

London Borough of Waltham Forest

FREE EARLY EDUCATION ENTITLEMENT (FEEE)

FINANCIAL GUIDANCE

FOR 9 MONTHS OLD - 4 YEAR OLDS

1st April 2025 – 31st March 2026¹

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Background

This document covers the financial requirements with regards receipt of Early Years Single Funding Formula (EYSFF) monies in respect of provision of Free Early Education Entitlement places in line with the **EYSFF PAYMENT TERMS AND CONDITIONS** agreement between the provider and the Local Authority.

This document should be read in conjunction with the information on the following information:

- **Waltham Forest's FEEE Guidance and templates**
<https://thehub-beta.walthamforest.gov.uk/early-years-financial-guidance>
- **Information regarding Childcare Support Expansion 2024**
<https://www.walthamforest.gov.uk/families-young-people-and-children/free-early-education-and-childcare/childcare-support-expansion-2024>

The following statutory guidance, which forms part of the providers **EYSFF PAYMENT TERMS AND CONDITIONS** agreement with the Local Authority, should also be read alongside these guidance documents:

- **Early education and childcare: Statutory guidance for local authorities**
<https://www.gov.uk/government/publications/early-education-and-childcare--2>
- **Early years entitlements: local authority funding operational guidance 2025 to 2026**
<https://www.gov.uk/government/publications/early-years-funding-2025-to-2026/early-years-entitlements-local-authority-funding-operational-guide-2025-to-2026>

LBWF will ensure that there are forums and procedures in place for Providers to be heard and to communicate with the Local Authority regarding this guidance.

Terminology

In this Guidance, unless the context requires otherwise, the following words and expressions shall have the following meanings:

“DERN”	DfE Eligibility Reference Numbers (DERN) for 15/30 hours of free childcare provided to the working parent by HMRC
“EYFS”	Means the Early Years Foundation Stage
“EYFS Guidance”	Means the current Early Years Foundation Stage Statutory Framework and Practice Guidance issued by the Department for Education
“Early Years Provider Portal”	Is the LA’s ICT system for validation of DERN’s, checking eligibility for EYPP and submitting the headcount data
“EYPP”	Means the Early Years Pupil Premium as defined by the Department for Education
“EYSFF”	Means the Early Years Single Funding Formula
“EYNFF”	Means the Early Years National Funding Formulas defined by the Department for Education/ Education Funding Agency
“FEEE”	Means the Free Early Education Entitlement of free early education and childcare to eligible children between 9 months old and 4 year olds as defined by the Department for Education
“IDACI”	Means Income Deprivation Affecting Children Index. This is based upon the post code address of pupils and the likelihood (measured from 0 to 1.0) that the family will be income deprived
“LBWF”	Means the London Borough of Waltham Forest
“Legal Requirements”	Means any applicable statute, statutory rule, order, directive, regulation or other instrument or judgement of a court having force of law for the time being in force governing or relating to a project.
“MNS”	Means Maintained Nursery School
“Premises”	means the premises from which the Provider is registered with the DfE or Ofsted to deliver FEEE and childcare
“Provider/s”	means the School, Company, Charity or Individual that has signed an EYSFF PAYMENT TERMS AND CONDITIONS agreement with LBWF to deliver FEEE places
“PVI”	Private, Voluntary and Independent Sector Providers
“The Hub”	Is the London Borough of Waltham Forest’s website for Education Professionals operating in the Borough https://thehub-beta.walthamforest.gov.uk

Section 1: Funding for Providers during April 2025 - March 2026

This section covers how much Providers get paid for the FEEE hours that they provide to eligible children.

1.1 Early Years Single Funding Formula (EYSFF) – 9months old - 4 year olds

- 1.1.1 The EYSFF is agreed by Schools Forum and is the formula used by the Local Authority to pay contracted providers for the FEEE places that they provide to eligible children. This EYSFF has been devised and agreed in line with the DfE EYNFF guidance and in consultation with approved FEEE Providers. Full details of how the EYSFF is calculated have been provided below to allow providers to fully understand and check the formula, should they wish to. Those providers who do not require the full details can proceed directly to Section 2, which outlines the process for claiming EYSFF payments and [hourly rates for under 2s, 2 and 3 & 4 year olds](#). This will provide details of the hourly rate at which payments will be made.
- 1.1.2 The purpose of the EYSFF is to arrive at an hourly rate at which Providers will be paid for each eligible child provided a place and submitted by headcount return on the EY Provider Portal to the LA between 1st April 2025 and 31st March 2026
- 1.1.3 The DfE require indicative budgets to be made available to providers by 28th February each year for the next financial year (e.g. by 28th February 2025 for 2025-2026). The January 2024 census week data have been used as the basis to produce the **indicative hours** of attendance on which the indicative 2025-2026 budget shares have been calculated.
- 1.1.4 **An hourly rate and predicted budget was produced and approved by Schools Forum in February 2025.** This is the hourly rate at which settings will be paid for actual hours delivered, to eligible children, between 1st April 2025 and 31st March 2026.
- 1.1.5 These predicted hours in **Appendices F&G** [Appendix F & G \(amalgamated\) - Indicative budget shares for 3&4 year old places \(universal & Working family offer\) 2025-26](#)² will be multiplied by the overall hourly rate for that provider. The overall hourly rate is the combined hourly rates for base rate and deprivation supplement. This makes it easy for a provider to calculate income based on actual hours recorded and adjust expenditure, where necessary.
- 1.1.6 Settings will be provided with details of their monthly payment schedule information at the beginning of the financial year. This will be based on the predicted number of hours in each term multiplied by the hourly rate divided by the number of months in the term. For example, in the Spring Term 2025, Provider A has 24,000 predicted hours and an hourly rate of £5.30. This would mean that payments due amount to

² Schools Forum Report dated 5th February 2025

£127,200. Therefore, the monthly payment for the spring term would be £42,400 for January, February and March.

1.1.7 In order to improve the accuracy, efficiency and timeliness of predicted and actual delivered hours, providers are required to complete a statutory January Census return as well as two additional Census returns in Summer 2025 and Autumn 2025 for the new working family entitlements. Providers are expected to regularly update attendance information throughout the year by entering the child's data onto the Early Years Provider Portal at the point of admission/commencement of their place as well as regularly updating child records on the Portal when changes in take-up/attendance occur. This will allow payments to be based on accurate attendance information and prevent significant over/under payments.

1.1.8 This process (in 1.1.7) will have the following positive effects:

- Providers will receive actual monies due to them more quickly and be able to calculate income/cash flow more accurately
- The Local Authority will have better information available to monitor spend patterns for individual providers and across all providers as a whole.
- Maximise the EYDSG income that the LA receives, in order to fund providers of FEEE places

1.1.9 The Schools and Early Years Finance (England) Regulations, require Local Authorities to take into account in its formula the predicted total number of hours of attendance of pupils, using as a basis for the calculation the most recent data available about the actual numbers of pupils. When further information about hours of attendance becomes available from the DfE, a local authority must review the budget share and re-profile the budget share or amount allocated, as the case may be. January Census data and headcount data will be used to re-determine monthly budget share payments.

If there is **evidence** that there will be a variance between the actual numbers of hours delivered during a term/year, the Providers predicted budgeted hours and monthly payment schedules will be adjusted to reflect this. Providers are encouraged to analyse their actual take up on a regular basis to **ensure their predicted budgets are updated to include all the FEEE funded children in their setting**. This will ensure that payments can be adjusted as soon as possible and avoid significant over/under payments.

1.1.10 At the end of each term, there will be a reconciliation of payments made against actual headcounts on Provider's Portal, which may result in additional payment or clawback. Where the additional payment is in excess of £5,000 in a term, an audit of parental declarations will be carried out by the LA in line with section 2.1.4.6 to evidence the increase in FEEE hours provided before the additional payment is made.

1.1.11 There are three elements to the funding formula:

- Universal base rate (see section 1.4)
- Deprivation supplement (see section 1.5)
- Quality supplement (see section 1.6)

1.2 Sufficiency/Place development funding

1.2.1 Providers are able to make applications for revenue and /or capital funding for each new FEEE place created in an area where the Local Authority has an unmet demand for places.³ Full details of the criteria and application process for this funding can be found using the following link <https://thehub-beta.walthamforest.gov.uk/runningyourbusiness#expansiongrant>

1.3 Start Date for 3 year old FEEE eligibility

1.3.1 The DfE funds Local Authorities for 3 year olds to take up their FEEE entitlement from the term after they turn 3

1.4 Universal Base Rate

1.4.1 New requirements on how local authorities are able to allocate funding to providers were introduced from 2017-2018 by the DfE to ensure funding is fairly distributed to providers. Included in this was the expectation that a local universal base rate for all types of providers would be set.

1.4.2 The only exception to this is MNS supplementary funding, which is only paid to maintained nursery schools only, and is set at an additional £5.27 per hour for the period April 2025– March 2026.

