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Early Years & Quality Improvement  
Peterborough City Council  
1<sup>st</sup> Floor Bayard Place  
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Peterborough  
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Dear childcare provider

### **Free Early Education Entitlement (FEEE): Provider Agreement**

This agreement sets out the terms and conditions under which private, voluntary and independent childcare providers will be accepted on to Peterborough's Directory of Providers. Admittance to the directory, by entering into this agreement, means childcare providers will be eligible to receive FEEE from the city council and deliver the free entitlement to early education places for two, three and four-year-old children.

Please read this document carefully, sign and return as soon as possible.

<<provider name >> of <<address>> shall be referred to as the "Provider" and Peterborough City Council of Town Hall, Bridge Street, Peterborough, PE1 1HG shall be referred to as the "Council" under this Agreement

This Agreement sets out both the Provider's and Council's obligations in relation to the provision of nursery education services and various conditions. The "Provider's Guide to Free Early Education Entitlement in Peterborough", supplied as Schedule 1 to this agreement should be read alongside this agreement and forms part of it. It includes a 'useful contact' section to help you fulfil obligations under this agreement.

Summary of scheme;

- (1) The Council has a statutory obligation to provide funding for eligible two-year-old children so that they can access their flexible and free entitlement for childcare; for 570 hours per year taken over no fewer than 38 weeks per year.
- (2) The Council has a statutory obligation to provide funding for all three and four-year-old children so that they can access their flexible and free entitlement for childcare; for 570 hours per year taken over no fewer than 38 weeks per year (**universal** entitlement).
- (3) The Council has a statutory obligation to provide funding for eligible three and four-year-old children who are able to access their **additional** "30 hour" free entitlement for childcare; an **additional** 570 hours per year taken over no fewer than 38 weeks per year, on top of the universal entitlement (1,140 hours in total).
- (4) The Council is required to keep an up-to-date Directory of Providers providing childcare within Peterborough who are eligible to claim funding for the provision of free nursery education places. **This information must be made available to the public, along with the free entitlement offer available at that provider.**
- (5) Should the Provider fail to provide the services at all or does not provide the services in accordance with the conditions of this Agreement, the Council reserves the right to withhold funding and may require the repayment of the whole or part of any funding that has been paid to the Provider in respect of the provision of free places.

- (6) This Agreement shall commence on .....and remain in force until **31 March 2023** or until there is a change in statutory guidance or terminated earlier under the conditions set out below.
- (7) The Council shall include Providers into the Directory who shall comply with these terms and conditions and with government guidance on the delivery of free early years provision for two, three and four-year-olds. Latest guidance is available on the government website: <http://www.gov.uk>

### Provider's obligations

1. Ensure eligible children can access their full free entitlement completely free at the point of delivery with no conditions of access. For clarity, the Provider cannot;
  - Request deposits from families accessing **only their two-year-old entitlement or universal three and four-year-old free entitlement where the child would qualify for Early Years Pupil Premium;**
  - Charge 'top-up' fees to families;
  - Insist on extra hours or services being purchased as a condition of accessing FEEE (for example a lunch or a uniform);
  - Charge registration or administration fees;
  - Request payment in advance and then reimburse later;
  - Charge inflated rates for additional hours taken outside of the free entitlement. This means the Provider should charge their standard rates available to all children where a child accessing FEEE pays for additional hours;
  - Where a child is taking a free early education place and a paid place, the setting should identify these as separate lines on the invoice to the parent. There should be no charge attached to the funded place.

Other chargeable services may be offered by the Provider (see Schedule 1) but parents must be under no obligation to accept them.

2. **The Provider should deliver the free entitlements consistently to all parents, whether in receipt of 15 or 30 hours and regardless of whether they opt to pay for optional services or consumables. This means that the provider should be clear and communicate to parents details about the days and times that they offer free places, along with their services and charges. Those children accessing the free entitlements should receive the same quality and access to provision.**
3. Register and remain registered on Ofsted's Early Years Register.
4. A commitment to deliver high quality childcare services to improve the outcomes of all children and reduce inequalities including where appropriate, engaging in a multi-agency approach, facilitated by the Council, to support children and families where a need for particular support is identified.
5. Childminders, or any childminder registered with a childminder agency, must maintain a minimum Ofsted judgement of 'Good'. Where a childminder or childminding agency is inspected and falls below this standard and receives a 'Requires Improvement' judgement, they must notify and work with the local authority at the earliest opportunity, demonstrating plans and a commitment to improve. No further funded children should start with the childminder or childminding agency at this time. Where the local authority is dissatisfied about the commitment shown by the childminder or childminder agency to improve quality, they will be given 1 months' notice of termination of this agreement and further early education funding will cease until the requirements of this agreement can be met. Further details are outlined in Schedule 1 to this agreement.
6. Pre-schools and day nurseries must maintain a minimum Ofsted judgement of 'Requires Improvement'. Where a setting falls below this standard and receives an 'Inadequate' judgement, they must notify and work with the local authority at the earliest opportunity, demonstrating plans and a commitment to improve. No further funded children should start at the provider during this time. Where the local authority is dissatisfied about the commitment shown by the setting to improve quality, they will be given 1 months' notice of termination of this agreement and further early education funding will cease until the requirements of this agreement can be met. Further details are outlined in Schedule 1 to this agreement.

7. Identify a setting based SENCO (special educational needs co-ordinator) and operate an up-to-date special education needs (SEN) policy;
8. The Provider must have arrangements in place to support children with special educational needs and/or disabilities (SEND). These arrangements should include a clear approach to identifying and responding to SEND. Providers should utilise the SEN inclusion fund and Disability Access Fund to deliver effective support, whilst making information available about their SEND offer to parents.
9. The Provider must ensure owners and all staff members are aware of their duties in relation to the SEND Code of Practice and the Equality Act 2010.
10. The Provider should be clear and transparent about the SEND support on offer at their setting and as part of the process for checking Early Years Pupil Premium (EYPP) eligibility. They will also use EYPP and any locally available funding streams or support to improve outcomes for this group
11. Make available appropriate support where reasonably practicable to satisfy the requirements of the Early Years Foundation Stage statutory framework relating to equal opportunities to enable disabled children to achieve their full potential in the early years.
12. The Provider will not discriminate against children with a disability or additional need and will discharge their duties as set out in the Equality Act 2010.
13. The provider will promote fundamental British values and will not promote views or theories as fact which are contrary to established scientific or historical evidence and explanations.
14. Parents/carers may purchase additional hours or services. When this happens the Provider must ensure parents' bills are set out clearly so parents can easily recognise and understand what hours they have accessed in relation to the free entitlement and how any fees charged relate to additional services or hours.
15. Inform the Council when any child fails to attend without explanation or contact from the family for a period of longer than 1 week (5 consecutive working days).
16. Inform the Council immediately if a parent/carer gives notice of their intention to stop accessing their entitlement to free early years education part way through a funding period or stops attending with immediate effect.
17. The Provider will complete a 'Parental and Provider Agreement' in accordance with the process detailed in the Provider's Guide to Free Early Education Entitlement in Peterborough (schedule 1) for every child accessing the free entitlement or registering to access the free entitlement, ensuring parents/carers fully understand their entitlements and responsibilities and provide necessary information and consents.
18. Check the date of birth of each child before they begin accessing the free entitlement to determine their eligibility. This process must include sight of an original form of identification including passport, birth certificate or other official documentation. The Provider will keep for a period of three years a record of the evidence seen, the date witnessed and the individual who checked the evidence. A completed Parent and Provider Agreement will contain the necessary information. A copy of the child's identification document does not need to be retained by the Provider.
19. Check that those children presenting at the childcare provider who claim to be eligible for the two-year-old FEEE are in receipt of confirmation in form of a letter and reference number from the Council. Funded places for two-year-olds should not commence until the Provider has the reference number and the child's start date from the Council to prevent errors. Where confirmation letter received is from a different local authority, a copy of this must be supplied to the council along with the child's name and date of birth to allow a URN to be issued for that child.
20. The Provider should offer places to eligible two-year-olds on the understanding that the child remains eligible until they become eligible for the universal entitlement for three- and four-year-olds.
21. Check that those children presenting at the childcare provider who claim to be eligible for the additional three and four-year-old entitlement are in receipt of an eligibility code from HMRC. The validity of this code must then be verified as detailed in Schedule 1. Funded places for the additional entitlement

should not commence until the Provider has received confirmation of the validity of the code to prevent errors.

