Policy - Early Years Funding

Title: Early Years Funding

Category: In the Setting

Review Date: 1st Sep 2027

Description:

Early Years Funding at Dream childcare Nursery

Depending on the age of your child and if you meet the eligibility criteria, the government will fund a proportion of your childcare costs. This is known as the Early Years Funded Entitlement.
Am I eligible to receive funding? There are 2 categories of funding - Working Families funding, and funding for families who don't meet the Working Families eligibility criteria:

Working Families	Parents who don't meet the Working Families eligibility criteria
September 2026 • 30 hours of funded childcare for all children aged 9 months+	Universal funding • 15 hours of funded childcare for 3 & 4 year olds Local Authority funding • Parents of 2-year-olds already receiving some additional forms of Government support receive 15 hours of funded childcare from the Local Authority

Some families may be eligible for both the Local Authority issued 2-year old funding and 2 year old Working Families funding, for a maximum of 30 hours per week.
You can stretch your funding allowance across 51 weeks of the year, which is 22 hours per week for Working Families funding, and 11 hours per week for Universal and 2-year-old Local Authority funding.
You can check whether you are eligible for Working Families funding online: https://beststartinlife.gov.uk/

When does my child become eligible for funding?
Children become eligible for a funded place depending on when their birthday is:

9 months to 4 year old Working Families funding	
Child's birthday Child becomes	Child becomes eligible
1 st April to 30th June	Term starting in April after turning 9 months old
1 st July to 30th November	Term starting in September after turning 9 months
1 st December to 31st March	Term starting in January after turning 9 months old
2 year old Local Authority funding	
Child's birthday	Child becomes eligible
1st April to 31st August	Term starting on or after 1st September
1st September to 31st December	Term starting on or after 1st January
1st January to 31st March	Term starting on or after 1st April
3 and 4 year old Universal funding	
Child's birthday	Child becomes eligible
1st April to 31st August	Term starting on or after 1st September
1st September to 31st December	Term starting on or after 1st January
1st January to 31st March	Term starting on or after 1st April

How to claim your Early Years Funding Entitlement:
For Working Families Funding (children from 9 months to 4 years)
If you are eligible for Working Families funding, you will first need to apply for your eligibility code. Apply online: How to apply for Working Families Funding
You must apply for your code by the end of the month before the new term starts, otherwise you will not able to access your funding for that term:

Term	Term starts	When to apply
Autumn	On or after 1st September	Before 31st August
Spring	On or after 1st January	Before 31st December
Summer	On or after 1st April	Before 31st March

Once you have your code, please email it to us, along with your National Insurance Number so that we can check it for you. During the term before you are eligible, we will ask you to complete and sign an Early Years Funded Entitlement Parent Declaration form and include your eligibility code on the form.

When can I use my funded hours?
At dream childcare you can use the funding any hours that are required. (No set time boundaries) We have a minimum of two 5 hrs sessions per week to reserve a space.
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, Outings 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.

Additional Services Voluntary fees (Over 3s only)
There will be a voluntary additional charge or £5 .50 per day which covers the following.
£3.50per day - Food for the day and £1.50per day- Covers Outings and transport to these and external visitors to nursery for educational purpose for the children and Enhanced provision.

Alternatively, you have the option to provide meals for your child. These must be strictly in line with our Allergy and Nutrition and Mealtimes policies.

Bank Holidays

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

For 3- and 4-year-old Universal funding:
If you do not contact us with a funding code, we will assume that you are going to use Universal funding only, and during the term before you are eligible, we will ask you to complete and sign an Early Years Funded Entitlement Parent Declaration form so that we can claim your funding.
For 2-year-old Local Authority Issued funding:
If you are eligible for Local Authority 2-year-old funding, you must inform us as soon as possible, and show us the letter of confirmation. We will ask you to complete and sign an Early Years Funded Entitlement Parent Declaration form.
Please note that in all cases, if we do not receive a completed Parent Declaration form, signed by date specified, we will not be able to claim funding on your behalf and this will result in you paying full fees.
Please note: It is the parent/carer's responsibility to apply for 2- and 3-4-year funding codes and to ensure the code is passed on to us so that we can claim the funding. You must obtain this code before the deadline for the term before you wish to start claiming funding. It is also the parent/carer's responsibility to ensure the code is checked and renewed online at least every 3 months, otherwise funding will be withdrawn. You should receive reminders directly from HMRC to do this. If you no longer meet the eligibility criteria for Working Families or Local Authority 2-year-old funding, you must let us know as soon as possible so that we can discuss how your nursery fees will be impacted.
What if my child also attends another childcare provider?
You may split your funding between us and another provider. If you wish to do this, you must inform us and enter the details of the other provider on your Parent Declaration form. You will also need to complete a form for the other provider. The total number of hours claimed across both settings cannot exceed your maximum entitlement (570 hours per 12-month period for '15 hours' claims, or 1140 hours per 12-month period for '30 hours' claims). In the rare circumstances that this occurs, your child will either need to not attend for the additional hours that are above the maximum limit, or you would need to pay for the extra time above the maximum limit.
What if I lose eligibility for Working Families funding?
If your circumstances change and you become ineligible for Working Families funding, you will receive a "grace period" which means that you can keep your funding for a short period. Once that period has expired, the funding for 9-months+ to 2-year-olds will end, and 3 and 4 year-olds will be reduced to Universal funding.
What if I want to change the sessions my child attends?
If you would like to change the sessions your child attends, you must discuss this with Holly, and a new contract with new sessions will be completed, giving at least 4 weeks' notice. Please note that changes to agreed funded hours cannot be made during a term but can be changed from the start of the new term. You must complete a new Parent Declaration form detailing the new sessions and funded hours to be claimed.

What if my child is absent from Nursery?
If your child is unable to attend nursery (for example, due to short-term sickness, medical appointments or a holiday), your funded hours during these times cannot be accrued to use at another time.
What happens to our funding if we leave Dream childcare?
If a child leaves and transfers to a different setting during a term, your funding can be transferred to the new setting. If you leave us at the end of a term and your child is starting at a new provider at the start of the next term, the new setting will simply be able to claim your funding for that new term as per their usual procedures. Please note that all leavers must be in line with our notice period of 4 weeks.

What is the Disability Access Fund (DAF)?
Children who are in receipt of Disability Living Allowance (DLA) and are receiving EYFE are eligible for the Disability Access Fund (DAF). DAF is paid to the nominated provider of your choice as a fixed annual rate of £938 per eligible child. Funding is not transferable between settings. You must provide the us with a copy (no originals) of your child's current DLA award letter in order for us to claim DAF.
What is the Early Years Pupil Premium (EYPP)?
We are able to claim additional supplements up to a maximum £570 a year for children who meet Early Years Pupil Premium (EYPP) eligibility criteria, depending on the total number of yearly funded hours claimed. Your eligibility is checked using your National Insurance (NI) number or National Asylum Support Service (NASS) number. By providing these details you are granting WSCC permission to check your EYPP eligibility with the Department for Work and Pensions (DWP) and award EYPP plus an additional supplement if appropriate.

Can I combine different forms of support?
• The Universal Credit and Tax-Free Childcare schemes can be combined with the Early Years Funded Entitlement. See www.beststartinlife.gov.uk for more information about this.
• If you receive Local Authority Funding, you may also be eligible for an additional 15 hours of funding under the Working Families entitlement, depending on your circumstances. See Best Start in Life Eligibility Checker for more information.