

London Borough of Sutton Early Years Provider Agreement

Early years free childcare entitlements
April 2019 - March 2020



Contents

Contents	2
Overview And Scope	3
Legal Framework and Statutory Guidance	3
Key Service Provider Responsibilities	4
Safeguarding	5
Eligibility	6
The Grace Period	9
Flexibility	10
Partnerships	12
Special Education Needs and Disabilities	12
Social Mobility and Disadvantage	13
Quality	14
Business Planning	15
Charging and invoicing	16
Funding.	17
Compliance	20
Termination and Withdrawal of Funding	21
Appeals Process	22
Complaints	23
Service Provider declaration and registration onto the Directory of Early Years Providers (DEYP)	24

[Annex A](#): Parent Declaration form for two year old free entitlement funding

[Annex B](#): Parent Declaration form for three and four year old free entitlement funding

[Annex C](#): Guidance note: Review of Registration onto the Directory of Early Years Providers for providers judged to be Requires Improvement (RI) or Inadequate by Ofsted.

[Annex D](#): Service Provider and Local Authority obligations and legal expectations

1. Overview And Scope

- 1.1. This document is an agreement between the London Borough of Sutton 'The Local Authority' and Sutton Early Years providers 'Service Providers'.
- 1.2. Service Providers that agree and comply with the standards set out in this document will be registered on the Directory of Early Years Providers (DEYP) that will enable the provider to receive free entitlement funding.
- 1.3. The Agreement applies to:
 - the fifteen (15) hour entitlement for the most disadvantaged two-year-olds;
 - the fifteen (15) entitlement for all three-year-olds and four-year-olds (universal entitlement); and
 - the thirty (30) hour entitlement for working parents of three- and four-year-olds (extended entitlement).
- 1.4. This agreement will be kept under review and updated as necessary.
- 1.5. The Local Authority has the right to unilaterally vary the agreement to reflect changes in legislation and departmental guidance.
- 1.6. This agreement is for the local authority and early years providers who are referred to as 'service providers' and include:
 - Early years providers and childminders registered on the Ofsted Early Years Register
 - Childminders registered with a childminder agency that is registered with Ofsted;
 - Independent schools and academies taking children aged two and over and which are exempt from registering with Ofsted.

2. Legal Framework and Statutory Guidance

- 2.1. The parties shall comply with all relevant legislation. The following frameworks and legislation underpin this Agreement:
 - Early education and childcare, Statutory guidance for local authorities, June 2018.
 - Childcare Act 2006.
 - Childcare Act 2016.
 - Equalities Act 2010.
 - School admissions code 2014.
 - The statutory framework for the Early Years Foundation Stage (EYFS) 2017.

- Local Authority, (Duty to Secure Early Years Provision Free of charge) regulation 2014.The Childcare (Early Years Provision Free of Charge) (Extended Entitlement)Regulation 2016.
 - Special educational needs and disability code of practice: 0-25 years 2015.
 - Data Protection Act 2018.
- 2.2. The Service Provider must also read the following documents in conjunction with this Agreement
- Early Years Entitlements: operational guidance for local authorities and Service Providers, June 2018.
 - [Handbook](#) for Sutton FEF Service Providers. Service Providers should note that this document is issued every term and they should ensure they have the most recent document.

3. Key Service Provider Responsibilities

- 3.1. The Service Provider will be expected to deliver the free entitlements consistently to all parents, whether in receipt of fifteen (15) or thirty (30) hours and regardless of whether they opt to pay for optional services or consumables. This means that the Service Provider should be clear and communicate to parents details about the days and times that they offer free places, along with their services and charges. Those children accessing the free entitlements should receive the same quality and access to provision.
- 3.2. The Service Provider must follow the EYFS and have clear safeguarding policies and procedures in place that link to the Local Authority's guidance for recognising, responding, reporting and recording suspected or actual abuse.
- 3.3. The Service Provider must have arrangements in place to support children with Special Educational Needs and/or Disabilities (SEND). These arrangements should include a clear approach to identifying and responding to SEND. The Service Provider should utilise the Special Educational Needs/disabilities Inclusion Fund (SENDIF) and Disability Access Fund (DAF) to deliver effective support, whilst making information available about their SEND offer to parents.
- 3.4. The Service Provider should publish its admissions criteria and ensure parents understand which hours/sessions can be taken as free provision. Not all Service Providers will be able to offer fully flexible places, but Service Providers should work with parents to ensure that as far as possible the pattern of hours are convenient for parents' working hours.

- 3.5. The Service Provider must comply with all relevant legislation and insurance requirements set out in the EYFS and by Ofsted.
- 3.6. The service Provider should register with the Information Commissioner's Office (ICO) for advice, support and compliance with the Data Protection Act and GDPR.

