



EAST RIDING
OF YORKSHIRE COUNCIL

Provider Agreement

**for free early education and childcare
entitlement (FEEE)**

9 month – 4 year olds

Effective from:

1st September 2026

Service Area and Section:	Children, Families and Schools
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The East Riding of Yorkshire Council FEE Provider Agreement

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This document contains the East Riding of Yorkshire Provider agreement and has been prepared in line with the Department for Education Early Years Education and Childcare Statutory Guidance and is based on the model agreement from the Department for Education (DfE), which sets out the Department's expectations on what should be included in agreements between local authorities and providers. The most recent version of the model agreement can be found on: <https://www.gov.uk/government/publications/free-early-years-provision-and-childcare-model-agreement>

The local authority reserves the right to review and amend this document at any point throughout the year to reflect changes in legislation and departmental guidance. Any updated versions may result in the Local Authority requesting it be signed by all providers offering funded early education.

What does this agreement apply to?

This Agreement is made between the East Riding of Yorkshire Council (local authority) and all East Riding of Yorkshire Ofsted registered early years childcare providers and schools who wish to claim the government childcare and early education funding for the delivery of childcare and early education on behalf of eligible children aged from 9 months to 4 years.

The agreement refers to early years provision free of charge (section 7 and 7A of the Childcare Act 2006) and free childcare (section 2 of the Childcare Act 2016) as the 'free entitlement(s)' or 'free hours' or a 'free place' which is defined as 570 hours per year (for children eligible for the 15 hour entitlement) or a maximum of 1140 hours per year (for children eligible for the 30 hour entitlement), which can be taken over no fewer than 38 weeks in any 12 month period until the child reaches compulsory school age.

This document does not give guidance on how providers operate their private businesses, including charges for provision over and above a child's free hours. The East Riding of Yorkshire local authority will not intervene where parents choose to purchase additional hours of provision or additional services providing this does not affect the parent's ability to take up their child's free place.

Who is this provider agreement for?

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This Provider Agreement is for any early years provider in the East Riding of Yorkshire approved by the local authority to offer the free 15 or 30 hour entitlement. Throughout this agreement all early years providers will be referred to as 'providers' and include:

- *an early years provider other than a childminder registered on the Ofsted Early Years Register*
- *Maintained Nursery and Primary Schools who offer the funded entitlement*
- *a childminder registered on the Ofsted Early Years Register*
- *a childminder or childcare provider registered with a childminder agency which is itself registered with Ofsted*
- *Independent schools, Free schools and Academies taking children aged two and over who are exempt from registering separately with Ofsted as an early years provider.*
- *Independent schools, Free schools and Academies taking children aged two and over who are exempt from registering separately with Ofsted as an early years provider.*
- *independent schools where the early years provision is inspected separately by an independent inspectorate*

Providers should also make parents aware of the information in this agreement in their own letters, notices and leaflets or by directing them to the Family Information Service Hub (FISH), particularly for information in sections about flexibility, charging, data protection, parental agreement and declaration form and complaints procedure.

Legal framework, statutory guidance and supplementary provisions

The agreement is between The East Riding of Yorkshire Council, (referred to as 'local authority') and the provider, who must sign the form in Annex A before funding can be released. By signing the agreement, the provider is undertaking to deliver the free early education in accordance with this agreement and, as a data processor for the Council, is accepting responsibility to act in accordance with data protection laws in the collection, storage, transmission, sharing and disposal of parent and child information.

This provider agreement sets out the expectations for delivery of the free entitlements. It is not otherwise intended to replace, supersede or negate the requirements or expectations set out in legislation, other published statutory guidance and government advice. The following frameworks and legislation underpin this agreement, which may be amended from time to time, without necessitating a change to this provider agreement, unless

there is an in-year change to the model agreement or other relevant regulatory guidance issued by the DfE or Ofsted:

- ***Early Education and Childcare, Statutory Guidance for Local Authorities 2026***
- ***Childcare Act 2006***
- ***Childcare Act 2016***
- ***Equality Act 2010***
- ***School admissions code 2021***
- ***Statutory Framework for the Early Years Foundation Stage September 2025***
- ***Ofsted's Early years Inspection Toolkit- November 2025***
- ***Early Years Entitlements: local authority funding operational guide 2026 to 2027***
- ***Local Authority, (Duty to Secure Early Years Provision Free of Charge) Regulations 2014***
- ***Childcare (Free of Charge for Working Parents) (England) Regulations 2022***
- ***Special Educational Needs and Disability Code of Practice: 0 to 25 years- 2014***
- ***Data Protection Act 2018***

Reference to general legislative requirements such as data protection, confidentiality and Freedom of Information are also included in Section 2 where relevant. A template Privacy Notice for all providers to use is in the additional documents and data protection clauses are included in the parental agreement and declaration form for use by providers. However, it is ultimately the responsibility of all providers to ensure they comply with all relevant data protection legislation.