22. Alongside the 30 hours eligibility code (which is the child's unique 11-digit number) and original copies of documentation, the Provider must acquire written consent from, or on behalf of, the parent to be able to receive confirmation and future notifications from the local authority of the validity of the parent's 30 hours eligibility code. This will be provided through the Parent and Provider Agreement. Once the Provider has received written consent from the parent, they should verify the 30 hours eligibility code with the Council.
23. If a 30 hours eligibility code has not been issued by HMRC before the start of the funding period when the child would start accessing, they will be unable to start accessing the additional entitlement until the beginning of the following funding period.
24. Supply to the Council a copy of their Ofsted registration certificate when first registering to claim for early education funding and supply updated certificates following any changes to registration details.
25. Inform the Council immediately of any material changes effecting its business including;
  - a. Changes to premises
  - b. Changes to ownership, including changes to management committee, trustees or other governing bodies
  - c. Changes to Ofsted registration
  - d. Changes to opening hours which may impact on the hourly rate they are entitled to receive for funded hours.
26. The Provider agrees to complete a range of monitoring information for the Council to assist the Council with its duty to secure sufficient childcare under the Childcare Act 2006 including;
  - a. Occupancy reporting for all children during each funding period
  - b. Department for Education annual early years census
27. The Provider agrees to inform the Council when any member of staff ceases employment with the Provider and when a new employee is recruited. This includes where a member of staff is on secondment between settings for an intended period of more than 3 months.
28. Provide a safe and secure environment for children and have up-to-date child protection and safeguarding policies and procedures in line with local and national guidelines and legislation.
29. Allow access to that part of their premise used to deliver the free entitlement by representatives of the Council and actively engage with Council representatives for the purpose of supporting practice and quality improvement in line with the principles of the EYFS and the monitoring and tracking of children's progress.
30. Comply at all times with Ofsted requirements and the Early Years Foundation Stage statutory framework in delivering free early years education
31. The Provider must follow the EYFS and have clear safeguarding policies and procedures in place that link to the local authority's guidance for recognising, responding, reporting and recording suspected or actual abuse.
32. Keep copies of the following documents/records for a period of three years. These will be made available to the Council on request to allow the Council to audit the administration of early education funding at the Provider to ensure compliance with this agreement and the Provider's Guide to Free Early Education Entitlement in Peterborough (Schedule 1).
  - a. Registers
  - b. Financial information relating to FEEE including parent invoices and receipts, evidence of income and systems used to calculate charges / invoices
  - c. Evidence of child eligibility (e.g. Parent and Provider Agreements, enrolment forms or similar)
33. Where a Provider chooses to withdraw from offering free early education places at their setting, they will give all parents/carers of children accessing their early education entitlement at their setting and the Council a minimum of one months' notice.

34. The Provider will require parents to give no more than four weeks' notice in the event that a child is to stop accessing their free entitlement at a particular Provider. The Provider also accepts that funding will not be paid for a new child for a period of up to 4 weeks if the child has not fulfilled their notice period at a different Provider. If the Provider can fill the place being vacated with a new child the Provider agrees to waive the notice period and related funding, thereby allowing the child to transfer as soon as possible.
35. Where a Provider chooses to change a child's hours of access due to a change in availability, they shall give the parent/carer a minimum of one month's notice. The Provider is not entitled to claim the 4 week notice period should the parent/carer be required to change their child's setting to enable access to a provider who can accommodate their existing pattern of access.
36. Maintain a specific bank account for their provision(s). This bank account shall be dual-signatory if the Provider is a voluntary group or charity. The Council shall only pay any funding into this account.
37. The Provider will ensure that all parents/carers are aware of their full entitlements under this agreement and understand their legal entitlements.

### Council Obligations

1. The Council must secure a free entitlement place for every eligible child in their area.
2. The Council should work in partnership with providers to agree how to deliver free entitlement places.
3. The Council will make payment to the Provider in line with details provided in the Provider's Guide to Free Early Education Entitlement in Peterborough (schedule 1). This document will be reviewed at least annually and be made available on request. Providers will be informed by email of any significant change to the document.
4. The Council will fund places for two, three and four-year-old children at new providers registered with Ofsted until the provider's first full Ofsted inspection judgement is published or at a childminder registered with an agency until the agency's first full Ofsted inspection judgement is published if a parent/carer wants their child to take up their FEEE at that provider and the provider is willing to accept the terms of this agreement.
5. The Council will make available appropriate advice, training and support for the Provider in support of reducing inequalities and narrowing the achievement gap, delivering sustained and continuous quality improvements, the EYFS statutory framework, inclusive practice, delivering a flexible free offer and maintaining sustainability.
6. The Council must contribute to the safeguarding and promote the welfare of children and young people in their area.
7. The Council will supply an indicative budget at the beginning of the financial year which broadly reflects anticipated participation.
8. The Council will assess demand from parents for flexible patterns of access to the free entitlement in line with childcare sufficiency statutory duties. The Council will share any knowledge gained and may incentivise, reward or support the Provider to deliver the free entitlement more flexibly to match any identified demand.
9. The Council must ensure that a child has a free entitlement place no later than the beginning of the term following the child and the parent meeting the eligibility criteria for the free entitlements.
10. The Council will include a deprivation supplement for three and four-year-old FEEE that will support and incentivise the Provider to target disadvantaged families and encourage them to access their free entitlement to early years education.
11. The Council should be clear about their role and the support on offer locally to meet the needs of children with special educational needs and/or disabilities (SEND) as well as their expectations of providers. (see schedule 1 for details)

12. Where a child with SEN accesses their free entitlement for fewer than 15 hours, the Council will consider whether to fully fund the child's place in order to help the Provider better support the child. This will be considered where a child accesses fewer than 15 hours per week based on the recommendation of a professional rather than parents choosing not to access the full 15 hours. The Provider must make a request to the Council for the additional funding to be considered on a case by case basis.
13. The Council will produce and make available on its website annual reports containing information about parental demand for childcare places that will support the Provider's plan and deliver appropriate services.
14. The Council will support and advise settings if required on how to calculate fees for services accessed by parents beyond the free entitlement and how to set out bills/invoices for parents.
15. The Council will maintain a directory of Providers eligible to deliver the free entitlement. This information will be made publicly available to help parents make informed childcare choices.
16. The Council will provide an appeals procedure for the Provider if they feel that they have been refused entry to or have been removed from the directory of Providers eligible to deliver the free entitlement. Details of this procedure are available on the Council website.
17. The Council may carry out an audit and inspection of the Provider as detailed in the Provider's Guide to Free Early Education Entitlement in Peterborough (schedule 1).
18. The Council will make available a template 'Parent and Provider Agreement' for the Provider to use.
19. The Council will fund early years Providers in all sectors using a universal hourly base rate which will take account of relevant legislation and statutory guidance.
20. The Council will discuss and agree locally with childminder agencies and each childminder registered with an agency whether funding for the FEEE is paid directly to childminders or is routed to the childminder agency. Where funding is routed through the childminder agency, the Council will ensure that none of the funding is retained by the agency.
21. The Council will fund early years Providers an Early Years Pupil Premium from for all three and four-year-old children accessing the universal FEEE who meet national criteria. Further information is detailed in Schedule 1 to this agreement.
22. The Council will consider any information published by Ofsted about a provider, childminder or childminder agency including the recent history about childcare provision by a particular provider or agency or childcare provision at a particular address. This could include, for example, a provider using the same location, and employing at least one member of the leadership team, as one previously closed down or rated 'Inadequate' by Ofsted.
23. The Council will take action over concerns about a Provider where the Council believes the Provider:
  - Is not meeting the independent school standard in relation to the spiritual, moral, social and cultural development of pupils;
  - Is not actively promoting fundamental British values of democracy, the rule of law, individual liberty and mutual respect and tolerance of those with different faiths or beliefs; or
  - Is promoting as fact views or theories which are contrary to established scientific or historical evidence and explanations.

The Council can withdraw from this agreement with immediate effect until the Council is satisfied that the Provider meets the terms of this agreement.