4. Safeguarding

- 4.1. The Local Authority has overarching responsibility for safeguarding and promoting the welfare of all children and young people in its area. It has a number of statutory functions under the 1989 and 2004 Children Acts which make this clear, and the 'Working together to safeguard children' 2018 guidance sets these out in detail.
- 4.2. The Service Provider must follow the EYFS and have clear safeguarding policies and procedures in place that are in line with local guidance and procedures for responding to and reporting suspected or actual abuse and neglect. A lead practitioner must take responsibility for safeguarding and all staff must have training to identify signs of abuse and neglect. The Service Provider must have regard to 'Working together to safeguard Children' 2018 guidance.
- 4.3. If there are child protection concerns, the London Child Protection, Child Protection Procedures must be followed. This is available at:
- 4.4. <http://www.londonscb.gov.uk/resources/>
- 4.5. If a member of staff wishes to make a referral to The Local Authority's Children's Social Services or to the police, they should consult the designated person or deputy about how to do this. However, a referral must not be delayed - if the designated person or deputy is not available, a senior member of staff should be advised and the referral made to the Local Authority's Multi-Agency Safeguarding Hub (MASH). Guidance on how to make a referral can be found at:
- 4.6. https://www.sutton.gov.uk/info/200235/safeguarding_children/473/what_to_do_if_youre_worried_about_a_child/2
- 4.7. The MASH or Education Safeguarding Children's Adviser is able to discuss concerns even if the Service Provider is not sure that a referral needs to be made. The contact number for MASH is 020 8770 6001.

5. Eligibility

- 5.1. The Service Provider should check original copies of documentation to confirm a child has reached the eligible age on initial registration for all free entitlements. The Service Provider can retain paper or digital copies of documentation to enable the Local Authority to carry out audits and fraud investigations. Where the Service Provider retains a copy of documentation this must be stored securely and deleted when there is no longer a good reason to keep the data.
- 5.2. When eligibility for a two (2) year old free entitlement place cannot be established on the [parent portal](#) (because the child; has a EHCP, is in receipt of Disability Living Allowance (DLA) or the child is Looked after or adopted), the Service Provider should check original copies of documentation (such as the DLA award letter or adoption order) to confirm the child is eligible for a free entitlement place based on the non-financial criteria for a two (2) year old funding. The Service Provider can retain paper or digital copies of documentation to enable the Local Authority to carry out audits and fraud investigations. Where the Service Provider retains a copy of documentation this must be stored securely and deleted when there is no longer a good reason to keep the data.
- 5.3. The Service Provider should only offer places to eligible two-year-olds once eligibility has been confirmed and on the understanding that the child remains eligible until they become eligible for the universal entitlement for three- and four-year-olds.
- 5.4. The Local Authority must ensure that a child has a free entitlement place no later than the beginning of the term following the child and the parent meeting the eligibility criteria for the free entitlements.
- 5.5. The table below shows when a child is eligible:
A child born on or between these dates will be eligible for funding from the start of term beginning on or following these dates:

A child born on or between these dates will be eligible for funding from the start of term beginning on or following these dates:			
	Autumn	Spring	Summer
1st April – 31st Aug	1st September		
1st Sept – 31st Dec		1st January	
1st Jan – 31st Mar			1st April

5.6. Two-year-olds' eligibility criteria:

Two-year-olds can get free entitlement funding if the parent is in receipt of one of the following:

Financial Criteria
<ul style="list-style-type: none">● Income support.● income-based Jobseeker's Allowance (JSA).● income-related Employment and Support Allowance (ESA).● Universal Credit - net earnings threshold of £15,400 (a typical family earning around this threshold, depending on their circumstances would have a total income of between £24,000 and £32,000).● tax credits and you have an annual income of under £16,190 before tax.● the guaranteed element of State Pension Credit.● support through part 6 of the Immigration and Asylum Act.● the Working Tax Credit 4-week run on (the payment you get when you stop qualifying for Working Tax Credit).

Two-year-olds can get free entitlement funding if the parent is in receipt of one of the following:

Non-Financial Criteria
<ul style="list-style-type: none">● they are looked after by a local council.● they have a current statement of special education needs (SEN) or an education, health and care (EHC) plan.● they get Disability Living Allowance.● they've left care under a special guardianship order, child arrangements order or adoption order.

5.7. Families in receipt of the following may also be required to submit additional information as proof of being in receipt of the following benefits:

- Universal Credit.
- The child has a current Statement of SEN or an Education, Health and Care Plan They attract Disability Living Allowance.

5.8. In the event that a family's circumstances change resulting in them no longer being eligible, whilst the child is already accessing the free entitlement, the child will continue to receive the two-year-old free entitlement funding until he/she is eligible for the universal three-year-old funding.