1.4.3 The table below illustrates the universal base rates for 3 and 4 year olds for 2025-2026.

Universal Base Rate	1 April 25 to 31 st March 2026
3 year old	Child eligible from term after child's 3 rd birthday
Base Funding rate: PVI and School Nursery Classes (including MNS's)	£5.69 per hour
Maintained Nursery Schools Only Paid as a lump sum and based on January 2024 Census (number of PTEs 3&4YOs eligible for universal hours) for 3 MNS's in LBWF	£5.27 per hour

Terms start on 1st Jan 1st April and 1st September

³ New places are defined as, an Early Years Ofsted registration number for a premises that has not previously had an Ofsted registration number or an existing provider where they have extended their provision by building/using new space that does not relate to their current registration and would not have previously been used to provide Early Years Ofsted registered provision.

1.5 Deprivation Supplement

- 1.5.1 Deprivation is the only mandatory supplement outlined in the EYNFF guidance. At Schools Forum it was agreed that deprivation payments be made across IDACI bands 1-6, with a higher payment weighting to IDACI bands 4-6.
- 1.5.2 The table below illustrates the factors and rates that the deprivation supplement will be paid in respect of 3 and 4 year olds for 2025-2026:

Deprivation (3&4 year olds only)	
Pupil lives in IDACI Band 1 (score 0.2 & 0.25)	£0.25 per hour
Pupil lives in IDACI Band 2 (score 0.25 and 0.3)	£0.55 per hour
Pupil lives in IDACI Band 3 (score 0.3 & 0.35)	£0.85 per hour
Pupil lives in IDACI Band 4 (score 0.35 & 0.4)	£1.60 per hour
Pupil lives in IDACI Band 5 (score 0.4 & 0.45)	£2.25 per hour
Pupil lives in IDACI Band 6 (score 0.5 +)	£2.70 per hour

- 1.5.3 The Local Authority uses IDACI data rather than entitlement to free school meals to measure deprivation. IDACI stands for Income Deprivation Affecting Children Index. This is based upon the post code address of eligible children and the likelihood (measured from 0 to 1.0) that the family will be income deprived.
- 1.5.4 Deprivation Supplement payments are based on children's postcode data submitted by providers as outlined in 1.5.5.
- 1.5.5 A calculation was carried out to determine what % of all of the children on the Autumn 2024 census/headcount data lived in the IDACI bands 1 to 6. This is established by using the DfE's tool at: <http://imd-by-postcode.opendatacommunities.org/> Providers can use this tool and their Autumn 2024 Census/headcount data to calculate / check IDACI % and payments if they choose to. A detailed Step by Step guide on how to use the DfE's tool to calculate / check IDACI % can be found in the "User Guide" section of the FEEE Guidance for Provider page on the Hub at the bottom of the page under downloads using the following link: <https://thehub-beta.walthamforest.gov.uk/early-years-financial-regulations>
- 1.5.6 The additional deprivation supplement is based on children identified as living in IDACI bands 1 to 6, as per hourly rate outlined in 1.5.2, this supplement is in addition to the universal base rate outlined in 1.4.3 to produce the settings final total hourly rate outlined in **Appendix C: [Appendix C - Final hourly rates for 3 & 4 year old places \(universal & working family offer\) for 2025-26](#)**⁴
- 1.5.7 New Providers where Deprivation Supplement information is not available (as they were not a FEEE approved provider at the time of the Early Years Autumn 2024 Census/headcount), will be funded using the average proportions of

⁴ School's Forum Report dated 5th February 2025

children falling into each IDACI band of all of the other providers operating in the same ward (see Ward table below).

- 1.5.8 Autumn 2024 Census/headcount data is used as the basis for calculating an annual/hourly deprivation budget for your school/setting. Deprivation funding is **NOT child specific** and can be used to support any disadvantaged, vulnerable or SEND child/children attending your school/setting throughout the year to close the gap between the attainment of the most disadvantaged children and their peers.

The average IDACI hourly rate payments for each ward within the Borough are:

Ward	Average IDACI hourly rate
Cann Hall	£0.18
Cathall	£0.17
Chapel End	£0.19
Chingford Green	£0.16
Endlebury	£0.17
Forest	£0.11
Grove Green	£0.10
Hale End & Highams Park South	£0.28
Hatch Lane & Highams	£0.14
High Street	£0.17
Higham Hill	£0.30
Hoe Street	£0.09
Larkswood	£0.20
Lea Bridge	£0.27
Leyton	£0.22
Leytonstone	£0.08
Markhouse	£0.25
St James	£0.16
Upper Walthamstow	£0.10
Valley	£0.22
William Morris	£0.12
Wood Street	£0.19

- 1.5.9 Ward averages will also be used for childminders due to the small numbers of children provided a place by them. The childminder total hourly rate by ward is outlined in the table below.

Ward	Childminders Hourly Rates Based on Ward 24-25
Cann Hall	£5.87
Cathall	£5.86
Chapel End	£5.88
Chingford Green	£5.85
Endlebury	£5.86
Forest	£5.80
Grove Green	£5.79
Hale End & Highams Park South	£5.97
Hatch Lane & Highams	£5.83

High Street	£5.86
Higham Hill	£5.99
Hoe Street	£5.78
Larkswood	£5.89
Lea Bridge	£5.96
Leyton	£5.91
Leytonstone	£5.77
Markhouse	£5.94
St James	£5.85
Upper Walthamstow	£5.79
Valley	£5.91
William Morris	£5.81
Wood Street	£5.88

Full details regarding IDACI band payment calculations are outlined in Appendix D [Deprivation Supplement payment calculations \(incorporated in total hourly rate in Appendix C](#)⁵

1.6 Quality Supplement

- 1.6.1 **The Early Years Systems Support (EYSS)** Project is a sector led initiative to support the continuous improvement of Early Education across Waltham Forest by growing capacity within the early years sector to support itself, and disseminating the wealth of knowledge and expertise that already exists within the Borough to improve the quality of early years provision even further.

For more information, please refer to the EYSS Hub page at the following link:
<https://thehub-beta.walthamforest.gov.uk/earlyyearssystemsupport>

- 1.6.2 **Additional quality supplement** – The Teachers Pay & Pension Grant (TPPG), that was previously paid separately to Maintained schools, Maintained Nursery Schools and Academies has been rolled into the total funding allocation for 3&4 year olds, which has resulted in an increase to the overall budget of £467,144. This additional funding will be paid as a separate Quality supplement during 2025-2026 to Maintained schools and Academies who received TPPG payments during 2024-2025 and will be paid in line with the funding allocated to each school during that period. Maintained Nursery School Supplement Funding includes TPPG for MNS equivalent to 48p per hour.

1.7 Early Years Pupil Premium

- 1.7.1 Local Authorities are required to pay Early Years Pupil Premium (EYPP) to providers of the free early education entitlement. Providers can claim EYPP for all eligible children that are taking up their FEEE place. Eligible children include those

⁵ Schools Forum Report dated 5th February 2025

whose parents are in receipt of qualifying benefits for free school meals or who are looked after or who have been adopted from care or who have left care under a special guardianship order.

- 1.7.2 EYPP payments will be made in line with DFE guidance. An EYPP eligibility check should not be done more than a term in advance of the child taking up their free early education entitlement in case the family's circumstances change. Once a provider starts receiving EYPP funding in respect of a particular child, they will not lose it while the child is taking up the free early education entitlement. Eligibility does not need to be rechecked.
- 1.7.3 Providers should ensure that all children taking up under 2s, 2 and 3-4yr old FEEE place that are eligible under financial criteria for an EYPP payment have been assessed through the Early Years Provider Portal and documented on the parental declaration form. Further information on eligibility checking can be found at: <https://thehub-beta.walthamforest.gov.uk/early-years-funding>. A detailed Step by Step guide on how to assess for EYPP Eligibility on the Early Years Provider Portal is available in the "User Guide" section on the Hub at <https://thehub-beta.walthamforest.gov.uk/early-years-provider-portal>.
- 1.7.4 EYPP payments will be paid at £1.00 per hour (for up to 570 per annum based on 15 hrs per week if FEEE place is taken up during term time (38 weeks). Or pro rata, if their FEEE place is 'stretched' over more than 38 weeks e.g. 11 hrs per week over 52 weeks for each eligible Under 2's, 2 year old and 3&4years old child. If a 2-year-old child meets the eligibility criteria for both the families receiving additional support and working parent entitlements, EYPP should be applied to the entitlement for families receiving additional support hours. There may be circumstances where a child taking up the working parent entitlement, is eligible for EYPP and is splitting their provision across two or more settings. For these children, local authorities and providers should use the parental declaration form to enable parents to indicate at which provider they are taking their EYPP entitlement.

