



Early Years Funding Guide

for Children in Care

Guidance on funding available to support early years education for Children in Care attending a preschool, nursery or childminder setting



Hampshire Virtual School

Introduction

This guide provides an overview of education funding available for Hampshire Children in Care (CiC) attending an Early Years (EY) education setting (preschool, nursery or childminder). It is designed to support social workers, EY settings, and parents and carers in accessing appropriate funding to support the child's EY education prior to starting school.

This detailed guide does not need to be read in its entirety – clickable links on the contents page will take you to the relevant section for your query.

The guide is not designed to replace government of other local authority guidance, but to provide an overview with a focus on funding available for Children in Care. It is reviewed annually, so will not take account of changes made midway through the funding year.

Before reading this guide, please see below for the most common queries received around early years education (EYE) funding. You may find the answer to your enquiry here. Further details are available in the relevant sections of this guide.

- Hampshire Virtual School does not hold, manage or have access to any direct funding for children in care in EY settings. EY education funding is administered directly to settings via the local authority in which the setting is located. Hampshire Virtual School can advise, guide and advocate only and cannot provide funding.
- Top queries on early years funding for children in care
- In Hampshire, EY funding is administered by Services for Young Children (SfYC). They can be contacted directly for queries relating to EY funding via their general enquiry form: Services for Young Children | Hampshire County Council
- Children in care aged 2 years are not automatically entitled to more than 15 funded hours of EY education due solely to their looked-after status. There is an application process for up to 30 hours, which is dependent on the carer or parent working (outside of fostering), and this being in the best interests of the child.
- Children in care under the age of 2 years are not automatically entitled to any EY funded hours solely because of their looked-after status. Foster carers or parents must be working (outside of fostering) to be eligible to receive governmentfunded EY education. There is an application process for up to 30 hours, which depends both on meeting working requirements and whether attending an EY setting is in the child's best interests.
- Children in care attending EY education using government-funded hours are entitled to early years pupil premium (EYPP). This is paid directly to settings via the local authority in which the setting is located, is managed by the setting, and is designed to support settings in narrowing the educational disadvantage gap.
- EY children in care attending EY settings are not entitled to pupil premium plus funding (PP+ or PPP, sometimes referred to as 'PEP funding'). PP+ is government-provided funding which starts only once a child begins formal schooling (from Year R onwards) and is managed and administered by the Virtual School.



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Section 1:



General Introduction to Early Years Education Funding

What are early years education (EYE) 'funded hours'?

Early years (EY) education funded hours are government-funded hours for children to attend EY education (preschools, nurseries or childminders) before they begin formal schooling. Depending on the age and circumstances of the child, different amounts of hours are available via government funding.

For CiC, they may be entitled to the following funded hours:

- Up to 15 (term time) hours per week, from the term after they turn 2 years old until
 they start school (up to 570 hours per year in total) via either 'disadvantaged' or 'universal'
 funding.
- Up to 30 (term time) hours per week from the term after they turn 9 months old until they start school (up to 1140 hours per year in total). This is only available via an application process and where certain eligibility criteria, including working parents or carers, are met.

Term time hours are calculated based on the child attending for 38 weeks per year.

Please see a more detailed breakdown for each age band under Section 2 of this guidance.

What are 'stretched' hours (children attending through school holidays)?

Term time hours are calculated based on the child attending for 38 weeks per year. In EY settings that are open during school holidays, children may attend for more than the 38 term-time-only weeks. **Children are still only entitled to up to 570 total hours of funded EY education per year** (up to 1140 hours if approved for additional hours). Therefore, if a child attends EY education for more than 38 weeks of the year, their EY hours entitlement will be **stretched** across the weeks they attend. They will **therefore receive fewer funded hours per week, but will still have the same annual entitlement.**

For example:

- Term time only: 570 total funded hours across 38 weeks a year. 570 divided by 38 = 15 hours per week.
- 'Stretched' hours: 570 total funded hours across **52** weeks per year. 570 divided by 52 = 10.96 hours per week (usually rounded to 11 hours per week).

Can early years settings charge additional mandatory fees to provide the government funded hours?