- 5.9. Parents that meet the financial criteria should confirm their eligibility on the [Parent Portal](#) and provide the Service Provider with a copy of the confirmation emails prior to starting a free entitlement place.
- 5.10. Parents that meet the non-financial criteria must provide documents of proof of eligibility and original copies of the document prior to starting a free entitlement place. Service Providers will be required to notify the local authority that eligibility has been confirmed when making their funding claims. Details can be found in the [FEF handbook](#).
- 5.11. Any parent/carer who considers they are eligible for the two-year-old free entitlement, must complete the Parent declaration form (Annex A) this form must be fully completed and signed by both the parent/carer and should be retained by the Service Provider for their records and assist with making funding claims.

5.12. Three and Four Year Olds

Universal Free Entitlement

All three (3) and four (4) year olds become eligible for their universal free entitlement for a total of 570 hours a year of free childcare, from the start of the term after their 3rd birthday (refer to the table in 3.5 for eligible dates). Children receive their universal free entitlement until the end of the term in which the child reaches their fifth birthday. Parents are required to complete a Parent Declaration form (Annex B) at least once every academic year. The Service Provider should retain this form for their records.

Extended free entitlement (30 hours)

Children in working families are eligible for an additional 570 hours a year free childcare. Working families must meet the eligibility criteria below to claim the extended free entitlement.

Both parents are working; or
the sole parent is working in a lone parent family,
and each parent earns, on average, a weekly minimum equivalent to sixteen (16) hours at national minimum wage or national living wage and earns less than £100,000 per year.

- 5.13. Parents will be expected to apply for eligibility for the thirty (30) hours on the online childcare service made available to them. If eligible, they will receive a thirty (30) hours, eleven (11) digit eligibility code. To continue to receive the thirty (30) hours, parents must reconfirm their eligibility every three months. Further information on all free childcare options available can be found at www.childcarechoices.gov.uk

- 5.14. Alongside the thirty (30) hours eligibility code, which is the child's unique eleven (11) digit number, and original copies of documentation, the Service Provider must acquire written consent on the parent declaration form (Annex B), from, or on behalf of, the parent to be able to receive confirmation and future notifications from the Local Authority of the validity of the parent's thirty (30) hours eligibility code.
- 5.15. Once the Service Provider has received written consent from the parent, the Service Provider must verify the thirty (30) hours eligibility code with the Local Authority via the 'Provider portal' before a child starts a place. The Local Authority will confirm the validity of thirty (30) hours eligibility codes through the Eligibility Checking Service (ECS). Once the code has been validated, the Service Provider will be able to offer a thirty (30) hour place for the eligible three-and four-year-old.
- 5.16. The Local Authority will complete audit checks to review the validity of eligibility codes for children who qualify for thirty (30) hours free childcare at six (6) fixed points in the year, both at half-term and at the end of term across the year (dates listed in Table A below). It is the Local Authority's responsibility to notify the Service Provider where a parent has fallen out of eligibility and inform them of the grace period end date. The Local Authority will inform the Service Provider by email when an audit has taken place. The Service Provider must then check the results of the audit on the Service Provider portal and inform the parent when their confirmation is due and the grace period end date.

6. The Grace Period

- 6.1. A child will enter the grace period when the child's parents cease to meet the eligibility criteria set out in the Childcare (Early Years Provision Free of Charge) (Extended Entitlement) Regulations 2016, as determined by HMRC or a First Tier Tribunal in the case of an appeal.
- 6.2. The Local Authority will be able to access information about whether a child has ceased to meet the eligibility criteria and entered the grace period via the Eligibility Checking Service. The grace period end date will automatically be applied to eligibility codes.
- 6.3. The Local Authority will continue to fund a place for a child who is already in attendance and enters the grace period as set out in the Early Education and Childcare Statutory guidance for Local Authorities 2018. The Local Authority will not fund any child who starts a thirty (30) hour place whilst in the grace period.

- 6.4. The Local Authority will audit all eligibility codes that are stored on the Service Provider Portal on the dates shown in the above Table (A). Once the audit has taken place the validity date and the grace period dates of the eligibility codes will be updated and available for Service Providers to view on the Service Provider Portal. The Local Authority will inform Service Providers that an audit has taken place via email.
- 6.5. The Service Provider is required to inform any parent who has entered or is about to enter the grace period, to ensure sufficient time for parents to reconfirm their eligibility to continue to receive their thirty (30) hours free childcare.
- 6.6. The Service Provider will continue to receive funding for the duration of the grace period. The Service Provider must inform parents of the procedure of what happens at the end of the grace period if the parent has not re-confirmed or is no longer eligible. Any services used after the grace period is considered a private arrangement between the Service Provider and the parent.
- 6.7. Parents are required to reconfirm their eligibility for the extended entitlement every three months. Parents will receive notifications from their childcare services account when their reconfirmation is due. In the event the parent is no longer eligible the parent will be informed of the grace period dates. If a parent 'falls' back into eligibility within the grace period there will be no break in funding.