## **Safeguarding**

1. The Council has overarching responsibility for safeguarding and promoting the welfare of all children and young people in their area. They have a number of statutory functions under the 1989 and 2004 Children Acts which make this clear, and the 'Working Together to Safeguard Children' 2015 guidance sets these out in detail.



2. The Provider must follow the EYFS and have clear safeguarding policies and procedures in place that are in line with local guidance and procedures for responding to and reporting suspected or actual abuse and neglect. A lead practitioner must taking responsibility for safeguarding and all staff must have training to identify signs of abuse and neglect. The Provider must have regard to 'Working Together to Safeguard Children' 2015 guidance.

## Conditions

### 1. Indemnity

The Provider will indemnify and keep indemnified the Council from and against any and all loss, damage or liability (whether civil or criminal) suffered and legal fees and costs incurred by the Council resulting from a breach of this agreement by the Provider including any act, neglect or default of the Provider's employees or agent and breaches in respect of any matter arising from the supply of the Service resulting in any successful claim by any third party.

### 2. Insurance

The Provider will maintain at its own cost a comprehensive or specific policy of insurance to cover the liability of the Council in respect of any act or default for which it may become liable to indemnify the Council under the terms of this Contract. The Provider will ensure a minimum insurance cover of £2 million is in place to indemnify the Council and will provide documentary evidence prior to the commencement of the Agreement.

### 3. Disclosure and Barring Service (DBS)

- 3.1 The Council shall not permit the Provider to employ any employee or other person in relation to the services under this Agreement for which there is not in place to the Council's satisfaction a DBS check.
- 3.2 The Provider shall have in place a robust recruitment processes to ensure safe recruitment of employees or other persons that the Provider proposes to employ or engage in relation to the services to work with children. As a minimum the Provider will follow the safer recruitment guidelines available from Peterborough Local Safeguarding Children's Board.
- 3.3 The Provider shall ensure that the Council is immediately kept advised at all times of any employee or other person it employs or engages in relation to the services, who subsequent to his/her commencement of employment or engagement is convicted of a criminal offence or whose previous convictions become known to the Provider.
- 3.4 Where the Council has reasonable grounds for considering that the presence or conduct of an employee or other person employed or engaged by the Provider relevant to carrying out any of the services under this Agreement is undesirable, the Council may require the exclusion from of that employee or other person in carrying out the services.
- 3.5 The Council may also require that at any time during this Agreement DBS checks are updated on the Provider's employees or other persons engaged in working with children under this Agreement.

### 4. Equalities

- 4.1 The Council is committed to the principle of equality of opportunity and the Provider shall comply with the Equality Act 2010. The Provider shall not by itself or its agents or employees discriminate against any person on the grounds of race, gender, colour, national origin, religion, disability, age, sexual orientation or marital status nor shall the Provider permit any other person to so discriminate.
- 4.2 In the provision of the Service, the Provider shall at all times comply with the Council's Equal Opportunities policy and shall facilitate the effective performance by the Council of its statutory duties. The Provider shall ensure that discriminatory language or behaviour is not used either by itself or its agents.

### 5. Monitoring

The Council shall be entitled to take all reasonable steps to monitor the performance of this Agreement by the Provider who shall co-operate fully with the Council and shall provide such information as the Council may reasonably require for this purpose.

## 6. Confidentiality, Data Protection, Freedom of Information

- 6.1 The Provider and the Council shall keep confidential all information shared between them which may be designated as confidential under this Agreement and shall not share this with any third party. If either party wishes to share information to third parties then written consent should be sought. Information shall not be held as confidential if the information is already available publicly, or if the information is available from a third party or any information which is required to be disclosed by law.
- 6.2 The Provider shall comply with any requirements under the Data Protection Act.
- 6.3 The Council shall be entitled to publish and release any information under this agreement if a request is received under the Freedom of Information Act 2000.
- 6.4 The Provider shall co-operate with the Council and supply all necessary information and documentation required by the Council, at no cost, to meet its legal duty under this Act

## 7. Notices

Any notice to be served on the Provider shall be sent by prepaid recorded delivery or registered post to the address of the relevant party shown at the head of this Contract or by electronic mail and be deemed to have been received by the addressee within 72 hours of posting or 24 hours if sent by electronic mail to the correct electronic mail of the addressee. Any notice to be served on the Council shall be sent to;

Early Years & Childcare Team  
Peterborough City Council  
1<sup>st</sup> Floor Bayard Place  
Broadway  
Peterborough  
PE1 1FD.

## 8. Warranty

The Provider warrants that it has power to enter into this Agreement and has obtained all the necessary approvals to do so.

## 9. Termination

- 9.1 Any breaches of this Agreement by the Provider shall be brought to the Provider's attention by way of a written notice by the Council which shall stipulate the breach and the time within which the Provider must rectify the breach. Should the Provider fail to comply within the time limit specified in such notice, the Council shall have the right to terminate this Agreement immediately thereafter.
- 9.2 Any breach of the following obligations will be deemed a fundamental breach which may terminate this Agreement immediately:
  - 9.2.1 if the Provider fails to comply with its obligations set out under the Agreement or fails to comply with any relevant legislation or code of practice;
  - 9.2.2 if the Provider has failed to comply with this Agreement in a way which the Council reasonably regards as incapable of being remedied;
  - 9.2.3 if the Provider becomes insolvent, bankrupt, enters into liquidation, enters into a voluntary arrangement, appoints a receiver or such similar event;
  - 9.2.4 is guilty of any fraud or dishonesty or acts in any manner which in the opinion of the Council brings or is likely to bring the Provider or the Council into disrepute;
  - 9.2.5 if the Provider or any person employed by the Provider shall have committed an offence under the Bribery Act 2011 or given any fee or reward which is an offence under s.117(3) of the Local Government Act 1972



9.3 The Council reserves the right to terminate the Agreement by three months written notice to the Provider where external funding received by the Council for the services is reduced or withdrawn.

9.4 In the event of the termination of this Agreement the Council shall be entitled to deduct any sum which would have been due to the Provider under the Agreement or any other Agreement.

10. Governing law

This Agreement shall be governed and interpreted in accordance with English law and the parties submit to the exclusive jurisdiction of the Courts of England.

The parties agree to the conditions set out in this Agreement.

**Duly authorised for and on behalf of <<Provider name>>**

Signature:.....

Signed by (**print name**):.....

**Witnessed by:**

Signature:.....

Name:.....

Address:.....

Occupation:.....

Date:.....

Signed by a duly authorised officer for and on behalf of Peterborough City Council:

.....

Name: Karen Hingston

Position: Head of Early Years & Childcare

Date:



# Schedule 1

## **Introduction**

This guide is to help private, voluntary and independent (PVI) providers of early years education and childcare in Peterborough understand and claim Free Early Education Entitlement (FEEE) for eligible two-year-olds and all three and four-year-old children. It is essential that every provider currently claiming, or intending to claim FEEE, reads and understands this entire document.

FEEE is a government funded scheme that allows eligible two-year-olds and all three and four-year-old children access to free part-time early education. Children access the free entitlement at a provider of their choice and local authorities pay the provider for delivering the places where providers have met the terms and conditions of the FEEE Provider Agreement. Local authorities administer the funding in line with legislation and government guidance.

This guide is split into three sections:

1. All about the Free Early Education Entitlement – government aims and Peterborough's vision;
2. Finance and administration – everything you need to know about providing the free entitlement in Peterborough
3. Useful contacts

Supporting documents are available separately including the Provider Agreement and template Parent and Provider Agreements (parent/carer declaration form).

Further copies of this document and associated information and forms are available on request.

## Section 1: All about the Free Early Education Entitlement (FEEE)

### Government aims

The government issues guidance on how the FEEE scheme should be operated by local authorities. This was previously called the 'Code of Practice'. The guidance secures fairness and transparency for children and families while giving childcare providers and local authorities a clear framework in which to operate. The city council pays close attention to this statutory guidance and terms and conditions detailed in the local 'Provider Agreement' reflect this.

Up-to-date information including the "Early education and childcare statutory guidance for local authorities (September 2017)" can be accessed on the government's website: [www.gov.uk](http://www.gov.uk).