EY Education funded hours entitlements must be free at the point of use. Government guidance (effective from April 2025) is that providers cannot charge mandatory fees for the funded hours: "Government funding is intended to deliver 15 or 30 hours a week of free, high quality, flexible childcare. The 15 or 30 hours 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." <u>Early education and childcare - GOV.UK</u>

Government-funded hours do not cover consumables such as nappies, wipes and food. These should usually be paid for or provided to the setting by the parent or carer. From January 2026, providers must clearly separate charges for funded hours, meals and extras.

Section 1:



General Introduction to Early Years Education Funding

What is EYPP?

EYPP stands for **early years pupil premium**. This is an additional payment made to EY settings, and this funding is designed for use by the setting to narrow the disadvantage gap. EYPP should be automatically paid to a setting where a child in care is attending on funded hours, and settings can receive up to £570 per year per CiC.

Please see Section 4 of this guide, which covers EYPP in more detail.

How is EY education (EYE) funding administered?

Both EY education funded hours and EYPP are managed and administered **directly to settings by the local authority (LA) in which the setting is located.** Therefore, if a Hampshire CiC is educated in an EY setting outside of Hampshire, the LA where the setting is located provides this funding to the setting.

Government guidance is clear on this, as funding is provided to settings based on the 'head count' of children attending that setting. Please find the link to DfE guidance here: <u>Early years</u> entitlements: local authority funding operational guide 2025 to 2026 - GOV.UK

For Hampshire settings, both funded hours and EYPP are administered via **Services for Young Children (SfYC)**. Should you wish to raise an enquiry with them, they can be contacted directly (by settings, social workers, parents and carers) for queries relating to EY funding via their general enquiry form: Services for Young Children | Hampshire County Council

For out of county settings, queries regarding EY funding should be raised with the relevant local authority in the first instance. Settings will usually have details of their LA EY funding contacts.

Should the above not resolve the query, please contact Hampshire Virtual School for further advice via the Virtual School general inbox at virtualschool@hants.gov.uk.



Section 2:



Guidance on Early Years Education Funded Hours by Child's Age

Age Band EY Funded Hours

3- and 4-Year Olds

15 hours 'universal' funding: All 3- and 4-year-olds are entitled to 15 hours per week of funded EY education over 38 weeks per year (570 hours annually), regardless of family income or circumstances. This is referred to as 'universal' EY funding. This is not dependent on the child's looked-after status. This starts from the term after the child turns 3. For example, a child who turns 3 in November would be eligible for 15 hours of universal funding from the following January. As this is a universal entitlement, EY settings should register the child for EY funded hours via their normal registration process. They should, however, also log that the child is looked after to trigger EYPP funding.

Extra 15 hours for working parents and carers: If the foster carer (or parent, if child is residing with them) is in paid employment (outside of fostering) and other eligibility criteria are met, the child may be eligible for an additional 15 hours, making a total of 30 hours per week. An application process is required. For children in foster care, please see Current Fostering Docs | Hampshire County Council. For children residing with a parent or connected carer, application is via the standard Working Parent scheme: Free Childcare for Working Parents: Overview - GOV.UK

Please see Section 3 of this guide for further details.

2 Year Olds

15 hours 'disadvantaged' funding: All looked-after 2-year-olds are entitled to 15 hours per week of funded EY education over 38 weeks per year (570 hours annually). This is part of the disadvantaged 2-year-old entitlement, which includes children in care. This can be accessed from the term after the child turns 2.

For children in care attending Hampshire settings, the setting should log the 2-year-old child as 'looked after' on the online portal. Services for Young Children will then check that the child is looked after by Hampshire as part of the registration process. In Hampshire, a separate application process and code is not needed. (For CiC educated out of county, an application process for disadvantaged funding for 2-year-olds may be needed. Please check with the setting's local authority regarding their processes for disadvantaged 2-year-old funding).

Extra 15 hours for working parents and carers: If the foster carer (or parent, if child is residing with them) is in paid employment (outside of fostering) and other eligibility criteria are met, the child may be eligible for an additional 15 hours, making a total of 30 hours per week. An application process is required. For children in foster care, please see Current Fostering Docs | Hampshire County Council. For children residing with a parent or connected carer, application is via the standard Working Parent scheme: Free Childcare for Working Parents: Overview - GOV.UK

Please see <u>Section 3</u> of this guide for further details.

