



# **Cumberland Council**

## **Early Years Entitlements Provider Funding Agreement**

**1<sup>st</sup> April 2026 - 31<sup>st</sup> March 2027**

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## SECTION 1 OVERVIEW

- 1.1. This agreement is based on the model agreement from the Department for Education and sets out the Department's expectations on what should be included in agreements between local authorities and providers (provider agreements) and refers to sections 6, 7 and 7A, 9A, 12 and 13 of The Childcare Act 2006 and section 1 and 2 of The Childcare Act 2016.
- 1.2. This agreement sets out the expectations between Cumberland Council and the Provider.
- 1.3. This agreement applies to the following early education and childcare government funded entitlements.
  - Universal Three and Four Year Old Entitlement
  - Children aged 2 years (start of the term after their 2<sup>nd</sup> Birthday) receiving additional forms of support
  - Working Families Entitlements from 9 months (start of the term after their 9 month birth date to 5 years)
- 1.4. Cumberland Council and Providers must comply with all relevant legal obligations. The following frameworks and legislation underpin this agreement: legalisation will apply as amended, without significant changes to this agreement.
  - [Early Education and Childcare, Statutory Guidance for Local Authorities](#)
  - [Childcare Act 2006](#)
  - [Childcare Act 2016](#)
  - [Equality Act 2010](#)
  - [School admissions code](#)
  - [Early Years Foundation Stage Statutory Framework](#)
  - [Local Authority, \(Duty to Secure Early Years Provision Free of Charge\) Regulations 2014](#)
  - [The Childcare \(Early Years Provision Free of Charge\) \(Extended Entitlement\) Regulations 2016](#)
  - [Special educational needs and disability code of practice: 0 to 25 years](#)
  - [Data Protection Act](#)
- 1.5. Cumberland Council reserves the right to unilaterally vary the agreement to reflect changes in legislation and guidance from the Department for Education (DfE)
- 1.6. Although parents/carers may choose where to send their child, funded places are only available in settings where the Provider has entered into this Agreement with Cumberland Council.
- 1.7. This document does not provide guidance on how providers should operate their private businesses, including charges for provision over and above a child's funded entitlement.
- 1.8. This agreement will be kept under review and updated as necessary to reflect changes in legislation, departmental guidance, and local funding processes.
- 1.9. This agreement is for early years' providers who are referred to in this agreement as 'Provider'.

- 1.10. Cumberland Council will issue the Early Education and Childcare Entitlement Funding Provider Agreement via email and request the Providers Declaration to be made via an online form by a given date.
- 1.11. The Provider must declare that they understand and agree to abide with terms and conditions set out in this agreement. Failure to submit a declaration will result in the Provider being unable to offer funded entitlement places and draw the subsequent funding as detailed in this Agreement.
- 1.12. This Agreement is for early years' providers (who are each referred to in this Agreement as the "Provider") and include:
  - an early years provider other than a childminder registered on the Ofsted Early Years Register
  - 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 where the early years provision is inspected separately by an independent inspectorate

## **SECTION 2 KEY RESPONSIBILITIES**

### **Key Local Authority Responsibilities**

- 2.1 Cumberland Council must secure a funded entitlement place for all eligible children living within Cumberland Council.
- 2.2 Cumberland Council shall work in partnership with providers to agree how to deliver funded entitlement places.
- 2.3 Cumberland Council shall 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.
- 2.4 Cumberland Council shall contribute to the safeguarding and promote the welfare of children and young people in their area. Statutory functions under the 1989 and 2004 Children Acts which make this clear, and the ['Working together to safeguard children'](#) guidance sets these out in detail.

### **Key Provider Responsibilities**

- 2.5 The Provider must comply with all relevant legislation and insurance requirements.
- 2.6 The Provider should deliver the funded entitlements consistently to all parents/carers, whether in receipt of 15 or 30 hours and regardless of whether they opt to pay for optional services or consumables. This means that the provider should be clear and communicate to parents/carers' details about the days and times that they offer funded places, along with their services and charges. Those children accessing the funded entitlements should receive the same quality and access to provision from the provider.
- 2.7 The Provider must follow the Early Years Foundation Stage for their setting type and have clear safeguarding policies and procedures in place in line with the guidance and procedures of [Cumberland Council Safeguarding Children Partnership](#). Policies should include reference to key safeguarding legislation and guidance documents and have procedures for recognising, responding, reporting and recording safeguarding concerns. The Early years foundation stage statutory framework (EYFS) is mandatory for all early

years providers in England. The EYFS sets the standards that all early years providers must meet to ensure that children learn and develop well and are kept healthy and safe.

- 2.8 The Provider must have a practitioner designated to take lead responsibility for safeguarding, and training made available by the provider must enable staff to identify signs of possible abuse and neglect at the earliest opportunity, and to respond in a timely and appropriate way. The provider must take into account the government's statutory guidance '[Working together to safeguard children](#)' and '[Prevent duty guidance for England](#)'
- 2.9 The Provider must have arrangements in place to support children with special educational needs and/or disabilities SEND. These arrangements should include a clear approach to identifying and responding to SEND. Providers should utilise the Cumberland Council Special Education Needs Inclusion Fund and Disability Access Fund to deliver effective support, whilst making information available about their SEND offer to parents/carers.