The EYPP is child specific and will be paid in addition to the EYSFF hourly rate for eligible pupils included on the Early Years Provider Portal. **Please note:** Providers will be required to provide details of how EYPP income has been used to support eligible children in line with DfE and Ofsted requirements. Early Years Providers should ensure EYPP funding is used to improve educational outcomes for disadvantaged children by spending on activities, staff training and resources that specifically impact educational outcomes for disadvantaged children. They should plan EYPP spending based on consideration of well-evidenced approaches such as professional development for staff, which may benefit all children while providing the greatest benefit to disadvantaged children. Further guidance on the use of EYPP funding can be found at [Early Years Pupil Premium Guide for local authorities](#)

- 1.7.5 To ensure providers receive their EYPP payments in a timely manner, we will make an interim payment mid-term. We will then reconcile your EYPP funding at the end of the term and any balancing payments will be made in the following term as below:
- in February for Autumn term
 - in May for Spring term and
 - October for Summer term
- 1.7.6 Children whose home address postcode has an IDACI score of 0.3 and above are most likely to be eligible for EYPP. Providers can use the [IDACI Checker](#) to help identify potentially EYPP eligible children as outlined in section 1.5.5.
- 1.7.7 Providers should encourage parents/carers to provide and record their National Insurance (NI) numbers and date of birth on the Early Years Provider Portal (which is GDPR compliant and will securely store this data) at the point of registration in order to assess children for EYPP eligibility via the Early Years Provider Portal.
- A detailed Step by Step guide on how to assess children for EYPP eligibility can be found in the “User Guide” section on the Hub using the following link:<https://thehub-beta.walthamforest.gov.uk/early-years-provider-portal>
- 1.7.8 EYPP payments will not be made to providers who have failed to confirm eligibility through the Early Years Provider Portal.
- 1.7.9 Parents who are eligible under the Looked After, Adoption, Residence or Special Guardianship Order, should obtain documentary⁶ evidence of this. This documentary evidence should be uploaded to each eligible child’s record on Early Years Provider Portal. The LA will then confirm eligibility and provide a unique reference number. This unique reference number must be entered onto parental declaration form and recorded in the Early Years Provider Portal. A detailed Step by Step guide on How to upload documents to Early Years Provider Portal is available on the “User Guide” section on the Hub page at <https://thehub-beta.walthamforest.gov.uk/early-years-provider-portal>

1.8 Start date for 2 year old FEEE eligibility

- 1.8.1 The DfE funds Local Authorities for 2 year olds to take up their FEEE entitlement from the term after they turn 2 under two separate criteria.
- Children receiving additional support (formerly known as the 2-year-old disadvantaged entitlement)
 - Children from working families

There may be some circumstances where parents meet the eligibility criteria for both entitlements from September 2025, where this is the case, they should take up the entitlement for families receiving additional support and 15 hours of working parent entitlement rather than just their working family entitlement. The rationale for this policy position is that disadvantaged children cannot lose eligibility for the 15 funded

⁶ For Looked After Children- written confirmation from child’s social worker. Adoption, Residence or Special Guardianship - copy of the Certificate/ Order.

hours once these have been taken up. This protects the continuity of provision until they become eligible for the universal entitlement should parental circumstances change

Where parents of 2-year-olds receiving both entitlements split their child's provision between providers, local authorities and/ or providers will need to distinguish between the 15 hours for families of 2-year-olds receiving additional support and the 15 hours working parent entitlement in order to accurately record take-up in their monthly provider portal payment submissions as well as either the school census or the early years census. Providers should use the parental declaration form to enable parents to indicate at which provider they are taking their 15 hours for families of 2-year-olds receiving additional support and, where appropriate, pass this information onto local authority. If a parent ceases to meet the eligibility criteria for the working parent entitlement, the parent may, at that point, choose which provider they continue to take up any funded hours they remain eligible for.

There might be circumstances where a two-year-old receiving both entitlements loses their eligibility for the working parent entitlement. Where this happens, they may benefit from working parent entitlement until their grace period has come to an end. They will continue to receive their 15 hours for families of 2-year-olds receiving additional support until the term following their 3rd birthday when they will benefit from the universal entitlement for 3- and 4-year-olds. If the household meets the eligibility criteria for the working parent entitlement at this time, they can benefit from 30 hours free childcare for their 3-year-old.

For more details on eligibility for 2 year old funding please go to:

<https://www.walthamforest.gov.uk/families-young-people-and-children/free-early-education-and-childcare/free-early-education-two-year-olds>

1.9 2 year old FEEE hourly rate

1.9.1 The table below illustrates the Total hourly rate for 2 year olds for 2025-2026.

2 Year Old Total Hourly Rate (1 st of April 2025 – 31 st of March 2026)	Child eligible from term after child's 2 nd birthday
Funding rate for child eligible under criteria for families receiving additional support (formerly known as the 2-year-old disadvantaged entitlement)	£8.70 per hour

2 Year Old Total Hourly Rate (1 st of April 2025– 31 st of March 2026)	Child eligible from term after child's 2 nd birthday
Funding rate for child eligible under the working family criteria	£8.54 per hour

Terms start on 1st Jan 1st April and 1st September

1.10 Start date for under 2 year old FEEE eligibility

1.10.1 The DfE funds Local Authorities for under 2 year olds to take up their FEEE entitlement from the term after they turn 9 months old under working family criteria. From September 2024, working parents become eligible for 15 hours/week funded childcare once their child turns 9 months. This entitlement will increase to 30 hours per week from September 2025, provided that the family continues to meet the eligibility criteria. To maintain this entitlement, it is essential that parents reconfirm their eligibility codes every three months. Childcare providers are responsible for ensuring that all eligible parents complete this reconfirmation process on time to remain eligible for the funded childcare hours.

For more details on eligibility for under 2 year old funding please go to:

<https://www.childcarechoices.gov.uk/upcoming-changes-to-childcare-support/>

1.11 Under 2 year old FEEE hourly rate

1.11.1 The table below illustrates the Total hourly rate for under 2 year olds for 2025-2026.

Under 2 Year Old Total Hourly Rate (1 st of April 2025– 31 st of March 2026)	Child eligible from term after child turns 9 months old
Funding rate for child eligible under the working family criteria:	£11.64 per hour

1.12 Funding to support disadvantaged, vulnerable and SEND children

1.12.1 Deprivation funding can be used to support any vulnerable child attending your setting. Deprivation funding is NOT child specific and can be used to support any disadvantaged, vulnerable or SEND child attending your school/setting throughout the year to close the gap between the attainment of the most disadvantaged children and their peers. Full details regarding deprivation funding are outlined in section 1.5.

1.12.2 Providers may also use Early Years Pupil Premium (EYPP) outlined in section 1.7 and Disability Access Fund (DAF) outlined in section 1.13 to fund additional costs incurred to support the needs of children with SEND.

1.12.3 Should deprivation, DAF , EYPP funding and the setting SENIF notional budget be insufficient to cover the additional cost of meeting the needs of a child with SEND, and their needs cannot be met through the provision of Ordinarily Available Practice requirements you can apply for additional funding from the [SEND Inclusion Fund \(SENIF\)](#)

1.13 Disability Access Fund (DAF) payments

1.13.1 All children will be eligible for the DAF payment if they meet the following criteria:

- The child is in receipt of child disability living allowance and
- The child is eligible for and taking up a FEEE place

1.13.2 Providers delivering a place to a child who is eligible for an FEEE place who is eligible for DAF between 1st April 2025 and 31st March 2026 will be entitled to receive a one-off lump sum payment of £938 per annum.

1.13.3 Children do not have to take up the full 570 hours of early education they are entitled to in order to receive the DAF. Children in receipt of the DAF will be eligible where they take-up any period of free entitlement.

1.13.4 The DAF is payable as a lump sum once a year per eligible child. If a child eligible for the DAF payment is splitting their free entitlement across two or more providers, the parent will be required to confirm in writing to the LA which school or setting they nominate as the main setting, who will receive DAF funding.

1.13.5 If a child receiving DAF moves from one setting to another within a year of the date, they first received their DAF payment, the new setting is not eligible to receive DAF funding for this child before a period of 12 months has elapsed from the date of the last DAF payment to the previous provider. DAF funding received by the original setting will not be recouped.

1.13.6 In cases where a child who lives in one authority area attends a provider in a different local authority, the provider's local authority is responsible for funding the DAF for the child.

1.13.7 Children who are eligible for DAF funding should provide documentary evidence of this to the provider. Providers should upload this documentary evidence⁷ to the child's record on the Early Years Provider Portal and notify the LA with an email to FEEEPvision@walthamforest.gov.uk. Eligibility will then be checked by LBWF and once confirmed, a unique reference number will be given to the provider. This unique reference number must be entered onto the parental declaration and Early Years Provider Portal. A detailed Step by Step guide on how to claim DAF funding is provided in the "User Guide" on the Hub page at <https://thehub-beta.walthamforest.gov.uk/early-years-provider-portal>

1.14 SEN inclusion Funding (for children NOT on an EHC Plan)

1.14.1 SEN Inclusion funding is available to support all children with SEND who are not on an EHC plan but meet the eligibility criteria for a FEEE place. Details of the application process for SEND Inclusion funding can be found through the following link <https://thehub-beta.walthamforest.gov.uk/early-years-send-funding> or contact EYSENDpanel@walthamforest.gov.uk

1.14.2 Details of payments made are set out on your remittance advice.

⁷ evidence of the child's disability living allowance award letter.

Ensure that key people such as your Senior Leadership Team, Managing Directors, Trustees, EYFS Leads, Managers & SENCO's are aware of the funding received, particularly those paid in respect of disadvantaged, vulnerable and SEND children so that you can:

- ensure that funding is spent on the intended support and interventions and
- evidence the impact that this funding is having on the outcomes for the children to which it relates during Ofsted inspections etc.

