

The Early Education and Childcare Entitlements Statutory Guidance - Frequently Asked Questions about charging

This document from the Department for Education answers frequently asked questions about the updated charging section in the <u>Early education and childcare</u> <u>entitlements statutory guidance</u>, which is effective from 1 April 2025. However, please refer to the actual guidance when considering charging practice.

Summary

- The Department for Education has updated existing statutory guidance for local authorities. This guidance must reflect the law governing the delivery of the early education and childcare entitlements, which has not changed.
- As the entitlements are expanded, it is vitally important that they remain accessible and affordable for families. The Department has clarified the statutory guidance as it relates to additional charges our priority is ensuring there is clarity and consistency for parents and providers.
- The Department for Education is **not** seeking to stop providers from being able to charge for voluntary extras. However, in line with a recent <u>High Court judgment</u>, charges must not be *mandatory* or a condition of accessing a funded place. This has always been the case.
- Government funding for the entitlements does not cover consumables like meals, nappies or sun cream or additional activities, such as trips, so providers are able to ask parents to pay for these things. The Department is not encouraging parents to opt out, and we know that many parents prefer to purchase consumables from their provider.
- However, local authorities must ensure providers offer reasonable alternatives to parents that enable them to access the entitlements for free if they wish. The guidance makes clear that providers should be mindful of the impact of charges on families, particularly the most disadvantaged. Children who do not participate



in voluntary activities must continue to receive provision that complies with the Early years Foundation Stage (EYFS) statutory framework.

- The guidance also emphasises transparency at the heart of how the entitlement should be passed on to parents, including that any costs should be clearer on invoices and websites. However, for these new transparency expectations, the guidance allows a lead-in time until January 2026 to give providers time to adapt.
- Providers do a brilliant job for parents and children and many providers have been delivering the entitlements in a way that is transparent and in line with the long-standing law in this area. Our updated guidance should support transparency and consistency, for parents and providers.

Questions and Answers

What changes have you made to the guidance?

The Department has updated the statutory guidance, with the following changes:

- The updated guidance puts **transparency** at the heart of how the entitlement should be passed on to parents. The Department expects local authorities to ensure that providers (except for childminders and small providers caring for 10 or fewer children at any one time) publish their charges on their websites, or, where they do not have any website, on local authority Family Information Services. The objective of this measure is that all costs should be clear to parents upfront. We are aware that for some providers this will require changes, which is why we ask that providers have their charges published on their websites by January 2026.
- The guidance also sets out that the expectation that providers to break their invoices down into
 - the free entitlement hours;
 - o additional private paid hours;
 - o food charges;
 - non-food consumables charges;
 - o and activities charges.

This is so that parents can see that they have received their free entitlement hours and can easily understand what they are being charged for. These changes should also be introduced by January 2026.

The guidance also reaffirms some key elements that reflect the underpinning legislation:



- the 15 or 30 hours must be accessible free of charge to parents; that is, that whilst providers can charge for extras there must not be any mandatory charges for parents in relation to the free hours. This is in line with the recent High Court judgment.
- The guidance also clarifies the things that providers can and cannot charge parents for, more clearly defining "consumables".

When does the guidance come into force?

The changes to the statutory guidance will come into force from 1 April 2025 and local authorities must have regard to it from that date.

In relation to the transparency changes, the guidance sets out the expectation that local authorities ensure providers have set out additional charges clearly and upfront on websites and invoices by January 2026. We are aware that for some providers this will require changes, which is why we provided for a preparation period.

Are you stopping providers from charging?

No, the statutory guidance does not stop providers from being able to charge for voluntary extras, which they can continue to do. However, the Department is updating the statutory guidance in line with the recent High Court judgment, to ensure it accurately reflects the underpinning legislation and to help support clarity and consistency for parents and providers around charging.

The guidance makes clear that providers can charge parents for extras in connection with the entitlement hours, though charges must not be mandatory or a condition of accessing a place.

