

Offering the Early Years Entitlement in Somerset- Getting it Right

The South West Audit Partnership carry out audits every year on a sample of early years providers to check that the early years entitlement is being offered to parents in line with the local terms and conditions for Somerset.

The points below reflect the main findings from audits over the last 2 years, and the common weaknesses found. Please take a few minutes to look through these and check your own policies and procedures against to ensure that you are getting it right.

1. Fees Policies:

- Fees policies must refer to the funding as the 'early years entitlement' (EYE). Your policy must explain how the funded hours can be claimed at your provision e.g. what sessions are funded, which are not, and how many weeks per year funded hours are available. The new operational guidance from the DFE is a useful starting point- <https://www.gov.uk/government/publications/30-hours-free-childcare-la-and-early-years-provider-guide>
- The fees policy must have a clear notice period for funded children (e.g. 4 weeks). Your fees policy must contain guidance on how the EYE can be claimed if a child leaves. This should be clear about what happens when they leave without notice or before your notice period is up.
- The fees policy must be clear about the circumstances where you would terminate a child's place at the provision e.g. non-payment of debts.
- The fees policy must have a date to show when it was last updated.
- The fees policy must explain the basic claiming rules for the EYE i.e. the term time only and stretched offer, maximum hours claimable per week, and the maximum funded hours per funding period for the extended entitlement (please see our new Provider Agreement 2017 – p. 22, p.26; <http://www.somerset.gov.uk/childrens-services/early-years-providers/early-years-funding-entitlement-for-providers/>
- The fees policy must clearly show what your minimum funded session length is (there is no longer a 2.5 hour minimum session length).

- The fees policy must clearly show whether you will, or will not charge for bank holidays or inset days, or when the child is sick or on a holiday. This must be the same for fee paying parents as well as those that are using their early year's entitlement. If you don't charge for these closures, funded hours cannot be claimed.
- The fees policy must clearly show whether you will charge for unplanned or emergency closures. This must be the same for fee paying parents as well as those that are using their early year's entitlement.
- The fees policy must state the fee paying rates for parents if they are buying hours outside of their funded sessions.
- The fees policy should list that you need the child's birth certificate, child registration form, and evidence of eligibility to funding for 2 year olds/extended entitlement hours before confirming a place.
- Fees policies should clearly show the parent how much the additional service charges are e.g. lunches, consumables, and these should be itemised on invoices. These charges must be voluntary for the parent.
- The fees policy must indicate if you are charging a refundable deposit. If you are, it must state the amount and when it will be refunded.
- The fees policy must be clear about what happens if the family drop out of eligibility after the grace period ends for their extended entitlement.

2. Parent's declaration forms:

- All children claiming the early year's entitlement must have a completed parent's declaration form. A claim would not be valid if a declaration form has not been signed and dated by the parent.
- Provider's copies of parent's declaration forms need to be retained for auditors to review during their visits.
- Parents must complete a new declaration form for each new funding period.
- All sections of the parent's declaration form must be completed, including the number of universal/extended hours being claimed, the funding

period where the hours are being claimed and the date the form was completed.

- If a claim is adjusted to increase the number of hours being claimed, a new parent's declaration form must be completed so there is evidence this has been agreed with parents. .
- Providers must ensure that parents receive a fully completed white copy of the declaration form. It is important that the parent understands what universal or extended hours are being claimed with you, and that they must keep it safe for their records. This is especially important if they are claiming with a second or third provider as well.
- Providers cannot claim more universal or extended hours than the parent has signed for on the parent's declaration form.

Agreement of attendance pattern

- Agreement of the attendance pattern should be recorded through your registration form or contract. Parents should request any amendments to this pattern in writing e.g. via email, and all requests should be retained for your records. Auditors may request these to check against the attendance patterns for children sampled.

3. Claiming errors

- For universal entitlement, no more than 15 hours per week can be claimed in any instance. For the extended entitlement, no more than an additional 15 hours per week can be claimed in any instance and the child's eligibility must have been verified by the Local Authority.
- When a child changes their attendance pattern, you must submit an adjustment claim if the hours are more or less than previously declared.
- Providers must ensure that there is a checking process at the end of each funding period to review the attendance of all children claiming EYE against each claim so that any adjustments can be identified and submitted.

4. Invoices:

- Parents must receive an invoice even if they are just accessing their funded hours. This is to show that they have received their entitlement.

- You must keep copies of the invoices to illustrate the deduction of funded hours to the auditors.
- Wherever possible early year's entitlement must be deducted as hours. Where invoicing systems do not allow for this and the early year's entitlement is deducted as a monetary value, hours must be deducted at the same hourly rate that would be charged for a fee-paying child. If you operate a sessional charging system and the various sessions are at different rates, please ensure that the equivalent hourly rate is being deducted for each different session type if parents are accessing their EYE. Parents must not be charged the difference between your fee paying rate and your early year's entitlement hourly rate.
- Invoices should clearly show the date payment is required, include payment details and reflect all sessions attended by the child.
- Invoices should clearly show how the bill has been calculated.
- Invoices should itemise the additional service charges that the parent has agreed to pay.

Example invoices are available to view at:

<http://www.somerset.gov.uk/childrens-services/early-years-providers/early-years-funding-entitlement-for-providers/>

5. Attendance registers:

- All children attending must be signed in and signed out, including the time of arrival and departure for every session.
- Register records must be retained for all days on which the setting was open. Auditors will need to refer to these records when visiting.
- Where children have not attended this must be clearly illustrated on the register. It is recommended that you do not leave the entry blank so it is very clear to auditors that the child did not attend that session.

**Further advice and guidance about fees policies and business planning is available via the Early Years advice line on:
01823 348271**