### Who is eligible for FEEE?

#### Two-year-olds

From September 2014, national changes were introduced to expand the criteria for two-year-old FEEE. A child is eligible for two-year-old FEEE if:

- their families meet the criteria used to determine eligibility for Free School Meals;
- their families receive Working Tax Credits and have an annual gross income of no more than £16,190;
- they have a current statement of Special Educational Needs or and Education, Health and Care plan;
- they are entitled to Disability Living Allowance;
- they are looked after by the local authority;
- they are no longer looked after by the local authority as a result of an adoption order, a special guardianship order or a child arrangements order which specifies who the child lives with.

Parent/carers must apply for their two-year-olds FEEE using the up-to-date application process detailed on [www.peterborough.gov.uk/FreeForTwos](http://www.peterborough.gov.uk/FreeForTwos); the entitlement cannot be accessed without confirmation from the city council (in the form of a letter containing a unique reference number which is sent to the family). As a provider, you should ensure you view this letter and have a unique reference number for the child before any funded place commences.

Providers are encouraged to promote the online application process wherever possible. The online service provides an instant response to parent/carers eligibility and has a faster turnaround time compared to paper applications. Providers are still required to wait for the confirmation letter from the council before a funded place commences as the online service does not provide a start date.

A child meeting the criteria becomes eligible for two-year-old FEEE in the period following their second birthday. The following table shows when a child is eligible to receive funding (all dates are inclusive):

<b>A child born in the period;</b>	<b>Will become eligible for a free place;</b>
1 April to 31 August	1 September following child's second birthday
1 September to 31 December	1 January following child's second birthday
1 January to 31 March	1 April following child's second birthday

The provider should offer places to eligible two-year-olds on the understanding that the child remains eligible until they can access their three and four-year-old universal entitlement.

### **How much free childcare can eligible two-year-old children access?**

Eligible two-year-olds are entitled to 570 hours per year to be taken over no fewer than 38 weeks in any year. This equates to an average of 15 hours per week over 38 weeks.

Children can access fewer hours each week over more than 38 weeks of the year if they choose. This is commonly referred to as 'stretching' the free entitlement.

### **Three and four-year-olds**

All children become eligible for funding in the period after their third birthday. This includes children that have moved to England, regardless of whether they have British citizenship. The following table shows when a child is eligible to receive funding (all dates are inclusive):

<b>A child born in the period;</b>	<b>Will become eligible for a free place;</b>
1 April to 31 August	1 September following child's third birthday
1 September to 31 December	1 January following child's third birthday
1 January to 31 March	1 April following child's third birthday

### **How much free childcare three and four-year-old children access?**

#### **Universal entitlement**

Every three and four-year-old child is entitled to 570 hours per year to be taken over no fewer than 38 weeks in any year. This equates to an average of 15 hours per week over 38 weeks.

Children can access fewer hours each week over more than 38 weeks of the year if they choose. This is commonly referred to as 'stretching' the free entitlement.

#### **Additional entitlement**

From September 2017, three and four-year-olds in eligible working families are entitled to an additional 570 hours per year to be taken over no fewer than 38 weeks in any year, on top of their universal entitlement of 570 hours per year (1,140 total).

This equates to an average of 30 hours per week over 38 weeks, or 22 hours each week of the year. Age eligibility is same as detailed in the table above.

To be eligible for the additional hours, both parents must be in work as defined below, or for single parent families, the sole parent must be at work.

- 'In work' is defined as being in employment (including self-employed) and earning at least the equivalent of 16 hours per week at National Minimum Wage or National Living Wage (from April 2017, this is £112.80 per week for 21 to 24-year-olds and £120.00 per week for over 25-year-olds).
- Each parent must earn less than £100,000 per year.

There are some exceptions, and families will also be eligible if both parents are employed but one parent (or both parents) are:

- temporarily away from the workplace on maternity, paternity, adoption or parental leave;
- temporarily away from the workplace on statutory sick pay;

Or if:

- One parent is employed and one parent has substantial caring responsibilities based on specific benefits received for caring;
- One parent is employed and one parent is disabled or incapacitated and in receipt of specific benefits.

Parents must apply for their additional funding through the HMRC website. If their application is successful, they will receive a unique 11-digit eligibility code which they must give to their provider. It is the provider's responsibility to obtain consent from the parent to enable the validity of the eligibility code to be checked with the city council, to ensure funding can be claimed. This consent will be obtained in the Parent and Provider Agreement.

Once a provider has received written consent from the parent, they should verify the 30 hours eligibility code with the local authority (see page XX for more information).

As applications for the additional entitlement are not made through the city council, **parental queries about their application and eligibility should be directed to the HMRC Childcare Service helpline, telephone: 0300 123 4097.**

### How can children use their free entitlement?

It is expected that children will be able to access their two-year-old or universal free entitlement in at least one of the following ways;

- Three hours a day over five days of the week, or;
- Five hours a day over three days of the week.

This is the minimum flexibility expected by the government and the city council encourages providers to offer these packages of access. More flexible access is permitted but the following limits apply;

- No funded session to be longer than 10 hours in one day;
- No minimum funded session length (subject to the requirements of the registration on the Ofsted Early Years Register);
- Funding cannot be accessed before 6:00am or after 8:00pm;
- Funding can only be accessed at a maximum of two sites in a single day.

### Free at the point of delivery

The free entitlement must remain completely free to families at the point of delivery. This means providers cannot:

- Request deposits from families accessing for two-year-old funding or from families eligible for EYPP;
- Charge 'top-up' fees to families;
- Insist on extra hours or services being purchased as a condition of accessing FEEE (for example charging for lunch or uniform);
- Charge registration or administration fees;
- Request payment in advance and then reimburse later;
- Charge inflated rates for additional hours taken outside of the free entitlement.

### Charging

Government funding is intended to cover the cost to deliver 15 or 30 hours a week of free, high quality, flexible childcare. It is not intended to cover the cost of meals, consumables, additional hours or additional services.

It is expected that children should be able to take up their free hours in continuous blocks and avoid artificial breaks being created through the day, for example, the lunch period. The free entitlement hours can cover the child's care at lunch time, but is not intended to support actual food costs.

The provider can charge for meals and snacks as part of a free entitlement place and they can also charge for consumables such as nappies or sun cream and for services such as trips and yoga. These charges must be



**voluntary** for the parent. Where parents are unable or unwilling to pay for meals and consumables, providers who choose to offer the free entitlements are responsible for setting their own policy on how to respond, with options including waiving or reducing the cost of meals and snacks or allowing parents to supply their own meals.

The provider should deliver the free entitlements consistently so that all children accessing any of the free entitlements will receive the same quality and access to provision. All parents should have the same rights to access a free entitlement place, regardless of whether they choose to pay for additional hours, optional activities or meals. Parents should not have to reserve a place each term.

The local authority should not intervene where parents choose to purchase additional hours of provision or additional services, providing that this does not affect the parent's ability to take up their child's free place. The provider should be completely transparent about any additional charges and **publish clearly what these additional charges are.**

The provider should publish their admissions criteria and ensure parents understand which hours/sessions can be taken as free provision. Not all providers will be able to offer fully flexible places, but providers should work with parents to ensure that as far as possible the pattern of hours are convenient for parents' working hours. The provider can charge parents a deposit to secure their child's free place **with the exception of children accessing their two-year-old entitlement or where a three or four-year-old would be eligible for Early Years Pupil Premium.** Where a deposit is charged, this should be refunded in full to parents within 4 weeks of the child's start date.

The provider cannot charge parents 'top-up' fees (the difference between a provider's usual fee and the funding they receive from the local authority to deliver free place) or require parents to pay a registration fee as a condition of taking up their child's free place.

The provider should ensure their invoices and receipts are clear, transparent and itemised, allowing parents to see that they have received their free entitlement completely free of charge and understand fees paid for additional hours. The provider will also ensure that receipts contain their full details so that they can be identified as coming from a specific provider.

### **Childminders**

Childminders may offer an on-call service as part of their offer to parents whilst the child is in a setting and needs to be collected unexpectedly, if the parents wish to take their free hours this way.

Early years provision is defined in section 20 of the 2006 act as the provision of childcare. "Childcare", as defined in section 18 of the 2006 act, specifically excludes care provided for a child by a parent, step-parent, foster parent or other relative, or by a person who fosters the child privately or has parental responsibility for the child. Early years provision by a childminder (either registered through Ofsted or a childminder agency) for a related child does not count as childcare in legal terms. Due to this definition, government funding cannot be claimed by, or spend on, childminders providing childcare for their own child or related child, even if they are claiming for other children.