Further information:

Government funding does not cover consumables like meals, nappies or sun cream or additional activities, such as trips, so providers are able to ask parents to pay for these things. The Department is not encouraging parents to opt out and is not asking local authorities to encourage parents to opt out, where charges are voluntary. We know many parents prefer to purchase consumables from their providers and will continue to do so.

Providers can also charge parents for any additional, private paid hours according to their usual terms and conditions provided taking up private paid hours is not a condition of accessing a free place.

However, local authorities must ensure providers offer reasonable alternatives to parents that enable them to access the entitlements for free if they wish. The guidance makes clear that providers should be mindful of the impact of charges on families, particularly the most disadvantaged. All parents, including



disadvantaged families, must have fair access to a free place. Children who do not participate in voluntary activities must continue to receive provision that complies with the EYFS.

Regarding any additional charges, providers may wish to agree a termly arrangement with parents prior to that term commencing (which includes their policy on paying additional charges when the setting is closed, or the child is absent) as long as charges are not mandatory. To aid with business planning, this may include providers asking parents to decide on a term-by-term basis whether they want to opt in or out of any charges for food, consumables or additional services.

Is the working parent entitlement funded or free?

The legislation requires local authorities to ensure that the 15- or 30-hour entitlement for working parents childcare is available "free of charge" to each eligible child. The statutory guidance reflects the legislation in the use of 'free'. However, following feedback from the sector, since 2024 the Department has been using 'Governmentfunded' in parent-facing communications to support providers in reflecting that parents may be charged voluntary extra charges for some costs not covered by Government funding.

What about food safety?

Providers remain able to charge parents for a meal provided to a child. The Department is not encouraging parents to opt out, and we know that many parents prefer to purchase things like meals from their provider. However, in line with the legislation and court judgment, any charges must not be mandatory, and alternatives must be available.

There is a requirement within the EYFS that states: 'Before a child is admitted to the setting the providers must obtain information about any special dietary requirement, preferences, and food allergies that the child has'. From September 2025 we intend to strengthen the requirements around safer eating and in addition to require that all settings must have ongoing discussion with parents regularly and where appropriate health professionals to develop allergy action plans for managing any known allergies and intolerances. Providers will also be required to ensure that all staff are aware of symptoms and treatments for allergies and anaphylaxis. The Department for Education encourages settings to refer to the NHS advice on food allergies to support these arrangements.

There is already a requirement in the EYFS that children must always be within sight and hearing of a member of staff whilst eating. From September 2025 we intend to strengthen this requirement so that where possible, a member of staff should sit facing children whilst they eat so they can make sure children are eating in a way to



prevent choking and so they can prevent food sharing and be aware of any unexpected allergic reactions.

These requirements do not and should not prevent settings from allowing parents to bring in their own packed lunches or snacks. However, settings may choose to produce a 'packed lunch policy' regarding what food is permitted. **Providers are free to set their own packed lunch policy,** but this must comply with equality legislation. A packed lunch policy is to ensure all children are being offered healthy and nutritious food, to reduce choking risks, and to help prevent allergic reactions for children who may have airborne food allergies.

For full information and requirements settings should refer to the EYFS, including the strengthened requirements which are expected to come into force from September 2025 and can be found in the <u>Early Years Foundation Stage safeguarding reforms -</u> <u>consultation response</u>

Implementation during summer term 2025: The Department recognises the challenges settings can face in providing safe and nutritious food and managing the associated risks. Where settings are currently not compliant with the statutory guidance with regard to mandatory charges for food but are moving towards compliance, local authorities should take a supportive and pragmatic approach, prioritising food safety and the requirements of the EYFS during any transition. Providers remain able to promote any benefits of their food offer and have pragmatic conversations with parents about what it is and isn't safe, practicable and appropriate to bring into a setting.

Can providers charge deposits?

Local Authorities must ensure that providers do not charge parents **non-refundable deposits** as a condition of taking up a child's entitlement place. It is therefore permissible to charge a reasonable **refundable** deposit in relation to the entitlement hours, that must be paid back to parents within a reasonable period after taking up their place (but can be retained if the child does not take up the place without sufficient notice.)

