

SAFE WELL PROSPEROUS CONNECTED

**Appendix B  
Early Years Funding Handbook**

**September 2019**

## Contents

1. Safeguarding	3
2. Eligibility	3
Two Year Olds:	3
Three and Four-Year Olds:	4
3. The Grace Period	7
4. Flexibility	8
Stretched provision	9
5. Partnership Working	9
6. Special Educational Needs and Disabilities	9
Disability Access Fund (DAF)	9
Inclusion Funding	10
7. Social Mobility and Disadvantage	10
Early Years Pupil Premium	10
8. Quality	12
9. Business Processes	13
Claim Period	13
Procedure for claiming EEF	14
Parent Agreement Forms (PAFs)	15
Amendments	16
Annual Early Years Census	16
10. Charging	16
Charging for non-compliance with funding processes	17
11. Funding	17
Payments	19
Timescales	20
Funding Alterations:	21
Phasing/Settling in Periods	21
Staggered Intakes	21
Using two or more Providers	21
Cross Border Arrangements	22

12. Attendance of funded children	22
Holidays	22
Sicknesses	22
Extended Absence	22
Attendance of extended hours	23
Grace Period	23
Non-attendance	23
Not attending for full hours	23
Notice Periods	23
School Phased Intakes	24
Closure during EEF period	24
13. Protection of Personal Data and Security of Data	24
14. Freedom of Information	25
15. Insurance	26
16. Compliance	26
17. Termination and withdrawal of funding	27
18. Appeals Process	27
19. Complaints process	27
Stage One – Informal resolution	28
Stage Two – Formal resolution	28

## 1. Safeguarding

The Agreement outlines the safeguarding requirements in full. Further information can be found on the Children's Multi Agency Resilience website -  
<http://www.northlincscmars.co.uk>.

## 2. Eligibility

### Two Year Olds:

Two-year olds who live in North Lincolnshire and meet any one of the following criteria will be eligible for a funded place of up to 15 hours per week/570 hours per year:

Parent/Guardian is in receipt of:

- Income Support
- Income-based Jobseeker's Allowance (JSA)
- Income-related Employment and Support Allowance (ESA)
- Universal Credit – if a parent is entitled to Universal Credit and they have an annual net earned income equivalent to and not exceeding £15,400, assessed on up to three of the parent's most recent Universal Credit assessment periods.
- Tax Credits and have an annual gross income under £16,190 before tax
- Support through part 6 of the Immigration and Asylum Act
- The guaranteed element of State Pension Credit
- The Working Tax Credit 4-week run on (the payment you get when you stop qualifying for Working Tax Credit)

Or if the child:

- has a current Education, Health and Care Plan
- attracts Disability Living Allowance
- is looked after by their local authority or
- has left care through special guardianship or through an adoption or child arrangements order.

From September 2019, there are new groups of children who will be entitled to a free place.

These are:

- Children of Zambrano Carers;
- Children of families with no recourse to public funds with a right to remain in the UK on grounds of private/family life under Article 8 of the European Convention on Human Rights;
- Children of a subset of failed asylum seekers (supported under section 4 of the Immigration and Asylum Act 1999 – 'the 1999 Act').

Children who are eligible will only be able to commence their place the term after their second birthday.

<b>Children born between the following dates:</b>	<b>Will be eligible for a funded place from:</b>
1 <sup>st</sup> April to 31 <sup>st</sup> August (inclusive)	The start of the Autumn term following their 2 <sup>nd</sup> birthday
1 <sup>st</sup> September to 31 <sup>st</sup> December (inclusive)	The start of the Spring term following their 2 <sup>nd</sup> birthday
1 <sup>st</sup> January to 31 <sup>st</sup> March (inclusive)	The start of the Summer term following their 2 <sup>nd</sup> birthday

A child will continue to receive their place once they have taken it up, even if the family circumstances change and the child no longer meets the criteria until they become eligible for three-year old funding.

### **Three and Four-Year Olds:**

#### *Universal Entitlement:*

All children are eligible for the universal entitlement (15 hours per week/570 hours per year) the term after their third birthday until they reach statutory school age. The table below shows when a child will become eligible for a funded place:

<b>Children born between the following dates:</b>	<b>Will be eligible for a funded place from:</b>
1 <sup>st</sup> April to 31 <sup>st</sup> August (inclusive)	The start of the Autumn term following their 3 <sup>rd</sup> birthday
1 <sup>st</sup> September to 31 <sup>st</sup> December (inclusive)	The start of the Spring term following their 3 <sup>rd</sup> birthday
1 <sup>st</sup> January to 31 <sup>st</sup> March (inclusive)	The start of the Summer term following their 3 <sup>rd</sup> birthday

The above dates are consistent with those used for determining the commencement of compulsory education.

Children must attend the Provider for a minimum of two weeks in order to be eligible for Early Education Funding (EEF). Should parents choose to remove their child before this qualifying period, it is your responsibility to make them aware that they will be liable for all costs incurred.

A child who first takes up their place part-way through the year will secure a pro-rated number of free hours with their total number of hours being adjusted to reflect the portion of the year remaining.

A child moving to England from another country is entitled to EEF on the same basis as any other child regardless of whether they have British citizenship.

**For all funded children, proof of date of birth needs to be seen prior to starting any funded place.**

### *Extended Entitlement:*

The entitlement has extended to 30 hours a week for eligible working families. This means that eligible families will be able to access up to a total of 1,140 hours of funded early education and childcare a year.

### **Who will qualify for the extended entitlement?**

Parents (and their partner where applicable) of three and four year olds need to meet the following criteria in order to be eligible for the extended entitlement:

- they should be seeking the free childcare to enable them to work; (Parents can apply up to 31 days before taking up or returning to work).
- they should be in qualifying paid work. Each parent or the single parent in a lone parent household will need to expect to earn the equivalent of 16 hours at the national minimum wage or national living wage over the forthcoming quarter.
- where one or both parents are in receipt of benefits in connection with sickness or parenting, they are treated as though they are in paid work;
- where one parent (in a couple household) is in receipt or could be entitled to be in receipt of specific benefits related to caring, incapacity for work or limited capability for work that they are treated as though they are in paid work;
- Where a parent is in a 'start-up period' (i.e. they are newly self-employed) they do not need to demonstrate that they meet the income criteria for 12 months;
- If a non-EEA national, the parent must have recourse to public funds.

## **FOSTER CARERS**

Children in foster care who are aged three or four years old will be able to receive 30 hours funded childcare, if the following criteria are met:

- Accessing the extended hours is consistent with the child's care plan; and
- Where there is a single foster parent family, the foster parent is engaging in paid work outside their role as a foster parent; or
- Where there are two foster parents in the same fostering household, both are engaging in paid work outside their role as a foster parent.

