise the potential of children in their setting through the support of additional resources, staff or activities, making reasonable adjustments where necessary to ensure a quality experience for all children.

[Information on how to claim DAF funding](#)

## **2.3 The funding process for 2, 3 and 4 year olds**

Parents/carers invoices should clearly show the amount of funded hours accessed and additional chargeable hours, services / resources accessed and the cost of these.

Any charges in relation to services / time accessed outside the funded hours should be agreed with parents / carers prior to any charges being made. Providers should ensure all information relating to their costs are clear and transparent for parents/carers, making sure their prospectus, contracts and invoices all reflect accurate information.

Additional hours / services or resources should not be a condition to accessing the funded hours, nor should they create a barrier to parents accessing their full entitlement. Where practicable parents / carers should be given the option to 'opt' out of additional services. Where this is not practicable, providers should have clear policies in place to share with parents / carers.

Where possible providers should consider if there is any alternative funding that may be used to subsidise the cost for the parent, this may mean utilising EYPP funding if the child qualifies or supporting the cost of the 'extras' from the deprivation supplement received. If possible, you should also consider whether offering the parent alternative times to access their hours would mean they incur less additional costs. If an agreement cannot be reached parents should be signposted to the [Family Information Service](#) to find an alternative provider which better suits their needs.

The local authority delivers the entitlement on an academic basis - 'Autumn', 'Spring' and the 'Summer'. As you will see from the link below, these periods also include the half term breaks and the holiday periods.

In each period a set amount of hours is available for providers to claim. Providers may if they wish, offer these hours flexibly, and do not have to operate in a term time only way as long as they do not claim for more than the total number of hours available. Using funding like this may also better support parents / carers who would prefer to access the funding in a shift format, or may have fluctuating attendance.

To access full details on the period, and amount of funding available, as well as key payment dates and headcount submission please [visit the website](#).

## **2.4 How the funding is paid**

The funding paid is based on information supplied by early years providers via the headcount. It is the responsibility of the provider to check that each submission is accurate and reflects the claims and attendance of the children on register at the setting.

### **2.4.1 Provider portal**

By using the [provider portal](#), settings can:

- Support parents by completing an assisted 2 year old check
- Validate the 30 hours DERN codes
- Submit headcount information and adjustment information (including parental details, which will allow us to confirm eligibility for EYPP on your behalf)
- Submit a DAF application

- Access your initial and final payment notices

You will be able to submit children's information multiple times, so making the system more flexible in line with requests from parents or if you notice any mistakes during the open period, these can be rectified and then the headcount task resubmitted.

Additionally you will be able to view previously submitted tasks – allowing you to marry up payments with claims far more easily.

There are user guides available via the '**About**' section in the provider portal which will support you in completing the headcount task as well as the other elements listed above. Please ensure you read the guide thoroughly prior to completing your headcount task.

### **2.4.2 The initial payment**

The initial payment is a 100% advance payment. Specifically the payment is calculated by:

- carrying forward any children eligible for the funding in the following term, based on the information supplied in the current term
- the number of hours claimed for in respect of those eligible children
- calculating the amount by taking the above number of hours, multiplying it by the number of weeks available and by the EYSFF rate (not including the deprivation supplement).

You will then be paid an advance of the total expected funding for that term. If you know a child will not be in your setting in the following term you should complete the end date section.

### **2.4.3 The final payment**

The final payment is calculated based on total number of the eligible children on register during the period being claimed for, multiplied by the number of hours claimed in respect of each child multiplied by the amount payable per child, minus the Initial Payment sum.

The Final Payment will not be made unless you submit a headcount task by the return date.

A payment breakdown will be released after every final payment. These details should be checked to ensure all eligible children have been funded correctly.

### **2.4.4 Adjustment payments**

The local authority also administers mid-term adjustments which give providers an opportunity to adjust their claim after their headcount has been submitted. This may mean telling us about leavers or children who have increased / decreased their hours as well as any new children who joined your setting after the headcount was submitted.