### SECTION 3 ELIGIBILITY

- 3.1 Cumberland Council will provide early years entitlement to fund children living in England only.
- 3.2 Cumberland Council shall issue the Provider with an Early Years Funded Entitlements Parent Declaration Form. Cumberland Council shall inform the provider of the latest version that must be used for new children.
- 3.3 The Provider must have a fully completed Early Education and Childcare Entitlements Funding Parent Declaration Form for every child they claim funding for. An Early Years Funded Entitlements Parent Declaration Form must be completed by the parent/carer and must be signed prior to the child accessing the funded hours. In cases where a parent/carer requires support to complete the form the provider must record on the form who completed the details prior to the parent/carer signing.
- 3.4 The Provider must check original documentation to confirm a child has reached the eligible age on initial registration for all funded entitlements. The provider should certify they have checked the date of birth of the child and record the type of document and date checked on the on Early Years Funded Entitlements Parent Declaration Form.
- 3.5 The Provider must not retain copies of a child's passport or birth certificate. Copies of a child's adoption certificate must only be retained if the child is eligible under the Early Learning for Two Year Olds.
- 3.6 The Provider must retain the signed Early Years Funded Entitlements Parent Declaration Form for a period of 5 years from the funding start date of the child, to enable Cumberland Council to carry out compliance visits, audits and if necessary, fraud investigations. The documentation must be stored securely and deleted/destroyed when there is no longer a good reason to keep it.

**Eligibility - Early Learning for Two Year Old Entitlement - Children aged 2 years receiving additional forms of support**

- 3.7 Cumberland Council must ensure that a child has a funded entitlement place no later than the beginning of the term following the child’s second birthday and the parent/carer meeting the eligibility criteria for the funded entitlements.
- 3.8 The Provider must only claim funding for children of eligible age as prescribed by government as below:

<b>Children born in the period</b>	<b>On or after</b>
1st January to 31st March	1st April following the child’s second birthday
1st April to 31st August	1st September following the child’s second birthday
1st September to 31st December	1st January following the child’s second birthday

- 3.9 The Provider must ensure the child meets the government eligibility criteria for children eligible for the **Early Learning for Two Year Olds** entitlement before offering a place.

<b>Government Eligibility Criteria</b>
Income Support
Income-based Job Seeker’s Allowance
Income Related Employment and Support Allowance
Universal Credit, and your household income is £15,400 a year or less after tax, not including benefit payments
The guaranteed element of Pension Credit
Child with an Education, Health and Care Plan
Child in receipt of Disabilities Living Allowance
Child that is looked after by a local authority
Child who has left care under an adoption order, special guardianship order or a child arrangements order
Families with an immigration status of ‘no recourse to public funds’, When the household income after tax must be no more than £26,500 for families outside of London with one child and £34,500 for families within London with one child. And have more than £16,000 in savings or investments.

- 3.10 Cumberland Council will provide an application and eligibility checking service for parents/carers via the Cumberland Council [Citizen Portal](#). Eligibility parents/carers will receive a TYOF code which they can share with their chosen provider. The TYOF code will be automatically entered into the Early Years Portal to enable providers to submit a Start Placement Notification.
- 3.11 The Provider must notify Cumberland Council of the placement via the Early Years Provider Portal - Start Placement Notification.
- 3.12 Cumberland Council will not fund any hours for a child without a positive eligibility result and a start placement notification.
- 3.13 Cumberland Council will fund eligible children’s hours at the provider from the start date of the code, subject to the child’s start date at the provider, and an accurate headcount submission.

- 3.14 The Provider can make an assisted application to check a child’s eligibility via the Early Years Portal – Two Year Old Funding. Where a parent/carer needs support to check their eligibility and access a code the Provider should use the Early Years Portal - Start an Assisted Application as a Provider. Additional evidence. Where an ineligible result is returned, and the provider believes the child is eligible then the Provider should request help via the portal.
- 3.15 The Provider must carry out Assisted Applications for children of families eligible under the non-economic criteria and no recourse to public funds criteria. The Provider will be required to upload scanned evidence to the Early Years Portal.
- 3.16 The Provider should continue to offer funded hours to children eligible Early Learning for Two Year Old funding on the understanding that the child remains eligible regardless of a change in circumstances until they become eligible for the universal entitlement for three and four year olds.

### Eligibility Universal Entitlement Three and Four-Year-Old

- 3.17 Cumberland Council must ensure that a child has a funded entitlement place no later than the beginning of the term following the child’s third birthday.
- 3.18 The Provider must only claim funding for children of eligible age as prescribed by government as below:

Children born in the period	On or after
1st January to 31st March	1st April following the child’s third birthday
1st April to 31st August	1st September following the child’s third birthday
1st September to 31st December	1st January following the child’s third birthday

- 3.19 The Provider should continue to offer funded hours to eligible three and four year olds on the understanding that the child remains eligible until the child is admitted to a primary school reception class provision, or the child reaches compulsory school age (the beginning of the term following their fifth birthday).

### Eligibility Working Families Entitlement

- 3.20 Cumberland Council must ensure that a child can access their working families’ entitlement place no later than the beginning of the term following the child’s eligible birth date. This is for children from the age of 9 months until the child is in a school reception class or reaches compulsory school age (the beginning of the term following their fifth birthday).

Child turns 9 months old between	On or after
1st January to 31st March	Term starting on or after 1st April
1st April to 31st August	Term starting on or after 1st September
1st September to 31st December	Term starting on or after 1st January

3.21 Cumberland Council will fund working families' entitlement hours for children with a current positive HMRC eligibility code. The code must be dated prior to the start of the funding term as set in the table below.