Before progressing further, foster carers should discuss eligibility with their social worker who will advise them of the application process.

### **Who will not qualify?**

A parent will not meet the criteria when:

- Either parent has an income of more than £100,000.
- Either parent is a non-EEA national and subject to immigration control (and has no recourse to public funds).
- Students.

### *Applying for the extended entitlement*

Parents must apply via the digital childcare service – [www.childcarechoices.gov.uk](http://www.childcarechoices.gov.uk). HMRC is responsible for checking whether a parent is eligible and issuing the eligibility code. In some instances they may have to apply by phone using the Customer Interaction Centre

(0300 123 4097). If their application is successful they will be given an 11 digit eligibility code with a validity start date, validity end date and grace period. Foster carers will apply directly to the council.

Parents can apply up to 31 days before taking up or returning to work. The earliest a parent could receive a 30 hours code for their child is 16 weeks before they turn three.

### **When can the extended entitlement start?**

Parents are only legally entitled to start claiming a 30 hours place for their three and four year old **the term following the date they receive a decision from HMRC**.

<b>Validity Start Date falls between</b>	<b>Will be eligible for the extended entitlement from:</b>
1 <sup>st</sup> April to 31 <sup>st</sup> August (inclusive)	The start of the Autumn term following the validity start date
1 <sup>st</sup> September to 31 <sup>st</sup> December (inclusive)	The start of the Spring term following the validity start date
1 <sup>st</sup> January to 31 <sup>st</sup> March (inclusive)	The start of the Summer term following the validity start date

However, funding will also be paid where parents **have applied** (or reconfirmed) by the deadline but receive their valid 30 hours eligibility code up to 14 days after the beginning of term (due to HMRC not being able to make an instant decision) – see below. In this instance, HMRC will change the start date back to a valid date. The council has no discretion on this automated process.

**Parents may receive eligibility codes before their child is three but they can only start claiming their 30 hours funding the term following the child's third birthday or the term following the date the eligibility code was issued (whichever is the later). It is your responsibility to check the child has an eligible date of birth prior to offering them a place.**

If a child is taking up their universal 15 hours entitlement and a parent becomes eligible for 30 hours part-way through the term, the parent cannot start claiming their extended hours until the term after they received their code.

### *Verifying Eligibility*

Parents wishing to reserve a 30 hours place will present the Provider with their 30 hours eligibility code. The parent's eligibility code will be 11 digits long and usually begin with the number '500'. There might be some circumstances where a parent's code will begin with '11'. These are temporary codes that will allow parents to claim 30 hours for a short period until they can apply through the digital childcare service. Foster parents who apply through the council will receive codes beginning with '400'.

Providers should ask parents to bring their code, together with the National Insurance number of the parent who made the application and the child's date of birth, to them as soon as they receive it. This code can then be verified using the Provider Portal. A parent cannot take up their 30 hour place until the code has been verified. Prior to verifying the code, written consent of the parent must be obtained. The [Parent Agreement Form](#) (PAF) can collect this information.

## Reconfirming Eligibility

Every three months parents will need to reconfirm that the details they entered on their application are still accurate. This is to check that they are still eligible. They will be prompted, via email by HMRC, four weeks before their reconfirmation deadline and again two weeks before the deadline if they still have not reconfirmed. This prompt will tell them that they need to reconfirm. If their circumstances have changed, they will need to log into their childcare account, amend and then resubmit their details. If their circumstances have not changed, they only need to confirm that their details have not changed. Parents that completed their original application over the phone should call the childcare service helpline to reconfirm their eligibility. Temporary codes beginning '11' expire and so parents will 'reconfirm' by completing a new childcare services application online. **Parents will need to reconfirm regardless of whether their child has started their 30 hours place.**

If parents miss the reconfirmation deadline, or if their circumstances change, they will receive a message telling them that their eligibility has lapsed. Although they are no longer eligible, if their child is already in a 30 hours place, they will be able to retain their childcare place for a short period; this is known as the grace period. If a parent becomes eligible again for 30 hours after they have fallen out of eligibility, they can log into their childcare account and resubmit their childcare service application and **present their code to their Provider again for verification**. If the same parent completes this application; they will receive the same eligibility code.

The council advise you to remind parents to reconfirm with HMRC at least two weeks prior to their end date. **The eligibility end date is the deadline by which to confirm.** This will help you to manage your childcare places and eligibility of families.

If a parent applies before their children meet the age criteria (term after third birthday) they may have to reconfirm eligibility prior to starting their place.

## 3. The Grace Period

The grace period enables parents to retain their childcare place for a short period if they become ineligible for 30 hours. The grace period will automatically be assigned to each eligibility code by the Eligibility Checking Service. There are specific grace period cut-off dates that are shown in the table:

Validity End Date:	Grace Period End Date:
1 January – 10 February	31 March
11 February – 31 March	31 August
1 April – 26 May	31 August
27 May – 31 August	31 December
1 September – 21 October	31 December
22 October – 31 December	31 March

The 'validity start date' is the date on which the parent has been made eligible by HMRC and been issued with a code. The 'validity end date' is the parent's 'deadline' for reconfirming and the date their code becomes invalid if they do not reconfirm or are found ineligible. Their 'grace period' date is the last date on which they should receive their 30 hours place after falling out of eligibility and is generated by the ECS.

A child should not start a new 30 hours place in their grace period. This includes in the following scenarios:

- Where a parent falls into their grace period before the child has started a 30 hours place
- Where a parent falls into their grace period whilst their child is in a 30 hours place, and the parent attempts to move the child to a different setting

A grace period will not continue beyond the age that a child has achieved compulsory school age (the term following their fifth birthday).

The council are required to inform Providers where a parent has fallen out of eligibility and inform them of the grace period end date, this information is provided by the council in the Provider Portal on the 'expiration dashboard'. You are advised that you should check this at least monthly. You can see all children that are close to their eligibility end date (coloured amber) or are in their grace period (coloured red). The Provider Portal checks the status of children close to their end date or in the grace period every day. If the parent has reconfirmed with HMRC the Provider Portal will automatically update their record and change the colour of their record to green. You also can perform a check which will provide an immediate response as to whether the parent has reconfirmed. If the dates do not change the parent has not reconfirmed.

A parent is able to take up a 30 hours place in their grace period if they fall out of eligibility in the period following the 31<sup>st</sup> termly deadline (31<sup>st</sup> August, 31<sup>st</sup> December or 31<sup>st</sup> March, depending on which term the scenario relates to) and before a provider's term start date. The parent is eligible to start their 30 hours place that term, as their code was valid on the termly deadline. E.g. if the summer term starts on 16<sup>th</sup> April and the codes eligibility end date is 4<sup>th</sup> April, the child is eligible for the summer term.

