

Provider Agreement for Early Years provision and childcare: April 2025

1. Key Local Authority responsibilities

- 1.1. London Borough of Hammersmith and Fulham (LBHF) must secure a place for every eligible child in their area.
- 1.2. LBHF should work in partnership with providers to agree on how to deliver places.
- 1.3. LBHF are clear about their role and the support on offer locally to meet the needs of children with special educational needs and/or disabilities (SEND) as well as their expectations of providers.
- 1.4. LBHF contribute to safeguarding and promoting the welfare of children and young people in their area.

2. Key provider responsibilities

- 2.1. The provider must comply with all relevant legislation and insurance requirements.
- 2.2. The provider should deliver funded entitlements consistently to all parents, whether in receipt of 15 or 30 hours and regardless of whether they opt to pay for optional services or consumables. This means that the provider should be very transparent and communicate clearly to parent's details about the days and times that they offer funded places, along with their services and charges. Those children accessing the entitlements should receive the same quality and access to provision as privately-paying children.
- 2.3. The provider must follow the DfE Statutory guidance for providers on the provision of early education and childcare ([Early education and childcare - GOV.UK](#)), 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. [Regulation 13: Safeguarding service users from abuse and improper treatment - Care Quality Commission \(cqc.org.uk\)](#)
- 2.4. The provider must have arrangements in place to support children with special educational needs and/or disabilities (SEND). These arrangements should include a clear approach to identifying and responding to SEND. Providers should utilise the SEN (Special Education Needs) Inclusion Fund and Disability Access Fund to deliver effective support, whilst making information available about their SEND offer to parents.

3. Safeguarding

- 3.1. LBHF has an overarching responsibility for safeguarding and promoting the welfare of all children and young people in their area. They have a number of statutory functions under the 1989 and 2004 Children Acts which make this clear, and the '[Working together to safeguard children](#)' and '[Keeping Children Safe in Education](#)' statutory guidance documents set these out in detail.
- 3.2. The provider must follow the EYFS and have clear safeguarding policies and procedures in place that are in line with local guidance and procedures for responding to and reporting suspected or actual abuse and neglect. A lead practitioner must take responsibility for safeguarding and all staff must have training to identify signs of abuse and neglect. The provider must have regard to 'Working Together to Safeguard Children' guidance.

4. Eligibility

- 4.1. To offer the 9 months to 3- & 4-year-old entitlements, you must be registered with Ofsted as an Early Years provider and **MUST** have signed a LBHF Provider Agreement. The Provider Agreement builds on the guidance provided by the DfE (Department of Education). It is intended to enable providers and the Local Authority to understand their respective roles and to ensure that the early years free entitlements are delivered with the best outcomes for children and their families.
- 4.2. The provider should check original copies of documentation to confirm a child has reached the relevant age on initial registration for all entitlements. The provider can retain paper or digital copies of documentation to enable the local authority to carry out audits and fraud investigations. Where a 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. Please refer to the data privacy guidance set out in **Annex 1: Parent Declaration Form, Step 4**.
- 4.3. LBHF ensures that a child has a funded place no later than the beginning of the term following the child and the parent meeting the eligibility criteria for the funded entitlement. [Help with childcare costs | London Borough of Hammersmith & Fulham](#)
- 4.4. Alongside the eligibility code, which is the child's unique 4-5 number for supported families or 11-digit number for working families, and original copies of documentation (see 2.14), a provider must acquire written consent from, or on behalf of, the parent to be able to receive confirmation and future notifications from the local authority of the validity of the parent's eligibility code.
- 4.5. Once a provider has received written consent from the parent, they should verify the eligibility code with the local authority.
- 4.6. Once a provider has received a supported families code from the parent, they should verify this code with the local authority. Once a provider has received a working families code from the parent, they should validate the eligibility code using the portal. To validate an eligibility code, the provider should log on the Synergy Provider Portal and type in the child's date of birth, parent's National Insurance Number and 11-digit eligibility code. The provider will be able to see if the code is valid, the code start date, the code end date and the code grace period end date.
- 4.7. Alternatively, LBHF Early Years Funding team can provide a validity checking service to providers to enable them to verify their eligibility code.
- 4.8. LBHF will confirm the validity of eligibility codes to allow providers to offer funded places for eligible children aged 9 months and above. LBHF will provide a validity checking service to providers to enable them to verify the eligibility code. The Eligibility Checking Service (ECS) allows all local authorities to make instant checks for code validity.
- 4.9. Thereafter, LBHF will complete audit checks to review the validity of eligibility codes for children who qualify for the working parent entitlement at 6 fixed points in the year, both at half-term and at the end of term across the year (in line with the dates as listed at table A below). It is LBHF's responsibility to notify a provider where a parent has fallen out of eligibility and inform them of the grace period end date.

Table A: Audit and Grace Period Dates

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

Please note that a child may not start a new setting whilst in the grace period.

5. The Grace Period

- 5.1. A child will enter the grace period when the child's parents cease to meet the eligibility criteria set out in the Childcare (Free of Charge for Working Parents) (England) Regulations 2022 as determined by HMRC (or where the child is in foster care, the responsible local authority) or a First Tier Tribunal in the case of an appeal.
- 5.2. LBHF Early Years Funding Team has access information about whether a child has ceased to meet the eligibility criteria and entered the grace period via the ECS. The grace period end date will automatically be applied to eligibility codes.
- 5.3. LBHF continue to fund a place for a child who enters the grace period as set out in the Early Education and Childcare Statutory Guidance for Local Authorities 2025.

6. Further Information on Codes

- 6.1. Valid codes will have a start date of at least one day before the start of the term. Codes can take several days to come through, hence it is advised for parents to apply in advance of the term starting to ensure a valid code can be obtained for the new term. The provider will check the validity of the code on the [LBHF Synergy Portal](#).
- 6.2. NB: Parents can apply for a code up to 12 weeks before the child turns 9 months old. However, they must reconfirm the code if it expires prior to starting a funded place or it will not be valid.

Deadline for re-confirming codes

- 6.3. Parents are required to reconfirm their eligibility for the funding every 3 months. This is done through their childcare account on [30 hours free childcare - GOV.UK \(www.gov.uk\)](#). HMRC will prompt parents when they need to reconfirm their eligibility however this is also their responsibility.
- 6.4. If a parent misses the reconfirmation deadline, they will receive an email telling them that their eligibility has lapsed. Although they are no longer eligible, if their child is already in a working family funded place, they will be able to retain their childcare place for a short period; this is known as the grace period.

Parent's change of circumstances

- 6.5. If a parent has a change in circumstances and is no longer eligible for a working family funded place, they will enter a grace period, where they can retain their place at that provider for a short period.

Not Eligible status at Application

- 6.6. If a parent is informed, they are not entitled to a working family funded place, but feel they should be, they will need to discuss this with HMRC directly and can contact them by telephone on 0300 123 4097.