1.14.3 The SEND inclusion Fund panel will accept applications to support inclusion strategies and intervention above ordinarily available provision and to cover additional hourly costs due to an enhanced staff: child ratio – this must be supported by information which evidences the added strategies, intervention and hours needed to support the child's additional needs.

1.14.4 If an application for SENIF funding is successful the setting will receive confirmation of the SENIF Panel decision as well as a unique reference number. This unique reference number must be entered on the Early Years Provider Portal in the 'notes' tab on child's record. A detailed Step by Step guide on how to add Unique reference numbers on the Early Years Provider Portal is available in the "User Guide" on the Hub page at <https://thehub-beta.walthamforest.gov.uk/early-years-provider-portal>

1.14.5 Funding agreed by the SENIF panel will be detailed on the decision form including a start date, end date and review date. It is the provider's responsibility to make a SENIF review application on the review date before the end of funding if they wish the funding to continue.

1.14.6 SEN Inclusion Payments will be made monthly. Details of payments made are set out on your remittance advice.

1.15 SENIF Notional Budget

1.15.1 SENIF Notional Budget will be paid to all OFSTED registered settings and DfE registered schools providing FEEE places, based on the number of part-time equivalent (PTE) places provided in October 2024 Census. For new providers SENIF Notional funding will be based on the number of Part time equivalent (PTEs) children recorded in Census following the commencement date of their FEEE funding agreement. Census is completed each term. e.g. Your FEEE funding agreement commence in September 2025, we will use Autumn term Census data to work out your SENIF Notional budget allocation. The funding will be paid at £140 per place. Early years OFSTED registered providers and schools will not have to apply for SENIF Notional Budget, it will be paid automatically.

National data for academic year 2023/24 indicates that approx. 13% of children in the general population are likely to have lower-level learning and developmental delay (who do not meet the criteria for SENIF level 3, 4 or an EHCP) whose needs should be met through quality first teaching, ordinarily available provision, reasonable adjustments and differentiated provision. It is our expectation that every setting would be inclusive and have appropriate arrangements in place to meet children's needs where up to 13% of the children on roll have lower-level

learning and developmental delay. We will be working with families, settings and other professionals to enable families to take up their FEEE place in their local/preferred setting.

1.15.2 Childminders will not receive a SENIF notional budget, but they can apply for SENIF funding for children who have a learning and developmental delay of twenty-four months and below or those with a learning and developmental delay of twenty-five months or higher. Childminders should contact their Childminding Development Officer prior to making any SENIF referrals.

1.15.3 Our expectation is that all OFSTED registered settings and schools will support inclusivity and equality of access to FEEE places for families and that OFSTED registered settings and schools who receive SENIF Notional Budget funding should be able to meet the needs of children taking up their FEEE place with low/medium level learning and developmental delay through the use of OAP, AET and Speech Language and Communication needs strategies in order to support children to make expected levels of progress.

1.15.4 More information on SENIF Notional budget can be found on the Hub following this link <https://thehub-beta.walthamforest.gov.uk/early-years-send-funding#senif>

1.16 Indicative annual Budget allocation calculations

1.16.1 The following appendices of the report to Schools Forum in February 2025⁸ provide full details of the EYNFF:

- **Appendix C:** [Hourly rate calculation process for 3&4 year old FEEE places by school/setting](#)
- **Appendix D:** [Deprivation Supplement payment calculations \(incorporated in total hourly rate in Appendix C\)](#)
- **Appendix E:** [Hourly rates for 2 yr old FEEE places and estimated annual payment by school/setting](#)
- **Appendix F:** [Estimated number of places and annual payment by school/setting for 3&4 year olds \(universal entitlement\)](#)
- **Appendix G:** [Estimated number of places and annual payment by school/settings for 3&4 year olds \(extended 30 hr entitlement\)](#)
- **Appendices F & G:** [Amalgamated universal and extended 3&4 yr old FEEE places. Estimated number of places and annual payment by school/settings](#)

1.16.2 These appendices can also be found in the “FEEE Financial Guidance” section on the Hub through the following link: <https://thehub-beta.walthamforest.gov.uk/early-years-financial-guidance>

⁸ <https://thehub-beta.walthamforest.gov.uk/schools-forum>

Section 2: Claiming FEEE funding from LBWF

This section sets out how Providers should claim funding for the Free Early Education Entitlement that they deliver to eligible children in the borough.

2.1 Contractual and Financial procedure requirements relating to EYSFF, SENIF & EYPP funding for FEEE places provided to eligible 9 months old to 4 year old children

2.1.1 Provider Legal Status and Financial records

2.1.1.1 The Provider must remain:

- A DfE registered school or Ofsted registered provider on the Early Years Register or
- a registered company with Companies House; or
- a registered Charity with the Charities Commission; or
- a sole trader/self-employed/partnership registered with Her Majesty's Revenue & Customs (HMRC)

and meet all of the associated deadlines and legal requirements of the registering body.

2.1.1.2 EYSFF funding is to be used **ONLY** to offset expenditure incurred in delivering the Free Early Education Entitlement (FEEE) to eligible children as defined in the most up to date statutory guidance as issued by the DfE.

2.1.1.3 The LA will make EYSFF payments to Providers to deliver the FEEE in line with section 1.

2.1.1.4 The LA will only make FEEE payments to Providers that have a current, signed **EYSFF PAYMENT TERMS AND CONDITIONS** agreement in place with the LA to deliver FEEE places.

2.1.1.5 The Provider **must** comply with the **EYSFF PAYMENT TERMS AND CONDITIONS** agreement requirements in order to be eligible for EYSFF funding.

2.1.1.6 The EYSFF Payment shall be paid into the main business bank account of the Ofsted registered organisation/person or the main bank account of the school. The Provider must satisfy the Council that robust and secure financial policies, procedures and accounting systems and practices are in place that meet Legal Requirements, FEEE Guidance, maintain an appropriate audit trail of all transactions and ensure that EYSFF payments are used solely for the purpose of delivering FEEE places.

- 2.1.1.7 It is our expectation that all parents/carers and child-level financial records are maintained and stored either digitally or in hardcopies ensuring that it is secured and compliant with GDPR. These financial records should be retained for a recommended period of 7 years after the child leaves your setting. Child-level financial records, include Attendance registers, Parental Declaration forms, Contractual Documentation and LBWF data for funded Places.
- 2.1.1.8 The Provider **must** keep records i.e. receipts, financial accounts etc. to show how the EYSFF funding is being used. Records should be kept for a period of 7 years after the child leaves your setting, for SEN children it will be Date of Birth + 25 years followed by secure disposal; and make these records available to LA officers for inspection where required.
- 2.1.1.9 The Provider **must** agree to repay, on demand, any EYSFF payment that may have been made incorrectly due to administrative errors or changes in headcount figures. Clawbacks or balancing payments due to termly reconciliations will be deducted / paid by the end of the following term.
- 2.1.1.10 Providers are required to update attendance data at the earliest opportunity, and by the 22nd of each month or by the 22nd of the month following the child taking up their place at the latest via the Early Years Provider Portal to ensure payment accuracy, as this information will inform the predicted delivery hours for the month on which your monthly budget share payments are based. Any data updates in the 'Funding Details' tab should be done using Admission start and leaving dates in the Registration section of child records. A detailed step by step guide on how to make changes in the funding claims on the Early Years Provider Portal can be found in the "User guide section on the Hub page through the link <https://thehub-beta.walthamforest.gov.uk/early-years-provider-portal>
- 2.1.1.11 Payments will be made by the **14th of each calendar month**. Full details for each eligible child the Provider wishes to claim EYSFF payments in respect of for the following month must be entered onto the Early Years Provider Portal by the **22nd of the previous month** e.g. If children's contracted/confirmed attendance details for May are entered onto the Early Years Provider Portal by 22nd April, payment for these children will be made by 14th May. Providers will receive their remittance advice within 24 hours of the payment being processed in the council's payment system. For example, if a payment is posted on 10 May, the remittance will be sent to the provider's email by 11 May.
- 2.1.1.12 The Provider **must** submit information/documentation requested by LA to evidence that EYSFF funding has been used to cover expenditure incurred in delivering the FEEE only.
- 2.1.2 **Conditions under which EYNFF payment will be made for FEEE places provided**
- 2.1.2.1 **Termly Data Submissions on the Early Years Provider Portal**

- 2.1.2.1.1 The individual child level data collection from early years settings is a statutory requirement on providers and local authorities through regulations under [Section 99 of the Childcare Act 2006](#) and [The Education \(Provision of Information About Young Children\) \(England\) Regulations 2009 \(PDF, 55KB\)](#)
- 2.1.2.1.2 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 and in some instances potentially non-payment.
- 2.1.2.1.3 EYSFF payments will be made where the following has been actioned in relation to the period that FEEE payments are being claimed for:
1. An FEEE place has been delivered to the child being claimed for in line with a parental declaration
 2. A [fully and accurately completed and signed parental declaration form](#) has been completed (as this is the formal agreement between the parent/carers and childcare provider about how they are taking up their FEEE places and any additional charges)
 3. There is a valid eligibility code in place
 4. Attendance information is input on to the Early Years provider portal which matches the information recorded on the signed parental declaration form
 5. Child/Parent and attendance information is input onto the Early Years provider portal at the earliest opportunity and no later than the 22nd of the month⁹ after the child starts

And provider is compliant with their FEEE PAYMENT TERMS AND CONDITIONS 2024-2027 agreement.