What about models with 'fully free' places?

There have been several queries raised with the Department around charging for consumables, and regarding providers setting a certain number of "fully free" places, with the rest being "funded" places, in respect of which providers impose additional mandatory charges. The legislation requires the local authority to secure that places are available free of charge to *each* eligible child in their area, we do not consider that offering free places only to *some* eligible children meets this duty.



This is reflected in the updated statutory guidance, where (A1.32) says that 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. However, this does not prevent providers from charging for food and other consumables, as long as these charges are not mandatory.

Providers may wish to agree a termly arrangement with parents prior to that term commencing regarding the additional hours or consumables purchased, to aid with business planning and provide for stability of income, as long as charges are not mandatory. This may include providers asking parents to decide on a term-by-term basis whether they want to opt in or out of any charges for food, consumables or additional services.

If parents want to make a voluntary contribution, are they able to?

Paragraph A1.41 of the updated guidance says that LAs must take all steps available to ensure the entitlements are available free of charge to parents and that providers do not charge for certain types of services. This includes top up fees, materials (e.g. crafts, crayons and paper), business running costs, registration fees and non-refundable deposits as a condition of taking up an entitlements place, general charges and any additional fees not specifically listed and itemised as chargeable extras at A1.33. If a parent wishes to make a voluntary contribution, then they can do so, provided they are not being charged for these sorts of services or items and that it is wholly voluntary.

Hours of provision

What does the guidance say about flexibility of hours?

The guidance reaffirms that there should be no artificial breaks in the entitlement hours. LAs should work with providers to ensure that as far as possible the pattern of the entitlement hours is convenient for parents' working hours. The guidance recognises that not all providers will be able to offer fully flexible places and there is no statutory requirement for places to be offered at particular times or on particular days. Patterns of provision will rightfully be dependent on staff availability within particular settings.

However, some artificial patterns of provision can prevent parents in receipt of the entitlement from accessing employment or using their entitlement. Local authorities can, if they consider it appropriate, impose requirements in their arrangements with



providers with a view to ensuring that the childcare is provided in a pattern to suit the needs of parents.

Providers should set out how many free hours parents are getting per day and per week, to ensure parents understand what free hours they are receiving over the calendar year from when their child first becomes eligible.

There is no statutory requirement for providers to provide the entitlement or any particular number of hours. However, LAs will want to consider whether they can meet their statutory duties to secure the childcare is available for 15 or 30 hours if they make arrangements with providers offering less than that.

Providers can also charge parents for any additional, private paid hours according to their usual terms and conditions provided taking up private paid hours is not a condition of accessing a free place.

Invoicing and websites – by January 2026

Do providers need to itemise everything so the cost for each item in a day or week, or can they aggregate over a week/ month?

Local authorities should work with providers to ensure that by January 2026, their invoices break down separately into:

- the free entitlement hours
- additional private paid hours
- food charges
- non-food consumables charges
- activities charges

As long as the categories of charge are clear as above, including how many free hours parents are getting per day and per week, a pragmatic approach to aggregating costs can be taken and every single individual cost does not need to be itemised.

Who has to publish their costs on a website? What if the provider doesn't have one?

By January 2026 at the latest, providers' costs for chargeable extras should be published on their websites or, where they do not have a website, on local authority Family Information Services.

Local authorities can exempt childminders and providers caring for 10 or fewer children at any one time.



What about childminders or very small settings?

By January 2026 local authorities are expected to ensure that providers publish the costs of chargeable extras and other information on their websites but are not expected to require this of childminders or small providers caring for 10 or fewer children at any one time. This exemption only applies to paragraph A1.35 and the publication of charging information online. The rest of the charging section applies to all providers delivering the entitlements, including childminders and small providers.

Providers may wish to agree a termly arrangement with parents prior to that term commencing regarding the additional hours or consumables purchased, to aid with business planning and provide for stability of income, as long as charges are not mandatory. This may include providers asking parents to decide on a term-by-term basis whether they want to opt in or out of any charges for food, consumables or additional services.