7. Flexibility

- 7.1. 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 provider should work with the local authority and share information about the times and periods at which they are able to offer funded entitlements to support the local authority in securing sufficient stretched and flexible places to meet parental demand in the local authority. ***The provider should also provide information about their offer and admissions criteria available to parents at the point the child first accesses provision at their setting.***

Children receiving funded entitlements at multiple providers:

- 7.3. The Provider **MUST** ensure that each parent signs and returns a 'Parent Declaration' form. This form needs to be completed for all children attending from Autumn 2017 and will now cover the duration of their time at your setting, up to the end of the term in which they turn five years old. It should thereafter be completed for new children and where information needs to be updated for existing children e.g. attending more than one provider, or a change in days/hours attended. The completed form should then be retained by the setting for audit purposes.
- 7.4. The entitlement can be delivered through two providers, and funding will be apportioned accordingly. The only exception to this is if the child is accessing 15 hours or more at a maintained school (being a school which is in receipt of other funding (i.e. targeted Entitlement or Universal Entitlement funding) from the Local Authority (a "Maintained School") The funding will not be split so the maintained school will receive the full funding. Providers in the PVI (Private, Voluntary & Independent) Sector should therefore invoice parents for the total number of hours used at their setting.

8. Partnership working

- 8.1. Partnerships should be supported by local authorities on four levels between:
 - i. Local authorities and providers
 - ii. Providers working with other providers, including childminders, schools and organisations
 - iii. Providers and parents
 - iv. Local authorities and parents
- 8.2. LBHF promote partnership working between different types of providers, including childminders, across all sectors and encourage more providers to offer flexible provision, alongside other providers.
- 8.3. The provider should work in partnership with parents, carers and other providers to improve provision and outcomes for children in their setting, for example, by linking with HUB Early Years - childcareworks.org.uk . 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.
- 8.4. The 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 providers, such as at a maintained setting and childminder, to ensure a smooth transition for the child.

9. Special Educational Needs and Disabilities (SEND)

- 9.1. LBHF aim to ensure that all children with SEND in Hammersmith and Fulham are able to gain high quality and fully inclusive teaching and learning when attending a setting. LBHF strategically plan support for children with special educational needs and/or disabilities (SEND) to meet the needs of all children in their local area as per the [Special Educational Needs and Disability Code of Practice: 0 to 25 years](#).
- 9.2. The provider must ensure owners and all staff members are aware of their duties in relation to [the SEND Code of Practice 2014](#) and [the Equality Act 2010](#).
- 9.3. LBHF has to be clear and transparent about the support on offer in their area, through their local offer, so parents and providers can access that support.
- 9.4. The 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 in choosing the right setting for their child with SEND.

10. Supporting disadvantaged children

- 10.1. LBHF promotes equality and inclusion, particularly for disadvantaged supported families and families on low income, looked after children and children in need by removing barriers of access to places and working with parents to give each child support to fulfil their potential.
- 10.2. The provider should ensure that they have identified the disadvantaged children in their setting as part of the process for checking EYPP eligibility. They will also use EYPP and any locally available funding streams or support to improve outcomes for this group.

Please see Annex 2: Identification of children who qualify for the Early Years Pupil Premium and the Disability Access Fund

- 10.3 As from April 2024, there may be some circumstances where households meet the eligibility criteria for both the-disadvantaged supported families with two-year-old entitlement and the working parent entitlement. In these circumstances, childcare should be provided under the disadvantaged 2-year-old entitlement. The child will remain on the disadvantage entitlement until they become eligible for the universal entitlement for 3 and 4-year-olds or 30 hours free childcare for 3 and 4-year-olds if they meet the eligibility criteria. Therefore, households will not lose eligibility for their 15 hours free early education, as is currently the case for the disadvantage entitlement. From September 2025, when the working parent entitlement increases to 30 hours, where households meet the eligibility criteria for both 2-year-old entitlements, they should be recorded as taking up 15 hours of the disadvantage entitlement and 15 hours of the working parent entitlement. They will need to reconfirm eligibility every 3 months for the working parent entitlement and from September 2025, they will not be defaulted automatically onto the disadvantage entitlement should they lose eligibility for the working parent entitlement.

11. Quality

- 11.1. The [Early Years Foundation Stage \(EYFS\) statutory framework](#) is **mandatory** for all schools that provide early years provision and early years providers registered with Ofsted or with an Ofsted-registered Childminder Agency in England. The EYFS sets the standards that early years providers must meet to ensure that children learn and develop well and are kept healthy and safe.
- 11.2. Ofsted and inspectorates of independent schools have regard to the EYFS in carrying out inspections and report on the quality and standards of provision. Childminder

agencies (CMAs) are organisations that can register and quality assure childminders as an alternative to registering with Ofsted. Ofsted inspection judgements (or the inspection judgement of an independent inspectorate approver by the Secretary of State for Education), and a CMA's reasonable opinion of quality at a childminder registered with it, are the sole benchmarks of quality that local authorities can consider when securing quality for the free entitlements.

- 11.3. Local authorities have a legal duty to provide information, advice and training on meeting the requirements of the EYFS, meeting the needs of children with SEND and on effective safeguarding and child protection for providers who are rated less than 'Good' by Ofsted or newly registered providers.
- 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 2025 and the EYFS statutory framework. The [Early Years Foundation Stage \(EYFS\) statutory framework](#) is **mandatory** for all schools that provide early years provision and early years providers registered with Ofsted or with an Ofsted-registered Childminder Agency in England. The EYFS sets the standards that all Early Years providers must meet to ensure that children learn and develop well and are kept healthy and safe.
- 11.5. Ofsted is the sole arbiter of quality for all childcare entitlements and Ofsted and inspectorates of independent schools have regard to the EYFS in carrying out inspections and report on the quality and standards of provision. [Childminder agencies \(CMAs\) are organisations that can register and quality assure childminders as an alternative to registering with Ofsted.](#)
- 11.6. LBHF have a legal duty to take action over concerns about providers that do not actively promote fundamental British values or promote as evidence-based views or theories which are contrary to established scientific or historical evidence and explanations. We define fundamental British values as democracy, the rule of law, individual liberty and mutual respect and tolerance of those with different faiths and beliefs.
- 11.7. LBHF have a legal duty to provide information, advice and training on meeting the requirements of the EYFS, meeting the needs of children with SEND and on effective safeguarding and child protection for providers who are rated less than 'Good' by Ofsted or newly registered providers.
- 11.8. Provision must be offered in accordance with the national parameters on quality as set out in [Early education and childcare - GOV.UK](#) and the [EYFS statutory framework](#).

