London Borough of Merton
Early Education Funding Agreement
1 April 2018 to 31 March 2019
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OVERVIEW

This Agreement sets out the expectations agreed by the Department of Education on what early education funding is for and how funded early education for 2, 3 and 4-year-olds should be delivered, as set out in the Early Education and Childcare Statutory Guidance for Local Authorities (June 2018).

This Agreement does not provide guidance on how providers operate their private businesses, including charges for provision over and above a child’s free entitlement hours. Local Authorities should not intervene in a provider’s private business outside of a child’s free entitlement place.

WHO THIS AGREEMENT IS FOR

In this Agreement the term ‘providers’ refers to all listed below who are part of London Borough of Merton’s Directory of Providers and delivering funded early education for 2 and/or 3 and 4-year-olds:

- Early Years providers and childminders registered on the Ofsted Early Years Register;
- Childminders registered with a childminder agency that is registered with Ofsted;
- Independent schools and academies taking children aged two and over and which are exempt from registration with Ofsted as an early years provider.

The term ‘parent’ represents both mother and father or those who have parental responsibility for the child.

LEGISLATION AND STATUTORY GUIDANCE

The following frameworks and legislation underpin this Agreement where they apply

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<td><strong>Childcare Act 2016</strong></td>
<td><a href="http://www.legislation.gov.uk/ukpga/2016/5/contents">http://www.legislation.gov.uk/ukpga/2016/5/contents</a></td>
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<tr>
<td><strong>Equality Act 2010</strong></td>
<td><a href="https://www.gov.uk/guidance/equality-act-2010-guidance">https://www.gov.uk/guidance/equality-act-2010-guidance</a></td>
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The Local Authority has the right to unilaterally vary this Agreement to reflect any changes in legislation and departmental guidance issued within the term of this Agreement.

**AGREEMENT TO DELIVER FUNDED EARLY EDUCATION FOR TWO-, THREE- AND FOUR-YEAR-OLDS**

**SAFEGUARDING**

**London Borough of Merton will:**

- Continue to exercise its duties to have overarching responsibility for safeguarding and promoting the welfare of all children and young people in their area. These functions of the Local Authority are laid out in the 1989 and 2004 Children Act, along with the ‘Working together to safeguard children’ 2015 guidance.
- Ensure that an Early Years navigation officer is present within the Merton Multi Agency Safeguarding Hub (MASH)
- Disseminate Merton’s Safeguarding Children’s Board policy, strategy and training to the childcare workforce via www.merton.gov.uk/supportforchildcareproviders
- In partnership with the provider complete an annual safeguarding practice review to ensure that providers effectively safeguard and promote the welfare of children for whom funded education is provided [Refer to Appendix Two of the Merton Early Education Guidance 2017-18].
- Take appropriate action as laid out in section 10.3 of the Merton Early Education Guidance 2017-18 if a provider fails to meet the stated requirements.

**Providers will:**

- Follow the 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 and ensuring safe recruitment.
- Identify a lead practitioner to take responsibility for safeguarding and ensure all staff have relevant training which includes identifying signs of abuse and neglect.
- Have regard to the ‘Working Together to Safeguard Children’ 2015 guidance, Pan London Child Protection Procedures and Practice Guidance and Keeping Children Safe in Education (and other relevant policies/protocols as appropriate)
- Participate in the London Borough of Merton’s annual safeguarding practice review to ensure that the provider is able to evidence how it ensures the safety of all children.
Comply with all relevant legislation as listed on page 3 of this Agreement to ensure the safety and welfare of children.

ELIGIBLE CHILDREN

London Borough of Merton will:

- Secure a funded place for every eligible child in their area.
- Complete agreed checks (as set out in section 4.5 of the Merton Funded Early Education Guidance 2018-19) to confirm continued validity of codes for the extended entitlement.
- Notify the provider where a parent has fallen out of eligibility for the extended entitlement and inform the provider of when the grace period ends for their child’s place (see A2.20 of the Early Education and Childcare Statutory Guidance for Local Authorities (June 2018)).