Other relevant legislation and statutory guidance related to the operation of the providers' business, is also referred to in Section 2, such as the obligation to take out and maintain adequate levels of insurance. It is the provider's responsibility to ensure that the funded early education funding is properly accounted for and recorded for financial audit purposes. (The local authority audit process to ensure compliance with this agreement is set out in Section 2)

This Agreement is made between the Local Authority and the Provider for the provision of free early education and childcare. The terms and responsibilities outlined in this document shall be binding upon both parties.

If this Agreement is not signed and returned to the Local Authority, then there is no binding agreement that requires the LA to fund the provider for the provision of early education and childcare.

Key local authority responsibilities

The local authority must secure a free place for every eligible child in their area with no mandatory charges for parents.

The local authority should work in partnership with providers to agree how to deliver places.

The local authority should be clear about their role and the support on offer locally to meet the needs of children with special educational needs and/or disabilities (SEND) as well as their expectations of providers.

The local authority must contribute to the safeguarding and promote the welfare of children and young people in their area.

Key provider responsibilities

The provider must comply with all relevant legislation and insurance requirements.

The provider should deliver the free entitlements consistently to all parents, whether in receipt of 15 or 30 hours and regardless of whether they opt to pay for optional services or consumables. This means those children accessing the free entitlements should receive the same quality and access to provision as defined in A1.34 and A1.36 of the [Early Education and Childcare statutory guidance for local authorities](#). The provider should be clear and communicate to parents details about the days and times that they offer free places, along with their optional services and charges

The provider must follow the [Early Years Foundation Stage \(EYFS\) statutory framework](#) (EYFS) and have clear safeguarding policies and procedures in place that link to the local authority's guidance for recognising, responding, reporting and recording suspected or actual abuse.

The provider must have arrangements in place to support children with SEND. These arrangements should include a clear approach to identifying and responding to SEND. Providers should utilise the SEN Inclusion Fund and Disability Access Fund to deliver effective support, whilst making information available about their SEND offer to parents.

Providers should complete all appropriate local authority paperwork and submit termly data collections within agreed Local Authority deadlines.

All providers must take out and maintain adequate levels of insurance for their business.

Safeguarding

The local authority has overarching responsibility for safeguarding and promoting the welfare of all children and young people in their area. They have a number of statutory functions under the 1989 and 2004 Children Acts which make this clear, and the '[Working together to safeguard children](#)' statutory guidance sets these out in detail.

The provider must follow the EYFS and have clear safeguarding policies and procedures in place that are in line with local guidance and procedures for responding to and reporting suspected or actual abuse and neglect. A lead practitioner must take responsibility for safeguarding and all staff must have training to identify signs of abuse and neglect. The provider must have regard to 'Working together to safeguard children' statutory guidance.

The provider is required to fully engage with local safeguarding partnerships.

Providers will be expected to monitor the attendance of all government funded children in line with national and local safeguarding guidance and procedures from the East Riding Safeguarding Children's Partnership.

Special educational needs and disabilities

The local authority must strategically plan support for children with SEND to meet the needs of all children in their local area as explained in the [Special Educational Needs and Disability \(SEND\) code of practice: 0 to 25 years](#), and ensure that the entitlements are delivered to children with SEND free of charge with no mandatory additional costs attached to their entitlement hours.

The local authority must be clear and transparent about the support on offer in their area, through their local offer, so parents and providers can access that support.

Providers must be aware of the requirement on them to have regard to the SEND Code of Practice 0 to 25 years, and duties under the Equality Act 2010 and [EYFS statutory framework](#) to meet the needs of children with SEND. This includes removing barriers that prevent children accessing early education and childcare, and working with parents to give each child support to fulfil their potential.

Providers are not permitted to charge parents of children with SEND for additional support costs as part of their entitlement hours or as a condition of accessing an entitlements place.

Providers may be eligible for additional funding to provide suitable support for children identified as needing adaptation or personalisation to the curriculum to make good progress, on a case by case basis. This includes SEN Inclusion Funding, Disability Access Fund and for children with an EHCP, funding from the High Needs block of the Dedicated Schools Grant. Providers will check eligibility and use this funding to help them deliver support to these children. Providers may be required to provide evidence of how this funding has been used to support children in their setting. Children in receipt of the early education and childcare entitlements will be eligible for Disability Access Funding if the child is eligible for Disability Living Allowance.

Providers can request support to enable children with SEND to access their entitlements and any additional funding they are eligible for, through the early years SEND services.

The provider should be clear and transparent about the SEND support on offer at their setting and make information available about their offer to support parents to choose the right setting for their child with SEND.

Providers should ensure they identify children who qualify for the Disability Access Funding (DAF), promote this to parents and submit claims to the local authority in line with the Census and Headcount deadlines. The provider should work in partnership with parents, the local authority and other practitioners in Health, Education and Social Care Services to ensure that the needs of children are identified and supported from an early stage

Supporting disadvantaged children

The local authority should promote equality and inclusion, particularly for disadvantaged families, including looked after children and children in need, by removing barriers of access to places and working with parents to give each child support to fulfil their potential.