12. Business planning

- 12.1. LBHF clearly set out the documentation that they need to receive from providers to support payment and delivery of the free entitlements and the timetable that providers should follow when submitting their documentation, this includes setting out the importance of timely and accurate census returns.
- 12.2. LBHF will not charge providers disproportionate penalties for providing late or incomplete information leading to additional administration in the processing of free entitlements. Any charges should be reasonable and proportionate to the inconvenience or costs incurred to the local authority because of the lateness and local LBHF will ensure charges are clearly communicated to providers.
- 12.3. LBHF will not carry out audit regimes which are disproportionate or unnecessarily burdensome to providers.
- 12.4. The provider should ensure they submit timely and accurate information, including, but not limited to, headcount data, census data, parental declarations and invoices, as per

the financial guidelines of their local authority. Failure to do so may result in ***inaccurate, delayed or suspended funding.***

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

13. Charging

- 13.1. Government funding is intended to deliver 15 or 30 hours a week of free, high quality, flexible childcare. The 15 or 30 hours must be able to be accessed free of charge to parents. There must **NOT** be any **mandatory** charges for parents in relation to the free hours. Government funding is not intended to cover the costs of meals, other consumables, additional hours or additional services.
- 13.2. LBHF will ensure that providers are aware that they can charge parents for the following extras in connection with the free hours, but these charges **must be voluntary** for the parent:
- i. consumables to be used by the child, such as nappies or sun cream
 - ii. meals and snacks consumed by the child
 - iii. extra optional activities such as events, celebrations, specialist tuition (for example music classes or foreign languages) or other activities that are not directly related or necessary for the effective delivery of the Early Years Foundation Stage (EYFS) statutory framework
- 13.3. Providers can also charge parents for any additional private paid hours according to their usual terms and conditions provided taking up private paid hours is not a condition of accessing a funded place.
- 13.4. LBHF will ensure that providers follow these terms in levying any chargeable extras.
Please see Annex 3: Chargeable extras template: how to set out costs on your website
- 13.5. The costs of chargeable extras should be published on provider websites or, where they do not have any website, on local authority Family Information Services. These should be clear, up-to-date and easily accessible to parents, to enable parents to make an informed choice of provider. They should set out, for each setting, the amounts charged for all the chargeable extras listed, as well as the pattern of hours that parents can take the entitlements. Local authorities may wish to ensure providers follow DfE's template of how to set out these costs and may exempt childminders and providers caring for 10 or fewer children at any one time. This should be fully implemented by **January 2026** at the latest.
- 13.6. Invoices and receipts should be itemised, and local authorities should work with providers to ensure their invoices break down separately into:
- i. the free entitlement hours
 - ii. additional private paid hours
 - iii. food charges
 - iv. non-food consumables charges
 - v. activities charges
- 13.7. LBHF will ensure these itemised invoices are in place by **January 2026**. This is to allow parents to see that they have received their child's free entitlement hours

completely free of charge and understand that any fees paid are for additional hours or optional services. Invoices and receipts should include the provider's full details so that they can be identified as coming from a specific provider.

- 13.8. Parents must be able to opt out of paying for chargeable extras and the associated consumable or activity for their child. For activities and extra services, providers should be made aware that participation in any optional extra activity should be on the basis of parental choice and a willingness to meet the charges. In these circumstances, local authorities should ensure that children who do not participate in optional activities continue to receive provision that complies with the EYFS.
- 13.9. Providers should be mindful of the impact of charges on families, particularly the most disadvantaged. Providers who choose to offer the free entitlements, are responsible for setting a policy on providing parents with options for alternatives to additional charges. This policy must offer reasonable alternatives that allow parents to access the entitlement for free, including allowing parents to supply their own, or waiving the cost of these items.
- 13.10. In all cases, these chargeable extras must not be a condition of taking up a free place. All parents, including disadvantaged families, must have fair access to a free place. A local authority should intervene if a provider seeks to make additional hours, optional services or optional consumables a mandatory condition of taking up a free place.
- 13.11. Providers should deliver the free entitlements consistently, so that all children within a setting accessing any of the free entitlements receive the same quality and access to provision, regardless of whether they choose to pay for voluntary hours, voluntary extra services, meals or consumables.
- 13.12. LBHF must take all steps available to ensure that the free entitlements are available free of charge and therefore that providers do not charge parents for the following in connection with the entitlement hours:
 - i. Top-up fees (any difference between a provider's normal charge to parents and the funding they receive from the local authority to deliver free places)
 - ii. the supply of or use of any materials, including, but not limited to, craft materials, crayons, paper, books, instruments, toys, or other equipment or learning resources that are necessary for the effective delivery of childcare
 - iii. business running costs, including, but not limited to, rent, staff wages, cleaning materials, insurance, or utility bills such as energy, gas or water
 - iv. registration fees as a condition of taking up a child's free entitlement place
 - v. non-refundable deposits as a condition of taking up a child's entitlement place
 - vi. general charges, including but not limited to, non-itemised enrichment charges, sustainability charges, business continuity charges, additional charges, enhanced ratios, hourly rates, or any other supplementary charges on top of the free hours
 - vii. any additional fees that are not specifically identified and itemised as being for chargeable extras as described.
- 13.13. LBHF will ensure providers adhere to the following terms, regardless of whether they charge any chargeable extras.
- 13.14. LBHF will ensure that providers work with parents so that parents understand which hours and sessions can be taken as free provision. Not all providers will be able to offer fully flexible places, but providers should work with parents to ensure that as far as possible the pattern of the entitlement hours are convenient for parents' working

hours. LBHF will ensure that children are able to take up their free hours in continuous blocks if they wish to, and there should be no artificial breaks in the entitlement hours. For example, a provider should not offer 10am to midday and 1pm to 3pm as entitlement hours and offer only private paid hours in between.

- 13.15. LBHF will ensure that providers and parents are aware that the Early Years Pupil Premium (EYPP) provides additional funding to providers to support the quality of early education for eligible children taking up early education and childcare entitlements. The Disability Access Fund (DAF) supports eligible, disabled children’s access to the entitlements.
- 13.16. Provision must be offered within the national parameters on charging practices set out in section A1 of the Early Education and Childcare Statutory Guidance for Local Authorities 2025.
- 13.17. LBHF will conduct an audit to ensure all providers are transparent in explaining costs to parents.

Please see Annex 4: The Early Education and Childcare Entitlements Statutory Guidance - Frequently Asked Questions about charging

14. Funding rates and payments

- 14.1. LBHF will pay all providers termly including childminders unless a provider requests and the local authority agrees to continue an existing alternative sustainable method of payment.
- 14.2. The provider should accurately complete and submit headcount and other necessary data returns by the agreed date to support the local authority in making a payment.
- 14.3. LBHF is required to fund early education places in all sectors using a locally determined, transparent single funding formula (“EYSFF”). This rate is set by the LBHF after consultation with the Schools Forum for each financial year.
- 14.4. The Hourly Funding Rates for **2025/26** are:

	9 to 23 Months-Olds	2-year-olds	3-and 4-year-olds (15 hrs universal and 15 hrs extended)	SEN Inclusion Fund	Early Years Pupil Premium (EYPP)	Disability Access Fund (DAF)
LBHF	£14.39 per hour	£10.05 per hour	£6.72 per hour	Up to £2,500 per child, per term	£1.00 per hour	£938 per child, per annum
LBHF Deprivation (additional payment)	Up to £1.33 per hour	Up to £1.33 per hour	Up to £1.33 per hour	n/a	n/a	n/a

Change to current funding rates:

- 14.5. As stated above, the EYSFF is set each financial year by LBHF. It is therefore acknowledged and agreed by the Provider that the funding rates set out above may be subject to change during the Term (such term being defined in the SLA) and that LBHF will promptly notify the Provider of any changes to the rates in such situation.

Payments

- 14.6. Payments are made on a termly basis following the Headcount returns. Payment dates will be stated in the termly funding letter.
- 14.7. For the universal offer, LBHF will issue an hourly rate for each Provider at the beginning of the financial year which is based on the Spring term January Census Headcount received by the Provider.

