

Free Early Education Entitlements for  
Two, Three and Four-Year-Olds;

## A Guide for Parents



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# 1. Introduction

The purpose of this document is to answer frequently asked questions relating to the funding of free early education for eligible two-, three- and four-year-olds in Ofsted registered childcare settings.

The government have established three funding schemes for early years.

- Two-year-old funding gives **some** two-year-olds 15 hours funded childcare to support disadvantaged children;
- the universal entitlement which gives **all** three- and four-year-olds 15 hours funded childcare;
- 30 hours funded childcare for **some** three and four-year-olds, which supports working families.

Early Years childcare providers must have a “Free Early Education Entitlement (FEEE): Provider Agreement” in place with Peterborough City Council to ensure they meet the conditions and requirements of the statutory guidance set by the Government<sup>1</sup>.

To offer funded places, Childcare providers must be registered with Ofsted, deliver the Early Years Foundation Stage (EYFS), and they must meet the terms and conditions set in their local Provider Agreement; this is how we know children will receive high quality care. This ensures that all schemes hugely benefit eligible children and families.

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<sup>1</sup> Department for Education (DfE) ‘Early Education and Childcare: Statutory Guidance for Local Authorities, March 2017: <https://www.gov.uk/government/publications/early-education-and-childcare--2>

## 2. Two-year-old funding

Two-year-old funding is a scheme for eligible two-year-olds to receive 570 hours of free early education and childcare over the year; this equates to 15 hours over 38 weeks of the year. This benefits children by giving them opportunities to socialise, make friends, give them access to new activities and exciting places to play and help their development and communication.

### ***Am I eligible for two-year-old funding?***

You can apply for two-year-old funding if you receive one of the following benefits or credits;

- Income support
- Income based Job Seekers Allowance
- Income related Employment Support Allowance
- Support under part VI of the Immigration and Asylum Act 1999
- The guarantee element of Pension Credit
- Child tax credit - provided annual income assessed by [HMRC](#) does not exceed £16,190
- Working tax credit - provided annual income assessment by [HMRC](#) does not exceed £16,190
- Working tax credit "run-on" – the payment someone may receive for a further 4 weeks after they stop qualifying for working tax credit.
- Universal credit – if you (and your partner, if applicable) are on a low income from work, this usually means a combined income of less than £15,400 a year after tax.

Or if the child:

- attracts Disability Living Allowance (DLA)
- is looked after by Local Authority
- has left care through an adoption order, a special guardianship order or a child arrangements order which specifies with whom they live.

### ***How do I apply?***

You can apply using an application form which can be found online or collected from Bayard Place, children's centres or childcare providers. You can also apply online at [www.peterborough.gov.uk/Freefortwos](http://www.peterborough.gov.uk/Freefortwos).

### **When can my child access the funding?**

Your child is able to access their funding according to the chart below:

<b>Children who turn two between:</b>	<b>Become eligible for their free entitlement (subject to eligibility) from:</b>
1 January to 31 March	1 April
1 April to 31 August	1 September
1 September to 31 December	1 January

***What happens if my income benefits change and my child has already been offered the free two-year-old entitlement?***

If your child has already been offered a funded place and your financial circumstances change, this does not affect your funded place. Your child will still be able to access their free place until they can receive their universal entitlement which all three and four-year-olds receive.

***Will the free childcare for my two-year-old affect my tax credits or benefits?***

Claiming two-year-old funding will not affect your tax credits or benefits unless you are receiving the Childcare Element of Working Tax Credits. If this is the case, you will need to inform HMRC as they may need to adjust their payments to you. You should not be worse off from claiming two-year-old funding as the funding covers the total cost of the free hours rather than a proportion of the cost (as the Childcare Element of Working Tax Credit would). You can use the government's Childcare Calculator tool to check: <https://www.gov.uk/childcare-calculator>

***How do I pay for the free place?***

Payment for the free place is made by the council directly to the childcare provider – you do not have to claim any money yourself; the claim for your child is made by the childcare provider to the council.

You will need to complete a form called a Parent and Provider Agreement before your child starts their free place which will enable the provider to make the claim for your child. The agreement also details your obligations.

The two-year-old free entitlement covers the hours your child attends only. It does not cover meals at your chosen childcare provider. You will need to speak to your childcare provider to see what their policy is for meals and if they are included. If they are not included, then all parents/carers should be given the option of providing a packed lunch for their child.