9 Months up to 2 **Years**

There is no automatic entitlement to funded EY education funded hours for children in care in this age band.

Up to 30 hours for working parents and carers: If the foster carer (or parent, if child is residing with them) is in paid employment (outside of fostering) and other eligibility criteria are met, the child may be eligible for up to 30 hours per week of EY funded education from the term after they reach 9 months old. An application process is required. For children in foster care, please see Current Fostering Docs | Hampshire County Council. For children residing with a parent or connected carer, application is via the standard Working Parent scheme: Free Childcare for Working Parents: Overview - GOV.UK

Please see Section 3 of this guide for further details.



Applying for Extra Early Years Funded Hours (up to 30 hours total)

Consideration prior to funding application:

Before any consideration is made to apply for extra EY hours for a CiC, careful consideration should be given as to whether this is in the best interests of the child. In most cases, the attachment and wellbeing needs of young CiC are best met by enabling time with primary caregiver(s). Due to this, additional hours in an EY education setting are not usually in the best interests of the child. However, there may be circumstances where all parties believe it will be in the child's best interests to attend a setting for extra hours above the offered 15 hours per week (2 to 4-year-olds). For a CiC younger than 2 years old to access any EY funded hours at all, an application will also need to be made.

Application 'window':

In all application cases, there are 'windows' in which an application must be made to take up entitlement to additional hours for the next term. Whilst **the cut-off dates for applications are the day before the start of the new term**, it is recommended that the application is made at least six weeks prior to the start of the next term wherever possible. **The three term start dates are 1 September**, **1 January and 1 April**.

Application process:

The application processes are the same, regardless of the age of the child, and fall under the 'Working Parent' entitlement. The specific process needed will depend on the care placement of the child (see appropriate section below):

1. Child residing with foster carer(s)

Children in foster care who are aged 9 months to 4 years old could be eligible for the working parent entitlements, provided the foster carer is in **paid work outside their fostering role** and does not expect their adjusted net income to exceed £100,000.

For a single foster carer, the carer needs to be working outside of fostering to be eligible. For foster households with two foster carers, both carers need to be working outside of fostering (or one working and one in receipt of certain qualifying incapacity, disability or unpaid caring benefits).

There is no minimum income requirement for foster carers. However, the local authority responsible for the child must confirm it is satisfied that the foster carer's paid work other than their fostering role is consistent with the child's care plan, and that evidence of this paid work is seen.

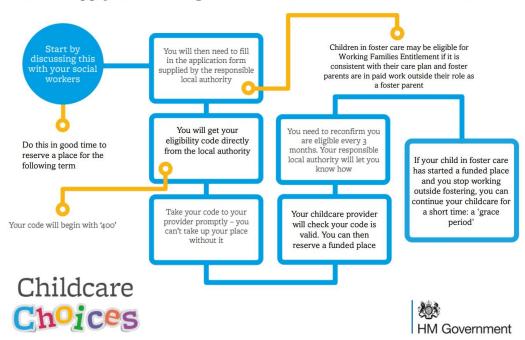
Foster carers **cannot** use the online Childcare Service application to get funded childcare. They must undertake a separate application process via the local authority to apply for working parent entitlement. This process is shown in the flowchart and steps detailed on the following page (flowchart taken from How to apply for working families entitlement as a foster carer).



Applying for Extra Early Years Funded Hours (up to 30 hours total)

Child residing with foster carer(s) continued:

How to apply for Working Families Entitlement as a Foster Carer



Required steps:

- Following discussion and agreement between the foster carer, child's allocated social worker, and the foster carer's supervising social worker, the **foster carer completes the application form**, which can be downloaded from this page under 'Working Families Entitlement': <u>Current Fostering Docs | Hampshire County Council</u>
- 2. The completed application form is then passed to the child's **allocated social worker** for comment and signature.
- 3. The social worker sends this to Hampshire's 'Designated Person'.
- 4. If approved, **Services for Young Children will issue a code**, which will be sent to the foster carer.
- 5. Once the foster carer has received the code, the process is the same as for any other parent or carer and child taking up the working parent entitlement. The foster carer contacts a provider to agree a funded place, giving them the code to confirm their place. Please note that foster carers can use the code with any EY provider, even outside the issuing local authority. The EY setting will be able to check the eligibility of the code using their local authority portal.
- 6. Foster carers, like all other parents and carers accessing the working parent entitlement, are required to reconfirm their eligibility every three months. A reminder will be sent to the carers by the local authority.