Provider Portal opening and closing dates for Academic Year 2025-26

Estimate Claim			Actuals Claim	
Autumn 2025	Opens	Closes	Opens	Closes
	Monday 21st July	Friday 1 st August	Monday 29 th September	Friday 10 th October
Spring 2026	Opens	Closes	Opens	Closes
	Monday 10 th November	Friday 21 st November	Monday 12 th January	Friday 23 rd January
Summer 2026	Opens	Closes	Opens	Closes
	Monday 23 rd February	Friday 6 th March	Monday 18 th May	Friday 29 th May

Children moving Boroughs

- 14.8. LBHF will fund a child moving from another Borough only when clearance is received from the previous Local Authority, or the child has been moved for safeguarding reasons.

15. Reclamation of funding due to Absence or Moving Provision

Absent Children

- 15.1. Providers must have written arrangements in place with parents as to their absence policies, including following up with parents to confirm the reasons for unexplained absences.
- 15.2. Although even if children are under statutory school age, good habits regarding attendance, that are developed in the early years, are important in promoting future school attendance. [School admissions: School starting age - GOV.UK \(www.gov.uk\)](http://www.gov.uk)
- 15.3. Where an absence is recurring over a six-week period or for an extended period of time (for example five consecutive days) without good reason or explanation, LBHF may, in its discretion and taking into account the reason for the absence and impact on the Provider, reclaim (and the Provider shall promptly return) funding in respect of such child.

Children Moving Provision

- 15.4. Should a child receiving funding move to a different Provider within the borough during a term, LBHF shall reclaim (and the Provider shall promptly return) funding in respect of such child. LBHF requires a period of one month's notice that a child is leaving a setting and will therefore continue to fund a place for one-month post receiving written notification from the setting.

16. Additional Support

- 16.1. Additional funding support for inclusion of children with SEND may be available for Early Years Free Entitlement hours, as assessed by LBHF Early Years Service.
- 16.2. If you would like support in ensuring you are compliant with the statutory guidance, please contact the Early Years Service- eyfservice@lbhf.gov.uk

17. Compliance

- 17.1. LBHF can carry out checks and/or audits on providers to ensure compliance with the requirements of delivering the funded entitlements.
- 17.2. LBHF reserves the right to carry out spot-check audits to ensure compliance with this provider agreement and to detect false claims. Providers must maintain all attendance and finance records for a period of six years.
- 17.3. Providers must have at the audit copies of the following documents for the relevant time period:
- i. Parental declaration forms
 - ii. Parental change of attendance forms
 - iii. Children's attendance records
 - iv. Samples of invoices/charges to parents if applicable
 - v. Documentation to prove the status of the setting, e.g. registered charity, incorporated company, private owner etc.
 - vi. Any other evidence that can be reasonably requested
- 17.4. Providers must follow all planning guidance and have appropriate planning permission in place.
- 17.5. Providers must comply with all environmental health legislation.
- 17.6. Providers should give LBHF and parents at least one term notice in writing if they decide to stop offering Funded Entitlements.
- 17.7. If a setting closes part way through a funding period, LBHF requires providers to pay back unused funded Entitlements funding to enable children to access their place elsewhere.

18. Breach of Compliance

- 18.1. Should LBHF find a provider to be in breach of the statutory guidance ([Early education and childcare \(effective from 1 April 2025\) - GOV.UK](#)), LBHF will investigate, considering follow points:
- i. the nature and severity of the alleged breach, e.g. is it a complaint from one parent or a group of parents.
 - ii. the evidence provided from the complainant(s),
 - iii. have similar complaints been received in the past and the outcome of any previous complaints,
 - iv. is the alleged breach a one-off or an on-going issue.
 - v. the impact – are non-compliant charges preventing access to an entitlement place for disadvantaged families

18.2. After carrying out an initial investigation or audit, LBHF will:

- i. Issue a warning letter, giving the provider the opportunity to respond.
- ii. Monitor for future compliance before a decision whether to withdraw funding.

19. Termination and withdrawal of funding

- 19.1. Suspension of registration by Ofsted or childminder agency, or a breach of statutory requirements or safeguarding issues may result in the termination of the arrangement and withdrawal of funding.
- 19.2. Suspension of registration by Ofsted or a breach of statutory requirements or safeguarding issues may result in the termination of this agreement and withdrawal of entitlements. LBHF may refuse to fund a provider if there are reasonable grounds to believe that they are not able to meet all the terms and conditions of providing funded Entitlements as set out in this agreement and in section A3 of the <https://www.gov.uk/government/publications/early-years-funding-2024-to-2025/early-years-entitlements-local-authority-funding-operational-guide-2024-to-2025>
- 19.3. If this agreement is terminated, LBHF shall not be liable to make any payments to the Provider, provided that notice of termination is duly given, until the costs, losses and/or damage arising from the termination have been calculated and it is apparent that such sum is due to the Provider.
 - i. Once the total costs (including loss or damage referred to above) have been calculated, LBHF will recover any balance due to the Local Authority or alternatively pay to the Provider any balance due.
 - ii. LBHF have the rights in addition to and without prejudice to any other rights and remedies the LBHF may have arising from the termination.
 - iii. If funding is removed or withdrawn, LBHF will remove the provider from the Provider Directory published on the Family Information Service website.

20. Appeals process

- 20.1. A provider may be denied approval to offer the free entitlements or have their funding withdrawn as set out above. The provider can appeal against that decision.
- 20.2. A provider may be denied approval to offer the free entitlements or have their funding withdrawn as set out above. The provider can appeal against that decision.
- 20.3. Where a provider wishes to appeal against the decision made to refuse their inclusion on the Council's Provider Directory, the provider may submit supplementary evidence to:
 - i. Clearly demonstrate that the organisation and management of the setting has changed sufficiently to make a new setting, rather than a rebranded setting.
 - ii. Clearly demonstrate that the new setting will be offering high quality free provision.
- 20.4. All information will be referred to LBHF Early Years Service for consideration and a final decision will be made.
- 20.5. Where a provider has been removed from the Council's Provider Directory due to an Ofsted 'Inadequate/Not Met' judgements and the provider wishes to appeal against the recommendation made by the Council in respect of the removal, the provider may submit evidence to:
 - i. Clearly demonstrate that the information recorded is incorrect.

- ii. Clearly demonstrate that there are insufficient free places available within their locality to meet the needs of the existing funded children.
- 20.6. All information will be referred to the LBHF Early Years Service for consideration and a final decision will be made.
- 20.7. Where a provider is still dissatisfied with the response to the outcome of the decision made, they must inform the LBHF Early Years Service who will pass this on to their Head of Service, who will investigate this further and should provide a full response within 15 working days.