7. Flexibility

- 7.1. Free childcare provision must be offered within the national parameters on flexibility as set out in Section A2 of Early Education and Childcare Statutory guidance for Local Authorities.
- 7.2. The Service Provider should work with the Local Authority and share information about the times and periods at which it is able to offer free entitlements to support the Local Authority to secure sufficient stretched and flexible childcare places to meet the parental demand in the local authority area.
- 7.3. The Service Provider must make information about its free entitlement offer and admissions criteria readily available to all parents including prospective parents.

- 7.4. The Local Authority will fund a total of three Service Providers per child and only two Service Providers in any one day. Parents will be expected to complete section 2 of the parent declaration form and state the number of hours that should be claimed by each Service Provider. Parents will also be required to identify which Service Provider(s) should receive the universal and extended free entitlement funding.
- 7.5. The Local Authority will make funding allocations based on the information provided by the parent on the parent declaration form and will carry out regular checks to ensure funding has been claimed for appropriately. In the event of any discrepancy, the Local Authority will, in the first instance contact the Service Provider to discuss.
- 7.6. Where it is possible the Service Provider should offer free entitlement funding to parents in ways that best meet their needs, by providing a stretched and flexible offer. Service Providers are eligible for a flexibility supplement of £0.25 per child per hour if their free entitlement offer is above and beyond the minimum offer below:
- Three (3) fixed hours a day over five (5) days of the week (or the 30 hour equivalent).
 - Five (5) fixed hours a day over three (3) days of the week.
- 7.7. The Service Provider can stretch free entitlement funding over the whole year, by offering fewer hours per week over more weeks of the year. For example, 12.5 hours a week over 45 weeks or 11 hours a week over 50 weeks. Please refer to the FEF handbook for more details on how to claim stretched funding.
- 7.8. The Service Provider is required to apply to register onto the Directory of Early Years' Service Providers and free entitlement offer as part of the annual agreement. Information submitted on this registration will establish a Service Provider's eligibility for any flexibility supplement funding. The Service Provider should inform Sutton Family Information Service of any changes that occur during the year.

8. Partnerships

- 8.1. The Local Authority supports partnerships on four levels between:
- Local authorities and Service Providers.
 - Service Providers working with other Service Providers, including childminders, schools and organisations.
 - Service Providers and parents.
 - Local authorities and parents.

- 8.2. The Local Authority promotes partnership working between different types of Service Providers, including childminders, across all sectors and encourages more Service Providers to offer flexible provision, alongside other service providers.
- 8.3. The Service Provider should work in partnership with parents, carers and other service providers to improve provision and outcomes for children in their setting. An interactive toolkit has been developed to help service providers set up or join a partnership, maximise the benefits of working together and tackle the challenges joint working can bring.
- 8.4. The Service Provider should discuss and work closely with parents to agree on how a child's overall care will work in practice when their free entitlement is split across different service providers, such as at a maintained setting and childminder, to ensure a smooth transition for the child.
- 8.5. The Local Authority's free childcare webpages are regularly updated and include support for service providers and parents on partnership working.

9. Special Education Needs and Disabilities

- 9.1. The Local Authority must strategically plan support for children with special educational needs and/or disabilities (SEND) to meet the needs of all children in its local area as per the Special Educational Needs and Disability code of practice: 0 to 25 years (January 2015).
- 9.2. The Service Provider shall ensure that the Services are accessible to all service users, including those who may need additional communication support, for example where information is required to be delivered in a different format to people with a sensory impairment, a learning disability or where English is not that person's first language. In all such instances, the Service Provider will liaise with the Local Authority to ensure that these needs are addressed.
- 9.3. The Service Provider must ensure owners and all staff members are aware of their duties in relation to the SEND Code of Practice and the Equality Act 2010.
- 9.4. Parents and Service Providers can access support and information on the SEND services available locally on LBS Local Offer website:
- 9.5. <http://localoffer.sutton.gov.uk/>

- 9.6. The Service Provider 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.
- 9.7. Special Educational Needs/Disabilities Inclusion Funding (SENDIF) is allocated termly to Service Providers, where there are children with an identified SEND taking up their free entitlement funding and receive support from the Service Provider's link SEN advisor at Cognus Limited.
- 9.8. SENDIF is allocated to support the Service Provider to meet the needs of the children with identified needs in their care and support inclusion within the setting.
- 9.9. The Service Provider is able to claim the Disability Access Fund (DAF) for any child aged three (3) years who is accessing their free childcare entitlement and is in receipt of Disability Living Allowance (DLA). If a child is attending more than one service provider then the parent must identify which service Provider the DAF is allocated too.
- 9.10. To claim DAF the Service Provider must send (securely, via Egress) a copy of the child Parent Declaration Form and evidence of DLA to chloe.morris@cognus.org.uk

10. Social Mobility and Disadvantage

- 10.1. The Local Authority promotes 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.
- 10.2.
- 10.3. The Service Provider should ensure that it has identified the disadvantaged children in its setting as part of the process for checking EYPP eligibility. The Service Provider will also use EYPP grant to support and improve outcomes for this group. Parents must complete section 4 of the parent declaration form (Annex B) for eligibility to be confirmed.
- 10.4.
- 10.5. The Service Provider can check a child's EYPP eligibility on the Service Provider portal by submitting the parent details on to the child's record at headcount submission. Further information is available in the [FEF handbook](#).