We acknowledge that there may occasionally be some circumstances which results in providers being unable to input children's attendance onto the provider portal in line with the above deadlines, in these circumstances written requests for backdated payments can be made which sets out the circumstances of the late submission which will be considered by the Assistant Director, Early Years and Childcare. If the request is approved, backdated payments will made for no more than one term of the request for the backdated payment being made.

The LA reserves the right to refuse to make payments to providers who do not input information onto the provider portal within the deadlines set out in point 5 above.

- 2.1.2.1.4 The Census is the method by which the DfE will calculate the level of Early Years DSG funding that LA receives and is able to pass onto providers for FEEE places that they deliver.

⁹ Where a child is attending on a census day/date, the child's information must be on the provider portal during the census day/week

Failure to submit accurate Census numbers can result in a significant reduction in the Early Years DSG funding received by the LBWF and therefore the budget that the LA has to pass onto providers. The LA therefore reserves the right to refuse to make EYSFF payments to providers who fail to complete and return their Early Years/Schools Census to the LA by the deadline date where this results in child/ren's details not being included in the final census submission by the LA to the DfE, and as a result do not inform the DfE calculation of Early Years DSG budget allocation to the LA.

- 2.1.2.1.5 Schools and Academies must ensure that their submitted Census data matches the data reported on their Early Years Provider's portal
- 2.1.2.1.6 Providers must regularly update their Early Years Provider Portal with details of actual days of attendance for all eligible children claiming the FEEE.
- 2.1.2.1.7 Termly reconciliation of the Early Years Provider Portal will be processed in the month after the end of term.
- 2.1.2.1.8 Children's data must be entered onto the Early Years Provider Portal at the point of admission/commencement of their place.

Updating the Early Years Provider Portal regularly in the term will allow the setting to identify whether there is a significant variance (**increase or decrease of 5 children or more for schools and setting and any increase or decrease for childminders**) between the hours that they predict they will provide, and the hours on which their monthly payments have been based.

If this is the case, settings should **contact the LA to advise asap** so that monthly payments can be adjusted during the headcount period to reflect the predicted increase/decrease. This will avoid significant under/overpayments when the termly data analysis is completed at the end of the funding period.

- 2.1.2.1.8 Each individual settings monthly budget can be calculated using the estimated FEEE budgets that can be found in Appendices E to G that were presented to Schools Forum in February 2025. These can be found at: <https://thehub-beta.walthamforest.gov.uk/early-years-financial-guidance>
- 2.1.2.1.9 If any reconciliation exercise results in a need to adjust a Provider's monthly payment or to claw-back overpayments, payments will be adjusted in the following term.
- 2.1.2.1.10 Providers **must** ensure that all children taking up an Under 2s, 2 year old or 30 hours FEEE place have unique eligibility numbers which **MUST** then be documented on the parental declaration form as well as the Early Years Provider Portal.

2.1.3 Provision of clear information to parents/carers on free hours and fees and charges

- 2.1.3.1 Government guidance is clear that providers must:

- Publish their admissions policy and produce a policy on how their FEEE places are offered, are set out in the DfE Model Policy and LA's FEEE Terms and Conditions in clauses 7.4, 14.3 & 14.7. These documents also make it clear that the provider should publish their admissions criteria and ensure parents/carers understand which hours/sessions can be taken as free provision as well as the amounts charged for all the chargeable extras.

Providers who choose to offer the free entitlements are responsible for setting their own policy on providing parents/carers with options for alternatives to additional charges, including waiving or reducing the cost of meals and snacks or allowing parents to supply their own meals.

In line with this, the LA requires providers to submit a copy of their written fees and charges document to the LA and to make this information available on their own website or the LA's on-line directory (the information contained in the written fees and charges document and/or the providers or LA's website must align with the level of information set out in the DfE's [Chargeable extra's template](#)). This will enable the LA to review these arrangements to ensure providers are delivering FEEE places in line with DfE requirements. The LA will not make EYNFF payments to providers who do not deliver their FEEE places in line with DfE requirements.

- Ensure that their invoices and receipts are clear, transparent and itemised allowing parents/carers to see that they have received their child's free entitlement completely free of charge and understand fees paid for additional hours or services. Invoices and receipts should include the provider's full details so that they can be identified as coming from a specific provider. Information included in the invoice with regards to the number of free hours provided and the chargeable extras provided per week must match the information that is included in the parental declaration form that the parent/carer and provider have sign as to the arrangements that they have agreed for the provision of their FEEE place and any chargeable extras.
- The DfE guidance makes clear that providers can charge parents for additional hours, consumables and extra services. Providers should be transparent in their charging arrangements, itemising their invoices, ensuring that charging arrangements are clear and easy to understand for parents/carers and are broken down into
 - the free entitlement hours
 - additional private paid hours
 - food charges
 - non-food consumables charges
 - activities charges
- Ensure that they do not charge parents/carers "top-up" fees (any difference between a provider's normal charge to parents/carers and the funding they receive from the local authority to deliver free places).

It's also important to note that:

- Government funding is intended to deliver 15 or 30 hours a week of free, high-quality, flexible childcare. It is not intended to cover the costs of meals, other consumables, additional hours or additional services.
- Providers can charge for meals and snacks as part of a free entitlement place and they can also charge for consumables, such as nappies or sun cream, and services such as trips and specialist tuition. Core costs of running a business that delivers government-funded childcare are not consumables used by the child or additional services provided to the child. These include, but are not limited to, insurance, Ofsted registration, maintenance, business rates, training costs, rent and energy bills. These are core costs of running a business and we expect these to be covered by government funding and that parents/carers should not be charged.
- Providers should be mindful of the impact of additional charges on parents/carers, especially the most disadvantaged. Providers, who choose to offer the free entitlements, are responsible for setting their own policy on providing parents/carers with options for alternatives to additional charges, including allowing parents/carers to supply their own meals or nappies or waiving or reducing the cost of meals and snacks.

Further information regarding provider requirements can be found at <https://www.gov.uk/government/publications/early-education-and-childcare--2>

- 2.1.3.2 Information recorded in the parental declaration form (see section 2.1.3) is the formal agreement between parents/carers and providers about how they are taking up their FEEE place and any additional charges, they must therefore be used as **the basis for invoicing and receipt information** provided to parents/carers.
- 2.1.3.4 The process for dealing with complaints from parents/carers related to providers not clearly setting out free hours and additional fees and charges is set out at Appendix B

2.1.4 Parental Declarations

- 2.1.4.1 [As set out by the DfE](#), information recorded in the parental declaration is the formal agreement between parents/carers and providers about how they are taking up their FEEE place and any additional charges. Providers must complete an online Parental Declaration Form for every child that they are claiming EYSFF payment. The link to online Parental Declaration Form can be found on the Hub following this link [Waltham Forest Parent Declaration for the Free Early Education Entitlement](#) or accessed directly via [Waltham Forest Digital Parental Declaration Form \(Direct Access\)](#)

The digital form functions as a standalone submission; therefore, once it has been submitted, the data cannot be saved or accessed for further editing by either the parent/carer or the provider. As it is not

possible to reopen or amend a previously submitted form, if there are any changes to the way in which the child is taking up their FEEE place (e.g. days, times or number of hours) and/or additional charges this will require the parent/carer and provider to complete and submit a new form in full.

- 2.1.4.2 The Parental Declaration form must accurately reflect the days and times of attendance, the free hours, any chargeable hours and details of any additional charges.

A new Parental Declaration Form must be completed if there is a change to the days and times of attendance, the free hours, any chargeable hours or additional charges

- 2.1.4.3 **Providers must ensure that details of the child's funding claim entered into the Early Years Provider Portal match the information on the parental declaration form signed by the parent/carer and the provider** as their formal agreement as to how they are taking up their FEEE place.

For example, if a child is claiming stretched funding, the provider must indicate the stretched entitlement on both the Parental Declaration Form and the child's claim on the Provider Portal. **It is not permissible for providers to claim term-time funding through the Provider Portal if they are offering the child a stretched entitlement.**

Providers must ensure that their FEEE delivery models, written statements of fees and charges and parental declaration forms accurately reflect the number of weeks per annum that they are operational/ delivering FEEE places over and the way in which FEEE places are actually delivered, which may not be over 38 or 52 weeks per annum.

Where a provider delivers the Free Early Education Entitlement (FEEE) over 47 to 51 weeks of the year, please note that the FEEE funding on the provider portal will still be allocated over 52 weeks. This is due to the portal offering only two options for payment schedules: **38 weeks** (term-time only) and **52 weeks** (stretched offer). Regardless of this, Providers will still receive their **full annual funding of 570 or 1140 funded hours for each child they provide a place to** for the full academic year, by the end of the academic year.¹⁰

- 2.1.4.4 Parents/Carers need to establish what their childcare needs are across the year and make arrangements with their chosen provider as to how they would like to take up their free early education on a weekly basis. There is no option to 'bank' hours and if the child does not take up the number of weekly hours that the parent has agreed with their childcare provider, they are unable to 'carry these forward' to another week.