### **Which childcare providers can deliver FEEE?**

The city council maintains a 'Directory of Providers' that are eligible to deliver funded early education places. Funding will only be paid to providers included in the directory.

Early years providers (including childminders) that are Ofsted registered or schools which are exempt from registration and which deliver the full Early Years Foundation Stage (EYFS) may be included in the directory and therefore be entitled to deliver funded early education places.

Childcare providers must also register with the city council as a provider of the free entitlement. This will involve signing a Provider Agreement that sets out local terms and conditions of the FEEE scheme. Without registering and being approved by the city council, providers will be unable to claim funding.

Childcare providers in breach of their Provider Agreement may be removed from the directory. This will mean that the provision will no longer be eligible to receive FEEE. Further details are included in the Provider Agreement. When a provider is removed from the directory we will inform parents of all children in receipt of

funding. We will signpost them to Peterborough Families Information Service to find alternative provision where the free entitlement is available.

## Flexibility

The provider must ensure the free entitlement is used to best support the child's learning and development, and at times which fit with the needs of parents to enable them to work or increase their hours of work if they wish to do so.

Where possible, provide a flexible package of free hours of high quality provision in keeping with the evidence of the benefits of doing so, whilst maximising flexibility for parents and ensuring a degree of stability for providers.

- No session to be longer than 10 hours
- No minimum session length (subject to the requirements of registration on the Ofsted Early Years Register)
- Not before 6.00am or after 8.00pm
- a maximum of two sites in a single day and three providers a week
- 

The hours can be delivered:

- over up to 52 weeks of the year
- outside of maintained school term times
- at weekends

There is no requirement that providers must be open for at least 38 weeks a year or that they offer 30 hours a week to receive funding for delivering the additional hours. However, providers should inform the Council of the times and periods of which they are able to offer the free entitlements to enable the Council to secure sufficient stretched and flexible places.

The parent is able to use their 30 hours over three providers in one week however no more than two in one day.

## Quality

The Early Years Foundation Stage (EYFS) statutory framework is mandatory for all schools that provide early years provision and Ofsted-registered early years providers in England. The EYFS sets the standards that all early years providers must meet to ensure that children learn and develop well and are kept healthy and safe. Ofsted are the sole arbiter of quality for all free entitlements and Ofsted and inspectorates of independent schools have regard to the EYFS in carrying out inspections and report on the quality and standards of provision.

Local authorities have a legal duty to provide information, advice and training on meeting the requirements of the EYFS, meeting the needs of children with SEND and on effective safeguarding and child protection for providers who are rated less than 'Good' by Ofsted or newly registered providers.

The city council is committed to ensuring that all children have access to high quality early education. Providers delivering the entitlement to free early education are expected to share this commitment. Terms and conditions in the Provider Agreement ensure a commitment to quality from the council and childcare providers.

Where a provider falls below the standards set in points 4 and 5 of the Provider obligations, the city council expects the following course of action from the Provider to demonstrate a commitment to improve.

1. The Provider must inform the Council at the earliest opportunity of failure to meet the minimum judgment required to offer FEEE. This should be at the point Ofsted have provided feedback of their findings and judgement. Whilst Providers are advised their grading is confidential until publication, this does not extend to being unable to inform the local authority.

There is opportunity to invite a local authority representative (Early Childhood Specialist) to Ofsted feedback sessions to ensure the local authority are well informed of the areas which Providers must improve on to meet minimum requirements.

2. On becoming aware of the change to the provider's quality grading, the council will send a letter to the provider detailing the course of action. An inadequate day nursery or pre-school setting, or a childminder/childminder agency judged as requires improvement may be allowed to keep funding for children currently accessing the provision to allow for time to improve, however no new funded children are allowed to start at this time. This is at the council's discretion and dependent on Ofsted findings.
3. The provider will be required to supply a clear and robust action plan for improvement at the setting that addresses all of the specific actions highlighted by Ofsted (if required this may be amended following receipt of the published report). The plan should provide actions for prompt and sustained improvement at the setting; any training needs should be included as appropriate. The setting will be notified of the date by which the action plan should be submitted.
4. Upon receipt of the action plan, the council will arrange to meet with the inadequate provider within two weeks. The objective of this meeting will be to agree that the action plan will deliver the required improvements and for both parties to formally agree and sign off the action plan. Following sign off of the action plan, representatives of Peterborough City Council will undertake monitoring visits to the provider fortnightly for a period of two months. Dates for visits would be mutually agreed. This will be to satisfy the council that sufficient and sustainable progress against the action plan is being made. Each visit will include a short observation and action plan review. After two months, the visits will reduce from fortnightly to monthly until re inspection.

For a childminder/childminding agency receiving a requires improvement grading, following sign off of the action plan, representatives of Peterborough City Council will undertake two monitoring visits to ensure satisfactory progress before re-inspection, if no progress is seen to be being made the childminder/childminding agency will be invited to attend a meeting with the local authority to discuss next steps.

5. The overall purpose of the action plan and monitoring visits is to ensure that the pre-school/day nursery provider secures a grading of at least Requires Improvement when re-inspected or the childminder/childminding agency secures a grading of Good. For clarity, if the pre-school/ day nursery setting is judged by Ofsted to still be inadequate at re-inspection, or the childminder of childminder agency is still judged by Ofsted as Requires Improvement, the council will terminate the agreement and remove funding immediately. If at any point before re-inspection the setting fails to demonstrate to the local authority satisfactory progress against the agreed action plan is being made, the council will give one months' notice of termination of the agreement and remove funding.

## Partnership Working

Partnership working is encouraged by the Council across all sectors between different types of providers to facilitate wrap-around care to ensure parents are able to receive their full entitlement. Partnerships are supported by the Council on four levels between:

- The Council and providers
- Providers working with other providers, including childminders, schools and organisations
- Providers and parents
- The Council and parents

The local authority should promote (or assist in facilitating where requested) partnership working between different types of providers, including childminders, access all sectors and encourage more providers to offer flexible provision, alongside other providers.

All providers should work in partnership with parents, carers and other providers to improve provision and outcomes for children in their setting. The provider should discuss and work closely with parents to agree how a child's overall care will work in practice when their free entitlement is split across different providers, such as at a maintained setting and childminder, to ensure a smooth transition for the child.

## Section 2 - Administration and finance

### Summary

The city council pays childcare providers to deliver the free early education entitlement (FEEE) to children.

From April 2017, the amount paid for three and four-year-old children is determined by the Early Years National Funding Formula (EYNFF) in line with government regulations. It is designed to improve fairness and transparency in the way that funding is allocated to local authorities and subsequently to providers.

In Peterborough, this is made up of a universal hourly base rate, a deprivation supplement (children living in the 30 percent most deprived areas qualify) and a flexibility supplement (for settings meeting criteria).

The city council already pays childcare providers a flat hourly rate for eligible two-year-olds; there are no additional supplements because the scheme is already targeted at the most deprived children.

### Funding periods

There are three funding periods through the year, which are commonly referred to as “terms”, although do not necessarily correspond to school term times:

1 January to 31 March (Spring)
1 April to 31 August (Summer)
1 September to 31 December (Autumn)

Payments will be made to providers in two instalments each funding period.

