

# Free Early Education Entitlement for 2, 3 and 4 year olds

Local Code of Practice

September 2017

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# Definitions

In this guidance, the following words and expressions shall have the following meanings:

<b>Provider Agreement</b>	Means this guidance including any documents annexed or referred to in this document
<b>Provider</b>	Means an approved early years provider other than a childminder registered on the Ofsted Early Years Register, A childminder registered on the Ofsted Early Years Register, a childminder registered with a childminder agency which itself registered with Ofsted, schools taking children age two and over and which are exempt from registration with Ofsted as an early years provider providing free early education services.
<b>PVI</b>	Means Private, Voluntary and Independent providers
<b>Parent / Carer</b>	Means a person who has parental responsibility for a child or care of a child.
<b>Parent Agreement</b>	Means the agreement to be entered into between the parent of the child and the provider
<b>FEEE</b>	Means the Free Early Education Entitlement for 2, 3 and 4 year olds
<b>Department for Education (DfE)</b>	Means the governing body for Education services in England
<b>HMRC</b>	Means Her Majesty's Revenue and Customs Department
<b>Ofsted and Inspectorates of Independent Schools</b>	Means the governing body for early years childcare carrying out inspections and report on the quality and standards of provision.
<b>Early Years Foundation Stage (EYFS)</b>	Means the statutory framework for the early year's foundation stage dated March 2017. This framework sets standards for the learning, development and care of children from birth to 5 years old. All schools and Ofsted registered early years providers must follow the EYFS framework.
<b>Early Years National Funding Formula (EYNFF)</b>	Means the Governments national guidance used to allocate early years funding fairly and transparently to Local Authorities
<b>Statutory Guidance</b>	Means the Department for Education's Early Education and Childcare Statutory Guidance for local authorities dated March 2017
<b>Eligible</b>	Means a child who meets the specified eligibility criteria for the free entitlements
<b>Child</b>	Means the child intending to receive or receiving free early education services
<b>Funding Period</b>	Means the period for which the provider is paid funds for any school term
<b>Working Day</b>	Means any day excluding weekends, Good Friday, Christmas day, Bank holidays, days designated as public holidays or any specified by the provider as not a usual working day for that provider
<b>Area of Need</b>	Means a geographical location within the borough where there is a demonstrable shortage of free childcare places

# Introduction

This guidance is for early years settings and childminders, which sets out the terms and conditions providers are required to adhere to when delivering the Free Early Education Entitlement (FEEE) for 2, 3 & 4 year olds in Southwark. This guidance reflects the information contained in the Department for Education's 'Early Education and Childcare Statutory Guidance for Local Authorities – March 2017' and will be kept under review and updated as required.

A copy of the 'Early Education and Childcare Statutory Guidance for Local Authorities – March 2017' guidance can be downloaded from the Government website at:

<https://www.gov.uk/government/publications/early-education-and-childcare--2>

By becoming a participating free early education provider and by signing the 'Provider Agreement' at the end of this document, you are agreeing to the terms and conditions of the scheme(s) set out in this guidance.

This document does not provide guidance on how early years providers should operate their private businesses, including charges for provision over and above a child's free early education place.

## The scheme

The Free Early Education Entitlement (FEEE) is a central Government scheme, delivered through the Local Authority, which ensures every child aged 3 and 4 years old, and some 2 year olds (subject to parents/carers meeting specific eligibility criteria) up to 15 hours of free early education per week until they reach compulsory school age, regardless of their parents/carers ability to pay.

From September 2017, the Government will introduce an extended entitlement of up to 30 hours of free early education for 3 and 4 year olds (subject to parents/carers meeting specific eligibility criteria set by the HMRC). This will provide an additional 15 hours per week of childcare for working parents on top of the universal entitlement of 15 hours per week for all 3 and 4 year olds.

Early Education benefits children's social, physical and mental development whilst also helping them to prepare for school. Evidence shows that regular good quality early education has lasting benefits on social and behavioural outcomes.

As a standard, each *eligible* child is entitled to receive a maximum of 15 hours per week of free early education, delivered over no fewer than 38 weeks per year (totalling 570 hours per year).

Children *eligible* for the 30 Hours Extended Entitlement are entitled to receive a maximum of 30 hours per week of free early education, delivered over no fewer than 38 weeks per year (totalling 1,140 hours per year).

Providers are under no obligation to join the free early education scheme(s). This is a voluntary decision on the part of the provider. However, providers should take into consideration when making their decision, the parental demand for free childcare places in their local areas.

# 1. Participating Early Years Providers

## 1.1 Joining the Scheme(s)

Providers who wish to join the scheme(s) are required to complete the 'Southwark Free Early Education Registration Pack' which is available upon request from the Southwark Free Early Learning Team.

- If a provider joins the scheme **before** the termly headcount date, they will be permitted to submit a funding claim for children in their care from the current term onwards.
- If a provider joins the scheme **after** the termly headcount date, the provider will be permitted to submit a funding claim for children in their care in the following term.

## 1.2 Provider Eligibility

Early years settings may join the Southwark approved list of FEEE providers if they:

- Are registered on the Ofsted 'Early Years Register' or Department for Education as an Independent provider;
- Are schools taking children age two and over who are exempt from the registration with Ofsted as early year's providers.
- Deliver the full Early Years Foundation Stage (EYFS)
- Also meet one of the 'provider eligibility criteria' in *section 1.5 – Provider Quality Criteria*

## 1.3 Early Years Foundation Stage (EYFS)

The Early Years Foundation Stage (EYFS) statutory framework is mandatory for all early years' providers in England. The EYFS sets the standards that all providers must meet to ensure that children learn and develop well and are kept healthy and safe.

Providers of the FEEE must follow the EYFS and have clear safeguarding policies and procedures in place that link to Government and the Council's guidance for recognising, responding, reporting and recording suspected or actual abuse.

Providers delivering the universal entitlement, 2 year old free entitlement and extended free entitlement are required to follow the EYFS. Ofsted will not differentiate their inspections between the three entitlements.

### EYFS Exemptions

The Council will also fund:

- Providers with learning and development exemptions from the EYFS if a parent wants their child to take up their free place at an exempt provider; and the provider is willing to accept the local authority funding and any other local authority requirements.
- Individual children who have exemptions from the EYFS.

Further information about EYFS exemptions is available on the Government website at:

<https://www.gov.uk/government/publications/the-early-years-foundation-stage-eyfs-learning-and-development-requirements-guidance-on-exemptions-for-early-years-providers>

## 1.4 Types of Provider

The Council will fund FEEE through the types of early years providers listed below:

- Private, voluntary and independent providers (PVI's);
- Childminders registered on the Ofsted Early Years Register;
- Childminders registered with a Childminder Agency, which itself is registered with Ofsted on the early years register;
- Maintained nursery schools, nursery classes or units;
- Schools taking children age two and over who are exempt from the registration with Ofsted as early year's providers.

## 1.5 Provider Quality Criteria

### (a) Universal Entitlement and Extended Free Entitlement for 3 and 4 Year olds

The Council will fund early education places for 3 and 4 year old children attending a provider with an Ofsted Inspection rated:

- Satisfactory or Requires Improvement
- Good
- Outstanding
- Met - until their next inspection judgement is published by Ofsted.
- Newly registered providers until their first full inspection judgement is published by Ofsted.

### (b) 2 Year Old Free Entitlement

The Council will fund early education places for *eligible* 2 year old children attending a provider with an Ofsted Inspection rated:

- Good
- Outstanding
- Met - until their next inspection judgement is published by Ofsted.
- Newly registered providers until their first full inspection judgement is published by Ofsted.

