

## **Nursery Education Grant (NEG) – Information for Providers**

### **What changes did settings need to make by September 2010 to comply with the new National Code of Practice and the extension to fifteen hours per week?**

1. Open for a minimum of three hours plus per day and 15 hours plus per week.
2. Offer completely free places to the following number of the most disadvantaged families in the Richmond Borough.
  - Sessional provider with 26 places or under = one free place.
  - Sessional provider with over 26 places and Full day care providers with under 50 places = two free places.
  - Full Day care with over 50 places = three free places.
3. Set up Parental Contracts in line with the new local conditions of grant/ provider agreements.
4. All Nursery Education Grant (NEG) funding must be taken off at point of delivery and not refunded to parents in term time when the NEG is delivered.

All the above will be considered during an annual review.

### **What if a nursery is unable to make the above changes?**

In accordance with the National Code of Practice they would be considered for removal from the local Directory of Providers (DoP) and would therefore be unable to apply for NEG.

If due to circumstances beyond their control a nursery is unable to offer one of the above changes (for example, cannot open 15 hours per week due to landlord unable to offer premises for these hours) they may contact the Early Years Team who will look to find a solution  
[early.years@richmond.gov.uk](mailto:early.years@richmond.gov.uk)

### **Has the new Coalition Government made any changes to the Code of Practice?**

The new Government is committed to the extension to 15 hours. No official comment has, as yet, been made regarding the detail in the Code of Practice.

### **Can a nursery offer NEG if it is not open 15 hours a week?**

No. The Code of Practice is very clear that all three and four year olds should be offered a minimum of 15 hours per week.

### **Can a nursery offer NEG if it is open exactly 15 hours a week?**

Yes. But no additional fees can be charged

### **Can a nursery pull out of the NEG funding and remain on the Directory of Providers?**

No, the DoP is a list of all settings drawing down NEG. Providers not on the DoP would still be entitled to some basic training and support and advice.

### **What are the benefits of remaining on the Directory of Providers?**

The ability to access the grant of up to £1,960.80 per year per child. Many parents will want to choose a setting that can offer this.

Settings on the DoP currently have more access to advice, guidance and training. Through the Red, Amber and Green (RAG) ratings settings are highly supported to enable them to offer a good or outstanding service to children and families. Ofsted is being asked to look at evidence of LA support when they inspect settings. We can only offer this high level of support to those on the DoP.

### **When is a child eligible to claim NEG?**

The Nursery Education Grant funds Early Years Education hours for three and four year olds from the term after their third birthday.

The term dates are the same every year and are set by the Government:

1 September -31 December

1 January - 31 March

1 April - 31 August

### **Can a child claim his or her NEG over two settings?**

Yes. NEG can be claimed for up to 15 hours per week in total at not more than two settings.

### **How flexible are nurseries required to be?**

Each local area is required to have both five x three hour sessions per week or three x five hour sessions per week. Of course, you may be more flexible than this if you wish to.

### **When is the NEG payment made to nurseries?**

Each term, usually around half term. If this causes cash flow issues for nurseries we can offer a part payment in advance – providers requiring a payment in advance will need to request a form from Amanda Boardman or Jane Knight. A payment in advance means that you could secure a percentage of your NEG at the beginning of term and the outstanding amount as now at half term. Claims for payments in advance are only available to settings with immediate cash flow problems. Late claims for children who join your setting or who increase their hours after headcount day will be processed as before.

### **When is the NEG payment available to parents?**

The NEG must be deducted at the point of delivery. Nurseries must not charge parents in advance and then refund them when receiving the grant from us.

### **How should providers bill their parents?**

The NEG must be taken off at the point of delivery. There is no preference on whether the parent is charged weekly, monthly, termly etc. The invoice must show clearly that NEG is claimed for the child.

**What if a parent asks a nursery for a free place and one is not available at their provider of choice?**

It is the Local Authority's responsibility to find a child a free place, should a parent request it. Due to the difference in funding available and the actual cost of childcare in the borough, there would be major sustainability issues for nurseries if childcare providers were offering all (or many) free places, which would lead to a number of nursery closures and a serious decrease in the range and quality of places available.

The extra benefits the child will receive at the parent's nursery of choice may not exclusively be around time and can include many extras such as high carer to child ratios and staff qualifications. Each nursery will be able to explain to parents the premium services they have on offer.

If a parent still requests a free place, please ask them to contact the Family Information Service (FIS) who will strive to find a free place elsewhere in the locality, should it be available, and should the family meet the local authority's criteria.

Because of local circumstances, those who do not meet the criteria are unlikely to find a free place.

**Do parents have a right to a free place with a particular provider?**

No. The right to a free part time early education place is a right to a free place in the local area, not the right to free place with any given provider. Due to local circumstances free places will be given to families who are most in need and will therefore need to comply with a set of criteria prescribed by the Local Authority (listed below).

**What is the maximum number of hours that can be claimed if a child attends the setting for one day only?**

The maximum number of hours that can be claimed if a child attends the setting for one day only is 10.

**What is the maximum number of hours that can be claimed over two days?**

The maximum number of hours that can be claimed over two days is 12.5.

**A parent has a complaint about the lack of a free place, what should I do?**

If the family is still not satisfied after contacting the FIS, they may follow the council's standard complaint's procedure, and write, stating their concerns, to the Head of Early Years and Children's Centres at the address below.