11. Quality

- 11.1. The Early Years Foundation Stage (EYFS) statutory framework is mandatory for all schools that provide early years provision and Ofsted-registered Early Years Service Providers in England. The EYFS sets the standards that all early years' Service Providers must meet to ensure that children learn and develop well and are kept healthy and safe.
- 11.2. Ofsted are the sole arbiter of quality for all free entitlements. Ofsted and inspectorates of independent schools have regard to the EYFS in carrying out inspections and report on the quality and standards of provision.
- 11.3. The Local Authority has a legal duty to provide information, advice and training on meeting the requirements of the EYFS, meeting the needs of children with SEND and on effective safeguarding and child protection for Service Providers who are rated less than 'Good' by Ofsted or newly registered Service Providers. For Early Years Service Providers in Sutton this information, advice and training is delivered by Cognus Limited on behalf of the Local Authority.
- 11.4. Provision must be offered in accordance with the national parameters on quality as set out in Section A3 of Early Education and Childcare Statutory Guidance for Local Authorities and the EYFS statutory framework.
- 11.5. The Local Authority will only fund places at service providers who do not meet the quality standards set out at A3.2 and A3.3 of the statutory guidance when there is a need to ensure sufficiency of free places and the service provider is able to meet the conditions set out in the guidance referred to above. This will be considered on a case by case basis.
- 11.6. Service Providers judged to be 'Requires Improvement', 'Inadequate' or 'fail' following an independent inspection will have additional conditions placed upon them if they are registered onto the DEYP.
- 11.7. A Service Provider on the DEYP that receives an Ofsted Judgement of 'Requires Improvement', 'Inadequate' or 'fail' by an Independent schools inspection must inform the Local Authority at the earliest opportunity to review their ability to receive free entitlement funding. The Service Provider will be expected to engage fully with the Early Years Team at Cognus Limited as part of this review.
- 11.8. A review of a Service Provider's registration on the DEYP will establish the Service Provider's ability to continue to receive free entitlement funding

following the Ofsted judgement less than 'Good'. Annex C describes the review process, expectations and the possible outcomes of a review.

- 11.9. On the completion of the review, the Service Provider will be informed of the decision and any conditions and actions that have been agreed between the Early Years Team and the Service Provider. Failure to make sufficient progress on the additional conditions may result in the Local Authority withdrawing funding or terminating the Service Provider's registration on the DEYP.
- 11.10. The Service Provider should continue to regularly access training, support and advice to maintain and/or improve the quality of its provision as well as to ensure that it is up to date with any legislative changes and sector recommendations. Support and advice is available from Cognus Limited who work with the Service Provider on behalf of the Local Authority.

12. Business Planning

- 12.1. The Local Authority at the beginning of the year, will provide the Service Provider with an indicative budget based on its previous year's funding claim, so that the Service Provider can budget and plan accordingly.
- 12.2. In addition, a Free Entitlement Funding (FEF) [handbook](#) will be issued every term, that sets out the termly dates that documentation and data is required from the Service Provider to support payment and delivery of the free entitlements. The Service Providers should refer to the handbook when making termly funding claims on the Service Provider portal.
- 12.3. The Service Provider should ensure that it submits timely and accurate information, including, but not limited to, headcount data, census data, parental declarations and invoices, as requested by the Local Authority. Failure to do so may result in inaccurate, delayed or suspended funding. An Early Years census handbook will be provided to all Service Providers claiming the free entitlements to support Service Providers complete their census return
- 12.4. The Service Provider should maintain accurate financial and non-financial records relating to free entitlement places and should give the Local Authority access on reasonable notice to all financial and non-financial records relating to free entitlement places funded under this Agreement, subject to confidentiality restrictions. The Local Authority will give the Service Provider a minimum of ten (10) Business Days' notice of any financial audit.