Providers will:

- Ensure that all children’s details returned on the periodic headcount meet the provision of eligibility as laid out in sections A1 of the Early Education and Childcare Statutory Guidance for Local Authorities (June 2018).
- Ensure that parents have signed and dated the declaration on the Parent Funding Agreement Form to agree to the terms and conditions of funding, and ensure the parent is issued with the Data Privacy Statement.
- Ensure that parents sign and agree the number of hours for each funding period.
- Validate the parents 30 hour codes (11 digit number) for parents wishing to access the extended entitlement via Merton’s Early Years Provider Hub.
- Continue providing the extended entitlement for children during the grace period.
- Continue to offer a child receiving the extended entitlement access to their universal entitlement should the parent’s grace period end due to their circumstances having changed (if the universal place is taken at the setting and if the parent wishes it to continue).
- Continue to offer a funded two-year-old a place for the required period or until the child transitions onto the universal entitlement for 3-year-olds, even if the eligibility of the child changes during this time.
- Retain paper or digital copies of documentation to enable the Local Authority to carry out financial audits. Where a provider retains a copy of document it must be stored securely and deleted when there is no longer a good reason to keep the information, in accordance with the Data Protection act 2018.
- Should check original copies of documentation to confirm a child has reached the eligible age.
FLEXIBILITY

London Borough of Merton will:

- Encourage providers to offer flexible provision of places, such as at weekends, outside of school term times and stretched over more than 38 weeks where there is an identified need as assessed through the Childcare Sufficiency Assessment.
- Provide a web-based Early Years Provider Hub (portal) to allow providers to validate funding codes and submit their funding claims.
- Continue to fund a child who has ceased to meet the eligibly criteria as determined by HMRC but is within the grace period as laid out in section 4.4 of the Merton Funded Early Education Guidance 2018.

Providers will:

- Offer funded places within the national parameters as set out in the Early Education and Childcare Statutory Guidance for Local Authorities (June 2018) in sections A2.4, A2.5 and A2.6
- Publish to parents, at the point of access, how they deliver funded early education, such as the days, times, if they stretch the entitlement over more than 38 weeks and any admissions criteria related to place management.
- Share information about the times and periods at which they offer the funded entitlements to support the Local Authority to secure sufficient places and meet parental demand in the local area.
- Work in partnership with other providers to ensure high quality transitional arrangements are in place to support a child’s learning if they change settings on a daily or weekly basis. This could include sharing learning records or it could involve regular discussions, which may be useful where multiple children move between the same providers.
- Notify London Borough of Merton of any changes to the circumstances of their annual Agreement, such as offering a new entitlement, changing their pattern of delivery or changing the number of weeks that they deliver funded places, closing or selling the business onto new owners.

QUALITY

London Borough of Merton will:

- Only fund providers for children eligible for the funded place when the provider meets the quality conditions as set out in the Early Education and Childcare Statutory Guidance for Local Authorities (June 2018) section A3.
- Fund providers with exemptions from the Early Years Foundation Stage if a parent wants their child to take up their place at an exempt provider, or where a child has exemptions from the Early Years Foundation Stage.
• Take the appropriate action as laid out in section 10.3 of the Merton Funded Early Education Guidance 2018-19, for any provider who fails to meet the required quality standards.
• Provide a Continuous Improvement Framework (CIF) which is voluntary for providers to join. Full details can be found on the Local Authority website at www.merton.gov.uk/continuous-improvement-framework.
• Report any breaches of quality in relation to delivery of the Early Years Foundation Stage framework to relevant agencies, such as Ofsted.

Providers will:
• Meet the quality conditions as set out in the Early Education and Childcare Statutory Guidance for Local Authorities (June 2018) section A3.
• Be offered support through Merton’s defined offer as laid out in the Continuous Improvement Framework and statutory duties.

PARTNERSHIP WORKING

London Borough of Merton will:
• Encourage partnership working between different types of providers, such as at PVI and childminder meetings, through the Early Years Forum and via email bulletins and information sent to providers.
• Promote equality and inclusion, particularly for disadvantaged families, looked after children, children in need and children with special educational needs or disabilities (SEND) by removing barriers of access to funded places. Some examples of the Local Authority’s role are included in applicable sections.
• Secure local partnerships between all joint working professionals across education, health and social care to support children’s outcomes, for example, the development of an Integrated 2 year review in partnership with health and representation at the SEN Decision Making Group.
• Publish a parental complaints procedure.
• Work in partnership through Merton’s Children’s Trust arrangements and other statutory bodies.