### (c) The Council will **not** fund:

- Providers with an Ofsted inspection judgement of 'Not Met'
- Providers with an Ofsted inspection judgement of 'Inadequate'
- Childminder agencies with an inspection judgement of 'Not Effective'

## 1.6 2 year old free entitlement providers who cease to meet the provider quality criteria

- a) The Council is not required to fund free 2 year old places at a provider who does not meet the quality standards in section 1.5 (b) above, but may do so in exceptional circumstances, where there is insufficient accessible 'good' or 'outstanding' provision in an 'area of need'.

- b) If a provider funded to deliver 2 year old places with an existing Ofsted inspection judgement of 'good' or above receives an outcome of 'requires improvement' at their next inspection, the Council will make a decision on whether to continue funding the provider for 2 year old places.

This decision will be based on:

- whether the 2 year old free places are located in an 'area of need' in the borough;
  - the number of 2 year old places the provider is currently delivering;
  - information from the Ofsted inspection report, in particular relating to children's welfare and safeguarding.
- c) If the Council agrees to continue funding the provider for 2 year old places, the provider will be required to work in partnership with the Council's Early Years Quality Improvement Team (EYQIP), with the aim of improving the quality of the provision in areas identified by Ofsted in the inspection report.
- d) A decision to continue funding 2 year old places will be reviewed on a termly basis unless the provider has been re-inspected and receives an outcome of 'good' or above.
- e) If at the next inspection the provider receives a further Ofsted outcome of 'Requires Improvement' or below, or the provider fails to engage with the EYQIP Team, 2 year old funding will be withdrawn as soon as practicable until it achieves a 'good or above' outcome at the next inspection.
- f) If 2 year old funding is withdrawn, the provider will continue to be funded for the universal and extended entitlement for 3 and 4 year olds (*subject to still meeting the provider quality criteria (a) in Section 1.5*).

### **1.7 Inadequate Ofsted Inspections / Cancelled or Suspended Ofsted Registrations**

The Council will withdraw FEEE funding from a provider (other than a local authority maintained school) as soon as practicable, if Ofsted have judged the provider as 'inadequate' at its inspection.

- If a provider has been judged as 'Inadequate' once a funding term has started and the inspection report has been published by Ofsted, withdrawal of funding will commence from the beginning of the next funding term.
- If the inspection report has been published less than one month before the end of the current funding term, funding will be withdrawn from the beginning of the second funding term.
- If a provider's Ofsted Registration has been suspended or cancelled, funding will be withdrawn with immediate effect. Funding paid to the provider may need to be reclaimed if evidence confirms the provider was not eligible during that period. Funding will be reinstated from the start of the following term, providing the Council has received notification from Ofsted that the provider's registration has been re-activated. If the provider's Ofsted registration is re-activated before the current funding terms headcount date, the provider will be reinstated in the same term.
- If a provider has appealed their inspection outcome directly with Ofsted, and the appeal has been upheld and confirmed by Ofsted, funding will be reinstated from the start of the following term providing the revised inspection report has been published on the Ofsted website. If the providers Ofsted inspection report is published before the current funding terms headcount date, the provider will be reinstated in the same term.
- If a provider receives an outcome of 'Requires Improvement' or above at their next Ofsted inspection, funding will be re-instated to the early education scheme(s) relevant to their inspection outcome in the term following the inspection report being published as stated in

*'Section 1.5 – Provide Quality Criteria'*. If the provider's Ofsted inspection report is published before the current funding terms headcount date, the provider will be reinstated in the same term.

- Parents/carers may opt to continue their childcare place at an inadequate provision; however the Council will not pay funding for these children. Providers must inform parents of this circumstance.

## **1.8 Termination / Withdrawal of funding**

(a) The Council may withdraw a provider from the FEEE scheme(s) if:

- they breach the statutory free early education requirements;
- there is evidence of financial misconduct and or fraud;
- they receive an inadequate Ofsted inspection outcome;
- their Ofsted registration has been cancelled or suspended;
- they do not comply with legal requirements – for example in areas relating to Ofsted, the Health and Safety Executive or HM Revenue & Customs.
- they do not promote fundamental British values of democracy, the rule of law, individual liberty and mutual respect and tolerance of those with different faiths and beliefs.
- they promote as fact views or theories which are contrary to established scientific or historical evidence and explanations.
- for Independent Schools – they do not meet the Independent School Standard in relation to the spiritual, moral, social and cultural development of pupils.
- they fail to submit the Early Years Census information required by law each year.

## **1.9 Withdrawal Process**

- If the Council has reason to withdraw a provider from the scheme(s), the Council will inform the provider of the reason, and if capable of remedy, may allow the provider to rectify the issue within a specified timescale.
- If the provider does not rectify the issue within a reasonable period stipulated by the Council, or is not able to be rectified because it is outside of the jurisdiction of the Council, (for example: matters relating to Ofsted, the Health and Safety Executive or HM Revenue & Customs), the provider will be given sufficient written notice of withdrawal from the scheme.
- If a provider wishes to appeal the Council's decision to withdraw funding other than for reasons relating to an 'Inadequate' Ofsted inspection outcome or cancelled/suspended Ofsted registrations, they should write to the Southwark Free Early Learning Team detailing the reason for appeal. The Head of the Southwark Education Access 0-25 Service will review the information received and inform the provider of the final decision.
- The Council reserves the right to contact or share information about a provider with the relevant authorities if there is suspicion or evidence of a breach in legal requirements or financial fraud.

## 1.10 Re-inclusion to the Scheme(s)

- Providers who have been withdrawn from the scheme(s) may be re-admitted if the grounds for removal are no longer applicable.
- Providers who have been withdrawn from the scheme(s) due to an 'Inadequate' Ofsted inspection, will be re-admitted to the relevant scheme based on their most recent inspection outcome (*as per Section 1.5 – Provider Quality Criteria*), providing it has been published on the Ofsted website (*as per Section 1.7 - Inadequate Ofsted Inspections / Cancelled or Suspended Ofsted Registrations*).
- The Council will also consider in any decision to re-instate a provider to the scheme(s), information published by Ofsted about a provider or childminder agency. This may include for example where the Council has concerns that a provider judged 'inadequate' by Ofsted may have re-registered their setting with Ofsted to avoid making the quality improvements identified by Ofsted.

## 1.11 Voluntary withdrawal from the scheme

If a provider no longer wishes to deliver the FEEE at their setting, they may voluntarily withdraw from the scheme(s). Providers are required to submit this notification in writing to the Council in advance of the next funding term. Providers should also write to individual parents/carers giving them sufficient notice to allow them to make alternative childcare arrangements where required.

## 1.12 Changes to provider circumstances

Providers **must** inform the Council of any changes to their business which may affect the administration of the FEEE. For example:

- change of ownership, committee, manager or premises
- change to the name, address or telephone number of the contact responsible for free early education and funding administration
- change of bank details where FEEE funding is paid.
- Closure of the setting where FEEE services are being delivered (whether this be short term or long term closure).

The provider must notify these changes to the Council as soon as practicably possible, in writing and presented on the settings business headed paper.

If a change means the provider is no longer eligible to receiving FEEE funding, the provider will be withdrawn from the approved list of FEEE providers. Any funding already paid during the term may be required to be repaid to the Council if evidence confirms the provider was not eligible during that period.

The Council will also periodically review the information it holds about providers to ensure it is accurate and up to date. Providers are required to co-operate with requests from the Council for information, as far as reasonably possible and in a timely manner.

