



LUTON COUNCIL

PROVIDER AGREEMENT FUNDING

FAQS



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Directory of Providers

What is the Directory of Providers?

For providers, who have signed a 'Provider Agreement' to deliver Nursery Education Funding. This includes Early Years providers; i.e. Day Nurseries, Childminders, Pre-School, Playgroup and Nursery classes of Independent Schools.

Do I need to meet criteria to become an Early Years Nursery Education Provider?

If you have already been inspected by Ofsted, you will need to be judged 'Good' or 'Outstanding' by Ofsted to deliver Nursery Education Funding to 2, 3 and 4-Year-Old children.

If you are new provider registered with Ofsted but have not yet been inspected, you will be able to take up funded children after you register your interest with Luton Council. Your continuity of service provided to funded children depends on your first full Ofsted inspection judgement.

I want to deliver Nursery Education Funding; how do I register?

Register your interest via sending an email to Early Years Team:

Nursery.Headcount@Luton.gov.uk.

You will then receive an email with all relevant Nursery Education Funding Code of Practice documentations along with Provider Agreement form.

The Provider Agreement will need to be signed, returned and accepted by Luton Borough Council before you can start to deliver Nursery Education Funding.

I have received an 'Inadequate' or 'Requires Improvement' Ofsted judgement; what happens now?

Once we receive notifications from Ofsted that a setting has been judged as 'Inadequate' or 'Requires Improvement', we will be in contact with the setting. Please see section 17 of the Luton Council Provider Agreement.

I no longer want to deliver the Nursery Education Funding; what do I need to do?


Email Early Years Team: Nursery.Headcount@Luton.gov.uk and inform that you wish to be removed from the Directory of Providers.

Financial Information

How many weeks does Luton Council fund per year?

Term Time only, which equals to 38 weeks per year and are split over three terms:

- **Summer:** 13 weeks
- **Autumn:** 14 weeks
- **Spring:** 11 weeks



Further to the above, Luton also offer Stretched Funding – please refer to Stretched Funding for further information.

What are the hourly rates for Nursery Education Funding?

Hourly rates for 2018-2019:

- **Two-Year-Olds:** £5.10
- **Three-Year-Olds:** £4.36
- **Four-Year-Olds:** £4.36

If the hourly rate changes in near future, all providers will be notified by Early Years Team.

How is Nursery Education Funding calculated?

Nursery Education Funding for each term is calculated based on *Indicative Budget*, which were providers' actual headcount returns from previous financial year; and the balance of actual headcount returns for the term in current financial year.

** Indicative budgets are provided via email at the beginning of each Financial Year. Providers have the responsibility to check Indicative Budgets and inform the Luton Council immediately by writing if it needs to be revised.*

How often do we receive the funding?

You will receive **two payments** per term:

- **First Payment (75%):** based on indicative budget and payment to reach your bank accounts at the beginning of the term.
- **Second Payment (balance of actual headcount, around 25% give or take):** based on your actual headcount submission for the term minus *First payment* received. Payment to reach your accounts towards end of the term.

**It is highly important that providers must have set up access to Provider Portal prior to headcount tasks and submit actual headcount returns via Portal within requested deadline to avoid disappointment on payment delays. To request access to Provider Portal, please email nursery.headcount@luton.gov.uk*

When can a 2-Year-Old receive Funding?

Eligible 2-year-olds can claim funding from the term after their second birthday.

When can a 3 or 4-Year-Old receive Funding?

All 3 and 4-year-old children can claim funding from the term after their third birthday.

For extended childcare funding (commonly known as 30 hours funding), the funding starts from the term after the child turns three or when their parents receive their eligibility code from HMRC, whichever is later. For further information please refer to section **30 Hours (Extended)**



At which age is the child no longer eligible for Nursery Education Funding?

Once the child has reached compulsory school age (the term following their fifth birthday) or once they have taken a place in a reception class in a school.

Universal Hours

All three to four-year-olds are entitled for 570 free hours per year. It's usually taken as maximum of 15 hours a week over 38 weeks of the year, but you can choose to take fewer hours over more weeks i.e. Stretched Funding.

How long do I need to retain Early Years documentation?

You are required to retain paperwork for 7 years; current financial year plus six previous years. Also, please consider what is required from your Liability Insurance as well as the above.

What is the longest vacation period a child is entitled to?

As mentioned in the Luton Council Provider Agreement section 14, a child is only entitled up to 2 weeks maximum per term.

Should any parent wish to take their child out for an extended vacation period, the provider reserves the right to either charge the parent to leave the place open or to offer the place to another child from their waiting list

Are providers allowed to charge for Universal hours?

No. Providers are not allowed to charge parents for Universal hours as they are funded by HMRC/UK government.

Providers are only allowed to charge parents when they have exceeded the 'Universal hours' amount.

Are providers allowed to charge parents the difference between the hourly rate funded by the local authority and what they usually charge per hour?

No. This would be classed as charging a 'Top-up' fee.

I have not claimed funding for a child who has been attending my provision over last few terms. Can Funding be back dated?

No. You need to ensure you claim all the funding within the correct term as LA cannot back date funding to previous terms once they are closed.