We strongly recommend that any carer or social worker reads the DfE guidance below to fully understand the eligibility criteria and process: Free childcare for eligible working parents for children aged from 9 months and above in foster care



Applying for Extra Early Years Funded Hours (up to 30 hours total)

2. Child residing with birth parent(s) or connected carer(s)

Where a CiC is living with one or both of their birth parents, or a connected carer (whilst remaining in care), any application for additional funded hours is made via the standard 'Working Parent' entitlement. Working parents in England who each earn the equivalent of at least 16 hours per week at the National Minimum Wage are eligible.

Parents and connected carers must use the standard online Childcare Service application to get funded childcare if they are working parents. Full details of eligibility criteria and processes, along with the online application link, are available on the government website: Free Childcare for Working Parents: Overview - GOV.UK

It may also be helpful to review the FAQs from Childcare Choices: <u>15 and 30 hours-frequently asked questions | Best Start in Life</u>

3. Child residing with prospective adoptive parents

Where a child is living with prospective adoptive parent(s) and is still currently a child in care, any application for additional funded hours is made via the same route as for foster carers. Please follow the guidance and steps under Section 1 above ('Child residing with foster carer(s)'). This will enable a code for the additional hours to be generated under the child's current name.

Once the adoption order is finalised, another application should be made via the standard online Childcare Service application for 'Working Parent' entitlement. This will then generate a different code under the child's adopted name. Full details of eligibility criteria and processes, along with the online application link, are available on the government website: Free Childcare for Working Parents: Overview - GOV.UK

Please be aware that adopted children remain eligible for 15 hours per week (during term time) of funded EY education via the disadvantaged entitlement from the term after they turn 2 years old, **even once the adoption is finalised**. A Working Parent application would only be needed if seeking funded education above 15 hours per week for a child aged 2 years or older, or when seeking funded EY education for children younger than 2 years old.





Applying for Extra Early Years Funded Hours (up to 30 hours total)

Private funding:

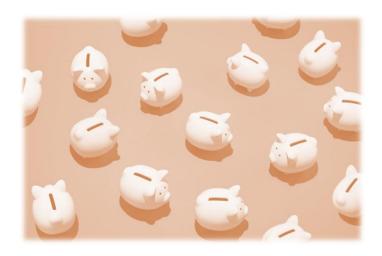
If a child in care is not eligible for extra funded hours via the 'Working Parent' scheme, can social care agree to privately fund additional EY hours?

Any agreement to fund EY education above the government-funded EY hours entitlements should be considered carefully, **and only where it is in the best interests of the child**. In most cases, the attachment and wellbeing needs of CiC are best met by enabling time with primary caregiver(s). As such, additional hours in an EY setting may not be in the best interests of the child.

If, in exceptional circumstances, there is an agreement from social care to fund a small number of additional hours of EY education, social workers will need to follow their own internal request and payment processes. **Written confirmation** of this agreement would need to be provided by the social worker or social worker manager to the EY setting **before** the child begins attending any agreed additional privately funded hours.

We advise that EY settings **do not** begin to offer these hours until they have this agreement **in writing** and are clear on the invoicing process for claiming these additional privately funded hours. EY settings should also be aware that there is often a delay between the point of invoicing social care and payment being made, as there are several internal processes this invoice needs to pass through.

Please be aware that Hampshire Virtual School does not hold, manage or have access to any direct funding for children in care in EY settings. The Virtual School is therefore unable to fund any additional hours or offer other funding for EY children attending a preschool, nursery or childminder setting.