The provider should ensure that they have identified the relevant children in their setting as part of the process for checking Early Years Pupil Premium (EYPP) eligibility. They will also use EYPP and any locally available funding streams or support to improve outcomes for this group.

Where households meet the eligibility criteria for both 2-year-old entitlements, they must be recorded as taking up 15 hours through early learning for 2-year-olds and

then 15 hours of the working parent entitlement. They will need to reconfirm eligibility every 3 months for the working parent entitlement.

The local authority expect all providers to submit parent's details once per term at the same time as the Census or Headcount, if parents wish to be checked for Early Years Pupil Premium (EYPP) eligibility. Payments are included as part of the termly Census / Headcount payments and adjustments. EYPP guidance is available on the FISH website.

The provider shall ensure that they have identified the disadvantaged children in their setting. The provider shall identify locally available funding streams or support. This includes EYPP and Disability Access Funding (DAF)

Quality

The [EYFS statutory framework](#) is mandatory for all schools that provide early years provision and early years providers registered with Ofsted or with an Ofsted-registered Childminder Agency in England. The EYFS sets the standards that early years providers must meet to ensure that children learn and develop well and are kept healthy and safe.

The local authority can only rely on the Ofsted (or an independent inspectorate where relevant) inspection outcome of the provider or the childminder agency, or the childminder agency's reasonable opinion of the childminder, as the sole benchmarks of quality, as set out in paragraph A3.12 of the [Early Education and Childcare statutory guidance for local authorities](#), when securing quality for the free entitlements.

Local authorities have a legal duty to provide information, advice, and training on meeting the requirements of the EYFS, supporting children with inclusion, vulnerable and disadvantaged children, and looked after children, as well as ensuring effective safeguarding and child protection. This duty applies specifically to providers on the Ofsted Early Years Register who have been judged weaker than 'good' for overall effectiveness in their most recent inspection report (inspected on 9 November 2025 or earlier) or those registered on the Ofsted Early Years Register who are graded 'not met' in safeguarding or weaker than the 'expected standard' in leadership and governance by Ofsted in their most recent inspection report (if the provider was inspected on or after 10 November 2025).

Where a provider does not meet the expected quality identified through Ofsted inspections the Local Authority will work with the setting to determine whether further action is required. This may include seeking assurances regarding training and action planning, which will enable the provider to strengthen practice, improve outcomes and ensure the children receive high quality early education and care.

If a Provider does not meet the expectations as required by Ofsted the local authority will work with the setting to determine an appropriate timeframe for the possible

withdrawal of funding, considering the continuity of care for children who are already receiving their government funded hours.

The provider should offer each practitioner the opportunity to access high quality training, research informed professional development, to ensure staff have the knowledge and skills needed to deliver high quality early education and care.

Provision must be offered in accordance with the national parameters on quality as set out in Section A3 of the [Early Education and Childcare statutory guidance for local authorities](#) and the [EYFS statutory framework](#).

Eligibility

The provider must check original copies of documentation to confirm the parent meets the eligibility criteria (where relevant) and that the child has reached the relevant age before the child starts their place for all free entitlements. The provider must retain paper or digital copies of documentation to enable the local authority to carry out audits and fraud investigations, and to enable the provider to support these processes more efficiently. See Compliance section for further details.

<i>Children are born and the parent has applied, where eligibility criteria are relevant, in the period:</i>	<i>Are eligible from the start of term beginning on or after the following relevant dates:</i>
<i>1st April to 31st August</i>	<i>from 1st September</i>
<i>1st September to 31st December</i>	<i>from 1st January</i>
<i>1st January to 31st March</i>	<i>from 1st April</i>

Where a provider retains a copy of documentation this must be stored securely and deleted when there is no longer a good reason to keep the data in line with the Data Protection Act 2018.

The provider should offer places through early learning for 2-year-olds on the understanding that the child remains eligible and can remain in their place regardless of whether their family circumstances change, until they become eligible for the universal entitlement for 3- and 4- year-olds. Children who are eligible for both the working parent entitlement and early learning for 2-year-olds, must receive their first 15 hours of funding under the early learning for 2-year-olds scheme.

Proof of eligibility for all funding entitlements, including Early Learning for two year olds must be requested from the parent prior to the child starting with the setting and

retained for audit purposes. For children in receipt of Early Learning for 2-year-olds who are a resident in the East Riding of Yorkshire Council area this will be a letter from the local authority providing an eligibility code or provided by the parent from their parental portal account showing their eligibility code.

Alongside the eligibility code, which is the child's unique 11-digit number, and original copies of documentation, a provider must acquire written consent from, or on behalf of, the parent to be able to receive confirmation and future notifications from the local authority of the validity of the parent's eligibility code via the Parental Agreement.