### 1.13 Local Authority Conditions

- Section 9 of the Childcare Act 2006, permits the Council to adjust or withhold payments to a provider (other than governing bodies of maintained schools) if the FEEE terms and conditions have not been met.
- The Council may also contact parents of children in receipt of free early education services at a provider to verify receipt or to investigate any disputes concerning the entitlement.
- The Council reserves the right to publish information about a provider, such as contact details and opening and closing times on the Council's website and any other publicity for parents as stated and recorded with Ofsted.
- Childminders may opt to not disclose their business information on the Ofsted website as this usually consists of their own private address information. In this circumstance, the Council will also do the same.

## 2. FEEE Administration and Charges

### 2.1 Access to Free Places

Providers should promote equality and inclusion, particularly for disadvantaged families, looked after children and children in need by removing barriers of access to free places and working with parents to give each child support to fulfil their potential.

Providers should deliver the free entitlement consistently to all parents, free of charge at point of entry, whether they are 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 outside of this.

### 2.2 Parent Agreements

Parents of children accessing the free entitlement(s) must sign a 'Free Early Education Entitlement Parent Agreement'.

This is an agreement between the Council, provider and parent, and collects information about the child for the purpose of the free early education place. It also sets out the terms and conditions of the free place at the provider.

Providers are required to ensure that an agreement for each child accessing the entitlement(s) is completed and kept on file. If an audit reveals that the provider has not implemented the 'Parent Agreement', funding payments will be delayed / withdrawn until this action has been remedied.

The Council reserves the right to request from a provider; copies of the Parent Agreements for audit purposes and/or to investigate disputes. Providers must comply with these requests in a timely manner.

The Southwark Parent Agreement is not intended to replace any other agreement the provider has in place for admissions to their setting. However providers should ensure that the Southwark Parent Agreement is referenced in their own private agreements to reflect the services being delivered at their settings.

### 2.3 Flexibility

Providers are encouraged to offer flexible packages of free hours to enable children to access regular, high quality provision, whilst maximising flexibility for parents and ensuring a degree of stability for providers.

Flexibility of hours should be offered subject to the following standards:

- 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
- At a maximum of two sites in a single day

Free places can be delivered:

- Up to 52 weeks of the year
- Outside of maintained school term times
- At weekends

Where there is provider capacity and parental demand, providers should enable parents/carers who wish to take up their entitlement in patterns of hours that 'stretch' their child's entitlement by taking fewer hours per week over more weeks of the year.

There is no requirement for providers to be open for at least 38 weeks of the year in order to deliver free places.

## 2.4 Models of delivery

The Council encourages all participating providers to consider offering the full range of free entitlements (*subject to provider eligibility in Section 1.5*) to maximise choice for parents and ensure sufficiency of places.

Providers delivering the 30 hours extended entitlement should also consider offering a number of universal 15 hours entitlement places as a standard, to ensure that all children, including those whose parents do not meet the 30 hours criteria, can continue to access the benefits of early education.

Providers should also ensure that *eligible* 2 year olds are able to transition smoothly into their 3 year old Universal Entitlement place once they reach the qualifying age, the term following their 3rd birthday.

It is at the providers' discretion to determine what pattern of hours they offer within the statutory requirements, however, those settings which can offer a mixture of places are more likely to maximise their occupancy.

## 2.5 Splitting the entitlement between providers

Parents/carers can choose to take up their entitlement at no more than 2 providers per day as long as the total hours at both providers do not exceed 15 or 30 hours per week. This option is only available if both providers are able to accommodate a child in this way.

*Example 1 - Universal Entitlement (15 hours per week):*

- A parent/carer would like to split their 15 hours per week entitlement between provider A and provider B.
- The parent/carer decides they would like their child to take up 9 hours at provider A. This means the maximum number hours that can be taken at provider B is 6 hours. Total: 9 hours + 6 hours = 15 hours per week between both providers.

*Example 2 - Extended Entitlement (30 hours per week):*

- A parent/carer would like to split their 30 hours per week entitlement between provider A and provider B.
- The parent/carer decides they would like their child to take up 15 hours at provider A. This means the maximum hours that can be taken at provider B is 15 hours. Total: 15 hours + 15 hours = 30 hours per week between both providers.

Parents/carers should always be asked to confirm whether their child is splitting their entitlement between another provider to avoid a potential duplicate funding claim by both providers. This information should be recorded in the Parent Agreement.

## **2.6 Additional hours**

Providers can charge parents/carers wishing to take up more hours above the free entitlement. It is the providers' decision how much is charged for private hours outside of the free entitlement, but they must ensure parents/carers are aware of these charges before their child takes up a free place at the setting.

## **2.7 Top up Fees**

Providers cannot charge parents/carers a "top-up" fee, for the free hours, which is the difference between a provider's private fee and the funding they receive from the Council to deliver free places.

## **2.8 Registration Fees**

Providers cannot require parents to pay a registration fee as a condition of taking up their child's free place.

## **2.9 Deposits**

Providers may charge a refundable deposit to parents accessing the 2,3 and 4 year old free entitlements to secure their child's free place, but should refund the deposit in full to parents within a reasonable time scale.

## **2.10 Meals and Optional Services**

Providers can make a reasonable charge for meals, snacks, consumables and services as part of a free place, but these charges must be voluntary to parents/carers. If a parent/carer wishes to take up additional services offered by the provision, the provider must make parents/carers aware of these charges before taking up the free place.

Where parents/carers are unable or unwilling to pay for these services, providers are responsible for setting their own policies on how to respond to this.

Responses should include:

- an offer to reduce the costs of goods/services
- allowing parents/carers to supply their own items/meals
- waiving the cost of any additional goods/services
  
- Providers cannot withdraw the offer of a free place if a parent/carer is unwilling to pay.
  
- Providers should ensure that charging for meals or optional services, are not used as a condition of children accessing their free place.

## **2.11 Invoices and Receipts**

Providers must ensure that their invoices and receipts to parents are clear, transparent and itemised, allowing parents to see that they have received their free entitlement completely free of charge and understand the fees paid for additional hours. Invoices and receipts should also contain full details of the provider so that they can be identified by the parent/carer.

## 2.12 Absences

If a child is away from the provision due to sickness or for any other reason such as family holidays etc., the child's FEEE entitlement hours will be included in the period of absence. Providers should inform parents of this circumstance when agreeing a free place.

Providers should make every effort to maintain reasonable contact with the parents/carer to establish the reason for a child's absence and to determine appropriate action regarding the retention of the free place.

## 2.13 Children starting and leaving a provision before or after the termly headcount date

- The Council will **not fund** a child who is at the provision at beginning of the term but leaves before the termly headcount date. Providers should have their own agreements in place to manage these circumstances.
- The Council will **not fund** a child who wishes to take up a place at a provider after the termly headcount date, until the start of the next funding term.
- A provider may still choose to accept a child after the termly headcount has been submitted, however the Council will not provide any additional funding for the child.
- Children who are leaving for a school reception place will not be able to be funded prior to their school start date as they will already receive the full entitlement at the school.
- If a funded child leaves the setting after the termly headcount date but before the end of the term, providers should use the remaining funding to fund a new child from their waiting list for the remainder of the funding term. In this circumstance, there is no loss to the provider or further funding required, as the new child will continue to receive the remaining entitlement for which funds have already been paid to the provider.
- Providers should encourage parents/carers to secure their child's free place in advance of the term the child intends to take up their free place to reserve their place in good time.
- If a child is confirmed as eligible for the 2 year old entitlement after the termly headcount date, the parent will not be able to start claiming their entitlement until the **following term**.
- If a child is confirmed as eligible for the 30 hour extended entitlement after the 1st September, 1<sup>st</sup> January, or 1<sup>st</sup> April the parent will not be able to start claiming their entitlement until the **term after** they received their eligibility confirmation.