Providers are able to charge parents for meals, snacks, nappies or sun cream (consumable items) and discretionary items such as trips and additional activities. However, these charges are voluntary and parental choice, and cannot be a condition of accessing any free entitlement place. Any charges for consumable items must be agreed between the parent and childcare provider **before** the child starts accessing a free place.

Any hours your child attends at a childminder, day nursery or pre-school in addition to any funded hours are considered a private arrangement. Childcare providers should clearly publish charges, fees and policies, and any invoice you receive should clearly demonstrate what any charges relate to.

You should not be charged a deposit if your child will only be attending for their two-year-old funded hours.

***What happens once I have sent my application for my two-year-old?***

Once you submit your application (either online or paper application), your details are checked on the government's eligibility checking service database. If the check is successful, the council will write to you to confirm when your child can begin accessing a funded place. The letter will confirm a start date and your child's unique reference number, which you must take to your chosen pre-school, nursery or childminder.

If you are "not found" to be in receipt of an eligible benefit or credit on the government's Eligibility Checking Service database, we will write to you to let you know what you can do to provide evidence to support your application.

***Can I stretch this entitlement?***

Yes, you can take fewer hours over more weeks of the year at participating childcare providers. This is commonly taken as 11 hours per week over each week of the year rather than a “term-time” offer of 15 hours per week over 38 weeks of the year.

### 3. Three- and four-year-old funding (universal)

The funding for three- and four-year-olds is a **universal** entitlement – this means that **all** three and four-year-olds can receive it. This gives children 570 hours free childcare and early education over a minimum of 38 weeks of the year, providing them with an opportunity to learn and develop before they begin school.

#### ***How do I apply for my three- or four-year-olds free place?***

**You do not have to apply for this entitlement.** For the universal entitlement that every three- and four-year-old receives, your childcare provider will be able to arrange the funding for you. All pre-schools and nurseries in Peterborough and some childminders offer the free early education entitlement. If your provider does not offer this, you can find one who does through the Families Information Service. You can contact them through visiting [www.peterborough.gov.uk/FIS](http://www.peterborough.gov.uk/FIS), email [FIS@peterborough.gov.uk](mailto:FIS@peterborough.gov.uk) or telephone 01733 864446.

#### ***When can my child access their universal entitlement?***

<b>Children who turn three between:</b>	<b>Become eligible for their universal free entitlement from:</b>
1 January to 31 March	1 April
1 April to 31 August	1 September
1 September to 31 December	1 January

#### ***Where can my child access their universal free entitlement?***

Children can access their free place at a pre-school, day nursery, maintained nursery unit or nursery school or a childminder of your choice that is registered with Ofsted and signed up with the council to offer government funded places.

All pre-schools and day nurseries and most childminders are signed up to offer government funded places. Contact Peterborough Families Information Service to discover the providers in your area visit [www.peterborough.gov.uk/FIS](http://www.peterborough.gov.uk/FIS), email [FIS@peterborough.gov.uk](mailto:FIS@peterborough.gov.uk) or telephone 01733 864446.

#### ***How do I pay for the free place?***

Payment for the free place is made by the council directly to the childcare provider – you do not have to claim any money yourself; the claim for your child is made by the childcare provider to the council.

You will need to complete a form called a Parent and Provider Agreement which will enable the provider to make the claim for your child. The agreement also details your obligations.

**The universal entitlement covers the hours your child attends only.** You will need to speak to your childcare provider to see what their policy is for meals and if they are included. If they are not included, then all parents/carers should be given the option of providing a packed lunch for their child.

Providers are able to charge parents for meals, snacks, nappies or sun cream (consumable items) and discretionary items such as trips and additional activities. However, these charges are voluntary and parental choice, and cannot be a condition of accessing any free entitlement place. Any charges for consumable items must be agreed between the parent and childcare provider **before** the child starts accessing a free place.

Any hours your child attends at a childminder, day nursery or pre-school in addition to any funded hours are considered a private arrangement. Childcare providers should clearly publish charges, fees and policies, and any invoice you receive should clearly demonstrate what any charges relate to.

You may be charged a refundable deposit for reserving a free place, but this should be repaid in full if your child takes up a place. If the deposit is for privately paid childcare, it may be deducted from future charges rather than returned.