The eligibility code for any foster children will be issued by the local authority, and so will not have an 11-digit code issued by HMRC. The local authority will manage the application and reconfirmation process for these children separately. *These applications will come into FISH and must be signed and authorised by social worker, foster carer and Fostering Team Manager. Contact FISH for further information)-* The process for these children is explained in the separate [30 hours free childcare for foster children guidance.](#)

Once a provider has received written consent from the parent, they should verify the eligibility code with the local authority. The local authority will confirm the validity of eligibility codes to allow providers to offer free places for eligible children. The local authority will provide a validity checking service to providers to enable them to verify the eligibility code.

This can be done via the eligibility checker on the eHub at any point in the year and must be checked prior to the start of a new term and the child taking up a new place.

- *Providers using the eHub can check voucher codes themselves for an instant response.*
- *Academies and Free Schools should enter details onto a spreadsheet and send into the local authority, who will check voucher codes and send results back within one week. Academies and schools must send back the requested information by the given deadline and any codes not checked before this date will not be eligible for funding that term.*
- *Information regarding the codes validity will be detailed on the spreadsheets, schools must ensure parents are aware of any issues with their codes and these are rectified before allowing a child to start their funded place. Codes found not to be valid for the upcoming term will eligible to attend a funded place.*

The provider should validate eligibility codes as quickly as possible, to ensure that each child who takes up a place is eligible to do so, and to provide certainty to the parent and the provider.

Thereafter, the local authority should complete audit checks to review the validity of eligibility codes for children who qualify for the working parent entitlement at 6 fixed points in the year as set out in A1.24 of the [Early Education and Childcare statutory guidance for local authorities](#). It is the local authority's responsibility to notify a provider where a parent has fallen out of eligibility and inform them of the grace period end date. *ECS checks are carried out by FISH fortnightly which updates code information on the childrens records.*

The Grace Period

A child will enter the grace period when the child's parents cease to meet the eligibility criteria set out in the Childcare (Free of Charge for Working Parents) (England) Regulations 2022 as determined by HMRC (or where the child is in foster care, the responsible local authority).

It is the local authority's responsibility to notify a provider where a parent has fallen out of eligibility and inform them of the grace period end date (dates set out in A1.24 of the [Early Education and Childcare statutory guidance for local authorities](#)).

The local authority should continue to fund a place for a child who enters the grace period.

During the grace period the local authority will fund the free hours as set out below:

- *Until the end of the grace period 31st March, 31st August, 31st December*
- *If a child becomes ineligible during the first half of funding entitlement*
- *Until the end of the grace period or for as long as the child remains under compulsory school age, whichever is shorter*
- *If a child becomes ineligible in the latter half of the funding entitlement, up to the last day of the grace period.*

in accordance with the Statutory Guidance, the local authority will not fund children who start a funded place whilst in their grace period. It is the responsibility of the provider to ensure that a child has an eligible code and with the dates that cover the standard term dates. The local authority will not be liable for funding any child accepted without a completed eligibility check, these children will become the responsibility of the setting.

The local authority will be able to access information about whether a child has ceased to meet the eligibility criteria and entered the grace period via the Eligibility Checking Service. The grace period end date will automatically be applied to eligibility codes on the system

Flexibility

Provision must be offered within the national parameters on flexibility as set out in paragraph A2.4 of the [Early Education and Childcare statutory guidance for local authorities](#).

These are:

- *no session longer than 10 hours per day*
- *no minimum session length (subject to Ofsted requirements of registration and the settings business model)*
- *delivered between the hours of 6.00am and 8.00pm*
- *a maximum of two sites to be used by the parent per day*
- *can be delivered at weekends*
- *can be delivered 'stretched' over the school holidays up to 52 weeks of the year*
- *hours cannot be compressed to enable more than 15 or 30hrs to be taken in any week*
- *Funded hours must not be "banked".*

The provider should work with the local authority to support them to secure sufficient and flexible places to meet parental demand in the local authority, and share information about the times and days / periods at which they can offer free entitlements. *Providers should inform and respond to the requests from the Family Information Service for information relating to variations in the number of places on offer for children aged nine months to four-year-olds. Providers should also inform the Family Information Service if they cannot provide a place due to capacity and direct parents/carers and prospective parents to alternative provision in their area. The Families Information Service can carry out a brokerage request for families trying to access childcare and ask that providers support this.*

Duplicate checking will be conducted each term, following the submission of headcount, and where claims from providers, within the East Riding and cross border in neighbouring local authorities, are identified that exceed an individual child's entitlement. Once rectified, the final monthly payments will be adjusted to reflect this.

*A parent and the setting or childminder **must** give four weeks' notice if either party wish to end the funded early education agreement, unless there is a breach of the policies, procedures, term or conditions to funded hours only. In all cases the Families Information Service Hub must be informed of an instances.*

Funding is not transferring to a provider in the East Riding, the provider must complete an adjustment form during the term this occurs, to enable adjustments to be made in the next payment.