## 2.14 Children attending School Nursery Classes / School Reception Classes

### **3 Year Olds**

The Council funds schools directly for 3 year old children attending a school nursery class. Therefore, no further free entitlements are available to be claimed by any other provider.

### **4 Year Olds**

Children become eligible for a reception place in a maintained school /academy the first September after their 4th birthday.

Children aged 4 attending a maintained school or academy reception class do not receive any further free entitlements as they are classified as attending full time education and receive schools funding accordingly. Therefore, these children must not be included in the provider's termly headcount submission.

Children of reception age can continue to receive FEEE funding if they are attending a provider that does not receive Government funding for reception age places.

## **2.15 Statutory School Age**

Children reach statutory school age at the beginning of the first term following their 5th birthday. At this age the child no longer qualifies for the FEEE and no further funding can be claimed by a provider.

Providers should encourage parents/carers to put their child's name on a waiting list at their preferred reception class or school in advance of the entitlement coming to an end.

Information about primary schools can be found on Southwark Council's website at the following link: [http://www.southwark.gov.uk/info/200172/school\\_admissions](http://www.southwark.gov.uk/info/200172/school_admissions)

## **2.16 Deferring a School Place**

Parents/carers can choose to defer their child's entry to reception class in a school until the term following the child's 5th birthday; however this must first be agreed with the school.

Providers must inform the Council and provide evidence of any circumstances where a child has deferred their entry to a reception class if they wish to claim funding for the child at their provision.

If a child has already taken up their reception place in a school, but the parent/carer has changed their mind and leaves to take up a place with an early year's provider, they will not be able to claim FEEE funding until the beginning of the following term, providing the child's deferred reception place is not yet due.

## **2.17 Out of Borough Funding**

The Council will fund a child who does not live in the Southwark local authority area providing:

- they attend a Southwark early years provision;
- they qualify for the free entitlement(s) they wish to access and have the relevant confirmation of eligibility from the local authority in which they reside.
- Parents who live in Southwark may choose to place their child in a provision outside of the borough. In this circumstance the parent will be subject to the FEEE terms and conditions in the new local authority area.

## **2.18 Children moving to England from other countries**

Children moving to England from other countries are entitled to access the free entitlement on the same basis as any other child, regardless of whether they have British citizenship, provided they meet the relevant age and eligibility criteria.

# 3. Early Years Funding Rates

## 3.1 Free Entitlement Hours

Southwark Council divides funding of the free early education entitlement into three claim periods as follows:

Claim Period	Maximum no. hours per period		Maximum no. weeks per period
Autumn Term (September – December)	195 hours	delivered over	13 weeks
Spring Term (January – March)	180 hours	delivered over	12 weeks
Summer Term (April – August)	195 hours	delivered over	13 weeks
<b>Total</b>	<b>570 hours per year</b>		<b>38 weeks per year</b>

## 3.2 FEEE Hourly Rate

### (a) Universal and Extended Free Entitlement for 3 and 4 year olds

The FEEE hourly rate for the financial year 2017/18 is **£5.95 per hour**. This rate is calculated by using a locally determined Early Years Single Funding Formula (EYSFF).

### (b) 2 year old Free Entitlement

The FEEE hourly rate for the financial year 2017/18 is **£6.25 per hour**. This rate is calculated by using a locally determined Early Years Single Funding Formula (EYSFF).

## 3.3 Deprivation Funding

### (a) Universal and Extended Free Entitlement for 3 and 4 year olds

Deprivation funding is a Government fund which is distributed through early year providers for children living in particular postcodes considered to be within an area of deprivation. Areas of deprivation are determined using the 'Income Deprivation Affecting Children Index' (IDACI). These indices are used widely to measure the population of children under the age of 16 in a local area living in low income households.

Depending on the address of where a child lives, they may fall into one of the four 'Lower Super Output Areas' (LSOA) bands below. The deprivation hourly rate determined by these output areas are as follows:

Deprivation Band	Hourly rate
Band 0	£0.00
Band 1	£1.25
Band 2	£0.94
Band 3	£0.62
Band 4	£0.31

(b) 2 year old Free Entitlement

Deprivation funding is not paid for children accessing the 2 year old free entitlement.

**3.4 Spending the Deprivation Funding**

Deprivation funding is not passed on to parents/carers as a monetary amount. Instead, the funding must be spent by the provider for the direct benefit of the children, for example resources to enhance the environment of children or further training to support staff etc.

## 4. Universal (15 Hours) Free Entitlement for 3 and 4 Year Olds

### 4.1 Eligibility

All children aged 3 become eligible for FEEE the term following their 3rd birthday as per the table below. This includes all 4 year olds up until the term they reach compulsory school age (the beginning of the term following their 5th birthday):

Children Born Between		Eligible Term
1 January – 31 March	become eligible	Summer Term (April – August)
1 April – 31 August	become eligible	Autumn Term (September –December)
1 September – 31 December	become eligible	Spring Term (January – March)

Each eligible child is entitled to receive a maximum of 15 hours per week of free early education, delivered over no fewer than 38 weeks per year (totalling 570 hours per year).

There are no additional criteria that parents will need to meet to qualify for the universal entitlement.

Children aged 4 attending a maintained school or academy reception class cannot receive the free entitlement as they are classified as attending full time education.

### 4.2 Placement Start Dates

Providers should encourage parents/carers to secure their child's free place in advance of the term the child intends to take up their free place to reserve their place in good time. Also see *section 2.13 -- Children starting and leaving a provision after the termly headcount*).

# 5. Two Year Old Free Early Education Entitlement

## 5.1 Eligibility

- a) 2 year old children become eligible for FEEE, the term following their 2nd birthday until the term following their 3rd birthday as follows:

Born between		Eligible Term
1 January – 31 March	become eligible	Summer Term (April – August)
1 April – 31 August	become eligible	Autumn Term (September –December)
1 September – 31 December	become eligible	Spring Term (January – March)

- b) In addition to the above, parents/carers of a 2 year old child are required to meet one or more of the following eligibility criteria used to determine eligibility for Free School Meals:

- 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 guaranteed 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 they stop qualifying for Working Tax Credit
  - Universal Credit
  - Their families receive Working Tax Credits and have an annual gross income of no more than £16,190 per year
  - They have a current statement of Special Educational Needs or an Education, Health and Care plan
  - The child is entitled to Disability Living Allowance
- Or,**
- 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 with whom the child lives.

## 5.2 Applying for the Entitlement

Parents/carers can apply for the 2 year old free entitlement as follows:

- Online through the 'Citizens Portal' at [https://emsonline.southwark.gov.uk/CitizenPortal\\_LIVE/](https://emsonline.southwark.gov.uk/CitizenPortal_LIVE/) Parents/carers must first register for a Citizens Portal account before they can complete an application to apply for the offer.
- If the parent/carer is eligible, they will receive a reference number beginning with **TYF\*\*\***, which they can email to themselves. The parent/carer should take this code to the provider when enquiring about a free place.
- Providers must first check the validity of each 2 year old code received from a parent/carer via the 'Provider Headcount Portal' before offering a free place. Please refer to the Provider Portal User Manual for instructions on how to do this.
- If a parents/carer is unable to apply online because they do not have access to a computer, the provider may complete an 'Assisted Application' with the parent via the Provider Headcount Portal. Please refer to the Provider Portal User Manual for instructions on how to do this.