Please note that some providers only have a certain number of “standalone” free places available – i.e. limited places for children only accessing a 15 hour free entitlement place without purchasing additional hours. This is perfectly legitimate and we cannot prevent a provider for limiting the number of government funded places they offer.

We would recommend when choosing a provider that you discuss how they offer their funded places and fee structures to ensure you are happy before your child begins. You should also consider visiting several providers to determine what is best for you and your child.

***Can I stretch this entitlement?***

Yes, you can take fewer hours over more weeks of the year at participating childcare providers. This is commonly taken as 11 hours per week over each week of the year rather than a “term-time” offer of 15 hours per week over 38 weeks of the year.

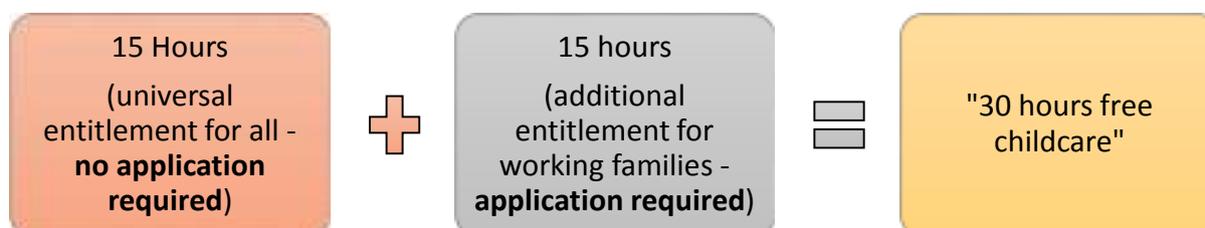
***Can the universal entitlement be used for an after school club when my child starts school?***

No. Once your child starts accessing a school reception place (from September following their fourth birthday), the funding is paid directly to the school. To find out more about school admissions visit the council website [www.peterborough.gov.uk/Admissions](http://www.peterborough.gov.uk/Admissions)

## 4. 30 hours free childcare (extended entitlement)

Three and four-year-olds of working parents in England may be entitled to an additional 570 hours per year **on top of the universal entitlement**, meaning these families will be able to claim up to 1,140 hours of free early education per year.

You may have heard this being talked about as “30 hours free childcare”:



### ***Can I get 30 hours free childcare every week?***

No. **The offer is not 30 hours each week of the year.** “30 hours free childcare” refers to a term-time offer, where you could get 30 hours free for 38 weeks of the year. You can “stretch” the entitlement by taking fewer hours over more weeks of the year at participating childcare providers. This is commonly taken as 22 hours per week over each week.

### ***Do I qualify for the 30 hours?***

To qualify for 30 hours childcare, you must meet the following eligibility criteria;

To be eligible, you (and your partner if you have one) must:

- Each expect to earn the **equivalent** of 16 hours per week at the National Living Wage or National Minimum Wage for your age. From April 2018, this is £118.08 per week for 21 to 24-year-olds and £125.28 per week for over 25-year-olds. If you are an apprentice, you may still qualify.

Where a parent is in a ‘start-up period’ (i.e. they are newly self-employed) they do not need to demonstrate that they meet the income criteria for 12 months.

Both parents, or for single parent families, the sole parent must also:

- Live in England
- Expect to have an income of less than £100,000 each a year.

If one or both parents are unemployed, they must become employed within 31 days of applying.

There are some exceptions, and families will also be eligible if both parents are employed but one parent (or both parents) are:

- temporarily away from the workplace on maternity, paternity, adoption or parental leave;
- temporarily away from the workplace on statutory sick pay;
- are temporarily away from England for a period of up to 6 months, such as if the parent/s are in the military (on duty);

Or if:

One parent is employed or self-employed and one parent gets one or more of the following benefits:

- Contribution based Employment and Support Allowance
- Carer's Allowance
- Incapacity Benefit or long-term Incapacity Benefit
- Severe Disablement Allowance
- National Insurance credits because of incapacity or limited capacity for work
- If the parent has been assessed as having limited capacity for work for Universal Credit purposes.

#### *Self Employed*

Where a parent is in a 'start-up period' (i.e. they are newly self-employed) they do not need to demonstrate that they meet the income criteria for 12 months.