- *Transfers to another provider within the East Riding, the local authority requires all providers to complete an Adjustment Form via the eHub unless they have received their actuals payment. After this point the local authority requires all providers to transfer any outstanding funds between themselves and not complete an Adjustment Form. If this does not occur within a reasonable time scale the local authority will intervene.*
- *Before the four weeks' notice has elapsed and a child moves to a new provider in the East Riding, the new provider will not be funded until after the notice period, Funded hours cannot be increased, decreased or split between two or more providers once the term has started. Funded hours can be reduced with the provider as long as four weeks' notice is given. Any reduced hours cannot be taken elsewhere. The notice period does not apply outside of the term. It only applies to the term giving notice in and does not carry over into a new academic term. Therefore, it cannot bridge two academic terms.*

The provider should work with the local authority to ensure their record on the Family Information Service / their website includes information on their offer so that parents can make an informed choice of provider, including the provider's admissions criteria, as set out in paragraphs A1.39 and A1.40 of the [Early Education and Childcare statutory guidance for local authorities](#). Information about their offer should be made available to parents upon enquiring about provision in their setting and before the point parents commit to accessing provision at their setting.

Partnership working

Partnerships should be supported by local authorities on four levels between:

- i. Local authorities and providers
- ii. Providers working with other providers, including childminders, schools and organisations
- iii. Providers and parents
- iv. Local authorities and parents

The local authority should promote partnership working between different types of providers, including childminders, across all sectors and encourage more providers to offer flexible provision, alongside other providers.

The provider should work in partnership with parents, carers and other providers to improve provision and outcomes for children in their setting. The [Early Years Toolkit](#) has been developed to help providers set up or join a partnership, maximise the benefits of working together and tackle the challenges joint working can bring.

The provider should discuss and work closely with parents to agree how a child's overall care will work in practice when their free entitlement is split across different providers, such as at a maintained setting and childminder, to ensure a smooth transition for the child.

*The local authority requires all providers to use the **Parental Agreement and Declaration Form** in Annexes for the provision of free early education hours, to ensure that the free early education arrangements for that term are clear to both parents and providers. (Parental agreements and contracts for all other childcare which is paid for by the parent, including any additional services and consumables, must be part of a separate agreement form devised by the provider.) A copy of the funded early education agreement must be given to the parent(s) and the local authority will request a copy in the event of any funding discrepancies and as part of an audit visit or other investigation.*

The local authority requires all providers to complete, retain and submit, when requested, the following information by the deadlines set in the published timetable for each financial year to enable payments:

- *Estimates for the coming financial year which can be reviewed termly or monthly.*
- *Termly Headcount/Census returns and Nil returns.*
- *Parental Agreement and Declaration Forms for each child for each term.*
- *Termly earlier census for the private, voluntary and independent (PVI) sector.*
- *Up to date contact and bank account details*
- *Adjustment forms when relevant via the eHub.*

Providers act as data processors for the local authority for funded early education and must ensure they act in accordance with the Data Protection Act 2018 and carry out their role as data processors responsible in collecting sorting and transferring data securely. Providers should:

- *Cooperate with the local authority, who is the Data Controller and ensure they provide and retain all information set out above by the deadline set by the local authority.*
- *Ensure they keep all personal data confidential, and their IT security does not enable any unauthorised person to access parents' and children's personal data.*
- *Use the privacy notice in Annex C, which explains how the parent's and child's personal information will be used by the provider and the local authority and ensure all staff and parents are made aware of this.*

- *Only share information where parents' consent has been given, unless covered by law such as sharing information with the Local Authority at Headcount/ Census or there is a safeguarding concern.*
- *The local authority, as the data controller for personal information related to funded early education will, in return, ensure they cooperate with all data processors and regulatory bodies such as the ICO to ensure the security of data, and act in accordance with the Data Protection Act 2018.*

Charging and Transparency

Provision must be offered within the national criteria on charging practices set out in paragraphs A1.31 to A1.44 of the [Early Education and Childcare statutory guidance for local authorities](#).

Charging

The 15 or 30 hours must be accessible free of charge to all parents. There must not be any mandatory charges for parents in relation to the free hours. Where parents are unable or unwilling to pay for meals and consumables, providers who choose to offer the free entitlement are responsible for setting their own policy on how to respond, with options including allowing parents to supply their own meals. Providers should be particularly mindful of the impact of additional charges on the least advantaged parents and utilise any EYPP funding appropriately

Government funding is intended to deliver 15 or 30 hours a week of free, high quality, flexible childcare and must be able to be accessed free of charge to parents. There must not be any mandatory charges for parents in relation to the free hours. Government funding is not intended to cover the costs of meals, other consumables, additional hours or additional services.

Providers should ensure that their government funded business model is compliant with the Early Years Statutory Guidance for Local Authorities and is in line with the local authority Provider Agreement.