21. Complaints process

- 21.1. In the first instance parents should go to the Governors of the setting, however if the complaint is related to a funded place, the parent needs to contact a member of the Early Years Service - eyfservice@lbhf.gov.uk
- 21.2. The provider should ensure that they have a clear complaints procedure in place that is published and accessible for parents as set out in this agreement and in Early Education and Childcare Statutory guidance for local authorities.
- 21.3. If a childcare setting is making a complaint directly, they should do so through the following procedure:

How to make a formal corporate complaint

- 21.4. If you're reporting an issue for the first time, please give us the opportunity to resolve it before submitting a formal complaint. Each council service can address common issues directly, saving you from waiting up to 10 working days for a formal response from our complaints team. You can contact the Early Years Service directly by email at eyfservice@lbhf.gov.uk
- 21.5. LBHF have a two-stage complaints process, as set out in the corporate complaints policy. [Corporate Complaints Policy - December 2024 \(PDF, 293.16KB\)](#)

21.6. Stage 1

Your complaint at stage 1 will be investigated and dealt with by the service team where the complaint originates. Some responses may come from our suppliers or partners. Once your complaint has been recorded, we'll respond within 10 working days.

21.7. Stage 2

If you are not satisfied with your Stage 1 response, write to the resident experience team and explain why. Your Stage 1 response will explain how to do this. The team will then consider your complaint and decide whether it will be recorded at Stage 2.

- 21.8. If your complaint is recorded at Stage 2, we will acknowledge your complaint within 5 working days. We will investigate and respond within 20 working days of the date of acknowledgement.

21.9. Submit your formal corporate complaint

To lodge a formal corporate complaint, you can either email, call or write to us:

- i. **Email** your complaint to Resident Experience Team. residentexpteam@lbhf.gov.uk. You won't receive a reference number straight away, but we'll consider your complaint within 5 working days and send you an acknowledgement.
- ii. **Call** us on 020 8753 2456. However, if you have access to the internet we would recommend using the method above. You are welcome to call us if you

need any help with making a complaint by email. Our telephone line is open from 9am to 5pm, Monday to Friday.

- iii. **Write** to the Resident Experience Team, Room 229, Hammersmith Town Hall, King Street, London W6 9JU.

Ombudsman

- 21.10. If a parent or provider is not satisfied with the way in which their complaint has been dealt with by the local authority or believes the local authority has acted unreasonably, they can make a complaint to the Local Authority Ombudsman. Such complaints will only be considered when the local complaints procedures have been exhausted. It is important that you have given us an opportunity to address your complaint at Stage 1 and Stage 2.
- 21.11. You can contact the ombudsman to request an independent review of about how the council handled your complaint.
- 21.12. **Ombudsman contact details:** [Local Government Ombudsman](#)

22. Declaration

By signing below, you are confirming that you have read, understood and agree to the LBHF Provider Agreement for Early Years Provision and Childcare, as outlined above.

If you have any queries on the contents of this agreement, please contact the Early Years Service: eyfservice@lbhf.gov.uk

Name of setting:	
Name of manager:	
Signature:	
Date:	

Annex 1

Parent/Carer Declaration Form - Funded Childcare Entitlements

Step 1: Your child's details- parents/carers to complete

Child's Surname(s):	
Child Forename(s):	
Name by which the child is known (if different from above):	
Date of Birth: You will need to show your childcare provider evidence of your child's date of birth.	
Sex:	
Address:	

Step 2: Your details-parents/carers to complete

Parent / Carer 1	Parent / Carer 2
Surname:	Surname:
Forename:	Forename:
Date of Birth:	Date of Birth:
National Insurance number or Asylum Support Reference Number (previously NASS):	National Insurance number or Asylum Support Reference Number (previously NASS):

Step 3: Your child's eligibility- parents/carers to complete

To be completed with assistance from your chosen provider(s). Please tick which entitlement you will be using. If your child is two years old and eligible for both entitlements, you should use the entitlement for children from 2 years old receiving some additional forms of support first.

Entitlement for children from 2 years old in families receiving additional forms of support:

- If parents/carers live in England and are in receipt of certain benefits
- If a child is looked after by a local authority, has an EHC plan, gets Disability Living Allowance or has left care under an adoption order, special guardianship order or a child arrangements order.
- Working parent entitlement for children from 9 months old.
- Universal entitlement for 3- and 4-year-olds.

Your provider could receive extra funding for your child if certain criteria are met, please opt in by ticking the below boxes if they apply to you or your child:

The Disability Access Fund (DAF) is used to help providers to make reasonable adjustments in their settings, either to support an individual child, or for the benefit of all children attending the setting.

Is your child entitled to the Disability Living Allowance? Ticking yes will enable your chosen provider to receive the DAF.

Yes No

Early Years Pupil Premium (EYPP) is paid to childcare providers to provide extra support for your child. EYPP can be used to improve teaching and learning facilities and resources to impact positively on your child's progress and development. Ticking yes to the questions may enable your chosen provider to receive the EYPP.

Are you in receipt of Universal Credit?

Yes No

Is your child currently looked after by a local authority/have they ever been looked after by a local authority in England or Wales?

Yes No

Are you an asylum seeker receiving support under Part Six of the Immigration and Asylum Act 1999?

Yes No

Step 4: Document check-provider to complete

Documentary proof of DOB Type (e.g. birth certificate, passport):	
Document recorded by (name of staff member):	
Date document recorded (dd/mm/yyyy):	
Working parent eligibility code: (e.g. 12345678912)	
[If LA uses codes] 2-year-old eligibility code (if applicable):	

Step 5: Setting and attendance details- parents/carers to complete

You need to agree and complete this declaration form with each setting your child attends for their funded entitlement in order to ensure that funding is paid fairly to each of them. Your provider should help you to complete this section.

Your child can attend a maximum of two settings in a single day and if your child attends more than one setting the local authority will distribute the funding appropriately between the settings.

Setting name:	Mon	Tues	Wed	Thur	Fri	Total no. of hours per week	Total weekly charge	No. of weeks per year (e.g. 38,45,51)
Total funded entitlement hours attended per day							n/a	
Total extra (chargeable) hours per day								
Total daily hours attended								

To fill in if your child attends more than one setting:

Total funded entitlement hours attended per day

	Mon	Tues	Wed	Thurs	Fri	Total no. of hours per week
Setting name:						
Setting name:						

To note: the maximum number of funded hours your child can receive is:

- 1) for 2-year-olds in families receiving additional forms of support: 15 hours a week for 38 weeks of the year

2) for children aged from 9 months of eligible working parents: 15 hours a week for 38 weeks of the year (this will increase to 30 hours from September 2025). For 3 and 4 -years old this can be combined with the below entitlement to a maximum of 30 hours.

3) for all 3 and 4 year-olds: 15 hours a week for 38 weeks of the year

If your child is splitting their funded entitlement across more than one setting, please nominate their main setting:

.....

Provider to complete:

Additional charges: Government funding is intended to deliver 15 or 30 hours a week of free, high quality, flexible early education and care. The 15 or 30 hours must be able to be accessed free of charge to parents; that is, there must not be any mandatory charges for parents in relation to the free hours.

Government funding is not intended to cover the costs of meals, other consumables, additional hours or additional services. Providers can charge for consumables, meals and snacks, extra activities and additional hours provided they are not mandatory charges or a condition of accessing a place.

The costs of chargeable extras should be published on provider websites or, where they do not have any website, on local authority Family Information Services. These should be clear, up-to-date and easily accessible to parents, to enable parents to make an informed choice of provider.