#### 4. Flexibility

The parameters within which the funding should be delivered:

The universal entitlement	15 hours a week (570 hours per year)
The extended entitlement	Up to an additional 15 hours per week subject to meeting eligibility criteria
Length of offer	38 weeks minimum Stretched offer up to 51 weeks allowable
Maximum number of hours a day	10 hours
Minimum session length	There is no minimum session length
Number of Providers	Parents can use their hours between multiple Providers, but no more than two sites in one day
Eligible Hours and Days	Between 6am – 8pm Monday – Sunday inclusive
Ensure children are able to take up their entitlement in continuous blocks without artificial breaks in the day wherever possible.	

Providers can choose when they wish to offer the funding. This is called their pattern of delivery. A parent/carer does not have a right to access funded hours outside of the Providers stated pattern of delivery. However a Provider, including maintained/academy nurseries, cannot insist that a parent takes up a full pattern. This means that the parent is entitled to access as many or as few of the hours/sessions as they wish.

Providers should note there is no requirement for all early education places to be delivered only over 38 weeks of the year or in line with maintained school term dates. The council fund 38 weeks a year and it is for Providers to determine exact dates for delivery.

In the case of school nurseries the admissions policy must make clear that parents are aware that attendance at a school nursery does not guarantee admission to the school. Parents must apply for a place at the school if they want their child to transfer to the reception class.

Free entitlement hours cannot be compressed i.e. a parent cannot take more than 15 or 30 hours per week over fewer than 38 weeks of the year. However, a parent can choose a provider that is open for fewer than 38 weeks of the year and therefore receive 15 or 30 hours a week during fewer weeks.

### **Stretched provision**

A child is entitled to 570 (universal entitlement)/1,140 (universal and extended entitlement) funded hours per annum. If a child does not attend for the full 15/30 hours per week they can claim less hours per week to take over a longer period (stretched).

More detailed guidance can be found on the [council website](#).

## **5. Partnership Working**

An interactive toolkit has been developed to help Providers set up or join a partnership, maximise the benefits of working together and tackle the challenges joint working can bring<sup>1</sup>.

Where the extended entitlement is being shared amongst Providers, an agreement may be drawn up to give a clear understanding of the Providers' responsibilities.

## **6. Special Educational Needs and Disabilities**

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

The DAF is a fund which aids access to early years places by, for example, supporting Providers in making reasonable adjustments to their provision/and or building capacity.

Children will be eligible for DAF if the child meets both of the following criteria:

- Is in receipt of child Disability Living Allowance and
- Receives three and four-year old funding (either Universal or Extended)

<sup>1</sup> <https://www.familyandchildcaretrust.org/dfes-30-hour-mixed-model-partnership-toolkit>

Providers with three and four-year olds eligible for DAF can claim a one-off payment currently £615 per year. If the child changes Providers within the financial year, the new Provider will **not** receive another payment of DAF. The new Provider will need to wait until the following financial year. DAF is not transferable between Providers unless agreed between the Providers given the particular circumstances of the child.

To claim DAF, Providers must obtain the parent/carer's consent via the PAF. The parent may need to submit a copy of the child's Disability Living Allowance letter. If the child is splitting their funding across more than one Provider, the parent needs to nominate the Provider that will receive the DAF.

Providers should keep a record of DAF payments received and how this money was used, as well as the impact it had for the child for whom the payment was received.

## Inclusion Funding

At times, Early Years Providers may find they are unable to meet the needs of a child with identified Special Educational Needs and Disability within existing resources. The council has an Inclusion Fund to which Providers can apply for additional funding to enhance their provision to meet the needs of the child (where they are known to specialist services or agencies). Applications will be considered by the Early Years Inclusion Funding Panel.

Providers must discuss claiming additional funding with the Early Years SEND Team and complete the relevant paperwork to submit to the Early Years Inclusion Funding Panel by the published deadlines. An action plan is required that will demonstrate how the additional funding will be used to support the needs of the child to ensure the practice is fully inclusive.

In the first instance, the panel may agree, where a child attends for less than their early education funding entitlement to top up the funding using the additional hours available to the child. In this instance additional inclusion funding will be included in your interim and actual payments of early education funding. If a parent chooses to increase the hours their child attends or wishes to split the funding with a second Provider this cannot be refused based on the child's educational/additional needs.

Where a child attends for their full entitlement or wishes to increase their hours to their maximum entitlement in this instance additional funding will be sought from the Early Years Inclusion Fund.

All applicants are advised of the decision of the panel in writing.

## 7. Social Mobility and Disadvantage

### Early Years Pupil Premium

The Early Years Pupil Premium (EYPP) is for three and four year olds whose families meet the Free School Meal criteria<sup>2</sup> or for children that are or have been in the care of a local authority<sup>3</sup>.

<sup>2</sup> In England children are eligible to receive FSM if their parents are in receipt of any 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 Guaranteed element of State Pension Credit, Child Tax Credit (provided they are not entitled to Working Tax Credit and have an annual gross income of no more than £16,190 as assessment by HMRC), Working Tax Credit run-on and Universal Credit - the household income must be less than £7,400 a year (after tax and not including any benefits)

## *Funding*

The funding amounts to approximately £300 per child per annum if they are accessing the full 15 hours of childcare with you.

The funding is paid at 53p per hour per child termly within your estimate and final payment. New starters will be paid in the final payment only. The funding will be identified separately on your end of term financial breakdown.

EYPP is only payable on the universal entitlement. If a 30 hour child is eligible for EYPP and they attend two providers, the universal hours will be shared to ensure both providers receive some EYPP.

## *Collection of Data*

The onus is on you as Providers to collect the data and check the accuracy of the information that you are given. You are not required to check any supporting documentation from parents (i.e. benefit letters, etc.). In some instances the council may request a copy of information to clarify entitlement which you should seek from the parents/guardians and send to the council.

The PAF collects parents/guardians information to enable a check of their entitlement. This includes their date of birth and National Insurance Number or NASS reference number (asylum seekers only). This information should be entered into the Provider Portal during the final claim process (when you have a completed PAF). The information will only need to be entered once and will be retained in the system from then onwards. The checking of data will at the final payment stage. If a child is eligible, they will receive EYPP until they start in reception. If they are not eligible they will continue to be checked termly providing parental consent remains.

If parents choose not to provide the data, or know they are not eligible they cannot be forced to provide their personal details, however it is in your and their child's interest to collate the data and enhance the level of funding you receive to maximise their child's learning and development opportunities.