### Payment rates

Two-year-old FEEE hourly rate effective from 1 April 2017:

All provider types	£5.14 per hour
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Three and four-year-old universal FEEE hourly base rate effective from 1 April 2017:

All provider types	£4.35 per hour
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EYNFF Supplements effective from 1 April 2017 (three and four-year-old FEEE only):

Flexibility supplement	<p>£0.49 per hour where a setting is operating as detailed below:</p> <ul style="list-style-type: none"><li>The provider operates under a single registration for a minimum of 50 weeks per year (not including bank holidays) and is open continuously for more than seven hours per day</li></ul> <p>Or;</p> <ul style="list-style-type: none"><li>The provider operates for less than 50 weeks but more than 40 weeks per year and is open for a minimum of ten hours per day.</li></ul> <p>In addition to meeting the criteria above, children must regularly be attending the provider each week the provider declares itself open and at the very beginning and end of each day. They must also be able to access continually through the day during opening hours, with no closure at lunch. The Provider should also actively promote the stretch entitlement to families accessing the provision. This will be audited during the year by the</p>
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	local authority.
Deprivation supplement	£0.20 per hour per child if residence postcode is within 30 percent most deprived areas of the country based as designated by IDACI (Income Deprivation Affecting Children Index)

### Transitional protection arrangements

The 2017/18 national funding reforms resulted in significant changes to Peterborough's Early Years Single Funding Formula. The changes resulted in some settings facing significant reductions in funding. To reduce the turbulence caused by these changes transitional protection arrangements have been put in place for two years. For 2017/18 any provider who sees a reduction in the hourly rate, when comparing the 2016/17 basic hourly rate to the 2017/18 universal hourly rate plus the flexibility hourly rate, will receive transitional protection. The protection will maintain 2016/17 basic hourly for 2017/18. There will be a 50% reduction in transitional protection for 2018/19 and protection will cease in 2019-20

Example: A provider receives an hourly rate of £4.60 in 2016/17. Under the new funding arrangement the provider receives a universal base rate of £4.35 and does not meet the flexibility criteria in 2017/18. Protection arrangements would be as follows.

	2016/17	2017/18	Change	2017/18 Protection	2018/19 Protection	2019/20 Protection
Base rate	£4.60	£4.35	£0.25			
Flexibility	£ -	£ -	£ -			
Total	£4.60	£4.35	£0.25	£0.25	£0.13	£ -

### Early Years Pupil Premium

Childcare providers will continue to receive an additional £0.53 per hour on top of their hourly rate for three and four-year-old children receiving FEEE who meet the national criteria (Free School Meals eligibility):

Their parent/carer is in a low income family and are receiving one or more of the following benefits:

- Income Support
- Income based Job Seekers Allowance
- Income related Employment and Support Allowance
- Support under part VI of the Immigration and Asylum Act 1999
- The guarantee element of State Pension Credit
- Child Tax Credit (provided they are not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
- Working Tax Credit run-on – paid for 4 weeks after the parent/carer no longer qualifies for Working Tax Credit.

Or the child:

- Has been looked after by the local authority by at least one day
- Has been adopted from care
- Has left care through special guardianship
- Is subject to a child arrangement order

There are no conditions from the government about how additional income generated by the Early Years Pupil Premium is spent. However it is the expectation that Providers should demonstrate commitment to improving the quality of early years provision for their disadvantaged children. Providers will be held to account for the quality of the early years education that they provide to disadvantaged children through Ofsted inspection.

### **Process for checking eligibility for EYPP**

The Parent and Provider Agreement form has been adapted to allow Providers to collect the relevant information and consent from parent/carers that the local authority requires to make checks through the government's Eligibility Checking Service.

Providers will be required to complete a workbook with the following information for EYPP checks to take place:

- Parent surname
- Parent forename
- Parent date of birth
- Parent National Insurance Number or National Asylum Support Service (NASS) reference
- Child's forename
- Child's surname.

Once completed, the workbook should be submitted to [nurseryeducationfunding@peterborough.gov.uk](mailto:nurseryeducationfunding@peterborough.gov.uk). The city council will check the eligibility of the family by using the Government Eligibility Checking Service. Eligibility will be checked the same day as submission (if submitted before 12pm and subject to the DfE checking service being available).

If the check was successful, the returned workbook will be updated with an EYPP code which should be inputted onto the headcount spreadsheet when it is time to claim for the child's funded hours.

The template is available on the Peterborough Education Network website (services > schools and settings finance > EYPP).

EYPP status will be rechecked annually in August, for all qualifying pupils, in preparation for the beginning of the Autumn Term. Results of the rechecks will be emailed to all providers prior to the beginning of the Autumn Term.

### **Disability Access Fund**

From 1st April 2017, the DfE have created a new Disability Access Fund (DAF) to support providers making reasonable adjustments to their settings and/or helping with building capacity for the eligible child or for the benefit of children as a whole attending the setting.

This consists of an annual allocation of £615. Only one annual allocation of DAF can be made for each child. If the child is splitting their hours across more than one setting, the parent/carer will need to nominate the main setting to receive the DAF through the Parent and Provider Agreement.

Children must be receiving their three or four-year-old universal entitlement and be in receipt of Disability Living Allowance (DLA) to qualify. Settings must have seen and retained a copy of the child's DLA award letter, which will be checked as part of the local authority audit process. The child does not have to be taking up the full entitlement to access DAF.

To access this funding, a form must be completed which is available on Peterborough Education Network.

### **SEN Inclusion Fund**

All settings provide some provision for young children with SEND from their core funding. However, all local authorities are required to have an SEN Inclusion Fund in their local funding systems for three and four-year olds with SEND accessing the free entitlement. The purpose of the fund is to support local authorities to work with providers to address the needs of individual children with SEND.

The funding is in addition to the early years funded entitlement and is paid to the setting to support them to effectively meet the needs of children with SEND in their pre-school, ensuring they are able to access their 15 or 30 hours funded early education entitlement.

SEN Inclusion Funding is paid at £6.50 per hour.

This funding is available for all early years settings, registered with Ofsted in the Peterborough Unitary Authority area. The SEN inclusion fund is for three and four-year-olds who are taking up any number of hours of their free

entitlement. Two-year-olds are not eligible to receive this funding, but additional funding has been made available for those in receipt of the two-year-old funded entitlement (future allocations subject to budget).

All requests for funding will be made through the **Early Support Pathway**. In order to request funding, the provider will need to complete an Early Help Assessment, the Privacy Consent Statement and the Consent Form for Early Support.

Following the SEND Code of Practice, providers must have arrangements in place to support children with SEND and identify the support they need. Prior to submitting a request for funding the setting must have good knowledge and understanding of the needs of the child(ren) and how they intend to use the funding to benefit the child(ren).

### **Additional entitlement (30 hours free childcare)**

As previously discussed, parents must apply to HMRC for the additional free entitlement. Where a parent is eligible, they will be provided with an 11-digit code.

The local authority must confirm the validity of all 30 hours eligibility codes to allow providers to offer 30 hours places for eligible three- and four-year-olds. The local authority will provide a validity checking service to providers to enable them to verify the 30 hours eligibility code swiftly and efficiently. The Government's Eligibility Checking Service (ECS) allows all local authorities to make instant checks for code validity.

Thereafter, the local authority will complete audit checks to review the validity of eligibility codes for children who qualify for 30 hours free childcare at 6 fixed points in the year in line with the dates as listed at table A. It is the council's responsibility to notify a provider where a parent has fallen out of eligibility and inform them of the grace period end date.

### **Grace period**

A child will enter the grace period when the child's parents cease to meet the eligibility criteria set out in the Childcare (Early Years Provision Free of Charge) (Extended Entitlement) Regulations 2016, as determined by HMRC or a First Tier Tribunal in the case of an appeal.

Local authorities will be able to access information about whether a child has ceased to meet the eligibility criteria and entered the grace period via the Eligibility Checking Service. The grace period end date will automatically be applied to eligibility codes.

The local authority should continue to fund a place for a child who enters the grace period as set out in the Early Education and Childcare Statutory guidance for local authorities 2017.

The local authority will inform the provider when a child is no longer eligible for the additional funding and the grace period end date will be automatically applied to eligibility codes.

TABLE A

Date Parent receives ineligible decision on reconfirmation:	LA audit date:	Grace Period End date:
1 Jan - 10 Feb	11 February	31 March
11 Feb - 31 March	1 April	31 August
1 April - 26 May	27 May	31 August
27 May - 31 August	1 September	31 December
1 September - 21 October	22 October	31 December
22 October - 31 December	1 January	31 March



## **Process for verifying 30 hours eligibility codes**

A new eligibility checking process is now available to allow providers to verify 30 hours eligibility codes. This is a similar process to the current process for checking EYPP eligibility.

Providers will submit the following details in a workbook:

- 30 Hour eligibility code (must be 11 digits)
- Parents National Insurance Number
- Childs Date of Birth
- Childs Forename
- Childs Surname

Settings will be required to get written consent from the parent to use their details to check eligibility. This will be addressed through the updated Parent and Provider Agreement which has been adapted to collect the information required for this purpose and to obtain the appropriate consent.