Section 4:



Early Years Pupil Premium (EYPP)

The early years pupil premium (EYPP), introduced by the government in April 2015, aims to support early years settings in narrowing the achievement gap between children from disadvantaged backgrounds and their peers. Its purpose is to enhance the progress of these children in education through focused and strategic interventions, encouraging practitioners to give particular attention to their development.

How is EYPP paid?

EYPP should be automatically paid to a setting where a child in care is attending for funded hours, and settings should receive up to £570 per year per CiC. Settings must ensure that the child is registered with their local authority EY funding team as a looked-after child to ensure EYPP for the child is received.

EYPP is paid at the rate of £1 per EY education funded hour attended, up to a maximum of 570 hours per year (equivalent to 15 hours per week for 38 weeks per year), hence the maximum annual total of £570 per child. Children attending a setting for more than 15 hours per week **do not** receive additional EYPP. EYPP is only paid if a child is attending the setting on government-funded EY education (EYE) hours and therefore is not paid if a child attends a setting on privately funded hours only.

Hampshire settings: EYPP is paid directly to EY settings. If you are unsure if you are receiving EYPP for a CiC, please contact Services for Young Children (SfYC) via their general enquiry form: Services for Young Children | Hampshire County Council

Out of county settings: As for funded hours, EYPP is paid directly to the setting by the local authority where the setting is located. In the first instance, please contact your local authority's EY funding team to enquire. As noted above, EYPP is paid to settings by their LA – regardless of whether the child is looked after or not. Please see the excerpt below from the statutory DfE guidance:

"We fund local authorities for the funded places taken-up in the local authority in which a setting is based. Therefore...for children in local authority care, it is the responsibility of the local authority in which the setting is based to fund the EYPP."

Paragraph 9.5, <u>Early years entitlements</u>: <u>local authority funding operational guide 2025 to 2026 - GOV.UK</u>

Should you continue to have issues receiving EYPP for a Hampshire CiC after contacting your LA and highlighting the national guidance, please contact the Virtual School for advice.

How should EYPP be used?

EYPP received for a CiC should be used by education settings to narrow the disadvantage gap, and should be directed to support identified educational needs, and/or enhance the strengths of the child. Education settings should decide how this funding is used and should consider the views of the social worker in doing this.

EYPP is not 'ringfenced' to a specific child. However, we would expect settings to be carefully considering how EYPP use is benefiting the child in care. Use of EYPP on provision, training or resources should have a positive impact on the progress of the CiC. This should be evidenced in the child's personal education plan (PEP). Settings should be able to answer questions around how the use of EYPP is supporting the child's needs or strengths, as identified in the PEP, and narrowing the disadvantage gap for them.

Section 4:



Early Years Pupil Premium (EYPP)

How should EYPP be used - continued:

EYPP is **education funding** and should not be used as a budget to fund support provided outside of education. Financial support for carers should come via the social care team where required. The exception to this is where settings feel that funding an educational activity or resource outside of the setting will have the biggest impact on the child's educational progress. For example, access to a specific club, or a learning resource for home to support the child's education. In most cases, EYPP is utilised within the setting-based provision.

Further useful guides on effective use of EYPP are available via the links below:

Hampshire Virtual School Moodle: Early Years Resources Early Education: Practical tips on allocating EYPP funding

Early Years Pupil Premium | Education Endowment Foundation Guidance - published 2025 Framing your thinking for spending your EYPP funding - Early Education

Hampshire Virtual School also offers **EYs: Writing an Effective PEP** training, which covers the use of EYPP in more detail. Please see the Virtual School training brochure for further details and the booking link (the training is free to attend): <u>Virtual School Training Offer</u>

Are there any other education 'premiums' which an EY child in care is entitled to?

There are no other grants or premiums in early years that CiC are automatically entitled to. EY children in care attending EY settings **are not** entitled to pupil premium plus funding (PP+, sometimes referred to as 'PEP funding'). PP+ is government-provided funding which starts only once a child begins formal schooling (from Year R onwards), and is managed and administered by the Virtual School once a child starts school in Year R.

Frequently asked questions (FAQs) about EYPP:

Can EYPP be spent on resources/outings? Yes, although settings need to consider: What is the educational benefit? What are the identified needs and actions in the PEP, and how would this spending support them? If a pupil is not on track, what is being done to address this?