Providers will:
• Promote partnership with parents, other professionals and providers to improve the provision, inclusion and outcomes for children in their setting.
• Discuss and work closely with parents, other professionals and providers as required to agree how a child’s overall care will work in practice when their funded entitlements are split across different providers, such as in a maintained nursery class and a private provider, ensuring smooth transitions.
• Publish a complaints procedure, accessible for parents who are not satisfied with the early education offer.
London Borough of Merton will:

- Continue to strategically plan support and services for children with special educational needs or disabilities (SEND) to meet the needs of all children in their local area as per the Special Education Needs and Disability Code of Practice; 0-25 years.
- Provide a good practice framework to support providers in making arrangements to support the SEND of any child that is funded. For further information on assessment tools and pathways, refer to section 7 ‘Children with SEN’ in the Merton Funded Early Education Guidance 2018-19.
- Administer an SEN Inclusion Fund and publish information about the process for providers to access funding.
- In partnership with the provider complete an SEND annual practice review to ensure that providers are able to evidence how they meet the needs of children with special educational needs and disabilities (SEND).
- Audit providers’ use of SEN Inclusion Funds to ensure that the funds are used to achieve the highlighted outcomes for children as stated in relevant plans.
- Take appropriate action as laid out in section 10.3 of the Merton Funded Early Education Guidance 2018-19 for any provider who fails to meet the individual needs of a child or mismanages Inclusion Funds issued.
- Administer the Disability Access Fund (DAF).

Providers will:

- Ensure owners and all staff members are aware of their duties in relation to the Special Education Needs and Disability Code of Practice; 0-25 years and the Equality Act 2010.
- On an annual basis complete the SEN Local Offer template so that the Local Authority can publish as part of the Merton SEN Local Offer.
- Make arrangements to support the special educational needs of any child that is funded and maintain copies of the range of support documents relating to meeting a child’s individual needs, such as an Education, Health and Care Plan (EHCP) or SEN Support Plan.
- Ensure the arrangements in place include a clear approach to identifying and responding to SEND.
- Maximise the use of the Disability Access Fund (DAF) to facilitate access to provision.
- Participate in an annual London Borough of Merton SEND Practice review to ensure that they are able to evidence how they meet the needs of all children, including those with SEND, regardless if any children with SEND are on roll.
SOCIAL MOBILITY AND DISADVANTAGE

London Borough of Merton will:

- Promote equality and inclusion, particularly for disadvantaged families and children in need.
- In partnership with the provider complete an annual social mobility practice review to ensure that providers are able to evidence how they meet the needs of children who are disadvantaged (receiving Early Years Pupil premium (EYPP) and early education for two-year-olds).
- Take the appropriate action as laid out in the compliance section of the Merton Funded Early Education Guidance 2018-19 for providers that fail to meet the required standards [refer to section 10].
- Publish a series of good practice guides with a focus on equality and inclusion.

Providers will:

- Ensure that they have identified the disadvantaged children in their setting as part of the process for checking 2-year-old funding and Early Years Pupil Premium (EYPP) eligibility.
- Use EYPP and any locally available funding streams or support to improve outcomes for this group.
- Participate in an annual London Borough of Merton social mobility practice review to ensure that the provider is able to evidence how it meets the needs of all children who are vulnerable due to disadvantage.

FUNDING PLACES

London Borough of Merton will:

- Manage and distribute the Early Years Dedicated Schools Grant (DSG) in accordance with statutory guidance and as laid out in Merton’s Funded Early Education Guidance 2018-19 [refer to section 9].
- Pay providers as set out in the funding process and timetable laid out in section 9 of the Merton Funded Early Education Guidance 2018-19.
- Consider any information published by Ofsted about a provider or childminder agency, including the recent history at a particular provider or agency or childcare provision at a particular address, before agreeing to fund.
- Manage the process of removal from the Directory of Providers when settings fail to meet the conditions laid out in the Funding Agreement and Guidance.
- Audit funded providers to ensure that early education funding is used for its required purposes. [ref to appendix 2]
Providers will:

- Providers must have access to required IT with internet explorer and excel to process the funding entitlements.
- Ensure that for all children who are in receipt of early education entitlements have a signed and agreed Funding Agreement Form. A copy must be retained for audit purposes for up to 3 years.
- Accurately complete and submit the periodic headcount within the agreed timescales set by the Local Authority. Failure to meet the agreed deadlines will result in a change to the published payments schedule for the named provider [refer to section 9 of the Merton Funded Early Education Guidance 2018-19].
- Accurately complete and submit the supplementary information as required for the January Census Failure to meet the agreed deadlines will result in an administration charge which will be a minimum of £50 or up to 10% of the total of the provider’s submission.
- Keep daily registers of all children who are in receipt of the funded entitlements. These must clearly show each child’s start and end times. Copies of these must be kept for up to 3 years for audit purposes.
- Hold all child and family data securely and manage this in accordance with the requirements of the Data Protection Act 2018.