## 5.3 Other Evidence of 2 Year Old Eligibility

The existing confirmation of eligibility evidence listed below will still be accepted until all 2 year old applications are phased into the Citizens Portal:

- A Southwark letter with an assigned unique Two Year Old Reference Number, beginning SWK, follows by a four/five digit number (e.g. SWK00051)
- A Southwark confirmation letter with the child's name and date of birth
- A confirmation email from [www.myearlylearning.co.uk](http://www.myearlylearning.co.uk)
- A confirmation of eligibility letter from another borough Council if the child does not live in Southwark.

Providers will be required to submit copies of these eligibility letters/emails through the 'Provider Headcount Portal' when submitting a claim for an eligible child. Please refer to the Provider Portal User Manual for instructions on how to do this.

Providers should ensure that they have seen evidence of the confirmation of eligibility letter/email from the parent/carer before agreeing a free place. Providers should also retain a copy of the eligibility letter/email to be held on file and be able to provide a copy of this confirmation to the Free Early Learning Team upon request.

Only a Local Authority and the 'Citizens Portal' can confirm whether a child is entitled to a free place and providers should not offer a free place unless they have seen proof that the parent/carer is eligible. If in doubt, providers should confirm eligibility with the Council.

## 5.4 Department for Education - Potentially Eligible Parents/Carers List

Each term the Department for Education (DFE) provides the Council with a list of parents living in Southwark who they believe meet the two year old eligibility criteria because of the benefits or tax credits they are claiming. The Council will write to these parents to let them know that they **may** be entitled to a free place.

The letter parents receive from the Council will direct them to the 'Citizens Portal', where they will be required to apply for the offer. If they are eligible, they will receive a reference number beginning with **TYF\*\*\***.

## 5.5 Placement Start Dates

Providers are reminded to ensure parents secure their child's free place before the start of the funding term. (See section 2.13 - *Children starting and leaving a provision before or after the termly headcount*).

Parents/carers should get their eligibility verified by their providers in advance of the term that the child intends to take up their free place to reserve their place in good time. A parent/carer can reserve a place for their child with their provider prior to their eligibility being checked, but their eligibility must be verified before the child can take up their place. Providers should encourage parents/carers to bring their eligibility to be verified in good time before the start of term.

Parents/carers who would like their child to start in time for the relevant term should apply for their 2 year old eligibility during the following dates:

Parents should apply and have received confirmed eligibility between:	Earliest date child can start a free place
1 April – 31 August	September (Autumn Term)
1 September – 31 December	January (Spring Term)
1 January – 31 March	April (summer term)

- If a child is already attending a provider and the parent/carer becomes eligible for the 2 year old entitlement after the termly headcount date, the parent will not be able to start claiming their entitlement until the **following term**.
- *Eligible* 2 year old children do not lose their entitlement to a free place if they cease to meet the eligibility criteria at a later date.

## 6. (30 Hours) Extended Free Entitlement for 3 and 4 year olds

All three and four-year-old children in England can receive up to 15 hours free early education per week, for 38 weeks per year.

From September 2017, the government will increase this free entitlement by an additional 15 hours per week (totalling 30 hours per week) for working parents/carers of three and four year olds who meet the eligibility criteria.

Each eligible child is entitled to receive a maximum of 30 hours per week of free early education, delivered over no fewer than 38 weeks per year (totalling 1,140 hours per year). This is including the universal 15 hours free entitlement.

### 6.1 Eligibility

- a) To become eligible, both parents/carers will need to be working (or sole parent in a lone-parent family) and each parent/carer must either:
- each expect to earn at least £115 a week or work more than 16 hours at the National Living Wage (unless they became self-employed less than 12 months ago), or each expect to earn at least £111 a week or work more than 16 hours at the National Minimum Wage (unless they became self-employed less than 12 months ago)
  - each expect to earn at least £61.92 a week if aged under 18, £84.80 a week if aged 18-20 or £52.80 a week if an apprentice (either under 19 or in the first year of apprenticeship)

Both parents/carers must also:

- live in England
- expect to have income of less than £100,000 each a year

#### (b) Additional information

- If one parent/carer is unemployed, they must become employed within 14 days of applying.
- Parent/carer means a person who has parental responsibility for the child or care of the child. In cases where a parent/carer has remarried or is living with a partner, the step-parent or partner must also meet the earnings threshold.
- Foster carers are eligible for the extended entitlement for their own children if they meet the criteria; however they are not eligible for the extended entitlement for the children that they foster.
- Only the HMRC is responsible for checking whether a parent is eligible and issuing eligibility codes.
- The Council and Providers are responsible for verifying whether a parent/carers code is valid.

## 6.2 Circumstances where a parent is not eligible

Parents/carers will **not** be eligible if:

- They are in receipt of a childcare grant
- They are a full-time student/an intern
- They are not entitled to receive public funds
- Their child has reached compulsory school age

Parents cannot claim their extended entitlement if their child is already in a full-time reception place in a maintained school or academy. Providers should ask parents if their child is will be starting a reception class in a school before offering a place.

## 6.3 Circumstances where a parent may still be eligible

Parents/carers can still apply for the extended entitlement if they are already receiving Universal Credit or tax credits, and if either parent/carer:

- is taking paid time off work, such as maternity leave, paternity leave or sick leave
- is temporarily away from England for a period of up to 6 months, for example a parents/carer is in the military (on duty)

Parents/carers can also still apply for the extended entitlement if either parent/carer is employed or self-employed and one parent/carer receives one or more of the following benefits:

- contribution-based Employment and Support Allowance
- Carer's Allowance
- Incapacity Benefit or long-term Incapacity Benefit
- Severe Disablement Allowance
- National Insurance credits because of incapacity or limited capability for work
- have been assessed as having limited capability for work for Universal Credit purposes

## 6.4 Applying for the Extended Entitlement

- Parents/carers apply for the extended entitlement and Tax-Free Childcare in a single online childcare service application delivered through the HMRC. <https://childcare-support.tax.service.gov.uk/>
- Parents/carers **do not** need to apply online if they only want to claim the universal 15 hours entitlement for 3 and 4 year olds.
- If a parent/carer is eligible for the extended entitlement, they will receive a unique 11-digit reference number beginning with '5000' or '1100' (*also see Section 6.7 – Temporary Eligibility Codes*).
- Parents/carers should take the code to their preferred childcare provider along with their National Insurance number when enquiring about a free childcare place.
- Providers must verify the code with the Council via the 'Provider Headcount Portal' to confirm eligibility.

- Provider agrees a free place and start date with the parent/carer.
- Eligible parents/carers can take up any amount of their free hours up to a maximum of 30 hours per week.

## 6.5 Verifying Eligibility

Providers are required to verify a parent/carers eligibility code before offering a free place. The provider must do this by using the '30 hour' section in the 'Provider Headcount Portal'. Please refer to the Provider Portal User Manual for instructions on how to do this.

Providers will need the following information to verify a code:

- 30 hours eligibility code
- The parent/carers National Insurance number
- The child's date of birth
- Consent from the parent allowing you to perform this check.

Once an eligibility code has been successfully verified, the provider can offer the parent/carer a place and agree a start date.