The provider can charge for meals and snacks as part of a funded place, and they can also charge for consumables such as nappies or suncream and for services such as trips and musical tuition. Parents should be expected to pay for these, however these charges must be voluntary for the parent. These voluntary charges include:

- *consumables to be used by the child, such as nappies or sun cream*
- *meals and snacks consumed by the child*

- *extra optional activities such as events, celebrations, specialist tuition (for example music classes or foreign languages) or other activities that are not directly related or necessary for the effective delivery of the Early Years Foundation Stage (EYFS) statutory framework.*

Where parents are unable or unwilling to pay for meals and consumables, providers who choose to offer the free entitlement are responsible for setting their own policy on how to respond, with options including allowing parents to supply their own meals. Providers should be particularly mindful of the impact of additional charges on the most disadvantaged parents and utilise any EYPP funding appropriately.

The provider should deliver the free entitlements consistently so that eligible children accessing them will receive the same quality and access to provision, regardless of whether they opt to pay for optional hours, services, meals or consumables.

Providers should publish the cost of chargeable extras on their provider website or on the local authority Family Information Service. These should be clear, up-to-date and easily accessible to parents, enabling parents to make an informed choice of provider. Charges should be set out identifying the amount charged for all chargeable extras, as well as the pattern of hours that parents can take entitlements. Providers are encouraged to use the DfE template

Invoices and receipts should be itemised, and the local authority can support providers to ensure their invoices break down separately into:

- *the free entitlement hours*
- *additional private paid hours*
- *food charges*
- *non-food consumables charges*
- *activities charges*

The provider should ensure their invoices and receipts are clear, transparent and itemised, allowing parents to see that they have received their funded entitlement completely free of charge and understand fees paid for additional hours. The provider will also ensure that receipts contain their full details so that they can be identified as coming from a specific provider.

The local authority should ensure these itemised invoices are in place. This is to allow parents to see that they have received their child's free entitlement hours completely free of charge and understand that any fees paid are for additional hours

or optional services. Invoices and receipts should include the provider's full details so that they can be identified as coming from a specific provider.

Providers can also charge parents for any addition, private paid hours according to their usual terms and conditions providing the take up of private paid hours is not a condition of accessing a free place.

Parents must be able to opt out of paying for chargeable extras and the associated consumable(s) or activity(s) for their child. For activities and extra services, providers should be made aware that participation in any optional extra activity should be on the basis of parental choice and a willingness to meet the charges. In these circumstances, the local authority should ensure that children who do not participate in optional activities continue to receive provision that complies with the EYFS, is inclusive and is in line with the Ofsted Framework

In all cases, these chargeable extras must not be a condition of taking up a free place. All parents, including disadvantaged families, must have fair access to a free place. A local authority should intervene if a provider seeks to make additional hours, optional services or optional consumables a mandatory condition of taking up a free place.

Providers should deliver the free entitlements consistently, so that all children within a setting accessing any of the free entitlements receive the same quality and access to inclusive provision, regardless of whether they choose to pay for voluntary hours, voluntary extra services, meals or consumables.

The local authority must take all steps available to ensure that the free entitlements are available free of charge and therefore that providers do not charge parents for the following in connection with the entitlement hours:

- Top-up fees (any difference between a provider's normal charge to parents and the funding they receive from the local authority to deliver free places).*
- The supply of or use of any materials, including, but not limited to, craft materials, crayons, paper, books, instruments, toys, or other equipment or learning resources that are necessary for the effective delivery of childcare.*
- Business running costs, including, but not limited to, rent, staff wages, cleaning materials, insurance, or utility bills such as energy, gas or water.*
- Registration fees as a condition of taking up a child's free entitlement place.*
- Non-refundable deposits as a condition of taking up a child's entitlement place.*

- *General charges, including but not limited to, non-itemised enrichment charges, sustainability charges, business continuity charges, additional charges, enhanced ratios, hourly rates, or any other supplementary charges on top of the free hours.*
- *Any additional fees that are not specifically identified and itemised as being for chargeable extras as described in the Early Education and Childcare Statutory Guidance for Local Authorities 2026*

The local authority should ensure that providers work with parents so that parents understand which hours and sessions can be taken as free provision. Not all providers will be able to offer fully flexible places, but providers should work with parents to ensure that as far as possible the pattern of the entitlement hours are convenient for parents' working hours. The local authority should ensure that children are able to take up their free hours in continuous blocks if they wish to, and there should be no artificial breaks in the entitlement hours. For example a provider should not offer 10am to midday and 1pm to 3pm as entitlement hours and offer only private paid hours in between.

The local authority requires the provider to use the DfE Provider Parental Agreement with the setting out of costs, chargeable extras and pattern of hours that parents can use for the entitlement hours.