<b>Eligibility Code date</b>	<b>Eligible funding term</b>
On or before the 31st March	On or after 1st April
On or before the 31st August	On or after 1st September
On or before the 31st December	On or after 1st January

- 3.22 The Provider should signpost parents/carers to the government application process to apply for a working families eligibility code. [Working families Application](#) and the Best Start In Life website for guidance [www.gov.uk/check-eligible-free-childcare-if-youre-working](http://www.gov.uk/check-eligible-free-childcare-if-youre-working)
- 3.23 Cumberland Council will provide a secure web-based eligibility checking service to enable them to verify a working families eligibility code. [Cumberland Council Early Years Provider Portal](#) provides a checking service which allows instant checks for code validity – Working Families Entitlement.
- 3.24 The Provider must carry out a code check to confirm a child meets the working families' eligibility criteria before offering a place. The Provider must do this by verifying the child's eligibility code via the Cumberland Council Early Years Provider Portal.
- 3.25 Cumberland Council will not fund any hours for a child without a positive eligibility result.
- 3.26 The Provider must check eligibility before the child's funded hours start date.
- 3.27 The Provider must only offer the working families entitlement hours when the validity end date is within the term dates the child is due to attend. If the validity end date is before the end of the previous term the provider must carry out another check before the child starts accessing the funded hours.
- 3.28 The Provider must not offer any entitlement hours to a child when an eligibility code check has been identified to be in a grace period i.e. if a parent/carer falls into a grace period before their child has started their place, they cannot take up their working families entitlement hours. A child will enter the grace period when the child's parents/carers cease to meet the eligibility criteria set out in the Childcare (Early Years Provision Free of Charge) Regulations 2016, as determined by HMRC or a First Tier Tribunal in the case of an appeal.
- 3.1 The Provider should offer working families entitlement hours to eligible children on the understanding that the child remains eligible whilst the parent/carer has a valid code and until the child is admitted to a primary school reception class provision or the child reaches compulsory school age (the beginning of the term following their fifth birthday).
- 3.2 The Provider must not offer any funded hours to children who are to be admitted to primary school to attend school reception class, as children are not entitled to any additional funded hours outside their school reception class or primary school place.
- 3.3 Cumberland Council is required by the Department for Education to complete audit checks against the national eligibility checking service to review the validity of codes. Providers will be regularly prompted to check their families' codes through the Cumberland Council Early Years Provider Portal to prompt parents/carers to renew where necessary.

- 3.4 Cumberland Council will be able to access information about whether a child has ceased to meet the eligibility criteria and entered the grace period via the National Eligibility Checking Service. The grace period end date will automatically be applied to eligibility codes.
- 3.5 Cumberland Council will inform the Provider via the Working Parent Entitlement section of the Cumberland Council Early Years Provider Portal of children who have an eligibility code that has entered a grace period and the end date for funding.
- 3.6 The Provider must inform the parent/carer if their child's eligibility code is in a grace period and when the funded place will end. The Provider should refer any parents/carers with issues relating to their eligibility code to [HMRC Childcare Service](#) Helpline 0300 123 4097.
- 3.7 Cumberland Council will continue to fund a place for a child who enters a grace period as set out in the Early Education and Childcare Statutory guidance for Local Authorities. This will be subject to the child's continued attendance and that the provider has submitted the child on the termly census.

## **SECTION 4 FLEXIBILITY**

- 4.1 The Provider must offer provision within the national parameters on flexibility as set out in Section Flexibility of Early Education and Childcare Statutory Guidance.
- 4.2 The Provider must not provide a funded session longer than 10 hours per day.
- 4.3 The Provider must not offer any funded hours before 6.00am or after 8.00pm.
- 4.4 The Provider must ensure a child does not exceed the parameter of a maximum of two sites in a single day.
- 4.5 The Provider must not condense the funded entitlement into less than 38 weeks.
- 4.6 The Provider must provide no more than 15 hours per week if claiming 15 hours entitlement.
- 4.7 The Provider must provide no more than 30 hours per week if claiming 30 hours entitlement.
- 4.8 The Provider should work with Cumberland Council and share information about the times and periods at which they are able to offer funded entitlements to support Cumberland Council to secure sufficient funded hours on days and times needed by parents/carers.
- 4.9 The Provider should make information about their offer and admissions criteria available to parents/carers before the child starts accessing funded hours.
- 4.10 The Providers should set out how many funded hours parents/carers are getting per day and per week, to ensure parents/carers understand what funded hours they are receiving over the calendar year from when their child first becomes eligible.
- 4.11 Cumberland Council will fund entitlement hours based on the standard 38 week term time model, up to the maximum funded hours within each of the 3 terms ( Summer, Autumn, Spring).
- 4.12 The Provider can choose to deliver the hours on a term time delivery model or a stretched delivery model. This will be an operational decision for each provider to make.
- 4.13 Cumberland Council will apportion funding to more than one provider if a parent/carer chooses to split their child's entitlement hours. Cumberland Council will carry out audits to ensure the maximum entitlement is not exceeded.

## **SECTION 5 PARTNERSHIP WORKING**

- 5.1 Cumberland Council should promote partnership working between different types of providers, across all sectors and encourage more providers to offer flexible provision, alongside other providers.
- 5.2 The Provider should work in partnership with parents/carers, and other providers to improve provision and outcomes for children in their setting.
- 5.3 The Provider should discuss and work closely with parents/carers to agree how a child's overall care will work in practice when their funded entitlement hours are split across different providers, to ensure a smooth transition for the child.