**Can a nursery offer more than the requested completely free places?**

Yes they may if it is financially viable to do so.

## **Should a nursery allocate the completely free place(s)?**

Yes, using the pre determined criteria (below), but FIS will be able to broker these places if you prefer. Please contact FIS if you would like them to broker your place(s) for you.

Eligibility Information:

1. Parent/Carer must be in receipt of one of the following Benefits or Credits:

- ❖ Income Support
- ❖ Income based Job Seekers Allowance
- ❖ Child Tax Credit at a rate higher than the Family Element
- ❖ Extra Working Tax Credit relating to a Disability or Pension Credit

And

2. Meet one of the following criteria.

(Choose from characteristics listed below).

- ❖ Child on Child Protection Register
- ❖ Temporary Accommodation
- ❖ Child (or child/children in family) involved with social care services
- ❖ Emotional or behavioural difficulties
- ❖ Children with developmental or learning delay
- ❖ Children with SEN / disabilities
- ❖ Children with speech and language needs (This needs to be confirmed by a relevant agency such as speech and language therapists)
- ❖ Child in care (at least one other criteria should be met in conjunction with this)

Providers who do not have families who fulfil the above criteria may choose to offer a free place using their own additional criteria, for example -

- ❖ Twins / Triplets
- ❖ Temporary hardship
- ❖ Sudden Family breakdown

**What happens to children who received the two year old funding? If a setting offers for example, four x two year old places, do they need to offer an extra free place for a three or four year old?**

No. As your existing two year old moves on to the three and four year old funding, if they still meet the criteria, they should be offered one of the free places (for three and four year olds). If you have more two year olds than your free places "quota", please contact the Family Information Service 020 8891 7538.

### **If children are at a nursery for less than 15 hours a week or 3 hours a day, how can nurseries claim for NEG?**

The only additional service the Code of Practice allows extra payment for is extra time. Nurseries must therefore offer time beyond the NEG to charge parents for additional services and therefore stay sustainable. A pro rata approach should be used, as an example a three hours 15 minute session per day would be three hours

### **NEG and 15 minutes additional time**

All additional services should be highlighted on the parental agreement and on the invoice to parents.

The number of hours a child attends a nursery must be (equal to) or higher than the NEG applied for on the NEG application form. The charge for additional time should be explained clearly to all parents before they sign your agreement (with them).

### **If a parent asks for 15 hours per week at my nursery and, due to occupancy levels, I only have part-time places, what do I do?**

As ever, a nursery can only offer the hours it has available. If this is the case please make it clear that all parents are entitled to 15 hours of nursery education per week. If the parent decides to take the limited hours at your setting then this is the parent's choice. (They could choose to claim the balance of hours at another setting if they wanted to).

### **Can lunch be used as part of the entitlement?**

Yes – time spent eating lunch can be included. However, families of children that have taken up a completely free place may not be charged an additional fee for lunch. If you are unable to provide lunch without a charge, you may wish to ask the family to provide a pack lunch. In these cases, you should also advise the family on what food cannot be brought into your setting, e.g. known allergens, such as peanut butter etc.

### **Can I stretch the NEG?**

Yes, the national conditions allow this. Although you can only claim for 15 hours x 38 weeks per year maximum, if a child attends for more than 38 weeks per year, you can choose to spread their NEG funded hours across all the weeks to enable consistent billing. You will need to ensure that the parents understand how this will work, and that you are not charging anything for the funded hours, only for the additional hours.

### **Do I have to offer 38 weeks?**

No. You can offer between 33 and 38 weeks per year, although the Government would like all providers who can, to work towards offering 38 weeks per year.

### **I currently have a waiting list – what should I do?**

When allocating places to children on your waiting list, if you have not filled your quota of free places, please try to ensure that you offer a place (or places) to any child who meets the free place criteria. As you are aware, you are only required to hold free places open for up to six weeks before the start of each school term (terms commence every January, April and September), but it is sound financial planning to ensure that your business would be sustainable if you filled all your free places.

### **What should I do if a parent decides to move their child to another setting after headcount day?**

Where a child does move and attends two settings in one term the Council cannot get involved in splitting the payment. Providers should negotiate this between themselves – we advise all settings to agree to make pro rata payments to each other when this happens.

### **What will happen if a child also attends a maintained nursery or reception class?**

Where a child attends a maintained nursery or reception class, the funding will go to the maintained setting (although you will still be able to claim the balance of any unclaimed hours. For example, if a child attends a maintained nursery for ten hours per week, you would be able to claim up to five hours per week.

### **What happens if a child leaves my setting to attend a maintained nursery or reception class part way through the term?**

Where a child leaves your setting to go to a maintained nursery or reception class for 15 hours per week or more after the start of term but on or before the cut off eligibility date for late claims, you will not be able to claim any NEG for that term. This means that, in such cases, the parent or carer will have to pay the full fees for their child's place at your setting for that part of the term that they are with you (plus any amount you charge in lieu of notice if applicable). However, if the child had a free place at your setting, please contact Jane Knight on 020 8831 6268 or email her at [j.knight@richmond.gov.uk](mailto:j.knight@richmond.gov.uk)