Transparency

The Provider must publish their admissions criteria, (such as what age groups the provider takes, any priority for children with SEND or looked after children, and both how and when to apply for a place). The Provider must ensure parents understand which hours/sessions can be taken as free provision, what optional extras are available to them, and the types of reasonable alternatives they have if they choose not to take up these extras.

The Provider and the local authority should work together to ensure that the Family Information Service and/or Provider's website provides information for parents and prospective parents on the provision of childcare in their area. The Local Authority will audit this information on a termly basis.

The Provider must ensure that a parental declaration form is completed and signed by the Parent and Provider before the child first takes up their free place, which sets out clearly the days and times when the child will take up their free hours. This will include any use of a stretched entitlement, as well as any charges for meals and consumables that the Parent has opted to pay for. It will also include the number of

additional privately paid hours and the fees for those private hours. This is to ensure that both parties have full clarity about the number of entitlements hours being used, and what additional extras and subsequent charges have been agreed [see Funding and Compliance sections for further information about requirements relating to the parental declaration form, including its update frequency].

Providers can also charge parents for any addition, private paid hours according to their usual terms and conditions providing the take up of private paid hours is not a condition of accessing a free place

The Provider must ensure their invoices and receipts are clear, transparent and itemised, allowing Parents to see that they have received their place completely free of charge and understand any charges they have paid for additional hours and consumables. The Provider will also ensure that receipts contain the provider's name, address, and contact details so that they can be identified as coming from a specific provider for the purposes of audits and any payments made in relation to Universal Credit.

The local authority can support providers to ensure their invoices break down separately into:

- the free entitlement hours
- additional private paid hours
- food charges
- non-food consumables charges
- activities charges
- Business planning

Funding

The local authority will pay all providers the full amount owed to them monthly unless they have good reason not to do so, for example, if, after consultation, the clear majority of providers opt for an alternative method of payment. Local authorities should be mindful of the concerns of smaller providers, particularly childminders, about their cash flow when making decisions about payment methods and should strive to make monthly payments to these providers where possible. Local authorities should regularly review how they pay providers to ensure that it continues to meet the needs of all providers in their area

The provider should accurately complete and submit headcount and other necessary data returns by the agreed date to support the local authority to make payment. These dates are provided on the funding calendars and important dates sheets

The local authority will issue an indicative budget to all providers at the start of the financial year, based on estimates submitted by the provider, which can be reviewed termly. Providers are currently paid as follows:

- *Academies and Free Schools are paid monthly, and issued a revised payment schedule with each payment notifying them of the increase or decrease in funding they should expect following any adjustments after Census.*
- *New providers starting up in business part way through the financial year or term are paid an interim payment for that term following submission of an initial estimate.*
- *Maintained/all schools will continue to be funded via School Census.*
- *Providers are paid monthly following the submission of an estimate, submitted the month prior to payment. Settings will be paid based on the following schedule;*
 - 3 and 4 year olds on the first Monday of the month.*
 - All funded 2 year olds on the first Wednesday of the month.*
 - All funded under 2 year olds on the first Friday of the month.*
- *Headcount will still be required to be completed as per the usual schedule.*
- *Settings will be required to submit estimates for each term, these should be submitted on the eHub in accordance with the local authority's submission deadlines.*
- *Payments will be made as follows;*
 - Autumn Term x 4 payments*
 - Spring Term x 3 payments*
 - Summer Term (including August) x 5 payments*

The local authority will fund multiple providers for the same child up to the maximum number of hours that a child is entitled to, unless the guidance issued from the DfE stipulates otherwise. Duplicate checking will be conducted each term and where claims from providers, within the East Riding and cross-border in neighbouring local authorities, are identified that exceed an individual child's entitlement, no payments will be made until these discrepancies have been resolved.

Where overpayment has occurred, as a result of the provider overestimating the number of hours to be delivered, no further funding will be paid until such time as the funding paid agrees with the actual hours delivered. Providers should review their estimates termly and submit revised estimates to minimise instances of overpayment. An invoice will only be raised to recover overpayment in exceptional circumstances e.g. if a provider has ceased offering funded hours.

The local authority will fund children starting after Headcount/ Census each term only if they have moved into the area, or in other exceptional circumstances such as withdrawal of funding, a child becoming accommodated by the Local Authority or closure of a provider. In all cases the provider must contact FISH to discuss the most suitable course of action.

The local authority will not reclaim funding where free early education cannot be delivered for short periods, either to individual children being absent due to illness or holidays as notified by the parent, or to groups of children where premises are closed for example, because of loss of utilities services, acting upon advice from Public Health England or damage to property. In certain circumstances funding will be continued for a child's absent for longer periods of time, where the provider has the relevant documentary evidence from the parent. Any absences, explained or unexplained, should be dealt with in accordance with the providers safeguarding policy and / or attendance management arrangements and parents contacted accordingly. This should always be followed up to meet the provider's safeguarding duties and recorded for audit purposes.