	Mon	Tues	Wed	Thurs	Fri	Total weekly charge
Additional charges for consumables or additional charges per day						

Provide details of the charges made for consumables and additional services and itemised details of what these charges relate to:

Step 6: Parent/Carer/Guardian with legal responsibility declaration

Declaration: I (name)
of (address)
confirm that the information I have provided above is accurate and true. I understand
and agree to the conditions set out in this document and I authorise (Name of Provider/s)
.....
to claim free entitlement funding as agreed above on behalf of my child. I understand that
the data collected in this form will be shared with my chosen provider and local
authority.

Parent/Carer/Guardian with legal responsibility	Childcare provider
Signed:	Signed:
Print name:	Print name:
Date:	Date:

The London Borough of Hammersmith and Fulham is collecting your data for the purposes of checking your eligibility for the free entitlements, Early Years Pupil Premium (EYPP) or Disability Access Fund (DAF), in accordance with its statutory functions under the Childcare Acts 2006 and 2016, and the School Standards and Framework Act 1998.

Please note that from April 2024 2-year-olds will qualify for DAF and EYPP, and under 2's will qualify from September 2024.

Data Protection

The Data Protection Act 2018 (the Act) puts in place certain safeguards regarding the use of personal data by organisations, including the Department for Education, local authorities, schools and other early education providers. The Act gives rights to those about whom data is held (known as data subjects), such as pupils, their parents and teachers. This includes:

- The right to know the types of data being held
- Why it is being held; and
- To whom it may be disclosed

Should you have any concerns relating to how your information or the information relating to your child/ren is being or will be used, please contact your provider or The London Borough of Hammersmith and Fulham. Please note that information about whether a child is in receipt of Disability Living Allowance is, under the Act, Special Category Data which should be handled appropriately.

Providers are asked to pay particular note to advice from the Information Commissioner's Office on holding personal data including sensitive personal data available at: <https://ico.org.uk/for-organisations/uk-gdpr-guidance-and-resources/training-videos/handling-more-sensitive-information/>

Annex 2

Identification of children who qualify for the Early Years Pupil Premium and the Disability Access Fund

In alignment with Ofsted, the regulator and inspectorate of Early Years registered provision; it is important that providers identify children who qualify for the Early Years Pupil Premium and the Disability Access Fund and promote these to parents.

Children aged 9 months to 4-years-old who are accessing the early education and childcare entitlements and who meet the eligibility criteria can access the Early Years Pupil Premium and the Disability Access Fund.

We recommend that providers use the Parental Declaration form template to identify children who qualify for:

- Early Years Pupil Premium (EYPP), this is paid to childcare providers to provide extra support for children. EYPP can be used to improve teaching and learning, facilities and resources to impact positively on children's progress and development.
- The Disability Access Fund (DAF), this is used to help providers to make reasonable adjustments in their settings, either to support an individual child, or for the benefit of all children attending the setting.

From November 2025, Ofsted will refer to children and families who are eligible to receive this funding, as part of a renewed Ofsted inspection framework focus on inclusion and how providers are delivering the EYFS Statutory Framework to meet the needs of children with SEND and/or children who experience disadvantage.

Annex 3

Chargeable extras template: how to set out costs on your website

[Please edit according to what your setting offers]

Description	Unit	Unit price	Line total
Free entitlement hours –xxx hours per week (must not have a charge). [enter number of free hours per week, explain any stretched offer provided]	Weekly	Free	Free
Additional hours purchased – xxx hours per week [enter number of hours per week]	Weekly		£
Meals/snacks [Explain how many meals are provided and the type of meals]	Daily / Weekly / Per meal		£
Consumables (for example, nappies and sun cream) [Provide details of the charges made for consumables and <u>itemised</u> details of what these charges relate to.]			£
Additional voluntary services (for example, trips, forest school sessions or foreign language lessons) [Provide details of the charges made for additional services and itemised details of what these charges relate to.]	Ad Hoc		£
Total			£

[If you allow Tax Free Childcare or Universal Credit Childcare to claim back some of the costs, explain how this works in your setting here]

If you do not wish to pay for specific consumables, for example because you wish to provide your own, please make your setting aware so next steps can be discussed.

Annex 4



The Early Education and Childcare Entitlements Statutory Guidance - Frequently Asked Questions about charging

This document from the Department for Education answers frequently asked questions about the updated charging section in the [Early education and childcare entitlements statutory guidance](#), which is effective from 1 April 2025. However, please refer to the actual guidance when considering charging practice.

Summary

- The Department for Education has updated existing statutory guidance for local authorities. This guidance must reflect the law governing the delivery of the early education and childcare entitlements, which has not changed.
- As the entitlements are expanded, it is vitally important that they remain accessible and affordable for families. The Department has clarified the statutory guidance as it relates to additional charges – our priority is ensuring there is clarity and consistency for parents and providers.
- The Department for Education is **not** seeking to stop providers from being able to charge for voluntary extras. However, in line with a recent [High Court judgment](#), charges must not be *mandatory* or a condition of accessing a funded place. This has always been the case.
- Government funding for the entitlements does not cover consumables like meals, nappies or sun cream or additional activities, such as trips, so providers are able to ask parents to pay for these things. The Department is not encouraging parents to opt out, and we know that many parents prefer to purchase consumables from their provider.
- However, local authorities must ensure providers offer reasonable alternatives to parents that enable them to access the entitlements for free if they wish. The guidance makes clear that providers should be mindful of the impact of charges on families, particularly the most disadvantaged. Children who do not

participate in voluntary activities must continue to receive provision that complies with the Early years Foundation Stage (EYFS) statutory framework.

- The guidance also emphasises transparency at the heart of how the entitlement should be passed on to parents, including that any costs should be clearer on invoices and websites. However, for these new transparency expectations, the guidance allows a lead-in time until January 2026 to give providers time to adapt.
- Providers do a brilliant job for parents and children and many providers have been delivering the entitlements in a way that is transparent and in line with the long-standing law in this area. Our updated guidance should support transparency and consistency, for parents and providers.

Questions and Answers

What changes have you made to the guidance?

The Department has updated the statutory guidance, with the following changes:

- The updated guidance puts **transparency** at the heart of how the entitlement should be passed on to parents. The Department expects local authorities to ensure that providers (except for childminders and small providers caring for 10 or fewer children at any one time) publish their charges on their websites, or, where they do not have any website, on local authority Family Information Services. The objective of this measure is that all costs should be clear to parents upfront. We are aware that for some providers this will require changes, which is why we ask that providers have their charges published on their websites by January 2026.
- The guidance also sets out an expectation for providers to break their invoices down into; the free entitlement hours, additional private paid hours, food charges; non-food consumables charges and activities charges.

This is so that parents can see that they have received their free entitlement hours and can easily understand what they are being charged for. These changes should also be introduced by January 2026.

The guidance also reaffirms some key elements that reflect the underpinning legislation:

- the 15 or 30 hours must be accessible free of charge to parents; that is, that whilst providers can charge for extras there must not be any mandatory charges for parents in relation to the free hours. This is in line with the recent High Court judgment.
- The guidance also clarifies the things that providers can and cannot charge parents for, more clearly defining “consumables.”