¹⁰ Parents/Carers do not have to take up all of their weekly entitlement

- 2.1.4.5 A Parental Declaration Form must be signed electronically via the online form by the parent/carer of the child that will receive the FEEE place. This document will also be used to investigate where a parent/carer may be fraudulently overclaiming their FEEE hours e.g. signing two FEEE parental declaration forms, at different Providers, no action will be taken against the Provider where they have a signed Parental Declaration form in place. This will be pursued by the EYCBD Team with the parent/carer.
- 2.1.4.6 The LA will undertake cyclical reviews of parental declaration forms to confirm that the information recorded on them match information on the written fees and charges document they have provided to the LA, parental declaration forms, attendance registers and payment claim information submitted via the provider portal by the provider. Where discrepancies are identified, these will be audited in line with Appendix A.
- 2.1.4.7 Where the LA identifies a need to establish whether a provider is complying with EYFS requirements with regards to staff: child ratios the LA will undertake a review of parental declaration forms to confirm that the information recorded on them match information on attendance registers and payment claim information submitted via the provider portal by the provider, and may ask for additional information where staff: child ratios cannot be established from the information on the Parental Declaration form and provider portal. Where discrepancies are identified, these will be audited in line with Appendix A.
- 2.1.4.5 Where the LA receives an enquiry relating to or has concerns about information provided to parents/carers about how their FEEE place is being provided and /or their additional charges the LA will undertake an audit. The process for the Delivery of FEEE–Parental Declaration Forms Audit Process is set out at Appendix A

2.1.5 Registration fees and deposits

- 2.1.5.1 Providers should not require parents to pay a registration fee as a condition of taking up their child's place where the child is only taking up their FEEE hours and not buying any additional hours or services.
- 2.1.5.2 Providers can charge a refundable deposit to parents/carers accessing the free entitlements but should also consider if this would prevent take-up, especially for disadvantaged families.
- 2.1.5.3 The purpose of the deposit is to give providers certainty that a parent/carer will take up the place.
- 2.1.5.4 In most instances, where a family is only taking up their universal 15-hour entitlement for their three- and four-year-old child, or is only taking up their 15-hour entitlement for their two-year-old under the families receiving additional support criteria, the Local Authority expects that these families would not be charged a deposit as this

could prevent take up, especially for disadvantaged families. If, however, the provider does charge a deposit, this must be returned within a term of the child taking up their place.

- 2.1.5.5 Where families have chosen to take up additional childcare hours that are in addition to/over and above their FEEE entitlement (privately funded childcare), it will be for the provider to determine a reasonable timescale for refunding deposits in full to parents/carers in respect of these privately funded hours.
- 2.1.5.6 The provider must provide details to the parents/carers of the deposit amount and any circumstances in which the provider would not be obliged to refund some or all of the deposit, for example, if a parent/carer fails to take up their place or ceases their place without sufficient notice.
- 2.1.5.7 If a family is taking up the working family free early education entitlement and is buying additional chargeable hours, providers can ask for fees related to the additional chargeable hours monthly in advance.
- 2.1.5.8 The provider should ensure that parents/carers are provided with the terms and conditions of accessing a childcare place which should clearly state the notice period that must be giving when a child is leaving a setting and any circumstances in which the provider would not be obliged to refund some or all of the deposit if applicable.

2.1.6 EYSFF Funding for children who do not attend for their contracted hours

- 2.1.6.1 As part of their admissions process, Providers should establish how many weeks of the year parents/carers would like to take up their childcare place e.g. are they likely to need year-round childcare for 47, 48, 50 or 52 weeks per year, or do they want to take up their child's place during term time only i.e. 38weeks. Provider should also explain to them that there is an expectation that they attend regularly on the agreed/contracted days and that failure to do so could result in the Providers not being funded for non-attendance and or the family risking losing their FEEE place
- 2.1.6.2 Providers must keep an accurate record of children's attendance as part of their DfE/Ofsted registration requirements and EYFS statutory requirements
- 2.1.6.3 Where a child is regularly absent Providers must be alert to any safeguarding concerns or family support needs that this may indicate and make the appropriate [referrals to MASH](#), in line with their thresholds document for these children or inform the child's Social Worker if they are known to Children's Social Care.
- 2.1.6.4 **Claiming EYFS funding for absent children** – the LA will not penalise providers if children are booked to attend their FEEE entitlement but are absent for a short period, such as illness or a holiday of up to two weeks (in

a rolling 12 month period, 2 weeks absence window applies to all providers regardless of how many week per year that they are open/operating e.g. 38, 50 or 51 weeks) and no fees should be charged for absence related to the free entitlement during this time. The LA will, however, use discretion where a child's absence is recurring, or is for extended periods. Where this occurs, the **Provider should submit details of the dates of absence that they are requesting payment for, as well as a copy of the parents written request for extended absence and the reason for this via email to FEEDProvision@walthamforest.gov.uk**. The request for extended absence will be considered for exceptional circumstances only, such as significant or long-term illness of the child, significant or long term illness or death of the main carer, or a crisis which prevents attendance (e.g. social care or housing). **Payments will not be made for absences in excess of two weeks unless a written request has been submitted by the provider and written approval has been given by the LBWF.** No retrospective requests for absence payments will be accepted.

2.1.6.5 Before reclaiming funding for absent children, the LA will consider factors such as closures due to pandemics or government guidance as well as whether Providers could fill places from their waiting list, or alternatively use them more flexibly, and whether the absence will impact on Providers' staffing levels.

2.1.6.6 Where a child leaves a setting and starts attending a new setting, the previous setting will be funded up to the last day that the child physically attended. This is irrespective of whether or not the child completed their notice period with the previous setting.

Where a child is withdrawn from a setting, the 2 week rule will not apply as the LA is only funded once by DfE for each child and therefore, both settings cannot claim funding for the same period for the same child. The new setting will be funded from the first day the child starts to attend their setting. Where the Early Years Providers Portal identifies any children that are included on the headcount for more than 1 setting for the same period, both settings will be contacted to ascertain the last/first day. These dates will then be used for funding purposes.

The provider should ensure that parents/carers are provided with the terms and conditions of accessing a childcare place which should clearly state the notice period that must be giving when a child is leaving a setting and any circumstances in which the provider would not be obliged to refund some or all of the deposit if applicable.

2.2 Universal entitlement of up to 15 hr per week for all 3& 4 year olds and eligible 2 year olds

2.2.1 A maximum of 15 free hours per week over a minimum of 38 weeks can be provided in each 12 month period from the date at which the entitlement starts. This equates to a maximum of 570 hours per year. The entitlement can be 'stretched' over more than 38 weeks; however, this will reduce the number of hours that can be provided each week. The table below outlines the max number of hours that will be paid for over a 'stretched' offer if a parent takes up their full entitlement:

Number of weeks per year	Hours per week (rounded to nearest 30 mins)	Total hours per annum
51.8 / 52*	11	570
51	11.18 (11hrs 11min)	570
50	11.4 (11hrs 24min)	570
48	11.88 (11hrs 53min)	570
38**	15	570

* Full calendar year

** Academic year minus 5 inset days

- 2.2.2 38 week based entitlement is comprised of 190 teaching/payable days per academic year and 5 inset days (2 Autumn, 2 Summer and 1 Spring) based on the LA published school Term dates: <https://walthamforest.gov.uk/content/school-term-and-holiday-dates>

Inset days used for payments for 2025-2026 will follow the financial year and are set as follows:

- **April 22nd & 23rd 2025** (Summer Inset Days)
- **September 1st & 2nd 2025** (Autumn Inset days)
- **January 5th 2026** (Spring Inset Day)

Should providers want to take their 5 Inset days on different dates to those above they must submit these in writing to FEEEProvision@walthamforest.gov.uk.

2.3 Up to 30 hr per week entitlement for eligible 9 months olds - 4 year olds from working families

- 2.3.1 Providers who meet the criteria to deliver places as outlined in the **EYSFF PAYMENT TERMS AND CONDITIONS** agreement will receive the hourly rate, outlined in **Appendix C: [Hourly rate calculation process for 3&4 year old FEEE places by school/setting](#)**¹¹ for every eligible child they provide with a place.
- 2.3.2 Details of the eligibility criteria for up to 30hrs per week FEEE for working parents can be found at: [30 hours free childcare for working families](#)
- 2.3.3 **Payments will not be made to providers who have failed to confirm that the unique reference number** provided to them by the parent/carers requesting the place is valid, and that they are entitled to a place. Regular checks will be carried out by LBWF to establish eligibility of children whose details are submitted by the Provider on their headcounts via the Early Years Provider Portal. Any payments made in respect of children who are not eligible as part of these checks will be deducted from the next available payment to the provider.
- 2.3.4 Providers must ensure that they have **obtained** and **validated** a HMRC valid unique reference number for **all** working parents/carers wanting to take up to 30 hours FEEE per week which must be documented on the parental declaration form as well as the Early Years Provider Portal.