Taken a child after Headcount date; do I receive funding?



No. Funding is based on a 'Snap-shot' week of Headcount, therefore, all children must be enrolled before to receive the entitlement and any late starters will be funded from the next term onwards.

However, providers can write a 'Business Case' if they have taken on more children which may have noticeable financial impact on their business operation for LA to evaluate as special cases.

New provider opened part way through the term; do I receive funding for the full term?

No. You will receive funding accordingly to the number of weeks opened from, number of children on roll and their funded hours.

30 Hours (Extended)

Which children are eligible for 30 Hours?

Children of working parents may be entitled to an extra 15 hours per week. This is in addition to the 15 hours Universal that all children already received from the term after their 3rd birthday.

30 Hours requirement criteria?

- Both parents are working – or single parent is working in single parent family
- Each parent earns, on average, a weekly amount equivalent to 16 hours at National Minimum Wage or National Living Wage
- Each parent earns less than £100,000 per year
- The family lives in England

More information is available on our website

https://www.luton.gov.uk/Education_and_learning/childcare-childrens-centres-activities/Childcare%20and%20childrens%20centres/Pages/30-hours-entitlement.aspx

How many times a year will a provider have to verify a parents' eligibility code?

Eligibility code only needs to be verified by Provider once, when the parents initially comes into the setting and presents the code. After this, it is the parents' responsibility to re-validate their code with HMRC when they are notified via emails/texts from HMRC and inform providers immediately of the outcome.

Parents are late in renewing eligibility code, are they eligible to start with a new provider in their grace period?

No. Parents cannot start their children at a new setting within their grace period, but they are able to continue in their place with their current provider.

Do providers have the right to charge parents/refuse extended hours placement when they have not renewed their eligibility code and have gone past their grace period?



Yes. Providers can either: Charge parents for the extended hours accessed and the hours can automatically fall under wrap around care **or** refuse the placement until they re-validate the code and are eligible from the following term.

Shared Funding

Parents may split their funding between multiple providers, though no more than two sites in one day and must not exceed the maximum entitlement of 15 universal hours per week (570 hours per annum) or 30 hours per week for both Universal and Extended (1140 hours per annum).

It is the parents' responsibility to clearly indicate details of all providers on the Parental Declaration Form and specify 'Shared funding'; where they want the 'Universal' and 'Extended' hours to be claimed.

However, continuity of care is important for the child. Therefore, consideration should be given to the impact that multiple providers may have on a child's learning, development and wellbeing.

Please refer to Appendix 4 for further information.

Stretched Funding

When parents choose to take fewer hours over more weeks, for example;

- maximum amount of 11 hours per week for 'Universal' or 22 hours per week for 'both Universal and Extended' entitlement over 51 weeks per year.

Further to the above, please refer to the below table for breakdown

Universal (15 Hours) over 38 weeks

Hours per day	Days attend per week	Weeks per year	Total
3	5	38	570

Universal (15 Hours) over Stretched Weeks



Hours per day	Days attend per week	Weeks per year	Total
3.75	4	38	570
5.00	3	38	570
7.50	2	38	570
3.56	4	40	570
3.17	4	45	570
3.96	3	48	570
3.80	3	50	570

30 hours options

Hours per day	Days attend per week	Weeks per year	Total
6.00	5	38	1,140
7.50	4	38	1,140
10.00	3	38	1,140
5.70	5	40	1,140
7.13	4	40	1,140
9.50	3	40	1,140
5.07	5	45	1,140
6.33	4	45	1,140
8.44	3	45	1,140
4.75	5	48	1,140
5.94	4	48	1,140
7.92	3	48	1,140
4.56	5	50	1,140
5.70	4	50	1,140
7.60	3	50	1,140

Early Years Pupil Premium (EYPP)

What is EYPP?


It is extra funding from the government to help 3 or 4-Year-old children's early education.

If a child is eligible, the childcare provider or school that the child attends could claim up to £300 extra a year to help support and improve the child's individual learning.

It can be claimed by Ofsted registered nurseries, pre-schools, childminders, or schools, that provide the child with the funded Universal 15 hours.

Who is eligible?

A parent may apply for the EYPP if:

- 
- child is already receiving free part-time early education hours
 - are on certain benefits, allowances, or a low income or
 - the child is or has been in care

More information is available https://www.luton.gov.uk/Education_and_learning/childcare-childrens-centres-activities/Childcare%20and%20childrens%20centres/Pages/Early-Years-Pupil-Premium-EYPP.aspx

How do I know if the child is eligible for EYPP funding?

If a child is qualified under economic criteria, providers must enter child's details on Provider Portal alongside with carer's details including D.O.B. and NI number to allow funding to be checked and allocated. Once funding is confirmed, an EYPP report can be generated by LA to notify providers the outcome.

If a child qualifies on non-economic criteria (LAC) or other, please contact Early Years Headcount team by email on nursery.headcount@luton.gov.uk

Starting School

Child is starting school in September, but attending sessions only for the first half term.

Can the parents claim for Nursery Education Funding?

No. Once a child starts school, even if only part time to start with (i.e. staggering start by schools), they cannot use any early education funding.