If the initial payment was greater than the total amount payable for the term, the shortfall will be clawed back from the next initial payment.

## **2.5 Completion of headcount tasks**

Completion of a headcount task allows providers to inform the local authority of eligible children on roll at their setting during the funded period.

All children to be claimed for should be on register at the provision on or prior to the submission of the headcount data.

If no children are claimed for, there is no need to send a nil return.

Providers should note that where a headcount task is not submitted, no funding will be paid for the final payment.

Providers should also note that they must not make a claim until they have confirmation of the child's eligibility such as a birth certificate, passport or medical card, or in the case of 2 year old funding or the 30 hours extended entitlement, an eligibility code. Funding will be reclaimed if this documentation is missing when monitoring is carried out.

Additionally all parents / carers claiming must complete a Parental Statement of Undertaking (PSOU). This document should be amended in line with any alterations to the funded hours throughout the term / year. [Copy of the PSOU document](#).

## **2.6 Absence management**

Children should be in attendance for all of the FEEE funded time claimed for, unless there is a valid reason such as illness or holiday. Providers are expected to maintain accurate records of each child's attendance (including start and leaving times) and ensure they actively engage with parents / carers where attendance is sporadic or consistently lower than the funded hours claimed, amending their claims when relevant.

If claims are considered to be inconsistent with the hours attended or there are doubts about the validity of the claim, money will be reclaimed from the provider. Additionally, if a child is taken out of the provision or does not attend for a period of time that equates to half the term or more, only the funded hours attended during that term should be claimed for. Arrangements for keeping the child's place open during long periods of absence are a private business matter and not something the local authority can comment on.

Providers must complete the headcount tasks accurately and ensure that they reflect the child's attendance. Please note where absence does not exceed more than half of the term, we will continue to fund the child's place and providers can continue to claim for the usual amount of hours the child would attend.

## **2.7 Adjustment payments**

Once the headcount task has been submitted and payments processed an adjustment task will be available so that you can provide the local authority with details on any leavers / starters, or children who have increased or decreased their hours.

Where a child is transferring between provisions in Leicestershire, both providers should complete the necessary headcount questionnaire, claiming accurately for the hours relevant to their provision. The payments will be amended and reflected at the next payment point.

After the adjustment period has closed we will only make amendments to legitimate claims that are after the adjustment date. **Any late claims for children who are at the setting before the adjustment claims period ends will not be funded.**

Providers should be aware when submitting any adjustments that we will not backdate funding further than 1 term in arrears.

Providers should also note that the childcare funding and EYPP funding will always follow the child. Notice periods are a private business matter and not something the local authority can comment on. Funding cannot be kept by a provider to subsidise a notice period if the child is not in attendance.

Providers may not keep funding for a child that has moved to another provision.

## **2.8 Cross border arrangements**

If a child is also attending another setting which is not in Leicestershire, providers must ensure that the parent/carer does not claim for more than their eligible hours in total.

Leicestershire cross-references child data with neighbouring authorities ensuring that no duplication of payment is made.

## **2.9 Specific information for 2 year olds**

Reference numbers for 2 year olds are automatically produced when a parent applies online. An email / letter is sent to parents as proof of funding from the local authority. Providers do not need to enter details through the provider portal. They should;

- **For Leicestershire children** ensure that they have the correct reference number relating to the eligible child by seeing a copy of the email / letter sent by the local authority. Please keep a photocopy on file for your records.
- **For reference numbers that have been issued by a different local authority**, these will have to be checked by Leicestershire County Council before payment can be made. Evidence of eligibility (e.g. the confirmation letter or email provided by another local authority) will need to be sent to us via Anycomms+ for verification.

When claiming please ensure that you adhere to the 'effective date' on the letter. We will only pay funding from this date.