If a families circumstances change whilst they are in receipt of three and four year old funding and they become eligible for EYPP they should be encouraged to complete a new PAF. The council provide materials to support you in approaching parents to determine if they are eligible for the funding.

## *How will we know which children?*

Once child is eligible for EYPP they remain eligible until they start school. Each term, new eligible children will be shown on your final funding report in the portal. This does not mean that if a child is not eligible for the funding but would benefit from additional support they cannot take part in any additional activity or intervention that you plan. Likewise you will have deprivation funding which can also be used to support other children or enhance provision for all children's learning and development. Every child eligible for EYPP is paid an additional 5p per hour per child in deprivation funding.

---

<sup>3</sup> Children looked after the Local Authority for at least one day, have been adopted from care, have left care through special guardianship or are subject to a child arrangement order.

### *How to use the EYPP?*

You must use the funding to improve the quality of early years education for disadvantaged children, as identified. Providers are best placed to understand the needs of disadvantaged children that you work with.

The Government encourage Providers to use their funding to contribute towards reconfiguring the nursery to be teacher led and employing a teacher, but Providers should use the funding on strategies they think will be the most effective in their nursery. It is expected that Providers will consult the evidence on what works in improving quality when making decisions about how to use their EYPP funding. The Education Endowment Foundation share best practice on how to improve the attainment and wider outcomes of children and young people including the early years. There is an Early Years Toolkit available that includes practice in schools and the private and voluntary sector (<https://educationendowmentfoundation.org.uk/school-themes/>). The Early Years Team also supports Providers in identifying best practice in supporting disadvantaged groups of children.

Some Providers may only have one or two children in which case you may like to consider working in partnership with other Providers to access training or a shared resource. The Early Years Team works with Providers that are looking for partnership opportunities.

### *Monitoring Spend*

Ofsted will expect you to be able to identify the children for whom EYPP is payable and to be able to demonstrate the impact of the additional funding on the children's learning during an Ofsted Inspection Visit (under the leadership and management judgement).

You will be required to submit details of spend for Looked After Children each term including how the money was used to support the child's Personal Education Plan and the impact of the funding on the child's learning and development.

The Early Years Team can support you in investing the monies effectively to support children's learning and measuring impact if required to support your Ofsted inspection.

## **8. Quality**

Local Authorities are required to fund early years and childcare provision purely on the basis of their Ofsted judgement as follows:

Two year olds	<ul style="list-style-type: none"> <li>• Providers judged 'good' or 'outstanding' by Ofsted.</li> <li>• Where there are not sufficient places, 'requires improvement' Providers will be considered.</li> </ul>
Three and four-year olds	<ul style="list-style-type: none"> <li>• Providers judged 'requires improvement', 'good' or 'outstanding' by Ofsted.</li> </ul>

New Providers registered with Ofsted will be funded for two, three and four-year olds until the Provider's first full Ofsted inspection judgement is published, if a parent wants their child to take up their funded early education at that Provider and the Provider is willing to accept the council funding and any other council requirements in the funding agreement.

### *Providers that have a Requires Improvement Ofsted judgement*

The council will support Providers in meeting the actions identified by Ofsted via an EEF action plan and will use the EYFS statutory requirements; the Early Years Evaluation Schedule to assist them with this.

- Providers must meet the post Ofsted Action Plan targets and will be continuously monitored by the council to ensure embedding of practice within the provision.
- Ofsted have the final decision as to whether the Provider has complied with and met these actions.
- The council will set out requirements to address particular concerns (that have been raised by Ofsted) about how a Provider judged less than 'good' is using the Early Years Pupil Premium to support their disadvantaged children.

## 9. Business Processes

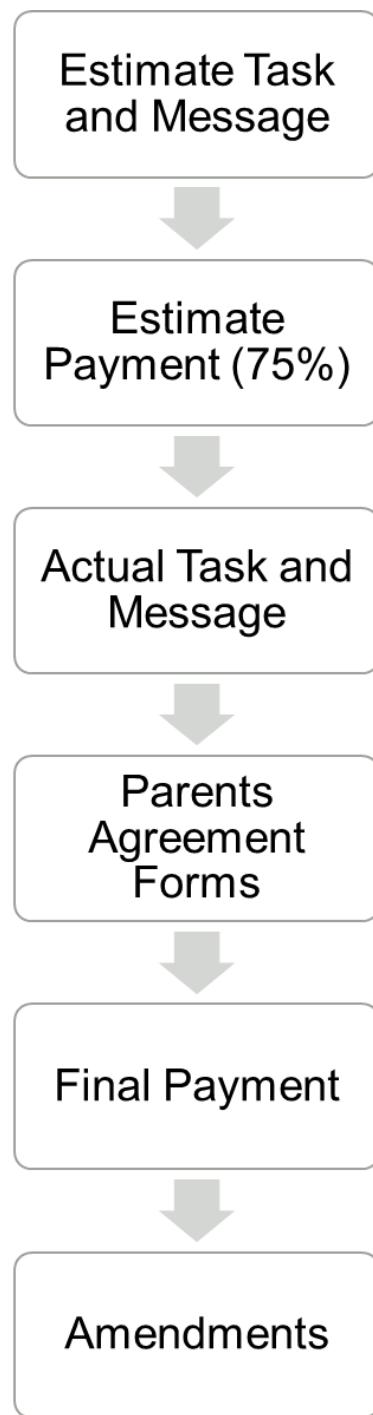
### **Claim Period**

EEF is payable for children within the eligible birth date range claiming two-year funding and the universal entitlements up to 15 hours per week for up to 38 weeks per year (570 hours per year) and up to 30 hours per week (1,140 hours per year) for the extended entitlement. The academic year (September to August) is 38 weeks. The financial year (April to March) can be more or less than 38 weeks dependent on when Easter falls. Therefore the council measures 38 weeks over an academic year.

The council will fund a set pattern of 12 weeks for the summer and spring terms and 14 weeks for the autumn term regardless of the actual number of term-time weeks. Providers have flexibility to set the dates in which they offer funded places. Therefore they do not have to be the same as the council's term-time dates.

A Provider's chosen 'funded period' (dates for funded children) must be notified to parents in advance of the start of the funded period/term. If parents choose to access hours on a date outside the 'funded period' which results in the child exceeding their funded entitlement then a charge can be made. If less than 38 weeks are provided, Providers should claim the exact number of weeks provided.

Procedure for claiming EEF:



To claim EEF Providers must use the Provider Portal to submit children's data. A comprehensive guide, as well as checklists to follow when completing the task can be found [here](#).

