

## **Local Authority Agreement for the Provision of Early Education Funding Summary of Changes Effective from 1 April 2024**

The Funding Agreement for the Provision of Early Education Funding outlines the terms and conditions of funding for all Private, Voluntary, and Independent (PVI) providers that wish to offer the early years funded entitlements.

The Funding Agreement wording has been updated throughout to reflect the expansion of the working parent's entitlements for 2-year-olds that came into effect on 1 April 2024 and the working parent's entitlements for 9 months to 23 months old children that come into effect on 1 September 2024.

Other than the changes to wording for the inclusion of the new expanded entitlements there are limited changes to the conditions of funding.

The main changes to conditions of funding relate to the new payment terms that have been agreed following the recent consultation that took place.

The Funding Agreement has also been updated to reflect the changes to the inadequate funding policy that came into place back in April 2023, when it was agreed the County Council would continue to fund settings until their next inspection, rather than withdrawing funding 8 weeks after the inadequate judgement was published. Whilst the previous Funding Agreement allowed the County Council to continue funding to the next inspection, the wording has now been updated to make this explicitly clear.

A summary of the clauses that have changed is provided below:

### **1. Agreement and Services**

- Updated to include all eligible children in line with expanded entitlements.

### **3. Commencement and Duration**

- Updated start date of 1 April 2024

### **7. Eligibility**

- All clauses have been updated as necessary to enable providers to claim the new entitlements.

### **8. Grace Period**

- All clauses have been updated to reflect that the grace period rules apply to all the working parents' entitlements, not just 3 & 4 year old extended hours.

### **12. Supporting Disadvantaged Children**

- 12.4 & 12.5 are new clauses to outline how providers will be funded where households meet the eligibility criteria for both the disadvantaged 2 year old entitlement and the 2 year old working parent's entitlements.

#### **14. Business Planning & Claims**

- All clauses have been updated as necessary to enable providers to claim the new entitlements.

#### **15. Charging**

- 15.2 & 15.4 have been updated to reflect the slightly amended wording in the DfE statutory guidance for local authorities that was published on 1 April 2024.

#### **16. Funding**

- 16.7 & 16.9 have been updated to reflect the two new options for payment and payment terms associate with each option.

#### **18. Termination and Withdrawal of Funding**

- 18.7 has been updated to reflect the funding policy, that has been in place since April 2023, for settings that receive an inadequate Ofsted judgment and now makes it explicitly clear that funding will continue until the next inspection.
- 18.8 & 18.9 have been updated to outline the funding policy if a childminder agency receives a second consecutive inspection judgement of 'ineffective' for a childminder agency. This clause is in line with the national guidance published by the DfE.