¹¹ Schools Forum Report dated 7th February 2024

- 2.3.5 Providers must validate all 30 hours Free Childcare codes for working family entitlement. Once you have registered and been trained on the use of the Early Years Provider Portal, you can then start validating the 30 hour codes that you have received from your parents/carers. A detailed guide to using the Early Years Provider Portal is available on the hub page at <https://thehub-beta.walthamforest.gov.uk/early-years-provider-portal>. Once you have completed and submitted the information, the system will confirm the validity of the code. In cases where 30 Hour entitlement is split between 2 FEEE providers, both providers are required to validate the Code (DERN).
- 2.3.6 Parents/Carers must complete all sections of the Parental Declaration Form, providing details of the provider names and FEEE hours taken up at each provider. A detailed step by step guide on how to validate and revalidate 30 hour codes (DERN) can be found in the "User guide" on the Hub page at <https://thehub-beta.walthamforest.gov.uk/early-years-provider-portal>
- 2.3.7 Parents/Carers must reconfirm 30 hour eligibility every term¹². Each validated and re-validated 30 hour code will produce three dates:
- a 'validity start date' - when it was issued;
 - a 'validity end date' – the parents/carers deadline for reconfirming; and
 - a 'grace period' – the Last date they will be funded for extended 15 hours for 3&4 years old and expanded 30 hours for under 2s and 2 years old.
- 2.3.8 **Providers must revalidate 30 hour codes (DERN) on the Provider Portal every term once parents have reconfirmed eligibility through their HMRC Online account.** Validity end dates can be tracked effectively through the Early Years Provider Portal to assist providers in monitoring the validity of each code (DERN).
- 2.3.9 The LA will complete batch checks of all eligibility codes throughout the year; this will clarify whether parents are still eligible, or they are no longer eligible for extended/expanded hours. If LBWF establishes that a parent/carer has fallen out of eligibility, the provider will be notified in order to take appropriate action. Providers must ensure their Pupil Registers on the Early Years Provider Portal are updated regularly to ensure that the LA are aware of where children are taking up their place and their eligibility cease dates can be tracked.

The table below outlines the key dates for reconfirming eligibility.

Validity End date, as provided to parent by HMRC via on-line account:	Parents/carers to reconfirm eligibility codes on HMRC on-line account by:	Grace period end date/ Placement cease date:
1 Jan – 31 Mar	31 Mar	31 Aug
1 April - 31 Aug	31 Aug	31 Dec
1 Sep – 31 Dec	31 Dec	31 Mar

¹² Via the parents/carers HMRC Childcare Choices online account

2.3.10 If a parent/carer is no longer eligible for the additional FEEE hours for working parents/carers, they are still entitled to the 15 hrs per week universal entitlement for 3&4 years old and can purchase additional hours should they wish to. If they are no longer eligible for the under 2s or 2-year-old working entitlement, they will be required to purchase all the childcare hours their child receives from a provider.

2.3.11 If the parents/carers circumstances change and they gain employment again they can reapply via their HMRC online account for a new eligibility code for the 30hrs/working parent/carer entitlement.

2.3.12 Eligible parents/cares can access up to 30 free hours (between 15 and 30 hours) per week over a minimum of 38 weeks in each 12 month period from the date at which the entitlement starts. This equates to a maximum of 1140 hours per year. The entitlement can be 'stretched' over more than 38 weeks; however, this will reduce the number of hours that can be provided each week. The table below outlines the max number of hours that will be paid for over a 'stretched' offer if a parent takes up their full entitlement:

Number of weeks per year	Hours per week (rounded to nearest 30 mins)	Total hours per annum
51.8 / 52*	22	1140
51	22.36 (22hrs 22min)	1140
50	22.80 (22hrs 48min)	1140
48	23.76 (23hrs 46min)	1140
38**	30	1140

* Full calendar year

** Academic year minus 5 inset days

2.4 Two year old FEEE payment

2.4.1 Providers who meet the criteria to deliver places as outlined in the **EYSFF PAYMENT TERMS AND CONDITIONS** agreement will receive the hourly rate, outlined in section 1.9.1, for every eligible child they provide with a place.

2.4.2 **Providers must ensure that they have obtained an eligible unique reference number for all children taking up a 2 year old FEEE place which must be documented on the parental declaration form as well as the Early Years Provider Portal (in the notes section).**

2.4.3 **Payments will not be made to providers who have failed to confirm that the unique reference number** provided to them by the parent/carer requesting the place is valid, and that they are entitled to a FEEE place. Regular checks will be carried out by LBWF to establish eligibility of children whose details are submitted by the Provider on Early Years Provider Portal. Any payments made in respect of children who are not eligible as part of these checks will be deducted from the next available payment to the provider.

- 2.4.4 Parents/Carers who are eligible under families receiving additional support related criteria who have checked their eligibility via the Early Years Parent Portal will have a unique reference number produced by the system. Families who meet these criteria will receive a 6 characters eligibility code. From September 2025, providers will have the ability to assess children for families receiving additional support entitlement via the Provider Portal. To carry out this process, they must complete the 'Parent/Carer's Details' section within the child's claim and perform the eligibility check under the 'Funding Details' section.
- 2.4.5 Families taking up the working families entitlement for under 2s and 2 year olds must check their eligibility via [Gov.uk](https://www.gov.uk) and will receive an 11 digit code if they are eligible. This code must be renewed by parents/carers on a regular basis (every 3 months) in the same way as the current process for 30 hours free childcare for 3&4 year olds from working families.
- 2.4.6 If the child is eligible for both entitlements from September 2025, they should take up 15 hours entitlement for families receiving additional support and 15 hours of working parent entitlement. Also see section 1.8.1 for further details.
- 2.4.7 Eligibility URNs must be checked by the provider to confirm eligibility and once confirmed, must be entered onto the parental declaration and on the child's record in the notes section in the Early Years Provider Portal.
- 2.4.8 Children who are eligible under the Looked After, Adoption, Residence or Special Guardianship Order or in receipt of Disability Living Allowance, should provide documentary¹³ evidence of this to the provider.
- 2.4.9 The eligibility for the free early education entitlement for two year olds has been extended to include the following eligible groups:
- Children of Zambrano carers;
 - Children in families granted immigration leave on the basis of Article 8 of the European Convention on Human Rights (ECHR) and subject to a condition that they have no recourse to public funds;
 - Children of families supported under section 4 of the Immigration and Asylum Act 1999 ("the 1999 Act");
 - Children of families supported under section 17 of the Children Act 1989 who also have no recourse to public funds.
- 2.4.10 Prior to offering a place to a child eligible under one of the groups outlined in section 2.4.6 or 2.4.7 above, providers should upload the documentary evidence to the child record on the Early Years Provider Portal and notify the LA with an email to childcare@walthamforest.gov.uk. Eligibility will then be checked by LBWF and once confirmed, a unique reference number will be given to the provider. This unique reference number must be entered onto the parental declaration and Early Years Provider Portal.
- 2.4.11 Failure to update the Early Years Provider Portal with the appropriate eligibility reference number will result in a delay in payment.

¹³ For Looked After Children- written confirmation from child's social worker. Adoption, Residence or Special Guardianship - copy of the Certificate/ Order. Disability Living Allowance- copy of 2024/25 benefits letter

2.4.12 Payments will be made in respect of FEEE hours provided to children with the D.O.B outlined below in the relevant headcount period:

2.5 9months old - 4 year old FEEE payments

2.5.1 Payments will be made in respect of FEEE hours provided to children with the D.O.B outlined below in the relevant headcount period:

Schools & PVI Sector	Summer Term 1st Apr-31st Aug 25	Autumn Term 1st Sept-31st Dec 25	Spring Term 1st Jan-31st Mar 26
3 & 4 Year Olds with a D.O.B between	1 st Sep 20 to 31 st March 22	1 st Sep 21 to 31 st Aug 22	1 st Sep 21 to 31 st Dec 22

Schools & PVI Sector	Summer Term 1st Apr-31st Aug 25	Autumn Term 1st Sept-31st Dec 25	Spring Term 1st Jan-31st Mar 26
2 Year Olds with a D.O.B between	1 st Apr 22 to 31 st Mar 23	1 st Sep 22 to 31 st Aug 23	1 st Jan 23 to 31 st Dec 23

Schools & PVI Sector	Summer Term 1st Apr-31st Aug 25	Autumn Term 1st Sept-31st Dec 25	Spring Term 1st Jan-31st Mar 26
Under 2's with a D.O.B between	1 st April 23 to 30 th Jun 24	1 st Sep 23 to 30 th Nov 24	1 st Jan 24 to 31 st Mar 25

2.5.2 Due to the number of 3&4year old children that may start at some settings in September, particularly in schools where there are 2-3 forms of entry, payments will be made from the term start date in September 2025, and not the actual start date to facilitate a phased transition. This transition period ends 2 weeks after the beginning of term. The actual start date will be used for all children with a start date after the 2 week transition period.

2.6 FEEE payments reception age children – deferred reception places

2.6.1 The majority of 4 year old children will be taking up a place in a reception class in a school. Payments to school in respect of children in their reception class/es are made via the schools DSG budget allocation.

2.6.2 We would therefore only expect to see children on the Early Years Provider Portal from a maintained school with reception class D.O. B's where the child has formally deferred their reception place via the LBWF's school admissions service and remains in the school's nursery class.