## 6.6 Reconfirming eligibility

- Parents/carers are required to reconfirm with the HMRC that they are still eligible for the extended entitlement every 3 months.
- Parents/carers will be reminded to reconfirm their eligibility 4 weeks before the deadline given by HMRC.
- Parents/carers are not required to bring their code to the provider every time they reconfirm however, they should notify you if they fall out of eligibility.
- If a parent/carer does not reconfirm their eligibility, the Council will inform the provider that the child no longer meets the requirements for the extended entitlement and they will fall into a 'Grace Period' as per *Section 6.8 - Parents who are no longer eligible for the Extended Entitlement*.

## 6.7 Temporary Eligibility Codes

- There may be some circumstance where a parents/carers eligibility code will begin with '1100'. These are known as temporary codes. These codes are issued because some applications may need manual intervention – for example the parent is required to submit paper evidence to support their application.
- Providers should accept and verify these codes in the same way as a permanent code beginning with '5000'.
- Validity and grace periods will operate as normal for temporary eligibility codes.
- The parent/carer will be issued with a permanent eligibility code beginning with '5000' at their next reconfirmation, which will replace the temporary eligibility code. Providers will need to collect these permanent codes from parents once they have reconfirmed their eligibility with HMRC.

## 6.8 Parents who are no longer eligible for the Extended Entitlement

- Parents/carers who are no longer eligible for the extended entitlement will receive a 'Grace Period'. This means that they will be able to keep their extended entitlement place for a short period.
- A child will enter the grace period when the child's parent/carer ceases to meet the eligibility criteria as follows:

Term	Date parent receives ineligible decision upon 3 month reconfirmation:	Date LA will audit eligibility codes	Parents grace period end date:
Spring (mid term)	1 Jan – 10 Feb	11 – 18 Feb	31 March
Summer (start of term)	11 Feb – 31 March	24 Mar - 1 April	31 Aug
Summer (mid term)	1 April – 26 May	27 May – 2 June	31 Aug
Autumn (start of term)	27 May – 31 Aug	24 Aug - 1 Sept	31 Dec
Autumn (mid term)	1 Sept – 21 Oct	22 Oct – 29 Oct	31 Dec
Spring (start of term)	22 Oct – 31 Dec	24 Dec - 1 Jan	31 March

- Once the 'grace period' has lapsed, the parent/carer is still entitled to the universal 15 hour entitlement for 3 and 4 year olds.

## 6.9 Placement Start Dates

Providers are reminded to ensure parents secure their child's free place before the start of the funding term. Also see *section 2.13 - Children starting and leaving a provision after the termly headcount*.

Parents/carers should get their codes verified by the provider in advance of the term that the child intends to take up their free place to reserve their place in good time. A parent/carer can reserve a place for their child with the provider prior to their eligibility being checked, but their eligibility code must be verified before the child can take up their place. Providers should encourage parents/carers to bring their codes to be verified in good time before the start of term.

Parents/carers who would like their child to start in time for the relevant term should apply for their eligibility during the following dates:

Parents should apply and have received confirmed eligibility between:	Earliest date child can start a free place
1 April – 31 August	September (Autumn Term)
1 September – 31 December	January (Spring Term)
1 January – 31 March	April (summer term)

If a child is already taking up their universal 15 hours entitlement and a parent/carer becomes eligible for the extended entitlement part-way through the term, the parent/carer will not be able to start claiming their additional hours until the **term after** the date they received their eligibility code.

# 7. Early Years Pupil Premium (EYPP)

The Early Years Pupil Premium (EYPP) provides extra funding for 3 and 4 year old children whose parents/carers are in receipt of certain benefits or who were formerly in local authority care but who left care because they were adopted or were subject to a special guardianship or child arrangements order.

## 7.1 Spending the EYPP

Early years providers should use this extra funding to improve the quality of education for disadvantaged children. For example, this could include resources or further training to support staff. Ofsted inspections will report on whether providers have spent their EYPP funding effectively.

## 7.2 EYPP Hourly Rate

The EYPP hourly rate of 3 and 4 year olds for the financial year 2017/18 is **£0.53p** per hour.

## 7.3 EYPP Eligibility

The EYPP is available to 3 and 4 year old children in receipt of the Universal and Extended Early Education Entitlements. They do not have to take up the full 570 or 1140 hours of early education they are entitled to in order to attract the EYPP.

In addition, parents/carers must be in receipt of one or more of the following:

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- support under part VI of the Immigration and Asylum Act 1999
- the guaranteed element of State Pension Credit
- Child Tax Credit (provided they're not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
- Working Tax Credit run-on, which is paid for 4 weeks after they stop qualifying for Working Tax Credit
- Universal Credit

Or, children who have either

- been in local-authority care for 1 day or more in England or Wales
- been adopted from care in England or Wales
- left care under a special guardianship order or residence order in England or Wales

Children in school reception classes who already receive the school age pupil premium are not eligible for EYPP funding.

## 7.4 EYPP Application Process

1. The Provider should first identify any children who will be eligible for the 3 and 4 year old FEEE in the relevant term.
2. The Provider should ensure that parents/carers have completed the relevant sections in their 'Parent Agreements' that collects information about the EYPP.
3. The Provider should enter the information for each parent/child into the 'Provider Headcount Portal' to check a child's eligibility for EYPP.
4. The Provider should submit a claim for each eligible EYPP child at the same time as the termly headcount via the 'Provider Headcount Portal'.
5. The Council will confirm children who are eligible for EYPP directly to the provider via the 'Provider Headcount Portal'. Eligible parents/carers will not receive confirmation from the Council; however providers should inform them of the outcome for their child.

# 8. Special Educational Needs and Disabilities (SEND)

## 8.1 Provider SEND responsibilities

Providers must ensure that they meet their duties under the Equality Act 2010 and take full account of the SEND Code of Practice 0-25 when providing free places.

Providers should be clear and transparent about the SEND support on offer at their setting and make information available about their offer to support parents to choose the right setting for their child with SEND.

A copy of the SEND Code of Practice 0-25 can be downloaded at:  
<https://www.gov.uk/government/publications/send-code-of-practice-0-to-25>

## 8.2 SEND Inclusion Fund

Providers can seek advice from the Southwark Special Educational Needs Team to support access for children with special educational needs and disabilities.

Additional funding may also be available from the team to support children's needs, subject to an application process.

Providers should contact the Southwark Special Educational Needs Team at [sen@southwark.gov.uk](mailto:sen@southwark.gov.uk) or 0207 525 4278 for further information about the application process.

## 8.3 Disability Access Fund (DAF)

The new Disability Access Fund (DAF) will pay a one off sum of £615 per year directly to providers to support access into early years for *eligible* children.

Providers who are eligible to receive FEEE funding for 3 and 4 year olds are also eligible to receive the DAF.

## 8.4 Eligibility

Parents/carers must meet the eligibility criteria below to qualify for DAF:

- the child is aged between 3 and 4 years old
- the child is in receipt of Child Disability Living Allowance and;
- the child receives the universal or extended early education entitlements.

Children in primary school reception classes are not eligible for DAF funding.

## 8.5 Applying for the DAF

Providers should ensure parents/carers have been asked to complete the relevant sections in the 'Parent Agreement' that collects information about the DAF and submit these details to the Council in the specified format requested. A copy of the child's Disability Living Allowance Award letter will also need to be submitted before funding can be confirmed.

## 8.6 Spending the DAF

The disability access fund aids access to early year's places for children with disabilities. Providers should use this fund to make reasonable adjustments to their settings and/or helping with building capacity (be that for the child in question or for the benefit of children as a whole attending the setting).