Eligibility will be checked the same day as submission (if submitted before 12pm and subject to the DfE checking service being available), and the results returned to the setting with the following additional information:

- Validity Start Date
- Validity End Date
- Grace Period Date

**Providers only need make a submission to verify each child's code with the council once.** Once the council has been supplied these details, ongoing validity audits will take place and providers will be notified of the child's eligibility status in line with table A.

Parents should be encouraged to apply the funding period before their child meets the age criterion to ensure they can access a place at the start of the funding period after their child turns three. If a code is not issued before, for example, 1<sup>st</sup> September, they would have to wait until 1<sup>st</sup> January until they could access their additional entitlement (two-year-old funding and the universal entitlement can be started at any time in a funding period subject to eligibility and availability of places). Families with a code in place for the start of the funding period (e.g. 1<sup>st</sup> September) can start at any point within that funding period (i.e. between 1 September and 31 December). We would strongly advise that parents do not leave their application until late in the funding period as some applications require further investigation which can take 2 weeks - it is the date eligibility is confirmed that matters, not when the parent applied.

Providers should ensure they do not offer a place for the additional entitlement (30 hours free childcare) until the eligibility code has been verified by the local authority.

## **Classification of provider type**

For the purposes of FEEE, a provider will qualify for the flexibility supplement if they pay the higher rate to Ofsted for registration on the Early Years Register and they satisfy either of the following criteria:

- The provider operates under a single registration for a minimum of 50 weeks per year (not including bank holidays) and is open continuously for more than seven hours per day

Or;

- The provider operates for less than 50 weeks but more than 40 weeks per year and is open for a minimum of ten hours per day.

And;

Children must regularly be attending the provider each week the provider declares itself open and at the very beginning and end of each day. They must also be able to access continually through the day during opening hours, with no closure at lunch.

The Provider should actively promote the stretch entitlement to families accessing day nursery provision. Providers receiving the flexibility supplement rate will be subject to unannounced audit during holiday periods to ensure they are operating in accordance with the classification of this rate.

**Knowingly claiming the flexibility supplement if the Provider does not meet the terms of this classification is fraudulent and will result in removal from the directory of providers. Providers are obligated to inform the local authority of changes to their opening hours.**

### **Claiming FEEE for children attending your setting**

To claim for FEEE for eligible two, three and four-year-olds attending your provision, you must complete the spreadsheet which is circulated by the Schools and Settings Finance Team as detailed below.

All payments will be made via transfer to a bank account designated by the provider.

### ***Interim payment***

Providers are required to submit (on the spreadsheet sent to their designated email address) an estimate of eligible two, three and four-year-old children that will be accessing FEEE on a designated 'headcount date' for that funding period. Providers will be paid 50 percent of their estimated headcount figure for two-year-olds and 60 per cent of their estimated headcount figure for three and four-year-olds at the beginning of each funding period.

If there is a significant increase in hours estimated for a provider compared to previous estimations, you may be asked for further information to support this.

### ***Headcount***

A headcount of eligible children accessing FEEE takes place during each funding period. All two, three and four-year-old children for whom you are claiming funding must be on your register on headcount date. Details of all children attending and the hours claimed should be submitted on the spreadsheet sent to you.

The DfE designated headcount dates are as follows:

<b>Funding period</b>	<b>Headcount day</b>
Summer	The third Thursday in May
Autumn	The first Thursday in October
Spring	The third Thursday in January

The spreadsheet has been updated to allow inputting of the 30 hour (additional entitlement) eligibility code. The local authority is required to separately identify, through the census, which hours are the basic entitlement and which hours are the additional entitlement.

If a pupil qualifies for the additional free entitlement, two lines will need to be recorded on the submission; one for the universal entitlement and one for the additional entitlement.

### ***Final payment***

The final payment, which is the remaining balance due from your estimated interim payment, will be made once all headcount data has been processed. Any sharing of funding between providers will be calculated at this stage.

If the interim payment made to a provider exceeds the total funding due in that funding period (following confirmation at headcount date), adjustments will be made from the interim payment of the following funding period, or an invoice will be issued for the balance owed to the city council.

### ***Funding timetable, funding periods and claim limits***

These will be circulated to you in advance of each new financial year.

## **Payment adjustments**

Providers are required to inform the city council immediately when a child arrives or leaves their provision during the funding period for which funding has already been claimed. Any new children attending should be added to the bottom of your claim spreadsheet with an explanatory note and emailed to [nurseryeducationfunding@peterborough.gov.uk](mailto:nurseryeducationfunding@peterborough.gov.uk). Any necessary adjustments are carried out after the final payment has been made.

Eligible children arriving after the headcount date may claim funding from their start date. Providers must ensure a Parent and Provider Agreement is completed and retained for all children claiming funding. Providers must check whether the child has claimed funding elsewhere in the same funding period. If the child has already claimed and is still attending 15 or more hours per week at another provider, no extra funding will be available.

Providers may also claim additional funding for children who wish to increase the number of hours they attend, up to the maximum amount. Any amendments must be recorded on the child's Parent and Provider Agreement form showing the new total number of hours attended, and also amended on your spreadsheet with an explanatory note and emailed to [nurseryeducationfunding@peterborough.gov.uk](mailto:nurseryeducationfunding@peterborough.gov.uk).

If a child leaves a provider, funding paid in respect of that child will be reclaimed by the city council and transferred to another provider if necessary. A four week notice period will be permitted unless the setting or childminder is able to fill the space during this time.

## **Children changing provision**

Funding may be transferred between Peterborough providers if a child moves from a Peterborough provider to another Peterborough provider. If the original provider has already received funding for the funding period, then the local authority will issue an invoice. The local authority will then transfer the remaining balance for that funding period to the new provider. The provider receiving the child should:

- Check that the parent has not left the first provider without giving the required notice as per the provider/parent agreement (which should have been signed by the parent prior to their child starting at the provider).
- Not admit the child to attend until all outstanding issues at the previous provider have been resolved.

The city council will mediate if required.

## **Notice periods**

Providers may set a notice period that is required to be given before a child can access their free entitlement elsewhere. This notice period should be stated in all provider/parent agreements and must not exceed four weeks. The council will pay a 4 week notice period if a child leaves the setting without parents providing notice.

Providers are not obliged to transfer funding covering the notice period to another provider if a child moves between providers having not fulfilled their notice period. For instance, if a child moves to another setting 2 weeks after parent/carer giving notice, the provider can claim the remaining 2 weeks and the child cannot start accessing funding at the new setting for 2 weeks.

The city council may authorise the immediate transfer of funding from one provider to another provider without families giving notice in exceptional circumstances including safeguarding concerns for the child or family. The city council reserves the right to make these decisions and if necessary will reclaim funding from a provider via invoice.

The city council will only pay the four-week notice period where a childcare place has been left vacant. The city council cannot fund this period if the provider is able to fill the place.

If a provider changes a child's hours due to change in availability (e.g. changing from full day care to sessional with a break in the day), they must give parents one month's notice. If the parent needs to leave the setting to start their child at a new setting which can accommodate their needs due to the changes being implemented, the notice period the parent would normally have to provide is not applicable.

## ***Non-attendance***

A maximum of 5 weeks funding can be paid for a child who has not been accessing due to unexplained absence.

This allows settings a maximum 1 week of funding for a child who has not been accessing due to unexplained absence to allow the setting time to contact the family. **The council must be informed after one week of unexplained absence and failure to make contact with the family.** After the first week of unexplained absence, the notice period will commence (up to 4 weeks providing the place remains vacant).

The provider should try to make contact with the family to find out why the child is not attending and remind the parent of their obligations in the parent/provider agreement. The provider should also take steps to inform the parent of the withdrawal of the child's place if the parent does not contact them within a reasonable period.

If the child does not access again and no contact is made after the 5 weeks, funding will automatically cease.

Children may be absent due to family holidays and funding will still be paid for absences of up to four weeks. The city council will not fund the child's place when a holiday extends in to a fifth or more consecutive week.

Long term illness can be funded for a maximum of 4 weeks if there is a clear explanation and valid reason from the parent as to why the child will not be attending, where the setting remains in regular contact with the parent and where there is a clear intention to return to the setting. No notice period is payable if the child does not return following the 4 week period.

## ***Provider closures***

If a provider has to close due to unforeseen circumstances which are beyond their control (for example, due to heating issues, flooding etc.), then funding will still continue up to one week. If a provider has a planned closure then funding will not be paid during this period.