## **SECTION 6 SPECIAL EDUCATIONAL NEEDS AND DISABILITIES**

- 6.1 Cumberland Council must strategically plan support for children with SEND to meet the needs of all children in their local area as per the [Special Educational Needs and Disability code of practice: 0 to 25 years](#).
- 6.2 The Provider must have arrangements in place to support children with special educational needs and/or disabilities (SEND). These arrangements should include a clear approach to identifying and responding to SEND. The provider must ensure owners and all staff members are aware of their duties in relation to the SEND Code of Practice 2015 and the Equality Act 2010.
- 6.3 Cumberland Council promote access and inclusion and must be clear and transparent about the support on offer in their area, so parents/carers and providers can access that support.
- 6.4 The Provider should apply for the Disability Access Fund (DAF) on behalf of the parent/carer for children in receipt of Disability Living Allowance. The Provider must have permission from the parent/carer via the Parent Declaration Form. The DAF is a one-off annual payment for funded entitlement children to support them to access their funded entitlement; it is paid directly to the provider that the parent/carer nominates. The funding rate will be published as part of Cumberland Council annual funding rates.
- 6.5 The Provider can access support and guidance from Cumberland Council to help them meet the needs of all entitlement funded children with Special Educational Needs and Disabilities (SEND)
- 6.6 Cumberland Council will make available to providers' access to Early Years Special Educational Needs and Disabilities (SEND) Inclusion Funding (SENIF) through an application process. [Cumberland Council SENIF](#)
- 6.7 The Provider must maintain accurate financial and non-financial records relating to the expenditure of Early Years SEND Inclusion Funding, including details of the child's attendance and enhanced staffing levels. The Provider should give Cumberland Council access on reasonable notice to such records, subject to confidentiality restrictions.
- 6.8 The Provider must complete any monitoring or evaluation forms, as requested by Cumberland Council.
- 6.9 The Provider must inform Cumberland Council if a child in receipt of Early Years SENIF leaves their setting. Cumberland Council will reclaim any overpayment or underspend of Early Years SENIF.

## SECTION 7 QUALITY

- 7.1 The Provider must be regulated and inspected by either Ofsted, the Independent Schools Inspectorate, or an Ofsted registered Childminder Agency.
- 7.2 The Provider must offer provision in accordance with [Early Years Foundation Stage \(EYFS\) statutory framework](#)
- 7.3 Cumberland Council will fund providers with exemptions from the Learning and Development requirements of the Early Years Foundation Stage if a parent/carer wants their child to take up their entitlement place at an exempt provider, and the provider is willing to accept Cumberland Council requirements. [Exemptions from the EYFS for providers and individual children](#).
- 7.4 Cumberland Council will fund providers to deliver funded entitlement hours when the provider is judged by Ofsted or the Independent Schools Inspectorate as:
- For those Providers whose latest inspections that took place on 9th November 2025 or earlier:
- For all working families entitlements and the universal funding for all 3 and 4 year olds - Requires Improvement, Good, Outstanding, Met, or newly registered providers not yet inspected.
  - For Early Learning for Two Year Olds - Good or Outstanding, or newly registered providers not yet inspected.
- For those Providers whose latest inspections that took place from 10th November 2025:
- For all working families entitlements and the universal funding for all 3 and 4 year olds – ‘needs attention’, ‘expected standard’, ‘strong standards’ and ‘exceptional’ or newly registered providers not yet inspected.
  - For Early Learning for Two Year Olds - ‘expected standard’, ‘strong standards’ and ‘exceptional’ or newly registered providers not yet inspected.
- 7.5 Cumberland Council will fund providers to deliver funded entitlement hours that are registered with a childminder agency judged by Ofsted as Effective or until a childminder agency have a published Ofsted inspection.
- 7.6 Cumberland Council will secure alternative provision and withdraw funding from a provider when Ofsted publish an inspection report with a rating of ‘urgent improvement’, ‘needs attention’, ‘inadequate or not met. Unless Cumberland Council identify there are not sufficient good and outstanding places available, and when the provider is willing to accept Cumberland Council requirements.
- 7.7 Cumberland Council will secure alternative provision and withdraw funding from a provider registered with a childminder agency when Ofsted publish a consecutive ineffective judgement for the childminder agency.
- 7.8 Cumberland Council will secure alternative provision and withdraw funding from a childminder or childcare provider registered with an Ofsted registered childminder agency where the agency has indicated that the childminder or childcare provider is not of the appropriate quality.
- 7.9 Cumberland Council will not fund providers who do not actively promote fundamental British values or if they promote as evidence-based, views or theories which are contrary to established scientific or historical evidence and explanations.

- 7.10 The Provider must inform Cumberland Council immediately if their Ofsted, Independent Schools Inspectorate or an Ofsted registered Childminder Agency registration is cancelled, and the provider must cease to offer funded entitlement hours with immediate effect.
- 7.11 The Provider must inform Cumberland Council immediately if their Ofsted, Independent Schools Inspectorate or an Ofsted registered Childminder Agency registration is suspended, and the provider must cease to offer funded entitlement hours with immediate effect.
- 7.12 The Provider must inform the parents/carers of all funded children if their registration is cancelled by Ofsted, Independent Schools Inspectorate or an Ofsted registered Childminder Agency, and that they must cease to offer funded entitlement hours with immediate effect.
- 7.13 The Provider must inform the parents/carers of all funded children if they are suspended by Ofsted, Independent Schools Inspectorate or an Ofsted registered Childminder Agency, and that they must cease to offer funded entitlement hours with immediate effect.
- 7.14 Cumberland Council will inform the provider in writing of the action it will take following a suspended or cancelled registration.
- 7.15 The Provider must inform Cumberland Council if they are rated 'urgent improvement', 'needs attention', 'inadequate', 'requires improvement' or 'not met', or registered with an Ofsted registered childminder agency judged by Ofsted as ineffective.
- 7.16 The Provider must inform Cumberland Council if they are registered with an Ofsted registered childminder agency that is graded ineffective.
- 7.17 The Provider must inform parents/carers if they are rated 'urgent improvement', 'needs attention', 'inadequate', 'requires improvement' or 'not met', or registered with an Ofsted registered childminder agency judged by Ofsted as ineffective.
- 7.18 Cumberland Council will write to all parents/carers if they are accessing their child's entitlement hours at a provider graded 'urgent improvement', 'needs attention', 'inadequate', 'requires improvement' or 'not met', or registered with an Ofsted registered childminder agency that has been judged by Ofsted as ineffective.
- 7.19 Cumberland Council have a legal duty to provide information, advice and training on meeting the requirements of the Early Years Foundation Stage, meeting the needs of children with SEND and on effective safeguarding and child protection for providers who are rated by Ofsted or the Independent Schools Inspectorate as 'less than good', 'urgent improvement', 'needs attention' and newly registered providers that are not yet inspected.
- 7.20 Cumberland Council will offer advice and guidance to providers graded 'needs attention', 'urgent improvement', 'inadequate', 'requires improvement' or 'not met', to meet the inspection actions and to prepare for re-inspection.
- 7.21 The Provider judged by Ofsted or the Independence Schools Inspectorate, as 'needs attention', 'urgent improvement', 'inadequate', 'requires improvement', or 'not met' must engage with Cumberland Council Learning Improvement Service and provide evidence that the inspection actions have been fulfilled. Failure to provide evidence will result in removal of early years entitlement funding when funding is being paid for existing children.
- 7.22 Cumberland Council will offer advice and guidance to all early years providers to ensure continuous improvement to best meet the needs of children.