No claims can be made for the following:

- Children who have not attended for a minimum of two weeks
- Children who are not born within the eligible birth dates
- Children who are two but are not approved two year olds
- Children whose parents/guardian have not completed a PAF (at the actual only)

- Children who are claiming in excess of their entitlement (children are entitled to a maximum of 15 hours per week/ plus 15 extended hours with a verified eligibility code)
- A child included on the estimate claim who did not start the term for which funding is being claimed
- Children with eligibility codes for extended hours starting in their grace period in the current term
- A child who has left between funding terms with no notice period given
- Funding cannot be claimed for children retrospectively (for previous terms where they were not included on headcounts or as amendments)

### Parent Agreement Forms (PAFs)

Every funded child must have a PAF completed for the number of funded hours they wish to claim. All hours attended by the child must be declared on the form, not just the funded hours.

Each Provider should have a supply of these. More copies can be obtained from the Childcare Sufficiency Team or on the [council website](#).

There are four pages to each PAF. The form itself and data protection guidelines, privacy notice and terms and conditions parents are signing to adhere too. **Parents should be given the back pages of the form if they return them with their PAF.**

A new PAF needs to be completed for each new funded child, when a child currently funded changes their hours (e.g. a child becomes eligible for 30 hours or loses eligibility, a child moving from two to three year old funding (to check for EYPP) or changes in any personal details.

The Provider must sign each PAF and record what evidence they have seen as proof of date of birth.

For extended hour's children, the PAF must clearly state their eligibility code, the Providers they are using and where they are taking their universal and extended hours.

All children contained within your final claim must have a PAF (either a new one or one on file with the council for the correct number of hours) by the deadline stated in the funding timetable. **Funding will not be paid for children who do not have a valid PAF – one that correlates to the number of hours claimed through the portal.**

Completed PAFs should be scanned as a PDF and e-mailed via the MOVEIT secure e-mail. If you have not used this before, please request a MOVEIT e-mail by contacting the Childcare Sufficiency Team 01724 298298. You will then be sent instructions on how to send.

Or they can be sent to:  
Childcare Sufficiency Team  
North Lincolnshire Council  
Hewson House  
Station Road  
Brigg  
DN20 8XJ

PARENT AGREEMENT FORMS SHOULD ONLY  
BE SENT IN ONCE THE FINAL CLAIM HAS  
BEEN SUBMITTED ON THE PORTAL

The PAF must be completed by the parent/guardian with legal responsibility and not the Provider unless the parent has reading or literacy difficulties.

An EYPP check cannot be carried out unless the parent/guardian details are complete.

**It is the Provider's responsibility to check each PAF has been completed correctly and signed.** If PAF's have not been completed as advised by the guidance notes, they may not be accepted and may be returned to be completed properly.

## Amendments

An amendment is any change to the information submitted in the actual task. A [Claim Amendment Form](#) should be used to notify the Childcare Sufficiency Team of any new starter, leaver, and a change in funded hours or change in address of a funded child since the actual task was closed. On each occasion, except a leaver, a new PAF should also be sent with the form.

Payments for amendments will either be as a separate payment at the end of the term or included in the next terms estimate payment.

**All deadlines must be complied with as set out in the [funding timetable](#). Failure to do so may result in payments being withheld or delayed and/or charges being levied on the Provider (see section 10.1).**

## Annual Early Years Census

All Providers with funded children are required by legislation to complete the Early Years Census return at the time of the Census. The annual Census date is the third Thursday in January. The Census information must relate to the activity at the Provider during census week (e.g. number of staff, registered children, opening and closing times etc.) The deadline to submit the Census is the same date as the deadline for the actual task. Detailed guidance on how to complete the Census will be made available early in the spring term.

Families' should be encouraged to start their children in or before census week where possible.

**Note: The information provided on the Census is used to determine the council's Early Years Funding allocation. Therefore it is vital that the information is received. Failure to submit a Census will affect a Provider's funding.**

## 10. Charging

All eligible children should be able to take up their funded entitlement place completely free of charge and Providers' charging policies enable this.

The funding is intended to deliver 15 or 30 hours a week of free, high quality and flexible childcare. It is not intended to cover the costs of meals, other consumables, additional hours or additional activities. Parents can therefore expect to pay for any meals offered by the Provider alongside their funded entitlement. Parents can also expect to pay for other consumables or additional activities offered by the Provider, such as nappies or trips. Where parents choose to purchase additional hours of provision, consumables or additional

activities, this is a private matter between the Provider and the parent. However, Providers must offer alternative options for parents. This could include, for example, allowing a parent to bring in their own consumables or a packed lunch, where the meal offered is not suitable for children with specific dietary needs or the parents prefers a lower cost option. The council recommend you have a separate agreement with parents related to any additional payable services that sets out clearly the charges for meals, additional activities and additional hours.

Children should be able to take up their funded hours as part of continuous provision and Providers should not have artificial breaks in the day. For example, the lunch time hour/session should form part of the funded provision where the child is attending a morning and afternoon session. Providers may wish to offer additional hours around the funded provision hours at the start or end of the day.

All parents should have the same rights to access a funded entitlement place, regardless of whether they choose to pay for additional hours of provision, optional activities or meals. Whilst the child continues to take up the 30 hours' entitlement there should be no restrictions on that place e.g. parents should not have to reserve a place each term.

Providers must ensure that their admissions information is clear and accessible for parents. Providers should also ensure that they are completely clear and transparent about which hours/sessions can be taken as funded provision and this should be consistent for all parents taking up funded hours. Providers should have clear invoicing structures in place for parents.

Providers can charge a refundable deposit to parents accessing the funded entitlements for three and four-year olds, for both the universal entitlement and the extended entitlement. The purpose of the deposit is to give Providers certainty that a parent will take up the place. The amount of the deposit should be reasonable and is determined by the Provider. You should make it clear to parents that you are not obliged to refund the deposit if the child fails to take up their place. Where a deposit is charged to parents, if a child takes up their funded place the monies should be refunded by the first half term at the latest.

Childminders may offer a chargeable on-call service as part of their offer to parents. This service could include providing emergency childcare cover whilst the child is in another Provider taking up funded hours.

The rates charged for privately funded hours are a matter for the Providers to decide. However, parents/carers who pay for privately funded hours should be provided with an invoice which clearly shows that they have only been charged for additional hours/services and not for the EEF. These will be checked at an audit.

Where a Provider's usual hourly rate is more than the EEF hourly rate additional top up fees MUST NOT be charged to parents/carers. Parents can be charged for additional services, for example food to cover the difference in the hourly rates paid. Providers must not deduct the amount they receive from the council from parent/carer bills. Similarly, where the normal hourly rate is less than the funded hourly rate, funding should be used to support the learning within the provision, but the difference must not be refunded to the parent/carer.