## 8.7 Additional Information

- The DAF is not based on an hourly rate and is an additional entitlement.
- Children do not have to take up the full 570 or 1,140 hours of early education they are entitled to in order to receive the DAF.
- If a child eligible for the DAF is splitting their free entitlement between more than one provider, parents will be required to nominate the main setting. This setting will be where the DAF is paid for the child.
- If a child receiving DAF moves from one setting to another within a financial year, the new setting is not eligible to receive DAF funding for this child within the same financial year. DAF funding received by the original setting will not be reclaimed.
- If a child who lives in one local authority area attends a provider in a different local authority, the provider's local authority is responsible for eligibility checking and funding the DAF.

# 9. Early Years Census / Early Years Headcount

## 9.1 Early Years Census

Regulations made under section 99 of the Childcare Act 2006, require all providers delivering free provision to children under 5 years old to provide data about children in their care to the Council when requested to do so. This is referred to as the Early Years Census, which takes place on a particular date in January each year.

The DfE provides funding to the Council based on the total number of eligible children collected in the census each year. In turn this funding is used to pay providers for the children attending their provisions.

- The Council will inform providers when the actual Census date will be each year and the type of information to be collected.
- Maintained nursery schools, maintained schools, academies and free schools will complete a separate 'School' Census which will include information about their early year's provision.

## 9.2 Information collected in the Early Years Census / Early Years Headcount

The early years census/early years headcount collects data on:

- Children who are taking up the 2, 3 and 4 year free entitlements including the relevant eligibility codes;
- Children in receipt of Disability Access Funding;
- Children in receipt of EYPP;
- Provider establishment details, including opening/closing times and staff qualifications.

## 9.3 Early Years Headcount

- Similar to the annual Early Years Census, providers are also required to submit a termly headcount claim to the Council for each child taking up a free place on a particular date stipulated by the DfE each term. This claim determines how much funding a provider will receive for each child during the term.
- The Council will inform providers of the headcount date each term. Providers are required to complete their headcount claim' through the 'Provider Headcount Portal' (see *Sections 10 – Early Years Funding Process*).
- The termly headcount dates usually fall within the following timeframes each year:

Term	Termly Headcount Submission Date
Spring Term	January (including the Early Years Census)
Summer Term	May
Autumn term	October

# 10. Early Years Funding Process

## 10.1 Provider Headcount Portal

Providers are required to claim funding for each eligible child in their care each term by using a web based system called the 'Provider Headcount Portal'. This means that you will need a computer with access to the internet to use it. You do not need any particular type of computer or any special software except your usual web browser, for example Internet Explorer, Google Chrome or Firefox, which must be the most recent version..

Providers will receive a login and password from the Council to access the Provider Headcount Portal, subject to satisfying the data protection requirements set out in the 'Provider Agreement'. See *Appendix 1 – Provider Agreement*.

The Provider Headcount Portal can be accessed here:  
[https://emsonline.southwark.gov.uk/ProviderPortal\\_live](https://emsonline.southwark.gov.uk/ProviderPortal_live)

Providers will also receive regular notifications through the Provider Headcount Portal about the termly headcount dates and information to assist providers with submitting their claims. It is therefore important that providers are able to check their notifications regularly.

## 10.2. Interim Estimated Payments (IEP)

At the beginning of each term, providers are required to access the Provider Headcount Portal to enter details of each child taking up a free place and the number of hours the child is attending. The Council will inform providers of the date for when this should be completed.

The Council will pay the provider a 50% **estimated** funding amount based on the number of children entered by the provider, in advance of the prescribed headcount date. When the provider submits an **actual** headcount claim on the prescribed headcount date, the claim balance will be adjusted to include the IEP already paid. The provider will then receive the final funding amount due for the term.

The estimated funding is allocated to each child that has been entered by the provider. This means parents must not be charged in advance for their free entitlement and then refunded later when the provider has received their headcount funding from the Council.

a) An example of how providers are paid the IEP funding is as follows:

The provider enters details for <b>10 children</b> currently in attendance at the beginning of the autumn term. The IEP funding is calculated as follows:		
15 hours per week x *13 funded weeks	=	195 funded hours per term (per child)
195 funded hours x 10 children x £5.95 hourly rate	=	Total funding is £11,602.50
Total funding £11,602.50 divided by 2 (50%)	=	£5,801.25 IEP due to the provider

- \*The total number of funded weeks will vary per term. See *Section 3 – Funding*
- To calculate funding for the Extended Entitlement, replace 15 hours per week with 30 hours per week
- To calculate funding for the 2 year old free entitlement, replace the hourly rate with £6.25.

### 10.3 Additional IEP Information

- When the provider submits their actual headcount claim on the prescribed headcount date, the IEP already paid will be deducted from any balance due.
- If a provider does not submit a headcount claim, but has been paid an IEP, the overpaid IEP will be reclaimed by the Council.
- New providers qualify for IEP the term after they have joined the scheme.
- Local Authority maintained day nurseries do not receive IEP.
- Providers who prefer not to receive IEP should inform the Free Early Learning Team.

### 10.4 Submitting a Headcount Claim

The Council will inform providers of the date for when they should submit a headcount claim. On the prescribed headcount date, providers are required to access the 'Provider Headcount Portal' to review and update the details of each child taking up a free place at the provision.

Once the provider has submitted a claim by the specified deadline, the Council will verify the claim and pay the funding due (including any adjustments) directly to the providers' bank account.

- a) An example of how providers are paid their termly headcount funding is as follows:

On the autumn term Headcount Day (e.g. Thursday 5 October), the provider updates their claim and now has **20** children in attendance. The headcount funding is calculated as follows:

15 hours per week x *13 funded weeks	=	195 funded hours per term (per child)
195 funded hours x 20 children x £5.95 hourly rate	=	Total funding of £23,205
<b>Deduct</b> £5,801.25 IEP paid at the beginning of term	=	<b>£17,403.75 due to the provider</b>

- \*The total number of funded weeks will vary per term. See *Section 3 – Funding*
- To calculate funding for the Extended Entitlement, replace 15 hours per week with 30 hours per week
- To calculate funding for the 2 year old free entitlement, replace the hourly rate with £6.25
- Deprivation funding and EYPP funding identified for any eligible 3 and 4 year olds will be added to the total amount due to the provider.

### 10.5 Additional Headcount Claim Information

- Where the headcount total is less than the IEP previously paid, the over-paid difference will be carried forward and reclaimed from the provider in the following term, providing a claim is submitted.
- If a claim is not submitted in the following term, an invoice will be sent to the provider to re-pay the overpaid amount back the Council.

- Providers must ensure that their termly headcount/Census submissions are received by the Council by the required deadlines. If a provider fails to submit their headcount claim by the prescribed deadline date, the provider will not receive an IEP payment in the following term.
- Providers must not enter a claim for a child who has not yet started the provision.
- Providers must inform the Council of a child leaving the provision by entering a '**leave date**' against the child's claim via the Provider Headcount Portal'. Please refer to the Provider Portal User Manual for instructions on how to do this.
- Providers are responsible for ensuring that all eligible children are recorded on their headcount claim submissions to the Council. **If a provider fails or forgets to claim for an eligible child that is attending their provision, they will not be able to claim back dated funding for the child at a later date.** This circumstance is not the responsibility of the Council to resolve and will become a matter for the provider to resolve with the parent.
- Providers must ensure that children recorded in their headcount claims have the relevant proof of eligibility and must provide this to the Council upon request.
- Children aged 4 attending a maintained school or Academy reception class must not be included in the early year's headcount.
- Children wishing to start at a provider after the termly headcount date will not be funded and must wait until the following term. *See Section 2.13 - Children starting and leaving a provision before or after the termly headcount*

## 10.6 Duplicate Claims

If a claim is received from two providers for the same child and the attendance between both provides exceeds the 15 hours or 30 hours entitlement, the Council will request evidence from both providers of the child's attendance at the provision.