#### ***How can I get 30 hours free childcare?***

You must apply for 30 hours free childcare; all applications are assessed by HMRC. You can apply online through [www.childcarechoices.gov.uk](http://www.childcarechoices.gov.uk). As part of this process, you must create a Government Gateway account and enter all the required information in order to create your Childcare Service account.

HMRC will send you the outcome of your application via the secure messages in your Childcare Service account. If you need any help with your application, you should contact HMRC's Childcare Service helpline on 0300 123 4097. Unfortunately local authorities are unable to assist with application queries.

#### ***Will my child qualify if I am living with a new partner or have remarried?***

If you have remarried or are living with a new partner, you and your new partner must both be working in order for your child to be eligible.

#### ***Will my child qualify if my partner or I are on a zero hours contract?***

Providing you work on average two weeks out of every three and when you are working you earn the equivalent of **at least 25 hours** at the National Living Wage or National minimum Wage (depending on your age), your child will be eligible for the 30 hours free childcare.

#### ***What about parents who are due to start work – what evidence do they need to confirm eligibility?***

Parents who are not working but expect to start a new job in the next 31 days can apply. HMRC will determine whether parents meet the eligibility criteria. HMRC may follow up with parents before making a final decision if any information is unclear. If you expect to earn at least the minimum amount, on average, over the next three months, your child will be eligible.

### **When do parents have to apply for 30 hours?**

Children must meet the following age criteria and be in receipt of a valid eligibility code from HMRC to qualify:

<b>Children who turn three between:</b>	<b>Become eligible for their universal free entitlement and 30 hours free childcare (subject to issue of eligibility code) from:</b>
1 January to 31 March	1 April
1 April to 31 August	1 September
1 September to 31 December	1 January

A parent can apply for 30 hours free childcare up to **16 weeks before their child turns three**. If a code is not issued by HMRC before the start of a funding period, the child will have to wait until the following funding period before they can take up 30 hours free entitlement.

<b>If a child turns three between:</b>	<b>You must get a code in place from HMRC <u>before</u>:</b>	<b>If you want your child to start 30 hours free childcare from:</b>
1 April to 31 August	31 August	1 September
1 September to 31 December	31 December	1 January
1 January to 31 March	31 March	1 April

### **For example:**

- A child turns three on 3rd April. They will be able to take up their universal free entitlement from 1 September. The parent applies for 30 hours free childcare through HMRC and is issued a code on 15th July. The child can access 30 hours free childcare from 1 September.
- A child turns three on 3rd April. They will be able to take up their universal free entitlement from 1 September. The parent applies for 30 hours free childcare through HMRC and is issued a code on 22nd September. The child can their universal free entitlement from 1 September but cannot access 30 hours free childcare until 1 January.

If your child is already three and accessing their universal entitlement, the same principle applies that 30 hours free childcare cannot begin until the funding period following successful application:

<b>Application made and code issued by HMRC between:</b>	<b>Earliest start date for 30 hours:</b>
1 April to 31 August	1 September
1 September to 31 December	1 January
1 January to 31 March	1 April

Every three months, parents will be asked to log on to their Childcare Service Account to confirm that they are still eligible (commonly referred to as “reconfirmation”). Therefore, if a parent applies very early, they may need to reconfirm that they are still eligible before they have taken up their place. You can log in to your account here: <https://www.gov.uk/sign-in-childcare-account>.

It is the parent's responsibility to make sure they reconfirm their child's eligibility for 30 hours free childcare. The majority of childcare providers will try to remind you that you need to do this, however they cannot be held responsible where a parent has not done this in time.

### ***What do I need to do with the code once I have it?***

Parents should provide the code issued by HMRC to their childcare provider as soon as possible after they receive it. Childcare providers have to go through a verification process with the local authority to ensure codes are valid. A parent can reserve a place for their child with their provider prior to the code being verified, but the code must be verified before the child can take up their place. It is up to individual providers to decide whether they wish to set deadlines for parents booking childcare places.

### ***How do I pay for the free place? Do I need to pay any additional fees?***

Payment for the free place is made by the council directly to the childcare provider – you do not have to claim any money yourself; the claim for your child is made by the childcare provider to the council.

You will need to complete a form called a Parent and Provider Agreement which will enable the provider to make the claim for your child. The agreement also details your obligations.