13. Charging and invoicing

- 13.1. Government funding (free entitlement funding) is intended to cover the cost to deliver fifteen (15) or thirty (30) hours a week of free, high quality, flexible childcare. It is not intended to cover the cost of meals, consumables, additional hours or additional services.
- 13.2. The Service Provider can provide meals and snacks and charge for them as ancillary to a free entitlement place, however, they are separate from it and must not be compulsory.
- 13.3. The Service Provider is able to charge parents for consumables such as nappies or sun cream and for services such as trips and yoga. Such charges must be voluntary for the parent. Where parents are unable or unwilling to pay for meals and consumables, the Service Provider is responsible for setting its own policy on how to respond, with options including waiving or reducing the cost of meals and snacks or allowing parents to supply their own food such as packed lunch. The Service Provider should be particularly minded of the impact of additional charges.
- 13.4. The Service Provider should deliver the free entitlements consistently so that all children accessing any of the free entitlements will receive the same quality and access to provision, regardless of whether they opt to pay for additional hours, services, meals or consumables.
- 13.5. The Local Authority will not intervene where parents choose to purchase additional hours of provision or additional services, providing that this does not affect the parent's ability to take up their child's free place. The Service Provider should be completely transparent about any additional charges.
- 13.6. The Service Provider can charge parents a deposit to secure their child's free place but should refund the deposit in full to parents within six (6) weeks.
- 13.7. The Service Provider cannot charge parents "top-up" fees (the difference between a Service Provider's usual fee and the funding they receive from the Local Authority to deliver free places) or require parents to pay a registration fee as a condition of taking up their child's free place.
- 13.8. The Service Provider should ensure its invoices and receipts are clear, transparent and itemised, allowing parents to see that they have received their free entitlement completely free of charge and understand fees paid for additional hours. The Service Provider will also ensure that receipts contain

their full details so that they can be identified as coming from that Service Provider.

14. Funding.

- 14.1. The Local Authority will fund all Service Providers who deliver the free entitlement for two (2) year olds a fixed rate of £5.79 per child per hour.
- 14.2. The Local Authority will fund all Service Providers delivering the universal and extended free entitlement for three (3) and four (4) year olds a universal base rate of £4.85 per child, per hour.
- 14.3. Service Providers delivering three (3) and four (4) year old places will receive in addition to the universal base rate a deprivation supplement that is calculated on where a child lives and is based on the most recent IDACI data, details of a Service Provider's deprivation supplement is shown on the indicative budget issued at the start of the financial year.
- 14.4. Service Providers who offer flexible childcare (see paragraph 8 of Schedule 1) for 3 and 4-year-old FEF places, will receive a £0.25p per hour, per child flexibility supplement. This supplement is not available for two (2) year old FEF places.
- 14.5. EYPP grant is allocated to Service Providers for eligible children at £0.53p per hour per child for children aged three (3) and (4) four years old and is applied to the universal hours only. EYPP funding allocations are made at the end of the term once headcount data has been submitted and processed.
- 14.6. Disability Access Fund (DAF) is allocated to Service Providers as a one-off annual lump sum of £615 per eligible child. DAF funding allocations will be made alongside the terms actual payment is not transferable. Service Provider must send (securely) the child's parent declaration form and evidence of eligibility to Chloe Morris to confirm eligibility.
- 14.7. The Local Authority funds all PVI Service Providers on a monthly basis and will make funding allocation on the last Thursday of the month. The Local Authority will make eleven (11) monthly payments per year, there will be no payment made in the month of August.
- 14.8. The first two or three months (depending on the term) payments will be allocated based on the Service Provider's estimate claim. The last month of the term, the funding payment will consist of the balance owed based on the headcount data submitted by the Service Provider.

- 14.9. The Service Provider should accurately complete and submit headcount and other necessary data returns by the agreed dates in Table B to support the Local Authority to make timely funding allocations.
- 14.10. The Service Provider can only claim for a maximum of 210 or 420 hours (universal or extended entitlement retrospectively) in the autumn term (14 weeks) and 180 or 360 hours (12 weeks) in the summer and spring terms.
- 14.11. Standard term dates are as follows, however, the Service Provider is responsible for setting their own funding term dates within these parameters:
- Autumn term 1st September – 31st December.
 - Spring Term 1st January - 31st March.
 - Summer Term 1st April – 31 August.
- 14.12. In the spring term, it is often impossible to deliver twelve (12) weeks (120 hours) of FEF hours, the Service Provider should deliver the outstanding hours in the summer term, and however, funding claims must meet the requirements in paragraph 2.10 above. It is therefore advised that all Service Providers publish a funding calendar that demonstrates to parents which weeks in the year FEF can be claimed for.
- 14.13. An estimated number of FEF hours the Service Provider want to claim for will be requested by the Local Authority at the beginning of each term. An actual number of hours and child details are then requested by the Local Authority by headcount day (see Table B below).
- 14.14. Service Providers are not able to claim free entitlement funding for a child who has already started at another setting and was present at headcount day, in the same funding term unless there are exceptional circumstances and prior agreement has been sought with the Local Authority. Children can, however, 'move' Service Providers prior to headcount day as data on individual children has not yet been submitted.
- 14.15. Service Providers are able to claim to fund for 'new' children at any point in term as long as the child has not claimed free entitlement funding at another setting during the same term. This is what is known as an adjustment claim.
- 14.16. Children that attend part way through a term must be included on the Service Provider's funding adjustment claim on the penultimate month of the term. Details on how to submit adjustment claims are provided in the FEF handbook.
- 14.17. Maintained schools and academies are required to submit funding data on the Service [Provider portal](#) for all children claiming free entitlement funding (universal and extended entitlement) by the dates provided in Table B, to

ensure that funding is allocated appropriately. Schools receive monthly FEF payments alongside their other funding allocations. Monthly estimate payments based are based on the previous year's actual claims and the balance (final) payment of each term will be allocated based on headcount data collected on the dates shown in Table B.