Funding cannot be claimed by childminders for their own or related children, as defined by S.18 of the Childcare Act 2006, which includes step-children, foster children and grandchildren. TFC26050 - Registered and approved childcare: meaning of a relative. Childcare Payments Regulations 2015, regulation 3(10) Relative means grandparent, aunt, uncle, brother, or sister, whether of the full blood or half blood or by marriage or civil partnership

The local authority will not intervene where parents choose to purchase additional hours of provision or additional services, providing that this is not a condition of accessing the funded entitlement

The provider can charge parents a deposit to secure their child's funded place but should refund the deposit in full to parents within a reasonable time scale. The local authority expects providers to refund any deposit within four weeks of the child starting their funded early education place.

Compliance

The local authority can carry out checks and/or audits on providers to ensure compliance with the requirements of delivering the government free entitlements.

The local authority will initiate its compliance process where it has been found that a provider is not delivering free early education in accordance with the requirements of this Provider Agreement. This may occur as a result of a routine financial audit, a visit from another local authority officer, (such as an Early Years Development Adviser or Area SENCO) or an investigation of a complaint by a parent.

Throughout the year the local authority will review a sample of providers, who are in receipt of funding, to ensure compliance with the provider agreement. This puts necessary checks in place to ensure providers are correctly claiming their funding.

The provider must agree to an audit from the local authority by pre-planned appointments, to ensure early education funding is being correctly used: allow access to all accounts, documents and other materials, and provide such assistance with their interpretation as required.

After the review, the local authority will set out recommendations in writing, which clearly state what the provider must do to become compliant and will give a time scale for these actions to be implemented.

As set out in paragraph A4.32 of the Early Education and Childcare statutory guidance for local authorities, providers will not be penalised for short term absences of children, for example due to sickness, family emergencies, or arriving late or leaving early. Providers will also not be penalised for short term closures beyond the Provider's control, for example due to elections, damage to the premises, or strike action.

Termination and withdrawal of funding

Suspension of registration by Ofsted or childminder agency, or a breach of statutory requirements or safeguarding issues may result in the termination of the arrangement and withdrawal of funding.

Funding may be withdrawn, in whole or part, where the provider:

- Does not sign and return the Provider Agreement Form, or comply with the requirements of the provider agreement after the timescale set in the compliance period.
- For Early Learning for 2-year-olds – 'needs attention' or below in leadership and governance or safeguarding is 'not met' at inspection
- For all entitlements – 'urgent improvement' in leadership and governance or safeguarding is 'not met' at inspection
- Is subject to Ofsted enforcement action or has been found to have ineffective safeguarding practises by Ofsted.

Further details can found at [Early education and childcare \(valid from 1 April 2026\) - GOV.UK](#)

Following the publication of the providers inspection report on the Ofsted website, the local authority will inform the provider in a timely manner, when a decision has been taken to withdraw funding. A written explanation of the reasons for withdrawal will be provided and withdrawal will take place at the end of the term, if circumstances require. Providers must notify parents of their withdrawal of funding and the removal of the provision of funded early education for the next term.

The local authority will normally give half a terms notice that funding is being withdrawn and secure alternative provision as soon as is practically possible, taking

into account continuity of care for children who are already taking up funded early education at the provider and Ofsted monitoring information about the provider, in accordance with the statutory guidance. The provider must inform parents this action is being taken.

Providers must give a half terms notice in writing to the local authority if they wish to stop offering funded early education and reimburse the local authority for any other payments if appropriate. The local authority will implement its corporate debt recovery policy where necessary.

Appeals Process for the withdrawal of funding

A provider may be denied approval to offer the free entitlements or have their funding withdrawn as set out above. The provider can appeal against that decision.

If the provider wishes to appeal against withdrawal, withholding or reclaiming funding, or refusal to approve their setting to offer funded early education, the local authority's appeals procedure is as follows:

- In the first instance, the provider must appeal in writing within 10 working days of receiving the local authorities decision letter.
- The reasons for the appeal should be clearly set out and all relevant documents should be included.
- All documentation should be emailed to fish@eastriding.gov.uk
- The appeal will be investigated, and a written response will be given within 30 working days.
- Should the provider not be satisfied with the treatment under the appeals process they can make a complaint to the local authority ombudsman.

Complaints Process

The provider should ensure they have a complaints procedure in place that is published and accessible for parents who are not satisfied their child has received their free entitlement in the correct way, as set out in this agreement and in the Early Education and Childcare Statutory Guidance for local authorities.

The local authority has in place, procedures for dealing with complaints and appeals for parents who are not able to resolve their concerns directly with the provider. Where the parent is not satisfied that their child has received their funded entitlement in accordance with the legislation or as set out in this agreement should be referred to FISH@eastriding.gov.uk in the first instance.

If a parent or provider is not satisfied with the way in which their complaint has been dealt with by the local authority or believes the local authority has acted unreasonably, they can make a complaint to the Local Authority Ombudsman. Such complaints will only be considered when the local complaints procedures have been exhausted.