7.23 The Provider should engage with Cumberland Council Learning Improvement Service to support continuous improvement to best meet the needs of children in their care.

## SECTION 8 FUNDING

8.1 Cumberland Council should clearly set out the documentation that they need to receive from providers to support payment and delivery of funded entitlements. Cumberland Council should clearly set out the timetable which providers should follow when submitting their documentation, this includes setting out the importance of timely and accurate headcount and census returns.

8.2 The Provider must maintain accurate financial and non-financial records relating to funded entitlement places. The Provider should give Cumberland Council access on reasonable notice to all financial and non-financial records relating to entitlement places funded under the provider agreement, subject to confidentiality restrictions.

8.3 Cumberland Council will fund entitlement hours based on the standard 38 week term time model, up to the maximum funded hours within each of the 3 terms (Summer, Autumn, Spring).

8.4 The Provider must claim the termly funded hours based on the standard 38 week term time model.

8.5 Cumberland Council will provide guidance and calculating tools to support providers to convert stretched hours to the term time equivalent hours.

8.6 Cumberland Council will provide information of key activity dates requiring providers to action on the Cumberland Council Early Years Provider Portal. Refer to Early Years Entitlement Funded Key Dates Guidance.

8.7 Cumberland Council will adopt the Department for Education published census and headcount dates. Refer to Early Years Funded Entitlements Key Dates Guidance.

8.8 Cumberland Council will endeavour to make payments to the Provider on the dates published in the payment schedule subject to an accurate headcount submission by the Provider (headcount is a record of children eligible for funded entitlement that the provider wishes to claim funding for). Refer to Early Years Funded Entitlements Key Dates Guidance.

8.9 Cumberland Council will make payments to the Provider's nominated bank account. The Provider bank account must be in the name of the registered business and must match the name registered with Ofsted, the Independent Schools Inspectorate or childminder agency.

8.10 Cumberland Council will make an advance payment based on the Providers Interim Headcount hours to the value of 70%.

Payment for each Funded Period/Term will be paid to the Provider as follows:

- The first payment of 70% of the total claim based on the Provider's estimate of eligible children and their hours from the Interim Headcount
- The second payment will be made following the Actual Headcount of eligible children and their hours from the Actual Headcount
- Any required adjustments to the funding will be made following the Amendment Headcount

- 8.11 The Provider must meet all deadlines set by Cumberland Council for all headcount returns. If deadlines are not met, payments cannot be guaranteed. Failure to meet deadlines may result in non-payment and the Council shall have no liability to the Provider for any delayed payment caused by the Provider's failure to comply.
- 8.12 The Provider must check their headcount is accurate and includes all eligible children, failure to include a child or the correct hours will not be eligible for payment.
- 8.13 The Provider must refund any overpayments made by the Council and shall make any payments due to the Council without any deduction whether by way of set-off, counterclaim, discount, abatement or otherwise, unless the Provider has a valid court order requiring an amount equal to such deduction to be paid by the Council to the Provider.
- 8.14 Cumberland Council will issue the Provider with an Early Years Funding Statement termly. The Provider can access previous claimed funding information on the Early Years Provider Portal. Provider Home > View all tasks > Status > Historical >
- 8.15 Cumberland Council will fund children based on a child's start, and end dates up until the Amendment Headcount. This will include a 4 week notice period required by parents/carers if a child is moving providers during the term.
- 8.16 The Provider cannot bank hours for parents/carers. Funded hours must be used on a weekly basis, if a parent/carer does not take up their full hours for the term that have been agreed with the provider, and that the provider has claimed from the council, they cannot bank unused hours to use at a later date. This does not include the carrying over of agreed stretched hours, when the hours are being delivered stretched over more than one term. This also does not mean that a provider cannot be flexible with days and times to accommodate a parents/carers needs within the term if they are able.
- 8.17 The Provider must ensure the information on the Cumberland Council Early Years Portal system is up to date with new starters and leavers in line with all issued deadlines. Retrospective amendments for previous terms will not be eligible for funding.
- 8.18 Cumberland Council will fund multiple providers to provide a child's entitlement hours where a parent/carer wishes to split the entitlement hours; this will be in line with the statutory framework of a maximum of two sites in a single day.
- 8.19 Cumberland Council cannot fund a childminder to provide funded entitlement hours to their own children or a related child (including stepparents and foster parents). Government funding cannot be claimed by, or spent on, childminders providing childcare for their own child or a related child, even if they are claiming for other children.
- 8.20 The Provider must submit a nil return if they do not have any eligible children. Providers who fail to submit a nil claim will be removed as an early education funded provider and will be required to reapply.
- 8.21 The Provider must inform Cumberland Council if they intend to terminate any or all of a child's funded hours during the term. This must be in writing via the following email address [EYFunding@cumberland.gov.uk](mailto:EYFunding@cumberland.gov.uk) . It must be prior to the termination and must give the reason for the termination. Cumberland Council will review the circumstances of the termination and will reclaim funding from the provider as appropriate. Wherever possible Cumberland Council will expect the Provider to deliver the full term of entitlement hours to best support the child and to avoid funding being reclaimed.