CHARGING

London Borough of Merton will:

- Publish to parents how they can complain when they consider a provider is not delivering the funded entitlements within the regulation requirements.
- Complete a full investigation of any complaints received and take the relevant action as laid out in section 10.3 of the Merton Funded Early Education Guidance 2018-19.
- Provide support for providers to publish clear, itemised invoices and receipts, allowing parents to see that they have received their funded entitlements completely free of charge and publish the fees for additional services/hours.

Providers will:

- Be able to charge for meals and snacks as part of the funded entitlement place and charge for consumables, additional services and hours as shown in the examples below:
  - Consumables, such as nappies/sun cream (not educational resources)
  - Additional services, such as trips, yoga/ballet class
  - Additional hours, that is hours over and above the funded entitlement(s)
• Ensure that any charges to parents for meals, snacks, consumables or additional services are voluntary. This means that where a parent is unable or unwilling to pay for these, the provider must offer an alternative, for example allowing a child to bring a packed lunch, or still access early education without having to pay for a yoga/ballet class
• Deliver the funding entitlement equitably and consistently and must ensure that all children have access to the same quality of provision regardless of whether they opt to pay for additional hours, services or consumables
• Be able to charge parents deposits to secure a child’s free place but should refund these within the first two months of a child taking up their place.
• Take into consideration the cost of deposits for those families taking up funded early education for 2-year-olds to ensure that the deposit is not a barrier to take-up of the place.
• Ensure that invoices and receipts are clear, transparent and itemised, allowing parents to see that they have received their funded entitlements completely free of charge and understand the fees for additional services/hours.
• Not charge parents “top-up” fees (this is the difference between the provider’s usual childcare hourly rate and the hourly funding rate set by the Local Authority) and not require a parent to pay a registration fee as a condition of taking up their child’s free place.

INFORMATION, ADVICE AND TRAINING

The Local Authority will:

• Secure information, advice and training for providers. Details of this are provided on the Local Authority website at: www.merton.gov.uk/supportforchildcareproviders
• Offer support in accordance with the national parameters on quality as set out in Section A3 of Early Education and Childcare Statutory Guidance for Local Authorities (March 2017) and the EYFS statutory framework.
• Regularly keep in contact with providers via email information bulletins.

Providers will:

• Accurately complete and submit other necessary data returns linked to Childcare Sufficiency and Information duties by the agreed dates
• Provide up-to-date information for families by maintaining details published in the Merton Directories of Local Services (Family Services Directory and Local Offer) at www.merton.gov.uk/fsd such as vacancies, contact details, opening weeks, days and times, school pick-up / drop-off services.

[See also the information requirements in the sections FLEXIBILITY on page 6 and SPECIAL EDUCATIONAL NEEDS AND DISABILITIES on page 8].
Section 9 of the Childcare Act 2006 gives local authorities powers to ensure that any provider (except the governing bodies of maintained schools) with whom they enter into a financial agreement meets the requirements imposed on them. This allows the Local Authority to withdraw funding if a provider fails to meet the contractual conditions contained within this Agreement.

**THIS AGREEMENT is made between London Borough of Merton and**

| Setting name |  |
| Setting address |  |

| Registered or trading as |  |
| Ofsted registration number |  |

**The provider detailed above will be delivering the following entitlement(s)**

### 2-year-old

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<tr>
<th>Number of places</th>
<th>Stretched</th>
<th>38 weeks</th>
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### 3 and 4-year-old universal

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<th>Number of places</th>
<th>Stretched</th>
<th>38 weeks</th>
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### 3 and 4-year-old extended

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<th>Number of places</th>
<th>Stretched</th>
<th>38 weeks</th>
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Settings offering less than 38 weeks, please indicate here: (It is at the discretion of the Local Authority as to whether to contract with providers delivering over fewer than 38 weeks of the year)

**Signature of Registered Person or Registered Person’s representative**

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<th>Date DD/MM/YYYY</th>
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Signed on behalf of London Borough of Merton

**Print name** Allison Jones, Head of Service, Early Years, Childcare and Children’s Centres Service

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<th>14 / 3 / 2018</th>
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Please return to providers@merton.gov.uk or by post to Early Education Funding Team, 10th Floor Civic Centre, London Road, Morden SM4 5DX