## **10.1 Charging for non-compliance with funding processes**

It is the Providers responsibility to ensure that they adhere to process requirements, claim deadlines and submit all paperwork as stated in sections 9 and 11.

If a Provider does not comply with processes, the council will charge them a proportionate amount for the inconvenience of chasing claims, additional administrative burdens or raising payments outside of the normal timescales.

Checklists have been developed to assist you in your claims and to help avoid any charges for late or incomplete information. These can be found [here](#).

Charges will be levied as follows:

<b>Incident</b>	<b>Charge</b>
Reissue of task due to non-completion by deadline	£30 per task reissue (£15 for childminders)
Raising a payment outside of the normal cycle due to late submission of task/paperwork	£30 per payment
Returning paperwork submitted too early	£10 per incident
Insufficient postage on mail	Charge as deemed by Royal Mail

Specific data/PAF incidents:

<b>Number of incidents</b>	<b>Charge</b>
0-1	No charge
2-5	£10
6-10	£20
11-15	£30
16-20	£40
21-25	£50
26-30	£60
Any more than this will be calculated in the same way	

Incident that will lead to a fine:

- Parent/Carers details not entered in the portal when they are on the PAF
- Hours on headcount not removed for leavers
- 30 hour code not validated correctly – extended hours not entered on the headcount
- Placement notification not done for a funded two year old – funded hours not entered on the headcount
- Not changing start dates and weeks on the task
- No hours entered against a child on the portal but a PAF has been submitted
- Missing PAF for a child entered on the headcount – if you inform us that you know a PAF is missing you will not be fined
- PAFs submitted after the deadline (without prior notification)
- DOB not verified on the PAF

- PAF submitted for child but child not on headcount
- New PAF not submitted for a change in hours
- Start date missing from PAF
- Funding table on PAF not completed correctly – setting name missing, hours per day not stated
- PAF not signed by setting and/or parent
- Claim amendments that should have come in with actual – not informed from setting
- Stretched errors will not be fined.

This list is not exhaustive

When late or incomplete information is chased up by the Childcare Sufficiency Team, a deadline by which to respond will be given. If this deadline isn't met the Provider will not be paid as stated on the funded timetable and they will be charged an additional £30 due to a payment being raised outside of the normal cycle.

Charges will be taken off the next available payment.

## 11. Funding

### Payments

Payment rates are as determined by the Early Years Single Funding Formula (EYSFF). This is reviewed annually. The current details for 2019/2020 are below:

#### *Two-Year Old Funding Base Rate*

All approved two-year olds will be funded at a rate of £5.20 per hour.

#### *Three and Four-Year Old Funding Base Rate*

All three and four-year olds will be funded at a rate of £4.05 per hour in the maintained, private and voluntary sector. This is for both the universal and extended entitlement.

#### *Deprivation – 5p per hour per child*

This is the only supplement that is a compulsory element of the EYSFF. This is payable termly based on the children whose families meet the free school meal criteria or children who are or have been in the care of a local authority. Deprivation funding is paid to Providers to assist you to meet the needs of children that require additional support. This may be due to a disability, language/communication barrier or other need. The funding must be used to enhance provision or staffing. You will be audited on how the funding is spent. The funding is paid along with the Early Years Pupil Premium supplement and it is recommended that this funding is used to enhance this.

### *Early Years Pupil Premium – 53p per hour per child*

This is payable termly based on the children attending whose families meet the free school meal criteria or children that are or have been in the care of a local authority. See section seven. You will be audited on how the funding is spent.

### *Sufficiency*

This is a lump sum payment paid to group Providers (pre-schools, day nurseries and school nurseries) where there is no other funded childcare within one and half miles of the provision and where there are no economies of scale due to the size of the provision.

### **Timescales**

Payment is made by bank transfer in two separate payments as follows:

- A provisional payment of 75 per cent of funding based on the estimate task. This payment is usually made during the first week of term, subject to receipt of a completed task via the Portal. This payment will include EYPP and deprivation funding for those children who received it the previous term.
- The final balancing payment (25 per cent) adjusted as per any changes made on the actual task. This will include any EYPP and deprivation funding for newly approved children, plus payment for any new DAF applications. This payment is usually made the second week after the half term school holidays.

For exact dates please check the [funding timetable](#). Please discuss this with Childcare Sufficiency Team if these arrangements are not suitable.

A Provider must repay on demand any payment of the Early Years Funding if that payment was made:

- for provision that did not meet the council's conditions and requirements
- incorrectly due to an administrative error by either party
- in respect of a period when a child had left or had not started
- and cannot be substantiated by accurate attendance, parental and financial records.

The council will ensure Providers receive funding for an eligible child from the date the child takes up their funded place in North Lincolnshire regardless of when during the term this is, as long as sufficient notice has been given at the previous Provider.

The council will follow local policy as detailed in section 12 of the Handbook on whether to reclaim funding when a child is absent from the Provider during funded entitlement hours.

Providers must maintain a specific bank account that is dual-signatory, unless the Provider is a sole trader. Funding payments will only be made to the specified bank account through the BACS system. Any alterations to the specified bank account must be notified to the council.

Providers should check their final funding report to ensure it is correct.

## Funding Alterations:

Any funding alteration due to a claim amendment form being submitted will be dealt with in the following way(s):

- If the form is received within one week before the final payment date the adjustment will be paid with the final payment.
- If the form is received after the payment date, and the adjustment results in the Provider owing the council money this will be carried over to the estimate payment of the following term. Any adjustment resulting in money being owed to a Provider will be processed within the current term as an additional payment.

Changes to these guidelines will be considered at the discretion of council officers.

## Phasing/Settling in Periods

Where appropriate, a Provider may phase in new children over a maximum period of four weeks. By the end of the four week period children should be attending as set out on the PAF unless special circumstances have been agreed with the Childcare Sufficiency Team at the council.

## Staggered Intakes

Where a staggered intake is operated by a school/academy nursery, the council will fund for the number of weeks each eligible child attends. This means that a family could claim funding at a second Provider, if their child attends prior to going to school. A child must attend for a minimum of two weeks, for you to be able to claim funding and a PAF must be in place. This does not apply to staggered intakes to a Reception class.

## Using two or more Providers

There is no limit to the number of Providers that can be used to claim the funding, but there is a limit to no more than two sites in anyone day.

Where two or more Providers are used, the Providers must work together and share information to ensure that the parent is accessing the funding correctly and that the combination of hours does not exceed 15 hours per week or 30 hours if the child is eligible for the extended entitlement.