- 8.22 The Provider must keep accurate daily registers for all funded children. Registers must include children's full names as stated on the census claim and the signed parent agreement and must record the arrival and departure times to record the hours of attendance. The Provider must retain the attendance register for all funded children for a period of 5 years from the start date of the child, to enable Cumberland Council to carry out funding compliance, audits and if necessary, fraud investigations.
- 8.23 The Provider must inform Cumberland Council [EYFunding@cumberland.gov.uk](mailto:EYFunding@cumberland.gov.uk) when a child has had a continuous absence of 4 weeks, and advice will be given regarding the continuation of funding.
- 8.24 The Provider must have a mechanism for monitoring the attendance of all funded children. The provider must take action where a child's absence is recurring, for an extended period, or a child's whereabouts is unknown.
- 8.25 Cumberland Council will fund providers using an hourly base rate for each type of entitlement. Refer to Early Years Entitlement Funded Key Dates Guidance.
- 8.26 Cumberland Council will provide additional deprivation supplement funding to Providers with eligible children on their headcount. Children will be identified for the additional hourly rate using the national Income Deprivation Affecting Children Index (IDACI) 2025
- 8.27 Cumberland Council will ensure that providers and parents/carers are aware that the Early Years Pupil Premium (EYPP) provides additional funding to providers to support the learning and development of eligible children taking up early education and childcare entitlements.
- 8.28 The Provider must have the parent/carers permission to apply for EYPP, either via the Early Years Funded Entitlements Parent Declaration Form for families eligible under the Universal Credit and low-income benefits criteria, or the Early Years Pupil Premium Application Form for looked after and adopted children, and those supported under part VI of the Immigration and Asylum Act.
- 8.29 The Provider should enter all parent/carer details to the child's record to enable Cumberland Council to check a child's eligibility for EYPP.
- 8.30 The Provider should send a fully completed and parental signed Cumberland Early Years Pupil Premium Application Form via email to [EYFunding@cumberland.gov.uk](mailto:EYFunding@cumberland.gov.uk) for children eligible for EYPP under the looked after children and asylum seeker criteria.
- 8.31 Cumberland Council will ensure that providers and parents/carers are aware that the Disability Access Fund (DAF) supports eligible, disabled children's access to their entitlements funded hours.
- 8.32 The Provider must make an application for DAF funding via the Early Years Portal and provide evidence of the child eligibility by uploading to the Early Years Portal the child's DLA award letter.

## SECTION 9 CHARGING

- 9.1 Government funding is intended to deliver 15 or 30 hours a week of funded, high quality, flexible childcare. The 15 or 30 hours must be able to be accessed free of charge to parents/carers. There must not be any mandatory charges for parents in relation to the funded hours. Government funding is not intended to cover the costs of meals, other consumables, additional hours or additional services.
- 9.2 The Provider can charge parents/carers for the following extras in connection with the funded hours, but these charges must be voluntary for the parent/carer:
- 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.
  - Additional paid for hours provided it is not a condition of accessing a funded place.
- 9.2 Cumberland Council will ensure that providers follow these terms in levying any chargeable extras.
- 9.3 The Provider must not make chargeable extras a condition of accessing a funded place.
- 9.4 The Provider must allow parents/carers to opt out of paying for chargeable extras and associated consumables or activities for their child.
- 9.5 The Provider should have a policy on providing reasonable alternatives that allows parents/carers to access their entitlement for free, such as allowing parents/carers to supply their own or waive the costs.
- 9.6 The Provider should publish its costs of chargeable extras on the providers website or, where they do not have any website, on the Cumberland Council Childrens Families Information Service Website. The information should be clear, up-to-date, and easily accessible to parents/carers, to enable parents/carers to make an informed choice of provider. They should set out the amounts charged for all the chargeable extras listed, as well as the pattern of hours that parents/carers can take the entitlements. The Provider can make a request to Cumberland Council for an exemption to publish, if caring for less than 10 children at any one time.
- 9.7 The Provider should deliver the funded entitlements consistently so that all children accessing any of the funded entitlements will receive the same quality and access to provision, regardless of whether they choose to pay for additional hours, optional extra services, meals or consumables.
- 9.8 The Provider can charge parents/carers a refundable deposit to secure their child's funded place, but this should be refunded to parents/carers within a reasonable time scale. The providers should make clear to parents/carers any circumstances in which the provider would not be obliged to refund the deposit, for example if a parent/carer fails to take up their place without sufficient notice.
- 9.9 The Provider should publish their admissions criteria any fees for consumables, additional hours and services and make these easily available to parents/carers to enable parents/carers to make an informed choice of provider.
- 9.10 The Provider should ensure parents/carers understand which hours/sessions can be taken as funded provision. Not all providers will be able to offer fully flexible places, but providers should work with parents/carers to ensure that as far as possible the patterns of hours are convenient for parents/carers working hours.

9.11 The Provider should ensure their invoices are itemised and broken down separately into

- The funded entitlement hours
- Additional private paid hours
- Food charges
- Non-food consumables charges
- Activities charges

9.12 Cumberland Council will ensure providers have itemised invoices in place as part of the established funding compliance procedure.

9.13 The Provider must allow parents/carers to opt out of paying for chargeable extras and the associated consumables or activities 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, local authorities should ensure that children who do not participate in optional activities continue to receive provision that complies with the EYFS.