- 14.18. The following table sets out the dates when Service Providers need to submit their estimate and headcount data as well as when PVI Service Providers will receive their payment for all free early education and childcare entitlement funding:

Table B

Summer 2019	April	Estimates	05/04/2019	25% of Estimates submitted	25/04/2019
	May	Headcount day	16/05/2019	25% of Estimates submitted	30/05/2019
	June	None		25% of Estimates submitted	27/06/2019
	July	Additional funding claim	12/07/2019	Actuals - balance	25/07/2019
Autumn 2019	September	Estimates	11/09/2019	25% of Estimates submitted	26/09/2019
	October	Headcount day	03/10/2019	25% of Estimates submitted	31/10/2019
	November	None		25% of Estimates submitted	28/11/2019
	December	Additional funding claim		Actuals - balance	19/12/2019
Spring 2020	January	Estimates	10/01/2020	33% of Estimates submitted	30/01/2020
	February	Headcount day	16/01/2020	33% of Estimates submitted	27/02/2020
	March	Additional funding claim		Actuals - balance	26/03/2020

- 14.19. *The above dates may be subject to change, however, if this is the case advance notice will be given. Late claims may cause payments to be delayed.
- 14.20. Where a child is claiming funding in multiple settings the free entitlement funding (universal and extended) will be allocated to Service Providers based on the information provided by the parent on the parent declaration form - Annex B to Schedule 1).

15. Compliance

- 15.1. The Local Authority will carry out any compliance and/or audits (as required) on Service Providers to ensure compliance with the requirements of delivering the free entitlements including any financial audits. In some instances, Cognus Limited will carry out compliance visits on behalf of the Local Authority. The Service Provider must have available upon request, details of their free entitlement offer and admissions criteria.
- 15.2. In the event of an Ofsted judgment of 'Requires Improvement' or 'Inadequate' or a 'failed' independent schools inspection, a compliance visit will be undertaken to review the Service Provider's registration on the directory of service providers. During this review, the Early Years Team and the Service Provider will agree with any additional conditions and actions to enable the Service Provider to continue (if applicable) to receive Free Entitlement Funding.
- 15.3. Failure to provide evidence of compliance with this Agreement may result in this Agreement being terminated and funding withdrawn.
- 15.4. Service Providers found to be non-compliant with the terms of this Agreement will be given an opportunity to rectify any noncompliance in an appropriate time frame.

16. Termination and Withdrawal of Funding

- 16.1. The Local Authority may terminate this Agreement and withdraw funding for free entitlement funding where the Service Provider:
- is in breach of the Childcare (Early Years Provision Free of Charge) (Extended Entitlement) Regulations 2016 or the Special Educational Needs and Disability code of practice: 0 to 25 years (January 2015):
 - fails to meet the required Ofsted (or ISI equivalent) overall effectiveness of requires Improvement/ satisfactory or better.

- fails to meet the enforcements highlighted and actions from an Ofsted overall effectiveness of inadequate.
 - does not comply with the Local Authority's requirements for administration of the funding, does not promote British values and/or promotes views and theories contrary to established scientific or historical evidence as described in the Early Education and Childcare Statutory Guidance 2018
- 16.2. In the event that there is a termination of this Agreement and/or withdrawal of funding for the free entitlements, the Local Authority will inform the Service Provider in writing, clearly identifying where they have failed to meet the required standards and a clear timeline and process for termination and/or withdrawal of funding.
- 16.3. Where appropriate, the letter will set out actions that the Service Provider must take to comply and a date by which the Service Provider must satisfy the local authority that the required standard has been met. If the Service Provider fails to comply with such requirements, or if the failure cannot be remedied (for example, where the Service Provider has been judged by Ofsted to be inadequate and has failed to meet Ofsted requirements) the Local Authority will set out a clear timeline for the cessation of FEF payments.
- 16.4. The Local Authority reserves the right to remove a Service Provider with immediate effect if an Ofsted inadequate overall effectiveness relates to the Service Provider's ability to safeguard children in its care or if the Local Authority has other evidence to show that the Service Provider is not meeting safeguarding requirements.
- 16.5. In the event, there is a termination and/or withdrawal of funding it is the responsibility of the Service Provider to ensure all parents/carers are informed of the decision and are directed to Sutton Family Information Service for support in finding alternative childcare.