## ***Cross-border arrangements***

### *Two-year-olds*

For eligible two-year-olds, the city council must liaise with the child's local authority to ensure the necessary eligibility requirements have been met before the child can take up the funded place. Local authorities can only confirm eligibility for children residing in their local authority area.

Therefore it is important that the provider notifies the city council **before** a child is due to attend from a different local authority so checks can be carried out to confirm the child's eligibility. This will allow the local authority to assign the child a unique reference number which Providers are required to submit for all two-year-old claims. The local authority in which the child is educated, rather than where they live, pays funding.

### *Three and four-year-olds*

The local authority in which the child is educated, rather than where they live, pays funding. Therefore, providers may claim for all eligible three and four-year-olds on their register irrespective of where they live.

If a child is also attending another provider which is not covered by Peterborough, please ensure that no more than the maximum hours are claimed in total between the providers. This means that parents can choose where the funding is paid.

Local authorities will administer cross-border checks and if any child is over claiming their entitlement the funding will need to be reimbursed to the city council from the provider of the parent's choice.

## ***Sharing of funding***

Every hour attended by a child must be declared. Where a child attends two or more providers for a total of more than 15 hours a week the funding will be shared between providers according to parental choice.

If there is a dispute on funding hours claimed by the providers, the city council will automatically share the funding out equally for that child.

### **Children with special educational needs (SEN)**

Children with special educational needs who have been advised by a professional to attend for less than 15 hours may still be funded for 15 hours. Providers must make a request for the additional funding to be considered on a case by case basis.

### **Parent and Provider Agreement**

This form is an agreement between the provider supplying FEEE and the parent/carer of the child accessing their free entitlement. The agreement must be completed by either the parent or the child's legal guardian. Where English is the parent/carers second language, the provider must make appropriate arrangements to assist with the completion of the form and ensure the parent/carer understands the agreement, their entitlements and responsibilities.

**All headcount claims must be supported by completed and Parent and Provider Agreement forms.**

**It is the responsibility of the provider to check that children are eligible for funding in any period and the local authority cannot make payment where a child is not eligible through criteria. The provider should check original copies of documentation to confirm a child has reached the eligible age on initial registration for all free entitlements.**

The name of the child on the parent/carer declaration form should be the child's legal name as quoted on the birth certificate or any subsequent official change of name documentation. Please refrain from using shortened versions or nicknames as this can cause errors in payments.

**A Parent and Provider Agreement form must be completed, signed and retained securely in the setting for every child who is claiming funding; these will be checked at audit.** If a child's pattern of access changes this should be recorded as an amendment or a new form completed.

Providers must ensure that parents/carers are aware that:

- They are entitled to access their full entitlement completely free at the point of delivery
- All hours attended by their child at all providers must be declared on the form, not just the funded hours.
- The city council will pay for a maximum of 15 hour per week (two-year-old funding and universal entitlement)
- The maximum hours payable in one day is ten hours.
- If a child is claiming at two or more providers for more than 15 hours per week, the funding will be shared on a pro-rata basis and parents will have to pay any shortfall in costs (universal entitlement and two-year-old funding)

Blank versions of the form are available on request or from Peterborough Education Network. Please ensure you are using the most up to date version of the form to enable collection of information and appropriate consent for the purpose of EYPP and 30 hours validity code checking.

### **Audit**

The city council has the right to audit providers who have signed the Provider Agreement to deliver FEEE.

Providers will be selected at random and may or may not be notified in advance of an audit. Providers must be prepared for the audit, and ensure that the following evidence is available:

- Registers for the funding period for which the audit is applicable
- Enrolment forms for all children receiving their FEEE
- Evidence that the identity of children has been checked (completed and signed Parent and Provider Agreements)

- Evidence that parents are receiving the entitlement for free and any other additional hours are charged separately at the normal published hourly rate for the provider
- Sample invoices provided to parents (if applicable)
- Ofsted certificate
- Insurance certificates

Checks may also be made with parents to verify their child's details and to check they have received their free entitlement completely free at point of delivery.

If any providers are found to be in breach of the Provider Agreement, further FEEE payments may be suspended until the conditions are met. Any providers who continually fail to meet the conditions can be de-registered from receiving the funding, and can only be re-registered when all the conditions of the agreement have been met.

The provider should ensure they submit timely and accurate information, including, but not limited to, headcount data, census data, parental declarations and invoices, as per the financial guidelines of their local authority. Failure to do so may result in inaccurate, delayed or suspended funding.

The provider should maintain accurate financial and non-financial records relating to free entitlement places and should give the local authority access on reasonable notice to all financial and non-financial records relating to free entitlement places funded under the provider agreement, subject to confidentiality restrictions.

## Appeals

A provider may be denied approval to offer the free entitlements or have their funding withdrawn as set out on pages 17-18. The provider can appeal against that decision. If a provider wishes to appeal against a decision to reject or remove them from the Directory of Providers, or withdraw funding to offer the free early education entitlements, they must notify Peterborough City Council in writing within 10 working days of the notice being given. The provider must provide grounds for objecting the decision and provide relevant evidence in support.

The local authority will acknowledge receipt of the appeal within 5 working days. In the acknowledgement letter, the local authority will give the provider a date to submit their supporting evidence and a date/time and location for an appeal hearing.

The appeal will be heard by a panel of three members to include the Head of Schools and Settings Finance, the Childcare Market Facilitation Officer and the Assistant Director for Education. One of the panel members will act as Chair. There will also be a minute taker present to record the proceedings.

A representative of the provider and one other member of staff may attend in order to present the provider's case to the panel. A member of the Early Years and Childcare Service will attend to present the local authorities case.

Notification of the panel's decision will be made within 5 working days. The panel's decision will be final.

## Complaints

The provider should ensure they have a complaints procedure in place that is published and accessible for parents who are not satisfied their child has received their free entitlement in the correct way, as set out in this agreement and in Early Education and Childcare Statutory guidance for local authorities.

Where parents are unable to resolve their complaint directly with their provider, they should in the first instance direct their complaint to the local authority: <https://www.peterborough.gov.uk/council/complaints-form/>. On completion of the form, the complaint will be directed to the appropriate head of service for consideration through the two stage process.

If a parent or provider is not satisfied with the way in which their complaint has been dealt with by the local authority or believes the local authority has acted unreasonably, they can make a complaint to the local authority Ombudsman. Such complaints will only be considered when the local complaints procedures have been exhausted.

### Section 3: Useful contacts

Childcare providers in receipt of FEEE must inform the city council of particular situations as set out in the Provider Agreement. Appropriate contacts are given here to help childcare providers meet their obligations and direct their enquiries.

#### **Schools and Settings Finance Team**

**Steve Whitley: 01733 864101**

**Philip Smith: 01733 864113**

[Nurseryeducationfunding@peterborough.gov.uk](mailto:Nurseryeducationfunding@peterborough.gov.uk)

[www.peterborougheducationnetwork.co.uk](http://www.peterborougheducationnetwork.co.uk)

Contact for;

- All general enquiries relating to claims and payments
- Children failing to attend without explanation
- Parent/carer gives notice of intention to stop accessing funded childcare

#### **Early Years & Quality Improvement Team**

**Karen Hingston: 01733 864017**

[Karen.hingston@peterborough.gov.uk](mailto:Karen.hingston@peterborough.gov.uk)

Contact for;

- All general enquiries relating to quality and registration

#### **Childcare Market Facilitation Officer**

**Laura Hyde: 01733 863925**

[Laura.hyde@peterborough.gov.uk](mailto:Laura.hyde@peterborough.gov.uk)

Contact for;

- All general enquiries about the Provider Agreement
- Any significant changes effecting the childcare business
- Provision of evidence of insurance

#### **Two Year Old Funding**

**01733 863926 / 863925**

[freefortwos@peterborough.gov.uk](mailto:freefortwos@peterborough.gov.uk)

Contact for;

- General enquiries about two-year-old entitlement
- Checks to see if two-year-olds looking to access your provision have been referred for funding

#### **Professional Development Officer**

**Sally Goodwin: 01733 863953**

[Sally.goodwin@peterborough.gov.uk](mailto:Sally.goodwin@peterborough.gov.uk)

Contact for;

- Staff changes including all new and departing employees