9.14 The Provider should be mindful of the impact of charges on families, particularly the most disadvantaged. Providers who choose to offer the funded entitlements, are responsible for setting a policy on providing parents/carers with options for alternatives to additional charges. This policy must offer reasonable alternatives that allow parents/carers to access the entitlement free of charge, including allowing parents/carers to supply their own, or waiving the cost of these items.

9.15 The Provider must not make any chargeable extras a condition of taking up a funded place. Parents/carers should not be declined a free place because they opt out of chargeable extras. This is so all parents/carers, including disadvantaged families, have fair access to a funded place.

9.16 The Provider should deliver the funded entitlements consistently, so that all children within a setting accessing any of the funded entitlements receive the same quality and access to provision, regardless of whether they choose to pay for additional hours, optional extra services, meals or consumables.

9.17 Cumberland Council will intervene if a provider seeks to make additional hours, optional services or optional consumables a mandatory condition of accessing a funded place.

9.18 Cumberland Council must take all steps available to ensure that the funded entitlements are available free of charge and therefore that providers do not charge parents/carers for the following in connection with the entitlement hours:

- Top-up fees (any difference between a provider's normal charge to parents/carers and the funding they receive from the local authority to deliver funded 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
- non-refundable registration fees as a condition of taking up a child's funded entitlement place
- non-refundable deposits as a condition of taking up a child's entitlement place. The Provider may retain the deposit if a parent/carer does not take up their place.
- non-refundable retainer fee in relation to entitlement places

- 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 funded hours
- any additional fees that are not specifically identified and itemised as being for chargeable extras as described in 9.2.

9.19 The Provider should work with parents/carers so that they understand which hours and sessions can be taken as government funded provision. Not all providers will be able to offer fully flexible places, but providers should work with parents/carers to ensure that as far as possible the pattern of the entitlement hours are convenient for their working hours.

9.20 The Provider must offer the hours in continuous blocks and not have any artificial breaks in the funded hours. For example, over the lunch period, a provider should not offer 10am to 12pm and 1pm to 3pm as entitlement hours and offer only private paid hours in between.

## **SECTION 10 COMPLIANCE**

- 10.1 Cumberland Council will carry out checks and/or audits on all providers to ensure compliance with the requirements of delivering the funded entitlements. Funding compliance checks will be carried out on a routine basis, at random or in response to complaints or irregularities. Compliance checks will be carried out on new providers within the first 6 months of delivering the funded entitlement hours.
- 10.2 Cumberland Council will carry out funding compliance checks following the providers' published report if graded 'urgent improvement', 'needs attention', 'Requires Improvement', 'Inadequate', 'Not Met', and a childminder agency graded ineffective.
- 10.3 Cumberland Council will take action to suspend, reclaim or remove funding from the provider if they are found to be non-compliant following a funding compliance check or an investigation carried out by Cumberland Councils Corporate Audit Department.
- 10.4 Cumberland Council will carry out checks to ensure the Provider does not owe monies to the council; this includes business rates and council tax payments and will include debt written off through bankruptcy.
- 10.5 Cumberland Council will take action to suspend, reclaim or remove access to funding if a provider is found to owe monies to Cumberland Council. Funding will be reinstated when the debt is cleared, or in some cases if it is proven the provider is keeping up with an agreed payment plan.
- 10.6 The Provider must be compliant at all times with all requirements of receiving early education entitlement funding as set out in this agreement.
- 10.7 The Provider must agree to financial and record keeping audits carried out by Cumberland Council. Any suspected fraud will be referred to the Council's Corporate Internal Audit Department.
- 10.8 The Provider must complete the submission declaration each time they submit an interim, actual and amendment headcount via Cumberland Council Early Years Provider Portal. This declaration certifies that the provider has read and agrees to comply to the local conditions of the funding as set out in this agreement.

10.9 The Provider must inform Cumberland Council of any of the significant changes listed in the table. The Provider must inform Cumberland Council in writing via email address [EYFunding@cumberland.gov.uk](mailto:EYFunding@cumberland.gov.uk) . Cumberland Council will inform the Provider what effect this will have on their access to funding. Failure to inform Cumberland Council will result in funding being suspended, reclaimed or access to funding removed.

Unplanned closure that means that all or some of the funded hours cannot be delivered
Planned temporary closure that means all or some of the funded hours cannot be delivered
Intention to sell or transfer the business (early years funding cannot be transferred to a new owner, new business or new childcare registration) at least 3 months' notice must be provided if the business will have a new owner
Intention to close the business
Intention to cease providing early years entitlements
Change of premises temporary or permanent
Intention to open an additional setting (provider will be required to apply for funding for additional settings)
Intention to change the name of the business including a legal name change of a childminder
Intention to add or remove name directors/owners or committee/board members involved in the business
Intention to change the legal business structure (this will require a new registration with Ofsted, Independent School Inspectorate or Childminder Agency)
Intention to change registration from Ofsted to a Childminder Agency or Childminder Agency to Ofsted registration
Intention to change registration from Ofsted to Independent School Inspectorate or Independent School Inspectorate to Ofsted
The business is insolvent
Intention to change the bank account funding is being paid into
Changes to the Cumberland Council Early Year Portal Account - email address or username
A Cumberland Council Early Years Provider Portal account holder ceases employment as the account must be cancelled to ensure the census information is secure