If a child is attending more than one Provider, funding can be split between them but no more than 15/30 hours per week can be claimed. The parent must decide how funding is split and ensure each Provider is aware how many hours they should claim for. Where there is a dispute about the allocation of funding, the council will investigate and make the final decision.

When a child is eligible for the extended entitlement, the parent is responsible for choosing which Provider will receive funding for the universal and extended hours. Where a family's circumstances change and they are no longer eligible for the extended hours, the parent decides which Provider will receive the universal hours of funding.

## Cross Border Arrangements

The Provider where the child attends, not the home post code, will determine which council funds the provision. If a child is attending one Provider in one county and a Provider in another county the local authorities will agree which hours are funded at each Provider.

This also applies for approved two-year olds.

## 12. Attendance of funded children

It is important that funded children regularly attend for the number of hours per week that they have claimed funding for. Registers must show the start and finish time of the children.

In certain circumstances this is not possible due to holidays, sickness or other circumstances e.g. doctors/dentist appointment. In these instances this should be marked clearly within the register using the following key code:

H - Holiday  
S - Sickness  
U - Unauthorised  
C - Other Circumstances

(other codes can be used by the Provider as long as the meaning is clear within the register to enable the local authority officers to identify the reason for the funded child's absence during a spot check).

### Holidays

The council will fund up to six weeks holiday per year within the child's funded entitlement. If the child takes anymore their parents are responsible for making arrangements with the Provider and for any fees payable. A claim amendment form must be completed to stop funding after the six week period. A new PAF will be required when the child returns with their new start date.

**The Childcare Sufficiency Team must be informed of any child who takes in excess of two weeks holiday (in one go) and be notified when they return.**

### Sicknesses

If you have an instance of a child who is persistently absent due to a condition they may have e.g. asthma, diabetes, eczema, long term illness, this must be recorded in the [communication log](#) and details of contact with parent/carer given. It is recommended that this is raised with the officers should the Provider be spot checked.

#### Extended Absence

You should record the reason for absence and ask the parent to sign as confirmation. This evidence must be retained for audit purposes. If absence is for a long period, perhaps due to hospitalisation, consider if hours can be adjusted on a temporary basis. Early Education Funding will be paid during this period as long as a PAF has been completed.

## Attendance of extended hours

Where a parent is accessing extended hours in a full day nursery, the session length may be longer than the hours required by the parent. For example, a parent may require care from 8.30am – 5pm and the day session may be 8am – 6pm. In this instance, with the agreement of parents the council will fund the full days hours. It is essential that parents agree to this prior to taking up their funded hours and sign the PAF. Parents must be made aware that in taking up a place for their child they will lose one and a half hours of funding per day, and will not be able to access this at any other time.

## Grace Period

When a child enters their Grace Period they must continue to attend the provision in order for the funding to continue being paid. The council recognise that the parent may not want to access all their funded hours when they are not in employment, however, the child must attend for a number of hours each day in order for you to continue to claim funding for the child. Please discuss individual circumstances with the Childcare Sufficiency Team. Where a parent ceases to send their child you must follow the ‘not attending for full hours’ guidance below

## Non-attendance

If a child is absent for two consecutive days and the reason is unknown (i.e. no contact from parent or legal guardian) the Provider must contact the parent and remind them their place is funded by the council and should be accessed as agreed on the PAF.

If their attendance does not improve within two-weeks, a letter ([example can be found on the council website](#)) should be sent to the parent or legal guardian explaining that if they do not resume using their funded place it will be terminated within two-weeks (four-weeks in total). A log should be kept to record the date and details of all contact made with parents/carers.

## Not attending for full hours

Attendance should be monitored. If children are not attending for the number of hours requested each week this should be discussed with the parent/guardian. The parent or legal guardian should be contacted within a two-week period of reduced attendance and reminded that their child should be attending for the number of weekly hours they have chosen. If attendance does not improve, a letter ([example can be found on the council website](#)) should be sent to the parent or legal guardian after a further two-weeks explaining that if they do not return to attending the numbers of hours they have chosen their funded hours will be reviewed and possibly reduced the following term.

A log should be kept to record the date and details of all contact made with parents/carers.

The letters are available in different languages on the council website.

## Notice Periods

Notice periods will only be honoured in exceptional circumstances and if the place left is not filled by another child (paying/funded). **Each case needs to be discussed and agreed with the Childcare Sufficiency Team.**

Notice periods will not be honoured where a child leaves at the end of one term and does not return at the start of the following term.

### School Phased Intakes

There are some instances where schools begin a phased intake at the end of the term when the funded child is due to start the following term. You can receive funding in this instance as long as the reason for absence is documented within the register.

### Closure during EEF period

It is accepted that Providers may have no choice but to close for a day or two in cases where it would be unsafe to remain open; for example, if the heating breaks down and the temperature falls below the legal minimum or it is not possible to meet staff ratios due to sickness or bad weather. In these cases the EEF can still be claimed if you have made the Childcare Sufficiency Team aware and they have approved this.

Where possible, Providers should make every effort to provide the funded children with the additional hours to replace those they missed during the period of closure.

This policy also applies to closure for staff training; Providers must offer EEF to all eligible children for the number of weeks and days that they are in receipt of funding as per the payment schedules and therefore EEF cannot be claimed during a period of closure for staff training.

## 13. Protection of Personal Data and Security of Data

Children's details will be shared with the council. Therefore parents/carers must be made aware of this when joining the Provider and entering their details on the PAF. This can be done through the use of a Privacy Notice. Details of how North Lincolnshire Council use the data are included with the PAF. This should be given to parents to take away along with the terms and conditions of the funding that they have agreed to. **These should be retained by the parent/carer and should not be returned with the PAFs to the Childcare Sufficiency Team.**

Original PAFs/or photocopies can be stored by the Provider and retained on their premises however; any information provided by the parents for EYPP purposes must be removed.

Personal details must be stored in a secure environment.

### 13.1 Data Retention

The North Lincolnshire Council policy in relation to retention of documents is as follows:

Data	Minimum Retention
Financial information relating to funding	6 years from the end of the financial year to which the records relate
Children's Information	7 years from child's 18 <sup>th</sup> birthday
Safeguarding (Child Protection Plan)	40 years from date of birth
Looked After Child	75 years from date of birth
Adopted child	100 years from date of birth
SEND child	7 years from final involvement

The council recommend that you retain documents for this period of time, however it is for you to determine your own data retention policy.

*In the EYFS Statutory Framework, pages 31 & 32, Information & Records 3.68 – 3.73, footnote 56 - places no definitive timescale other than to state that:- '**Individual providers should determine how long to retain records relating to individual children'***

You should also check with your Insurance Company. Some insurers stipulate a timeline for retaining information in case of tribunals, complaints from parents, staff and other agencies which may lead to legal proceedings etc.