## **2.10 Specific information for the 30 hours extended entitlement**

When making a claim for children eligible for the extended entitlement, providers must also ensure that they have the correct DERN (Department for Education Reference Number) relating to the eligible child in order to submit a valid claim.

Providers are responsible for validating the DERN numbers and in order to do this will need the parents national insurance number, the DERN, and the child's name and date of birth. Once validated, providers will be made aware of a validity end date and a grace period end date.

Parents are required to re-check their eligibility every 3 months. Providers should ensure they encourage parents to do this prior to the validity end date they are given to enable continuity of funding.

When parents come to a provision with their eligibility code please make sure you reference the table below which clearly states when a child is eligible based on their birthday. **No payment will be made unless this criteria for funding is met, even if they have an eligibility code.**

If a parent does not complete a check prior to the dates stated below they will have to wait until the following term to take up their extended entitlement, but may still access the universal 15 hours.

#### **Eligibility checking deadline dates:**

A check completed between:	Allows a child to take up a free place from:
1 April and 31 August.	The start of the autumn term after – assuming the child is already of eligible age (i.e. has reached the term after their 3 <sup>rd</sup> birthday)
1 September and 31 December.	The start of the spring term after – assuming the child is already of eligible age (i.e. has reached the term after their 3 <sup>rd</sup> birthday)
1 January and 31 March.	The start of the summer term after – assuming the child is already of eligible age (i.e. has reached the term after their 3 <sup>rd</sup> birthday)

If providers have concerns over the validity of a parents access to the 30 hours funding they should contact the HMRC on 0300 123 4097.

If you have concerns that a parent / carer has made a fraudulent claim for the 30 hours funding you should raise these concerns directly with the HMRC on 0300 123 4097.

### **3. The monitoring process for the 2, 3 and 4 year old funding**

The local authority undertakes monitoring to ensure that no fraudulent claims are being made and that the funding is being administered correctly. Providers should be aware that fraudulent claims could result in their removal from the Directory of Early Years Providers and possible legal action.

## 4. The Provider Agreement

As a member of the Directory of Early Years Providers, all providers are required to complete and sign a Provider Agreement. This confirms a commitment to adhere to the local authority's terms and conditions in relation to the receipt of funding for 2, 3 and 4 year olds.

Please note that the person signing the Provider Agreement must be the person recorded as the Ofsted 'responsible person', as per the Ofsted registration certificate. If the setting is run by a committee or a governing body, the Chair of that responsible body is required to sign the Provider Agreement.

Providers note: if a valid, signed, Provider Agreement is not in place, funding cannot be released.

### 4.1 What to do if your circumstances change

The local authority requires providers to inform them via a change of circumstance form, if there are any significant changes to their business or administration. [More information on when to inform the local authority.](#)

### 4.2 Removal from the Directory of Early Education Providers and withdrawal of funding

A provider may find their funding is withdrawn or withheld if it is found to be in breach of its provider agreement or if serious concerns are raised in relation to the quality of the provision and the safeguarding of children.

Providers should be aware that if funding is withheld or withdrawn, the base rate, deprivation supplement and any EYPP monies applicable to the settings will be affected. [More information on the removal of funding policy.](#)

## 5. Useful Information

[For all your funding advice, guidance, resources and good practice tools](#)

[For access to AnyComms+](#)

[The Family Information Directory](#)

[For all your training needs](#)

[For access to the Provider Portal](#)

To check a child's eligibility for the 2 year old funding parents can visit [www.leicestershire.gov.uk/apply-for-2s](http://www.leicestershire.gov.uk/apply-for-2s). Alternatively you can complete an assisted check by logging into the [provider portal](#).

For advice and guidance on the administration of the funding or to discuss your payments please email [fee@leics.gov.uk](mailto:fee@leics.gov.uk) or contact on the helpline on: 0116 305 5788.

Please note that you should not include any personal, private, sensitive or confidential information in an email. If you have a query regarding a specific child please put this in writing and upload the document to Anycomms+. This request is in line with data protection regulations.