17. Appeals Process

- 17.1. A Service Provider may be denied approval to offer the free entitlements or have their funding withdrawn as set out above. In this case, the Service Provider has the right to appeal against that decision.
- 17.2. A Service Provider who has been denied approval to offer the free entitlement or has its funding withdrawn can appeal against the Local Authority's decision using the following process:

- Notify the Local Authority in writing within ten (10) Business Days of their intention to appeal the decision. The letter must clearly identify the grounds on which the Service Provider is appealing.
- The Service Provider will be notified of the date of the appeal panel hearing within ten (10) Business Days of receipt of the appeal and will be invited to attend.
- The appeal will be heard by the Local Authority and Cognus Limited representatives and a final decision will be made by the panel members.
- Any evidence that is to be put forward at the appeal meeting, both by the Service Provider or Local Authority, must be provided at least seven (7) Business Days in advance and will be circulated at least five (5) Business Days before the appeal panel sitting.
- The Local Authority will notify the Service Provider of the appeal decision five (5) Business Days of the appeals hearing date.

17.3. If the Service Provider is still dissatisfied with the decision or treatment under the appeals procedure, it may make a formal complaint using the Local Authority's Complaints Procedure. A formal complaint can be made in writing to:

Corporate Customer Care
 London Borough of Sutton
 Civic Offices
 St Nicholas Way
 Sutton SM1 1EA

Phone: 020 8770 5070
 Fax: 020 8770 5404
 Email: complaints@sutton.gov.uk

17.4. In the event a Service Provider appeals the Local Authority's decision to withdraw free entitlement funding, the Service Provider will be able to continue to offer free entitlement funded places, pending the determination of any appeal or complaint, unless the Local Authority has terminated this Agreement with the Service Provider with immediate effect on safeguarding grounds.

18. If the decision, following the completion of any appeal on the basis of a formal complaint, is to terminate or withdraw funding from the Service Provider, the Local Authority will endeavour to write to all parents/carers informing them of the decision. Parents/carers will be directed to the Family Information Service who can support them to find alternative arrangements.

19. Service Providers, from whom funding has been withdrawn can apply to re-register onto the DEYP to offer the free entitlement, as long as they can demonstrate they can fully meet the required standards and conditions set out in this Agreement.

20. Complaints

- 20.1. The Service Provider should ensure they have a complaints procedure in place that is published and accessible for parents who are not satisfied that their child has received their free entitlement in the correct way, as set out in this Agreement and in Early Education and Childcare Statutory guidance for Local Authorities.
- 20.2. In the first Instance, if a parent is not satisfied that their child has received their free entitlement in accordance with the legislation as set out in this agreement or in Early Education and Childcare Statutory guidance, the parent must follow the Service Provider's complaints process.
- 20.3. In the event, the parent remains dissatisfied that their child is not receiving their free entitlement in accordance with legislation or with the terms set out in this Agreement the Service Provider should direct the parent to raise their concerns to the Free entitlement team via the Family Information Service to investigate the concerns and issues raised.
- 20.4. When a parent and/or Service Provider is not satisfied that issues and concerns raised have been dealt with appropriately by the Local Authority Free Entitlement Team, A formal complaint can be made in writing to the address below:

Corporate Customer Care
London Borough of Sutton
Civic Offices
St Nicholas Way
Sutton SM1 1EA

Phone: 020 8770 5070
Fax: 020 8770 5404
Email: complaints@sutton.gov.uk
- 20.5. If a parent or Service Provider is not satisfied with the way in which their complaint has been dealt with by the Local Authority or believes the Local Authority has acted unreasonably, they can make a complaint to the Local

Authority Ombudsman. Such complaints will only be considered when the local complaints procedures have been exhausted.

21. Service Provider declaration and registration onto the Directory of Early Years Providers (DEYP)

- 21.1. The Service Provider must register onto the Directory of Early Years Providers to deliver free childcare places and execute this agreement.
- 21.2. Service Providers who have previously registered on the DEYP should complete the 'Application to register onto the DEYP form' via the forms section on the [Provider Portal](#).
- 21.3. Service Providers who have not previously registered on the DEYP should complete the application to register on to the [DEYP google form](#). New Service Providers will also be required to complete supplier set up forms prior to being registered on the DEYP.
- 21.4. The Service Provider's responses on the application form will be used to determine any financial supplements for three (3) and four (4) year old funding and the information regarding your free entitlement offer will be made available to parents via the Family Information Service.
- 21.5. The Service Provider is required to confirm their agreement to the terms and conditions set out in this provider agreement, in order for their application to be considered.
- 21.6. The Service Provider should have regard to the obligations legal placed upon them whilst delivering free childcare places and claim government funding, described in annex D.