Information on data retention and GDPR requirements to support you in determining your retention policy is available at:

- **PACEY** <https://www.pacev.org.uk/working-in-childcare/spotlight-on/gdpr/>
- **The Pre-school Learning Alliance** <https://www.pre-school.org.uk/preparing-your-early-years-setting-gdpr>
- **National Day Nurseries Association** [https://www.ndna.org.uk/NDNA/Need\\_to\\_know/UK\\_Knowledge\\_Hub/GDPR\\_nurseries.aspx](https://www.ndna.org.uk/NDNA/Need_to_know/UK_Knowledge_Hub/GDPR_nurseries.aspx)
- **Information Commissioners Office (ICO)** <https://ico.org.uk/for-organisations/guide-to-the-general-data-protection-regulation-gdpr/>

### 14. Freedom of Information

The Freedom of Information Act came into force in January 2005. It provides individuals and organisations with the right to request access to our recorded information. The aim is to make us more open and accountable.

It covers all recorded information held at the time of the request, regardless of how old it is.

The Provider must register with the Information Commissioner's Office (ICO) as data controllers if they hold and store personal information including photographs.

## 15. Insurance

Annually, a copy of your Employer's Liability Certificate **and** schedule showing the level of Public Liability indemnity (minimum £10 million) is to be sent upon request to the Childcare Sufficiency Team.

## 16. Compliance

The Provider will be subject to regular monitoring to ensure they are compliant with the conditions within this handbook and to ensure that no financial mismanagement is occurring. This will take the form of any of the following requirements:

- (a) Full Early Education Funding Audit
- (b) Unannounced spot checks of registers and invoices
- (c) Submission of annual Census return
- (d) Ensuring Provider data is kept up to date upon request by the council e.g. vacancy management information on the Self Update part of the Portal
- (e) Compliance with deadline dates and all processes relating to the funding

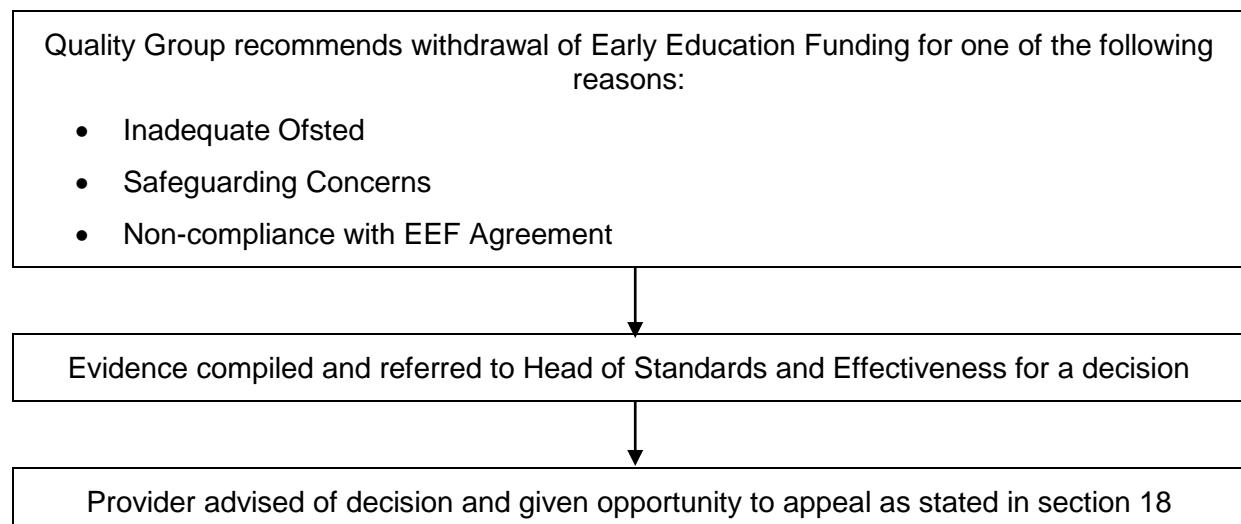
The Provider must maintain and make available on inspection, on reasonable request, a true and systematic set of relevant records both financial and otherwise relating to the provision of the Early Years Funding. In so doing, the Provider will ensure that all expenditure incurred specifically in relation to the provision of the Funded Entitlement is easily identifiable.

The Provider will use their best endeavours to safeguard these arrangements against fraud on the part of directors, governors, committee members, staff or parents with particular regard to inaccurate, incomplete or misleading claims for a payment. The Provider must notify the council immediately if they have reason to suspect that any fraud has occurred.

The Provider must ensure that the PVI termly update is attended by at least one representative of the Management. We recommend the day to day Manager and at least one member of the voluntary management committee where appropriate (not applicable to maintained schools).

## 17. Termination and withdrawal of funding

The process below will be followed if it is decided to terminate the funding agreement and withdraw the funding from a Provider.



## 18. Appeals Process

Any Provider who has been given notice of intention to remove them from the Funding Directory may appeal within 10 working days in writing to:

Head of Standards and Effectiveness, Standards and Effectiveness, North Lincolnshire Council, Hewson House, Station Road, Brigg, DN20 8XJ.

An appeals hearing will be convened to examine all the evidence in the appeal papers supplied by the council and the Provider. The Provider will be invited to attend if they wish to do so and will be informed of the decision in writing within five working days of the appeal hearing.

In the event the Provider is not satisfied with their treatment under this appeals procedure they are entitled to make a complaint to the Local Authority Ombudsman.

There can be no appeal if the removal is due to a change in Ofsted Judgement to Inadequate.

## 19. Complaints process

If a parent is not satisfied that their child has received their Funded Entitlement in the correct way they should complain to the Provider following the Provider's published complaints procedure. If a resolution is not reached, then the parent should:

## **Stage One – Informal resolution**

Contact the Childcare Sufficiency Team on 01724 298298 to raise their concerns. The Childcare Sufficiency Team will contact the Provider to discuss the concerns and aim to find a resolution. If this is not reached, then the parent should follow the formal resolution process.

## **Stage Two – Formal resolution**

Follow the council's complaints policy. This can be found here:

<http://www.northlincs.gov.uk/community-advice-and-support/local-link-offices/customer-complaints-policy/>

To make a formal complaint, the parent should make contact with the council through one of the following routes:

Via the council's website

By email to customerservice@northlincs.gov.uk

By telephoning 01724 297000

By contacting one of our advisors at a Local Link Office

In writing to 'Customer Feedback', Church Square House, 30-40 High Street, Scunthorpe, North Lincolnshire, DN15 6NL