When does the guidance come into force?

The changes to the statutory guidance will come into force from 1 April 2025 and local authorities must have regard to it from that date.

In relation to the transparency changes, the guidance sets out the expectation that local authorities ensure providers have set out additional charges clearly and upfront on websites and invoices by January 2026. We are aware that for some providers this will require changes, which is why we provided for a preparation period.

Are you stopping providers from charging?

No, the statutory guidance does not stop providers from being able to charge for voluntary extras, which they can continue to do. However, the Department is updating the statutory guidance in line with the recent High Court judgment, to ensure it accurately reflects the underpinning legislation and to help support clarity and consistency for parents and providers around charging.

The guidance makes clear that providers can charge parents for extras in connection with the entitlement hours, though charges must not be mandatory or a condition of accessing a place.

Further Information:

Government funding does not cover consumables like meals, nappies or sun cream or additional activities, such as trips, so providers are able to ask parents to pay for these things. The Department is not encouraging parents to opt out and is not asking local authorities to encourage parents to opt out, where charges are voluntary.

We know many parents prefer to purchase consumables from their providers and will continue to do so.

Providers can also charge parents for any additional, private paid hours according to their usual terms and conditions provided taking up private paid hours is not a condition of accessing a free place.

However, local authorities must ensure providers offer reasonable alternatives to parents that enable them to access the entitlements for free if they wish.

The guidance makes clear that providers should be mindful of the impact of charges on families, particularly the most disadvantaged. All parents, including disadvantaged families, must have fair access to a free place. Children who do not participate in voluntary activities must continue to receive provision that complies with the EYFS.

Regarding any additional charges, providers may wish to agree a termly arrangement with parents prior to that term commencing (which includes their policy on paying additional charges when the setting is closed, or the child is absent) as long as charges are not mandatory. To aid with business planning, this may include providers asking parents to decide on a term-by-term basis whether they want to opt in or out of any charges for food, consumables or additional services.

Is the working parent entitlement funded or free?

The legislation requires local authorities to ensure that the 15- or 30-hour entitlement for working parents childcare is available “free of charge” to each eligible child. The statutory guidance reflects the legislation using the term ‘free.’

However, following feedback from the sector, since 2024, the Department has been using the term ‘Government funded’ in parent-facing communications, to support providers in reflecting that parents may be charged voluntary extra charges for some costs not covered by Government funding.

What about food safety?

Providers remain able to charge parents for a meal provided to a child. The Department is not encouraging parents to opt out, and we know that many parents prefer to purchase things like meals from their provider. However, in line with the legislation and court judgment, any charges must not be mandatory, and alternatives must be available.

There is a requirement within the EYFS that states: ‘Before a child is admitted to the setting the providers must obtain information about any special dietary requirement, preferences, and food allergies that the child has.’ From September 2025 we intend to strengthen the requirements around safer eating and in addition to require that all settings must have ongoing discussion with parents regularly and where appropriate health professionals, to develop allergy action plans for managing any known allergies and intolerances. Providers will also be required to ensure that all staff are aware of symptoms and treatments for allergies and anaphylaxis. The Department for Education encourages settings to refer to the NHS advice on food allergies to support these arrangements.

There is already a requirement in the EYFS that children must always be within sight and hearing of a member of staff whilst eating. From September 2025 we intend to strengthen this requirement so that where possible, a member of staff should sit facing children whilst they eat so they can make sure children are eating in a way to prevent choking and so they can prevent food sharing and be aware of any unexpected allergic reactions.

These requirements do not and should not prevent settings from allowing parents to bring in their own packed lunches or snacks. However, settings may choose to produce a ‘packed lunch policy’ regarding what food is permitted.

Providers are free to set their own packed lunch policy, but this must comply with equality legislation. A packed lunch policy is to ensure all children are being offered healthy and nutritious food, to reduce choking risks, and to help prevent allergic reactions for children who may have airborne food allergies.

For full information and requirements settings should refer to the EYFS, including the strengthened requirements which are expected to come into force from September 2025 and can be found in the [Early Years Foundation Stage safeguarding reforms - consultation response](#)

Implementation during summer term 2025:

The Department recognises the challenges settings can face in providing safe and nutritious food and managing the associated risks. Where settings are currently not compliant with the

statutory guidance, with regard to mandatory charges for food but are moving towards compliance, local authorities should take a supportive and pragmatic approach, prioritising food safety and the requirements of the EYFS during any transition. Providers remain able to promote any benefits of their food offer and have pragmatic conversations with parents about what it is and is not safe, practicable and appropriate to bring into a setting.

Can providers charge deposits?

Local Authorities must ensure that providers do not charge parents **non-refundable deposits** as a condition of taking up a child's entitlement place. It is therefore permissible to charge a reasonable **refundable** deposit in relation to the entitlement hours, that must be paid back to parents within a reasonable period after taking up their place (but can be retained if the child does not take up the place without sufficient notice.)

What about models with 'fully free' places?

There have been several queries raised with the Department around charging for consumables, and regarding providers setting a certain number of "fully free" places, with the rest being "funded" places, in respect of which providers impose additional mandatory charges. The legislation requires the local authority to secure that places are available free of charge to *each* eligible child in their area, we do not consider that offering free places only to *some* eligible children meets this duty.

This is reflected in the updated statutory guidance, where (A1.32) states that government funding is intended to deliver 15 or 30 hours a week of free, high quality, flexible childcare. The 15 or 30 hours must be able to be accessed free of charge to parents. There must not be any mandatory charges for parents in relation to the free hours. However, this does not prevent providers from charging for food and other consumables, as long as these charges are not mandatory.

Providers may wish to agree a termly arrangement with parents prior to that term commencing regarding the additional hours or consumables purchased, to aid with business planning and provide for stability of income, as long as charges are not mandatory. This may include providers asking parents to decide on a term-by-term basis whether they want to opt in or out of any charges for food, consumables or additional services.

If parents want to make a voluntary contribution, are they able to?

Paragraph A1.41 of the updated guidance states that LAs must take all steps available to ensure the entitlements are available free of charge to parents and that providers do not charge for certain types of services. This includes top up fees, materials (e.g. crafts, crayons and paper), business running costs, registration fees and nonrefundable deposits, as a condition of taking up an entitlements place, general charges and any additional fees not specifically listed and itemised as chargeable extras; as outlined in section A1.33 of the updated guidance,

If a parent wishes to make a voluntary contribution, then they can do so, provided they are not being charged for these sorts of services or items and that it is wholly voluntary.

Hours of provision

What does the guidance say about flexibility of hours?

The guidance reaffirms that there should be no artificial breaks in the entitlement hours. LAs should work with providers to ensure that as far as possible the pattern of the entitlement hours is convenient for parents' working hours. The guidance recognises that not all providers will be able to offer fully flexible places and there is no statutory requirement for places to be offered at particular times or on particular days. Patterns of provision will rightfully be dependent on staff availability within particular settings.

However, some artificial patterns of provision can prevent parents in receipt of the entitlement from accessing employment or using their entitlement. Local authorities can, if they consider it appropriate, impose requirements in their arrangements with providers with a view to ensuring that the childcare is provided in a pattern to suit the needs of parents.