**The 30 hour free childcare entitlement covers the hours your child attends only.** You will need to speak to your childcare provider to see what their policy is for meals and if they are included. If they are not included, parents/carers should be given the option of providing a packed lunch for their child.

Providers are able to charge parents for meals, snacks, nappies or sun cream (consumable items) and discretionary items such as trips and additional activities. However, these charges are voluntary and parental choice, and cannot be a condition of accessing any free entitlement place. Any charges for consumable items must be agreed between the parent and childcare provider **before** the child starts accessing a free place.

Any hours your child attends at a childminder, day nursery or pre-school in addition to any free hours are considered a private arrangement. Childcare providers should clearly publish charges, fees and policies, and any invoice you receive should clearly demonstrate what any charges relate to.

You may be charged a refundable deposit for reserving a free place, but this should be repaid in full if your child takes up a place. If the deposit is for privately paid childcare, it may be deducted from future charges rather than returned.

Please note that some providers only have a certain number of "standalone" free places available – i.e. limited places for children only accessing a 15 or 30 hour free entitlement without purchasing additional hours. This is perfectly legitimate and we cannot prevent a provider for limiting the number of government funded places they offer.

We would recommend when choosing a provider that you discuss how they offer their funded places and fee structures to ensure you are happy before your child begins. You should also consider visiting several providers to determine what is best for you and your child.

### ***Do I have to use all of the free hours?***

No, you can use as many or as few of the hours as you want/need. You can discuss your childcare requirements with your chosen provider in order to plan what days and hours your child will attend.

### ***Flexibility***

Having 30 hours childcare (1,140 hours over the year) should enable families to have flexibility with the hours they take to support their working hours, however the following rules must apply:

- No more than 10 hours can be funded in one day
- No minimum session length
- Funding cannot be claimed before 6.00am or after 8.00pm
- Children can receive funding on a maximum of two sites in a single day and three providers a week.

The hours can be delivered:

- over up to 52 weeks of the year
- outside of maintained school term times
- at weekends.

***Am I able to use more than one provider?***

You are able to use up to three providers, but a maximum of two per day. You will be asked to specify on the parent and provider agreement that you are required to sign, which of the providers use the universal entitlement and which use the additional 15 hours.

***How long can my child receive 30 hours free childcare?***

Depending on continuing eligibility following reconfirmation with HMRC, your child can receive the 30 hours free childcare until they reach statutory school age or attend school in Reception class.

***Can 30 hours free childcare be used for an after school club when my child starts school?***

No. Once your child starts accessing a school reception place (usually from the September following their fourth birthday), all funding is paid directly to the school.

***Why do I have to reconfirm my eligibility?***

Every three months parents will need to log on to their Childcare Service account to confirm that the details they entered on their application for 30 hours free childcare are still accurate. This is to check that they are still eligible. Parents will be prompted by text message and/or email four weeks before their reconfirmation deadline and again two weeks before if they still haven't reconfirmed. Parents will need to log on to their Childcare Service account to carry out the reconfirmation. Where circumstances have not changed, this should be a simple tick box to confirm details have not changed. Where circumstances have changed, more information will be required.

If parents miss the reconfirmation deadline, they will receive a message telling them that their eligibility has lapsed. It is the parent's responsibility to ensure they carry out reconfirmation tasks on time.

***What happens if I lose my job once my child is receiving the additional entitlement (30 hours free childcare) and I no longer qualify?***

If your circumstances change, when you log in to your childcare service account and reconfirm your financial position with HMRC, you may receive an ineligible decision.

The government has provided a grace period to support families who receive an ineligible decision to enable the parent/s to find new employment. If circumstances have not changed following the end of the grace period, the child will stop receiving the additional 15 hours free childcare and the child will receive the universal entitlement available to all three and four-year-olds only (15 hours free over 38 weeks of the year, or 11 hours each week of the year).

<b>Date parent receives an ineligible decision on reconfirmation:</b>	<b>The child will continue to receive 30 hours free childcare until:</b>
1 January to 10 February	31 March
11 February to 31 March	31 August
1 April to 26 May	31 August
27 May to 31 August	31 December
1 September to 21 October	31 December
22 October to 31 December	31 March

If a parent becomes eligible again after they have fallen out of eligibility, they should be able to re-submit updated details on their childcare service account. They will need to present their code to their childcare provider again for verification. This should be the same eligibility code for the child as the original code issued.