## **SECTION 11 APPLICATION TO PROVIDE FUNDED ENTITLEMENT PLACES**

- 11.1 The Provider is required to make a formal online application to provide funded entitlement places via [EYFunding@cumberland.gov.uk](mailto:EYFunding@cumberland.gov.uk)
- 11.2 The Provider must provide evidence that they are an appropriate registered organisation/business.
- 11.3 The Provider must provide evidence that they hold an early years registration with Ofsted, the Independent Schools Inspectorate, or Ofsted registered childminder agency.
- 11.4 Cumberland Council will consider any information published by Ofsted or Independent Schools Inspectorate or Childminder Agency when making a decision on the application, including the recent history about early years and childcare provision at a particular provider or childcare provision at a particular address. This will include, where Cumberland Council has concerns that a provider judged 'urgent improvement', 'needs attention', 'inadequate', 'requires improvement', 'not met', or 'ineffective' may have re-registered their setting with Ofsted or Independent Schools Inspectorate or Childminder Agency to avoid making the quality improvements identified by Ofsted
- 11.5 Cumberland Council will carry out checks before access to public funds is agreed. This will include checking if the applicant owes the council any monies e.g. business rates, trade waste, council tax, previous applications and awarded funding.
- 11.6 Applications from individuals/organisations owing monies to the Council will not be agreed until debts are cleared; this includes debt written off through bankruptcy.
- 11.7 The Provider maybe required to attend information sessions or carry out online training that outlines the terms and conditions of the funding and the local funding processes.

## **SECTION 12 TERMINATION AND REMOVAL OF FUNDING**

- 12.1 Cumberland Council may refuse to fund a provider if there are reasonable grounds to believe that they will not be able to meet all the terms and conditions of providing early years funded entitlements as set out in this agreement and in Section A3 of the Department for Education Statutory Guidance - Early Education and Childcare,
- 12.2 Cumberland Council will remove access to funding if the Provider have their Ofsted, Independent Schools Inspectorate or a childminder agency registration, suspended or cancelled.
- 12.3 Cumberland Council will remove access to funding if the provider is graded 'urgent improvement' 'inadequate' or 'not met'.
- 12.4 Cumberland Council will take into account the continuity of care for children who are already receiving their entitlement hours at a provider graded 'inadequate', 'requires improvement', or 'not met', subject to the provider being compliant with the terms and conditions of the funding, and the parent/carers wishing their child to remain in the setting.
- 12.5 Cumberland Council will inform the Provider in writing of the action it will take to remove access to funding.
- 12.6 Cumberland Council will contact in writing all parents/carers whose child is receiving a funded place at the provider when funding is being removed. The parent/carers will be advised of their options to ensure future access to their child's funded entitlement hours.

- 12.7 Cumberland Council will remove the name of the provider from the list of early education and childcare providers offering the funded entitlements when access to funding is suspended or removed.
- 12.8 The Provider must inform parents/carers when access to funding is removed, if the Provider chooses to continue to offer funded hours to children the provider must make it clear in writing to parents/carers that their child does not have a government funded entitlement place.
- 12.9 Cumberland Council will determine an appropriate timeframe for removing access to funding.
- 12.10 Cumberland Council will suspend payment of funding if the provider has not submitted and/or completed documentation as required.
- 12.11 Cumberland Council will not waive the right to act to terminate or withdraw funding if it does not act immediately.

### **SECTION 13 APPEALS PROCESS**

- 13.1 The Provider has the right to appeal against a decision made by Cumberland Council to deny approval to offer all or some funded entitlements or a decision to hold or remove access to funding from the provider. The provider must do this in writing within 5 working days of the decision via the following email address [EYFunding@cumberland.gov.uk](mailto:EYFunding@cumberland.gov.uk)

### **SECTION 14 COMPLAINTS PROCESS**

- 14.1 Cumberland Council have a duty to investigate any complaints received from parents/carers or providers and will act upon them if necessary.
- 14.2 The Provider should ensure they have a complaints procedure in place that is published and accessible for parents/carers who are not satisfied their child has received their funded entitlement in the correct way, as set out in this agreement and in Early Education and Childcare Statutory guidance for Local Authorities.
- 14.3 When the Provider is unable to resolve a complaint then parents/carers should be directed to raise their complaint to Cumberland Council. Parents/carers should raise their complaints in writing via [EYFunding@cumberland.gov.uk](mailto:EYFunding@cumberland.gov.uk) or if deemed necessary via Cumberland Council complaints process [complaints@cumberland.gov.uk](mailto:complaints@cumberland.gov.uk)
- 14.4 The Provider should raise complaints about administration of the funding in writing via [EYFunding@cumberland.gov.uk](mailto:EYFunding@cumberland.gov.uk) or if deemed necessary via Cumberland Council complaints process [complaints@cumberland.gov.uk](mailto:complaints@cumberland.gov.uk)
- 14.5 If a parent/carer or provider is not satisfied with the way in which their complaint has been dealt with by Cumberland Council, they can make a complaint to the Local Government & Social Care Ombudsman. The Ombudsman can look at whether the Council has made a decision the correct way.

## **SECTION 15 DATA PROTECTION**

- 15.1 Cumberland Council will collect and retain information submitted by the provider to administer the early years funding, and for auditing purposes only.
- 15.2 Cumberland Council will collect and retain information submitted by the provider to enable the completion of the Department for Education annual and termly census which is a statutory requirement under Section 99 of the Childcare Act 2006 and The Education (Provision of Information About Young Children) (England) Regulations 2009.
- 15.3 The Provider must comply with the UK General Data Protection Regulation (Data Protection Act 2018) and must inform parents/carers about the personal data they hold, and what legal basis they hold it, how it is used, how long it will be held for and whether the data is passed to any third parties. Personal data covers personal information such as names, addresses, date of birth, etc. This is known as a Privacy Notice/ GDPR Policy.
- 15.4 The Provider must have and make available to Cumberland Council, and every parent/carer their Privacy Notice/GDPR Policy as part of their admission process and completion of the Cumberland Council Early Years Funding Parent Declaration Form, the privacy notice must include details of the data that is being collected and shared with Cumberland Council for the purpose of checking eligibility and securing funding.
- 15.5 Cumberland Council have a legal duty under the Freedom of Information Act 2000. More information can be found here [Make a request for information | Cumberland Council](#)