2.6.3 A child reaches compulsory school age the term after their fifth birthday.
Some parents/carers will feel their child is simply not ready to start school in the

September following their fourth birthday and there is flexibility in the admissions code to allow for this. Parents/carers can request that:

- Their child attends part-time until they reach compulsory school age. This must be requested directly with the school once a school place has been offered.
- The date their child is admitted is deferred until later in the school year but not beyond the point at which they reach compulsory school age and not beyond the beginning of the final term of the school year for which it was made.
- For summer born children, their child is admitted outside of their normal age group.

Parents/carers must inform the LBWF's School Admissions Service if they wish to defer their child's school place.

2.6.4 Providers should obtain written confirmation from the LBWF's schools admission service that a parent/carer has formally deferred their maintained school reception place and upload the document to the Early Years Provider Portal and notify the LA with an email to FEEEProvision@walthamforest.gov.uk Information regarding deferred places will be verified by the FEEE finance officer and the LBWF's school admission service before payments are processed.

2.6.5 The school or PVI sector provider that is providing a FEEE place to a child who is not taking up their school reception place, can claim EYSFF payments for a maximum of 15hrs or 30hrs (if the child is eligible for extended hours) per week over a minimum of 38 weeks until they reach compulsory school age (the beginning of the term following their fifth birthday). Payments will be made up to the time the child takes up their maintained school reception place (see section 2.6.3) at the rates outlined in section 1.

2.6.6 The school that is holding the reception place open for a child who has deferred their place, can include the child on their reception class returns for the terms that the child attends only. Their details must **NOT** be included on the FEEE Nursery class in Early Years Provider Portal once the child has taken up their deferred reception place. Providers must enter a last day in Nursery as leaving date on the child's record on the Early Years Provider Portal.

2.6.7 Children who have been admitted to primary school and are attending a state-funded school reception class are not entitled to any additional free hours outside their school reception class place as local authorities can meet their duty to secure the extended entitlement through reception class provision.

2.6.8 Payments will be made in respect of FEEE hours provided to children with the D.O.B outlined below in the relevant headcount period:

Private, Voluntary and Independent Sector (including Independent Schools)

Schools & PVI Sector	Summer Term Apr-Aug 25	Autumn Term Sept-Dec 25	Spring Term Jan-Mar 26
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Reception Age Children with a D.O.B between	1 st Apr 20 to 31 st Aug 20	1 st Sep 20 to 31 st Aug 21	1 st Jan 21 to 31 st Aug 21
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2.8 Suspension of Agreement

2.8.1 Where a provider's Ofsted registration is suspended, the FEEE agreement/EYNFF payments will cease from the date Ofsted suspends the providers registration until the suspension is lifted by Ofsted. Written confirmation will be provided by the Local Authority regarding the process that will be implemented following a suspension and when suspension has been lifted by Ofsted, including written confirmation regarding when FEEE payments will recommence. No EYNFF payments will be made during the suspension period.

2.9 Termination of Agreement

2.9.1 Please refer to the **EYSFF terms and conditions** agreement 2024-2027 (FEEE contract/agreement) for a comprehensive detail of the termination between the LA and Provider.

Appendix A: Delivery of FEEE–Parental Declaration Forms Audit Process

Provider identified for audit

Enquiry received by the Early Years Childcare and Business Development (EYCBD) Team. The query will be logged. An EYCBD Team officer will assess the query and make initial reviews of the Providers written fees and charges statement, Parental Declaration Form and Early Years Provider Portal. The Provider will be contacted to inform them of the audit and advised that we will be reviewing the Providers written fees and charges statement, Parental Declaration forms and Early Years Provider Portal for the specified period(s). An initial assessment of the Providers written fees and charges statement, Parental Declaration forms and the Early Years Provider Portal headcount claim will be undertaken, and any discrepancies identified. The EYCBD team officer will communicate and/or meet with the provider to discuss outcome of initial assessment. If no further action is required, the audit will be closed at this stage. If discrepancies or further investigation is required, the provider will be informed of the next stage of the process.

Audit

The EYCBD Team will contact parents/carers of children with a funding claim for the specified period(s). A scripted audit questionnaire will be followed, and the parent/carer responses will be recorded. The information provided will be assessed against the Providers written fees and charges statement, Parental Declaration form and the claim made on the Early Years Provider Portal. The auditing officer(s) will collate the information collected during the audit to present findings to the Head of EYCBD.

If as part of the investigation it is identified that a parent/carer has fraudulently claimed FEEE hours, which has resulted in overclaiming FEEE hours, no action will be taken against the Provider where they have a signed Parental Declaration form in place. This will be pursued by the EYCBD Team with the parent/carer.

Next steps and further action

If there are no discrepancies identified, the EYCBD Team will write to the provider with details of the audit and the outcome. The audit will be closed at this stage. If discrepancies are identified, the auditing officer and Head of EYCBD will meet to discuss findings and next steps. At this stage, the audit can be extended to include other funded periods and/or other settings within the providers organisation.

The same audit process will be followed to review claims and contact parents/carers and conclusions reached. Throughout the audit process, where deemed necessary the provider's portal account may be suspended or restrictions applied.

Audit outcome

Where discrepancies between the funding claimed and the funding delivery have been established, the EYCBD Team will write to the provider with the outcome and invoice to reclaim any overpaid hours. The provider will be given the opportunity to

provide any relevant documents to rebut the incorrect claim, this will be reviewed and considered, and the outcome will be communicated with the provider. If the audit establishes the provider has underclaimed for the funded entitlement within the audited funded period, the EYCBD Team will consider whether payment for these hours can be backdated. Where further actions have been indicated the audit findings will be referred to The Director of Education to decide the further action required.

Panel outcome

A panel of LBWF senior leaders will be convened to discuss the audit findings and decide the actions, including but not limited to: Issuance of Suspension, withdrawal, or termination of EYSSF Terms and Conditions agreement including actions and timeframes, restrictions and suspensions placed upon the providers Early Years Provider Portal Account and removal from the Directory of Providers.

The provider will be informed of the outcome within 10 working days of the panel meeting. Where necessary LBWF will make a referral to the relevant regulatory bodies and authorities. If a provider wishes to appeal against the decision to remove from the Directory of Providers, they can do so by following the Appeals Process in the EYSSF terms and Conditions Document

Appendix B: Process for dealing with complaints from parents/carers related to Providers not clearly setting out free hours and additional fees and charges

Stage 1 Enquiry Received

Enquiry received by the Early Years Childcare and Business Development (EYCBD) Team. The query will be logged. An initial email will be sent to the enquirer to confirm the Local Authority Statutory duty and explain next steps and process when dealing with a funding query. In the first instance we will request the enquirer discuss their query with their provider. If at this stage the enquirer is not satisfied with the provider response or has already approached their provider, they can request for a member of the EYCBD Team to assess and investigate.

If the parent/carer resolves the issue with the provider the query will be closed at this stage, if not, the query moves to Stage 2.

Stage 2 Gathering Information

The enquirer (Parent/Carer) must provide written authorisation for the EYCBD Team to approach the provider and disclose the nature of the enquiry and who has made the enquiry, there may be exceptional circumstance whereby naming the enquirer would not be appropriate and a decision to maintain their privacy will be made.

The EYCBD Team will request from the enquirer relevant information, such as invoices, Fees and Charges policy/information, provider/parent contracts, parental declaration, relevant communication and/or literature from the provider relating to the query.

The EYCBD team will review available information and research further where needed.

If the EYCBD Team can establish and conclude the query at this point, they will write to the enquirer via email to provide an outcome and reasoning. The enquiry will be closed at this stage, if not, move to Stage 3.

Stage 3 Meeting with Provider

The investigating officer from the EYCBD Team will contact the Ofsted Nominated Person for the Provider and discuss the nature of the query and the enquirer. The provider will be informed of the Local Authority role and statutory duty and the process for investigations. The initial conversation may include a request for further information and documents and give the provider the opportunity to respond to the query. The investigating officer may require a follow up meeting with the provider to establish all information to conclude the investigation.

Once meetings and/or discussions concluded move to Stage 4.

Stage 4 Analyse Information against regulations

The investigating officer from the EYCBD Team will analyse the information, apply to regulations, and conclude the enquiry. The outcome and reasoning will be communicated via email with both the enquirer and the provider and include any necessary actions where applicable.

If either party, the enquirer, or provider are not satisfied with the outcome they can write to the Head of Early Years Childcare and Business Development Service or where the investigating officer is the Head of Early Years Childcare and Business Development Service the Director of Education, stating the reason they wish this to be reviewed. The Head of Early Years Childcare and Business Development Service or Director of Education will consider all information and conclude their review, once concluded the outcome will be communicated in writing via email.

The Provider will be made aware of the clauses within the EYSS Terms and conditions agreement with regards to appeals and complaints should they require it.

Stage 5 Review and Further Actions

If a provider was given actions, the EYCBD Team will review these actions. If provider has failed to comply with actions set within the timescale, without sufficient reasoning, the situation will be referred to the Head of Early Years Childcare and Business Development Service for a to consider whether the LA will implement the suspension, withdrawal or termination clauses within the EYSFF Terms and Condition Agreement.