The parent may also be requested to confirm this information and/or which provision they nominate to take up the entitlement.

If evidence proves that the child is no longer attending either one of the providers, the child will be removed from the affected providers claim and any funding paid will be reclaimed from the provider.

# 11. Auditing

## 11.1 Purpose of the Audit

The Council has a duty to ensure that public money is properly utilised for the purpose it is given and that the terms and conditions of the free entitlement are being adhered to. For this reason, the Southwark Free Early Learning Team will audit a sample of providers each year in accordance with the following principals:

- To ensure that the early education funding paid to providers is used for the purpose intended.
- To ensure providers are adhering to the Council's 'Free Early Education terms and conditions set out in the 'Provider Agreement'.
- To ensure parents/carers receive their child's entitlement completely free of charge from the date their child becomes eligible.

## 11.2 Arranging the Audit Visit

Providers will be contacted by telephone or email to arrange a convenient time and date. This will be followed by a letter to confirm the appointment. A minimum of 5 working days notice will be given.

## 11.3 Audit Information Requirements

Providers will be advised which terms headcount will be audited at so that the appropriate records can be prepared in advance.

The Officer carrying out the audit will need to meet the individual responsible for providing the management and administration of the free early education funding at the provision.

The following documents must be made available on the day of the audit and the Officer will request a random sample of these to look at:

- Register of funded children for the term being audited;
- Parental Agreements of funded children;
- copies of child identification of funded children e.g. copies of birth certificates etc.;
- copies of parents invoices/statements showing the free early education entitlement;
- Bank statements showing the credit of free early education funding received from the Council;
- Proof of eligibility records for funded 2 year olds and 30 hour extended entitlement children;
- The provisions own publicity / information given to parents about the entitlement

The Officer conducting the audit will also be looking for evidence and compliance in the following areas:

- Knowledge and understanding of the free early education entitlement;
- Admissions policy / Children's eligibility;
- Record keeping;
- Free Entitlement delivery;
- Funding and financial accountability;

- Security and Data Protection;
- Early Years Pupil Premium

#### **11.4 After the Audit Visit**

- After the visit, a summary report will be sent to the provider within 20 working days detailing the findings. If necessary, the report will also set out any actions/recommendations the provider will be required to comply with.
- The provider will be required to respond to or remedy any actions/recommendations as a result of the audit within a required timeframe set by the Council.
- A follow up visit to the provision may be required to confirm that the actions have been completed.

#### **11.5 Local Authority Conditions**

Funding to a provider may be delayed or withdrawn if the Council is unable to successfully complete an audit as follows:

- The provider fails, without reasonable explanation to respond to requests, or cancels a visit after the Council's third attempt of trying to arrange a visit.
- The provider has failed to remedy any findings from the audit within the specified timeframe.
- The provider is unable or refuses to provide the required information stipulated in *Section 11.3 – Audit Information Requirements*.
- The audit reveals any breaches of the terms and conditions of the free early education entitlement.

If the Officer conducting the audit has any reason for concern regarding the learning environment or the providers practice in line with Ofsted requirements whilst on the premises, the Officer will have a duty to report these concerns to the relevant authorities.

The Council also reserves the right to contact parents/carers of children accessing the FEEE to verify information in their 'Parent Agreements'.

# 12. Data Protection

## 12.1 Keeping Information Safe

The way in which the Council collects and manages data and information is subject to a strict regulatory framework controlled by the Information Commissioner's Office (ICO) which acts as the Government's watchdog.

As a provider of free early education, personal data will come into yours, and your staff's knowledge, possession or control. In relation to such personal data, the providers must:

- Only access information where required by their role
- Only use information for the purposes it has been provided
- Not make personal or other inappropriate remarks about service users or colleagues on manual files or computer records. Every individual has a right to view confidential information held about them and to have a copy of that information.
- Familiarise themselves with the provisions of the Data Protection Act 1998

Providers are also required to issue parents/carers with a fair processing notice explaining how their data and data about their child will be used.

## 12.2 Provider Headcount Portal

Users of the Councils Provider Headcount Portal are required to acknowledge their duties in relation to data protection. Authorised users are required to have their own individual user names and passwords and must not use another person's detail to access the system, even if they have been given permission to do so.

Providers must not allow anyone to access the system for whom the Council has not given authorised access.

Providers are required to inform the Council if a registered user has left the provision, or if a registered person needs to be changed.

A provider's access to the Headcount Provider Portal may be revoked if there is evidence of a breach in data protection.

## 12.3 Privacy Notice

The London Borough of Southwark is committed to ensuring that the personal and sensitive information that it holds about providers, parents/carers and children is protected and kept safe and secure.

The Council has appropriate technical and organisational measures in place to prevent the loss, misuse or alteration of your personal information.

The Council uses information about children and young people to enable it to carry out specific functions for which it is responsible. The Council will also use this personal data to derive statistics which inform decisions it makes, for example the funding of providers. These statistics are used in such a way that individual children cannot be identified.

However, if there are any concerns that a child may be at risk of significant harm, or an adult may be at risk of serious harm, The Council may need to share your personal information with organisations that it works with.

The Council shares some of the information it collects with the Department for Education (DfE) to enable them to; produce statistics, assess the Council's performance, determine the destinations of young people after they have left school or college and to evaluate Government funded programmes.

For children under 16, a parent or guardian can ask that no information other than their child's name, address and date of birth (or their own name and address) be passed to a Local Authority. This right transfers to the child on their 16th birthday. Pupils and/or a parent/guardian will need to inform the provider/Council if this is what they wish.

The DfE may share individual level personal data that the Council supplies to them, with third parties. This will only take place where legislation allows it to do so and it is in compliance with the Data Protection Act 1998.

Decisions on whether the DfE releases this personal data to third parties are subject to a robust approval process and are based on a detailed assessment of who is requesting the data, the purpose for which it is required, the level and sensitivity of data requested and the arrangements in place to store and handle the data. To be granted access to pupil level data, requestors must comply with strict terms and conditions covering the confidentiality and handling of data, security arrangements and retention and use of the data.

For more information on how this sharing process works, please visit:

<https://www.gov.uk/guidance/national-pupil-database-apply-for-a-data-extract>

If you require more information about how the Council and DfE store and use your personal data please visit:

Southwark Council Website: [www.southwark.gov.uk](http://www.southwark.gov.uk)

DfE Website: <https://www.gov.uk/data-protection-how-we-collect-and-share-research-data>

# Contact Us

## Early Years Providers

If you have any queries about the contents of this document or require support in regards to the delivery of the FEEE, please contact us at:

Email: [feeeadmin@southwark.gov.uk](mailto:feeeadmin@southwark.gov.uk)

Telephone: 0207 525 1571 / 0207 525 5049

Or write to us at:

Free Early Learning Team  
Children's and Adults Services  
4<sup>th</sup> Floor, Hub 2  
P.O Box 64529  
London  
SE1P 5LX

## Parents/Carers

Parents and carers can contact us about with enquiries about the free entitlement at:

Email: [earlylearninginfo@southwark.gov.uk](mailto:earlylearninginfo@southwark.gov.uk)

Free phone telephone number: 0800 013 0639