Providers should set out how many free hours parents are getting per day and per week, to ensure parents understand what free hours they are receiving over the calendar year from when their child first becomes eligible.

There is no statutory requirement for providers to provide the entitlement or any particular number of hours. However, LAs will want to consider whether they can meet their statutory duties to secure the childcare is available for 15 or 30 hours if they make arrangements with providers offering less than that.

Providers can also charge parents for any additional, private paid hours according to their usual terms and conditions provided taking up private paid hours is not a condition of accessing a free place.

Invoicing and websites – by January 2026

Do providers need to itemise everything so the cost for each item in a day or week, or can they aggregate over a week/ month?

Local authorities should work with providers to ensure that by January 2026, their invoices break down separately into:

- the free entitlement hours
- additional private paid hours
- food charges
- non-food consumables charges
- activities charges

As long as the categories of charge are clear as above, including how many free hours parents are getting per day and per week, a pragmatic approach to aggregating costs can be taken and every single individual cost does not need to be itemised.

Who has to publish their costs on a website? What if the provider does not have one?

By January 2026 at the latest, providers' costs for chargeable extras should be published on their websites or, where they do not have a website, on local authority Family

Information Services. Local authorities can exempt childminders and providers caring for 10 or fewer children at any one time.

What about childminders or very small settings?

By January 2026 local authorities are expected to ensure that providers publish the costs of chargeable extras and other information on their websites but are not expected to require this of childminders or small providers caring for 10 or fewer children at any one time. This exemption only applies to paragraph A1.35 and the publication of charging information online. The rest of the charging section applies to all providers delivering the entitlements, including childminders and small providers.

Providers may wish to agree a termly arrangement with parents prior to that term commencing regarding the additional hours or consumables purchased, to aid with business planning and provide for stability of income, as long as charges are not mandatory. This may include providers asking parents to decide on a term-by-term basis whether they want to opt in or out of any charges for food, consumables or additional services.

Annex 5



Department
for Education

The Early Education and Childcare Entitlements Statutory Guidance - Frequently Asked Questions for Childminders about charging

This document from the Department for Education answers frequently asked questions from Childminders about the updated charging section in the [Early education and childcare entitlements statutory guidance](#), which is effective from 1 April 2025. However, please refer to the actual guidance when considering charging practice

Summary

- The Department for Education publishes guidance which governs the delivery of the early education and childcare entitlements (the 15- or 30-hours working parent entitlement, universal 15hrs entitlement for 3- and 4-year-olds and the 15 hrs entitlement for children aged 2 years receiving additional forms of support).
- The Department has clarified the guidance as it relates to additional charges - it is vitally important that the entitlements remain accessible and affordable for families as they are expanded.
- The Department is **not** seeking to stop childminders from being able to charge for voluntary extras. However, charges must not be mandatory or a condition of accessing an entitlement place. This has always been the case and has been reaffirmed by a recent High Court judgment.
- Government funding for the entitlements does not cover consumables like meals, nappies or sun cream or additional activities, such as trips, so providers are able to ask parents to pay for these things. The Department is not encouraging parents to opt out, and we know that many parents prefer to purchase consumables from their provider.
- The updated guidance has introduced some new expectations around transparency for parents, although these don't take effect until January 2026. This includes asking providers (including childminders) to break down invoices into categories of charge. Larger providers are expected to detail charges on their websites, but the guidance says LAs can exempt childminders from this.
- We know childminders do a brilliant job for parents and children and the updated guidance should support transparency and consistency. Childminders are a key part of

the early years sector, providing high-quality, flexible, and affordable early education and childcare, and playing an important role in delivering entitlements and wraparound care.

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**Questions and Answers for Childminders **

Are you stopping childminders from charging?

No, the updated guidance does not stop childminders from being able to charge for voluntary extras, which they can continue to do. The guidance makes clear that childminders can charge parents for extras, as long as charges are not mandatory or a condition of accessing a place. This has always been the case.

How do we manage if parents change their mind about paying for consumables?

Childminders may wish to agree a termly arrangement with parents prior to that term commencing regarding the additional hours or consumables purchased, to aid with business planning and provide for stability of income, as long as charges are not mandatory. This may include asking parents to decide on a term-by-term basis whether they want to opt in or out of any charges for food, consumables or additional services

Are the new entitlements good for childminders?

Like other registered early years providers, childminders can deliver the government's funded early years entitlements. This includes the universal 15 hours for all 3- and 4-year-olds and some 2-year-olds, and 30 hours for eligible working parents.

Childminders can contribute to the delivery of the expanded entitlements to younger children and the expansion could benefit childminders in different ways.

We know the expansion is likely to stimulate demand for childminder places or additional hours and the additional funding going into the system should support the sustainability of the sector. Although hourly funding rates will vary between local authorities reflecting the different communities that local authorities serve, the overall DfE funding rates for the new entitlements are substantially above the average level of private paid fees charged by Childminders, so the expansion should support increased revenues.

Why does the funding rate decrease when children turn 3?

The early years is a diverse market, made up of a range of for-profit and not-for-profit provider types including chains of nurseries, single site providers, school-based providers and childminders.

Therefore, our principle since the introduction of the EYNFFs in 2017 has been to distribute funding fairly, efficiently and transparently across the country and across provider types.

The hourly funding rate paid to local authorities for these entitlements is designed to recognise the average costs across different provider types and is intended to reflect staff and non-staff costs.

We know, from listening to the sector and from our own regular research, that the cost of care is highest for younger children, which the funding rates reflect.

However, funding is not ring-fenced by age, and we know many childminders often look after children at a range of ages, often below and above age 3. Where this is the case childminders can use all the funding they receive from their local authority to support with costs across all the children they look after.

Overall, through our regular research we know that the funding rates for younger children will often be significantly above previous parent paid-rates and the childminding sector will benefit from the expanded entitlements for working parents. Childminders are not prohibited from using any surplus generated from funding for younger children to support older children.

If parents want to make a voluntary contribution, are they able to?

If a parent wishes to make a voluntary contribution, then they can do so, provided that it is wholly voluntary, and they are not being charged a 'top-up fee' or for other services or items detailed at paragraph A1.41 of the [guidance](#). This has always been the case.

Can providers charge deposits?

Local Authorities must ensure that providers do not charge parents non-refundable deposits as a condition of taking up a child's entitlement place. It is therefore permissible to charge a reasonable refundable deposit in relation to the entitlement hours, that must be paid back to parents within a reasonable period after taking up their place (but can be retained if the child does not take up the place without sufficient notice.)

Do providers need to itemise everything so the cost for each item in a day or week, or can they aggregate over a week/ month?

Local authorities should work with providers to ensure that by January 2026, their invoices break down separately into:

- the free entitlement hours
- additional private paid hours
- food charges
- non-food consumables charges
- activities charges

As long as the categories of charge are clear as above, including how many free hours parents are getting per day and per week, a pragmatic approach to aggregating costs can be taken and every single individual cost does not need to be itemised.

Paragraph A1.35 of the updated guidance also says that costs of chargeable extras should be published online by January 2026. However, local authorities may exempt childminders from this expectation regardless of the number of funded and non-funded children they care for.