If the child attends for over 15 hours, can they receive additional EYPP funding? No, the maximum EYPP a child can receive is £570 per year.

Can EYPP be pooled within a setting or group of settings? Yes, EYPP can be pooled to provide training and resources. Any money spent must be based on meeting the setting's disadvantaged children's needs.

Can a childminder claim EYPP? Yes, all EY providers eligible for Early Years Education (EYE) funding can receive EYPP if they have a looked-after child on roll.

Who chooses how the EYPP is spent? The setting should decide on spend, carefully considering the views of the social worker. EYPP spend **must** be based on the needs of the eligible children at the setting and focused on **education**.

Section 5:



SEND Funding:

Additional Funding for Early Years Children with Complex Special Educational Needs and/or Disabilities

This section will briefly cover funding which may be available to EY settings to support children with complex SEN and/or disabilities. Please see included links for further information.

Special Educational Needs Inclusion Funding (SEN IF):

Please note that this section refers specifically to Hampshire's SEN IF. It may not be relevant to children educated in other local authorities, although many will have similar processes in place. If the child is in an out of county setting, please check with the relevant local authority early years inclusion/SEN team.

It is anticipated that most children with special educational needs (SEN) will be supported within a setting's ordinarily available provision and without the need to apply for SEN IF. Hampshire guidance on SEN support is available for providers here: <u>SEN Support Guidance</u> For Early Years Providers

Early years providers can also apply for SEN IF where there is a need to provide considerably higher levels of support to a child during the majority of their time at a provision. SEN IF is intended to support children with low-level and emerging SEN and is not designed to provide continuous 1:1 support.

Further details on Hampshire SEN IF and the application process are available here: Financial support for children with Special Educational Needs (SEN) and disabilities | Hampshire County Council

Education, Health and Care Plan (EHCP):

Where children have longer term, severe and complex SEND, and their needs cannot be met by ordinarily available provision or standard levels of SEN support, an Education, Health and Care plan (EHCP or EHC plan) may be considered.

An application for an EHCP assessment must be made to the local authority SEN team where the child resides. An application can be made by the setting, or by a person with parental responsibility. The local authority will review the application and decide whether to agree to assess for a possible EHCP or not, based on the application and supporting evidence provided. Following assessment, a further decision is made as to whether to issue an EHCP or not. If issued, an EHCP becomes a statutory document which sets out the child's strengths, needs and required provision. Based on the level of provision needed, a level of additional funding is provided by the local authority's SEN service to the education setting to enable them to provide the provision detailed in the EHCP.

Further information on EHCPs in Hampshire is available here: Family Information and Services Hub | Education, Health and Care (EHC) Plans and here: Pathway for special educational needs support | Hampshire County Council

Information for Hampshire early years settings supporting the EHCP process is available via the Services for Young Children Moodle (please note that you must register for a login to access their Moodle): SfYC Moodle: Education, Health and Care Plan - Self Help Guide

Where a child resides out of county, please consult the guidance on the EHCP process issued by their resident local authority.

Section 5:



SEND Funding:

Additional Funding for Early Years Children with Complex Special Educational Needs and/or Disabilities

Disability Access Fund (DAF):

The Disability Access Fund (DAF) is money that childcare providers can use to support children with disabilities or special educational needs. The aim of the DAF is to help give children who are disabled access to childcare by making reasonable adjustments to their settings or helping with building capacity.

To be eligible for the DAF, children need to be in receipt of child Disability Living Allowance (DLA) and attending early years education on government-funded hours.

Further government guidance is available here: <u>Get extra funding for your early years provider - GOV.UK</u>

Guidance for Hampshire settings is available here: <u>Disability Access Fund | Hampshire</u> County Council

For out of county settings, please consult your relevant local authority DAF guidance.

Hampshire Virtual School Contact Information

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Hampshire Virtual School shared mailbox:

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Extended Duties Team (CWSW, PLAC, Kinship) mailbox:

VSExtendedDuties@hants.gov.uk

Virtual School website:

https://www.hants.gov.uk/educationandlearning/virtual-school Virtual School Moodle: https://virtualschool.hants.gov.uk/