

Funding Policy

Updated: 19th November 2024

Intention

This policy aims to provide parents/carers with a clear understanding of how Early Years Funding works at our nursery, outlining eligibility criteria, the number of funded hours available, when funded hours can be used, what is included in the funding, potential additional fees, and details on the nursery's cost-free alternative. Our overall goal is to ensure transparency regarding the funding options we offer and how they are implemented.

What is early years funding?

Early Years Funding is a national scheme, administered by local authorities, which offers funded childcare hours with an Ofsted registered childcare provider. A variety of funded hours are available depending on the child's age and the family's situation. Nurseries can choose how to offer the Early Years Funding as long as the following parameters are met:

- Funded childcare cannot be longer than 10 hours in a single day.
- Funded childcare must be accessed between 6am and 8pm.

What is the maximum amount of funding that can be used a week?

The government provides funding for 38 weeks a year. Funding is offered for either 15 hours a week or 30 a week, depending on individual family circumstances. If you attend the nursery on a full year plan, we stretch the funding so that an equal amount of funding is applied against your invoice each week (see 'Stretch Funding').

How are funded hours applied?

Funding is applied in order of session price, where funding is applied to the lowest price sessions first. If sessions are priced equally, funding is applied in chronological order. A maximum of 10 hours can be funded in a single session.

Partially funded sessions

If your session is partially funded, you will only pay for the hours that are not covered by funding. The cost for these hours will be based on our session price, which you can find in our latest Price List. For example, if your session is 10 hours long and only 5 hours are funded, you will pay for 50% of the session cost. Additionally, you will still need to pay for any Additional Services associated with that session.

Headcount week

All children in receipt of Early Years Funding must have taken up a place before the headcount week (except in the case of children meeting the Late Starter criteria). The "headcount week" refers to a specific week in each term where local authorities count the number of children attending childcare providers and claiming funded hours. This count determines the amount of funding the provider will receive for that term.

SEND

There is no additional charge for enhancements where a child has SEND.

Session times

Funded hours can be used on any session on any day of the week.

Changing nursery

It is possible to change nursery mid-way through a funding period without impacting your funding entitlement. The funding will follow your child to their new provider. The nursery will inform the council that your child has left the setting and we will stop claiming funding for the child on the day they leave the setting.

Are funded hours completely free?

Funding provided by the Department of Education is used to provide education and childcare but does not cover the cost of consumables such as meals, snacks, additional resources, specialist training and additional staffing over and beyond the requirements of the EYFS. We refer to these extras as 'Additional Services.' Charging Additional Services is not the same as charging the difference between the funding the nursery receives from the council and the provision's standard hourly rate.

How can I get a breakdown of what is included in Additional Services?

Please get in touch with the nursery and this will be provided.

How much are Additional Services?

Please refer to the most recent Price List.

Are Additional Services voluntary?

If you are unwilling or unable to pay for 'Additional Services,' there is the opportunity to apply for Community Hours.

What are Community Hours?

Community Hours are sponsored hours at the nursery, where the nursery covers all the additional costs when funded hours are being used. This initiative is a reflection of our commitment to fostering an inclusive space and supporting the local community, where there is a cost-free alternative to our Additional Services. Community Hours are not applicable on privately paid sessions, they can only be applied on funded hours.

How do Community Hours work?

If you are awarded Community Hours then Community Hours are applied instead of Additional Services. Community Hours are completely free of charge meaning families do not pay anything for these hours. No Registration Fee is charged when Community Hours have been awarded to a child.¹

¹ If you have already paid a Registration Fee and you are later awarded Community Hours, the Registration Fee is not refundable.

How many Community Hours are available?

The nursery will offer up to 1,500 Community Hours each year. If the nursery chooses to offer more than this, this is entirely at the discretion of the nursery and should not be interpreted as a precedent for future offerings.

How many Community Hours can I apply for?

The maximum number of Community Hours you can apply for is 15 hours per child (term-time equivalent), i.e., $15 \times 38 = 570$ hours per year. It is important to note there is very limited availability of Community Hours and we encourage parents/carers to only apply for the exact number of Community Hours that suit their specific need.

Who is eligible to apply for Community Hours?

Anyone who attends the nursery or is scheduled to attend the nursery using funded hours is eligible to apply for Community Hours. The only exception is children of staff members, who are not eligible for Community Hours.

When are Community Hours allocated?

Applications for Community Hours are reviewed three times a year and apportioned as below. We withhold a percentage of the available funded hours to ensure families who join the nursery later in the academic year have a chance to be awarded Community Hours. The below tables shows the percentage of the annual budget of Community Hours that is distributed each term.

Review of applications	Term to be applied	% of Community Hours to be distributed.
Last Friday of June	Autumn	40%
Last Friday of November	Spring	30%
Last Friday of February	Summer	30%

How are Community Hours allocated?

Priority for Community Hours is given to families who:

- Receive funding for 2-year-olds for vulnerable families.
- Receive the Early Years Pupil Premium (EYPP).

These families receive priority because these funding types are means-tested, aiming to support young children facing disadvantages. This third-party assessment provides an objective indicator of vulnerability, eliminating the need for the nursery to make subjective judgments. After priority allocations, the remaining hours available are assigned on a first-come, first-served basis until capacity is reached.

If demand exceeds capacity, hours are distributed evenly among families, ensuring a minimum of 7 hours per week (term-time equivalent) per family (not per child), i.e., $7 \times 38 = 266$ hours per year.

If insufficient hours remain to guarantee the above stated minimum, a waiting list is established in order of application date.

Families who already have one child receiving Community Hours or who are not already receiving the max allocation of 15 hours per week (term-time equivalent) may apply for additional Community Hours. These requests are considered only after the waiting list is cleared.

How long will I keep my Community Hours for?

Once you have been awarded Community Hours these will stay on your account until your child leaves the setting or you inform us that they no longer require them. We encourage families whose circumstances have changed to consider returning any unrequired hours, allowing us to reallocate them to other families in need.

How do I apply for Community Hours?

Please email the management team with the number of Community Hours you are applying for and the child's details. We only accept applications for Community Hours the term before your funding is due to start.

Are Community Hours only usable on certain sessions?

The nursery may choose to restrict the use of Community Hours to certain attendance plans or specific days (for example Full Year, PM sessions or Mondays and Fridays). This is to help balance attendance.

What is stretch funding?

If you are eligible for 15 hours funding per week that means you are eligible for 15 hours of funding per week for 38 weeks across the academic year, meaning you are eligible for a total of 570 funded hours per year. Under stretch funding, you receive these 570 hours over the full year instead of over 38 weeks. This means the 570 hours are divided by the number of weeks we are open in the year rather than 38 weeks. The below table shows an example of how funding is stretched over the academic year.

Weekly Term-Time Funding Entitlement	Term-Time Weeks	Total Funding Entitlement	Full Year Weeks	Weekly Full Year Funding Entitlement
15	38	570	51	11.18 / 11 hours and 10 mins
30	38	1140	51	22.35 / 22 hours and 21 mins

Invoicing for Additional Services

The cost for any funded hours is zero. Additional Services will be added to your invoice based on the session you are attending. To see the session price for Additional Services, please refer to our latest Price List.

Bank Holidays

Funding that falls on a Bank Holiday is not applied onto alternate unfunded sessions.

More information on funding

If you would like to find out more about funding, we encourage you to look at the Childcare Choices website: <https://www.childcarechoices.gov.uk/>

Complaints about funding

Please follow the procedure outlined in our Complaints and Compliments Policy.