### ***How long does it take to hear back about my application?***

Most application decisions will be instant, however some applications will require between 10-15 days for a decision. Start date is based on when an eligibility code is **issued by HMRC** and **not when parent makes the initial application**, so it's important to factor in this potential delay when considering making an application to ensure you do not miss out – please see the tables on page 11 for more details on cut off dates.

### ***How do I access my eligibility code?***

You will need to log in to your Childcare Service account to access your eligibility code:  
<https://www.gov.uk/sign-in-childcare-account>.

Detailed instructions about how to find your code can be found at  
[www.peterborough.gov.uk/30hoursfree](http://www.peterborough.gov.uk/30hoursfree) in the file called “30 hours eligibility codes guidance”.

### ***I have been experiencing problems with the application process – who do I contact?***

All applications are dealt with by HMRC. You can contact HMRC's Childcare Service helpline on 0300 123 4097 for further assistance about your application.

### ***I don't agree with the outcome of my application and believe I should be eligible. What should I do?***

All applications are dealt with by HMRC, therefore all queries regarding eligibility should be directed to them as unfortunately the council cannot assist. You can contact HMRC's Childcare Service helpline on 0300 123 4097 for further assistance about your application.

## 5. Funding Free Early Education Entitlements

### ***The Parent and Provider Agreement***

This is an agreement between the parent/guardian of the child and their childcare provider. It sets out the terms and conditions of taking up a funded place at the setting, explaining the funding and notice periods, the hours of attendance and the child's details. This is an important form as it ensures both the parent and provider have understood and agreed on the funded hours that will be taken.

### ***How does the provider claim the funding?***

Childcare providers claim your child's free early education entitlements directly from Peterborough City Council. No money is paid directly to parents for this purpose.

### ***Is it okay to take holiday during the term, and if so will my childcare provider be penalised when my child is not attending?***

Children may be absent due to family holidays and funding will still be paid for absences of up to four weeks. Please notify your provider of any planned or unplanned absences.

### ***What if my child is ill?***

Long term illness can be funded for a maximum of 4 weeks if there is a clear explanation from the parent as to why the child is not attending, where the childcare provider remains in regular contact with the parent and there is a clear intention that the child will be returning to the childcare provider.

### ***What happens when my provider has to close suddenly (e.g. due to a heating breakdown or adverse weather conditions)?***

Funding is still paid to childcare providers who have to close suddenly on a short-term basis. Wherever possible, we ask providers to accommodate funded children on a different day (for example, closing a couple of days later than intended if operating term-time), however this is not always possible due to shared building use and staffing requirements.

### ***My child has additional needs am I entitled to any extra funding?***

Three- and four-year-olds will be eligible for the Disability Access Fund (DAF) if they meet the following criteria:

- The child is in receipt of child disability living allowance and;
- The child receives their universal three or four-year-old entitlement.

This funding is to support the childcare provider to make reasonable adjustments to their provision and/or helping with building capacity for the eligible child or for the benefit of children as a whole attending the setting. If the child eligible for DAF funding is splitting their entitlement between more than one childcare provider, the parents will need to nominate the main provider that will receive the DAF allocation. The funding will be a one off annual allocation of £615 which is paid directly to the childcare provider. For the provider to claim this funding you must show the provider a copy of the child's disability living allowance award letter which they can retain.

There is also some additional funding available to support childcare providers to meet the needs of children with SEND through the SEN Inclusion fund. Access to this funding is through the Early Support Pathway.

Both the DAF and SEN Inclusion Fund are paid directly to the childcare provider for the purpose of supporting eligible children.

***What is EYPP?***

Early Years Pupil Premium (EYPP) can provide additional funding, used to support the development of children. Children are eligible for the EYPP if they are three or four years old, receiving their universal entitlement and their parents meet the criteria used for free school meals. Children are also eligible if they:

- have been looked after by the local authority for at least one day
- have been adopted from care
- have left care through special guardianship
- are subject to a child arrangement order.

The purpose of this funding is to support settings in narrowing the attainment gap between the least and most deprived families in the country.

EYPP is paid directly to the childcare provider for the purpose of supporting eligible children.