



Department
for Education

September 2024 early education and childcare entitlements expansion

Local authority system guidance

April 2024

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Purpose of document

This document is designed to support local authorities and their third-party providers to deliver the expansion of early years entitlements to offer 15 hours of free early education and care per week (over 38 weeks a year) to eligible working parents of children aged 9 months and older from September 2024.

This document follows the April 2024 Early Years Entitlements Expansion Systems Guidance, issued on 30 November 2023. We have updated this guidance to cover the expansion to 9-month-olds from September 2024, where not previously stated.

This document is designed to support development of digital systems and is not [statutory guidance](#) which was issued on 1 January 2024 and sets out in full the duties on schools and local authorities under section 2 of the [Childcare Act 2016](#) and sections 6, 7, 7A, 9A, 12 and 13 of the [Childcare Act 2006](#). [The regulations](#) giving effect to these changes came into force on 1 January 2024. The [early years entitlements: local authority funding operational guide 2024 to 2025](#) sets out guidance local authorities should follow when funding childcare providers to deliver the early years entitlements in the financial year 2024 to 2025.

This document will be updated and reissued for the September 2025 expansion.

Who is this publication for?

This guidance is for:

- Suppliers of software for Local Authority management information systems (MIS), specifically those that provide early years entitlement systems
- Users of Local Authority MIS software

Summary of policy changes from April 2024

As announced in the 2023 Spring Budget, the early education and childcare entitlements are being expanded to children aged 9 months and older over the following stages:

- from April 2024, eligible working parents of 2-year-olds will be able to access up to 15 hours of free early education and care per week (over 38 weeks a year) from the term after their child's birthday;
- from September 2024, this will be extended to eligible working parents of children aged from 9 months and above; and
- from September 2025, eligible working parents will be able to access up to 30 free hours per week (over 38 weeks a year) for children from age 9 months up until they start school.

A child will be entitled to the additional free hours from the term after both of the following conditions are satisfied: (1) the child has attained the relevant age; (2) the child's parent has a current positive determination of eligibility from HMRC i.e., a valid eligibility code.

Over summer 2023 we consulted on proposals to ensure the funding system supports the delivery of the new working parent entitlements. The government's [response](#) to the consultation was published on 29 November 2023 and announced extensions to local funding rules in 2024 to 2025 to children accessing the entitlement to 15-hours free early learning for disadvantaged 2-year-olds (disadvantaged 2-year-old entitlement) and the new working parent entitlements – including eligibility for Early Years Pupil Premium (EYPP) and Disability Access Fund (DAF).

Summary of technical changes from September 2024

Eligibility Checking Service

For the September 2024 expansion, the changes to DfE's Eligibility Checking Service (ECS) will be minimal.

The new cohort will utilise the same 11-digit eligibility code. The local authority will continue to verify the code via the ECS, depending on the system the local authority has in place.

This will not be a new eligibility check type – the previous '30 hour' check has been renamed as 'Childcare for Working Parents' and the 30 hours prefix in all available reports has been replaced with 'Eligibility Code'. We will not change the check type coding, which will remain as '30h'.

The API remains unchanged. Required query parameters are maintained in light of the checks and are detailed in the ECS Systems Integration Guide. This functionality is provided by an existing Simple Object Access Protocol (SOAP) API endpoint and is offered for local authority suppliers.

Codes for the expanded hours will be issued in the same format (11 digits starting '50...'). This could mean that codes will start to appear starting 502, 503 etc, so if local authorities' systems have validation in place this will need to be updated.

The current ECS web application will be ready to check new codes from 12 May 2024.

There will be no changes to the event listing report. As soon as new codes become available, they will show on the report. The eligibility code validity report will be updated to include the new age range, with children below 9 months showing in the 'too young' field.

Guidance on policy that impacts system build

Terminology

DfE are using the following terminology to refer to the new entitlements:

Table 1

Disadvantaged 2-year-old entitlement	The 15 hour entitlement for the most disadvantaged 2-year-olds
Universal entitlement	The 15 hour universal entitlement for parents of 3- and 4-year-olds
Working parent entitlement	<ul style="list-style-type: none">○ the entitlement for eligible working parents of 3- and 4-year-olds (<i>currently 'extended hours' for census purposes</i>)○ the introduction of new entitlements for eligible working parents (<i>currently 'expanded hours' for census purposes</i>):<ul style="list-style-type: none">● from April 2024, the 15 hour entitlement for parents of 2-year-olds;● from September 2024, the 15 hour entitlement for parents of 9-month-olds; and● from September 2025, the 30 hour entitlement for parents of 9-month-olds

Application process

The application process for the new working parent entitlement will remain the same as the current 30 hours, with HMRC continuing to determine eligibility via the Childcare Service.

Parents will apply through the digital Childcare Service, or in some circumstances, by phone using the Childcare Service helpline. HMRC will check eligibility and if the application is successful, issue an eligibility code. The new cohort will follow the same eligibility criteria and will utilise the 11-digit 'Eligibility Code' – previously the 30 hour code.

Some parents will have a temporary code starting with '11' rather than a digitally issued code which will start with '50'. Temporary codes are issued manually, outside of the Childcare Service.

Foster parents will continue to apply directly to their responsible local authority – and receive codes beginning '400' as set out in the [guidance for children in foster care](#). All

successful applications from foster parents approved by the local authority will generate an eligibility code on the ECS. Parents will take their eligibility code to a provider for verification, together with their National Insurance number and child's date of birth. The provider will verify the code through their local authority – either by phone or email, or through a provider portal linked to the local authority system.

The local authority will continue to verify the code through DfE's Eligibility Checking System (ECS), depending on the system the local authority has in place.

The local authority staff will communicate the outcome to providers including the code's validity start date.

Once an eligibility code has been successfully verified, the provider can confirm the parent's place and agree the start date. Providers should then add the child to their headcount. The provider should update their local authority on changes to headcount and the number of hours they have agreed with the parent.

The same code will carry through for the same child from the point at which they become eligible to (at the latest) the term after they turn 5 years, regardless of whether they drop in and out of eligibility. The exception to this are temporary codes, which can only be used once and need to be replaced with the child's permanent eligibility code, which will then remain eligible to (at the latest) the term after they turn 5 years.

When parents can apply

From the 12 May 2024, eligible working parents of 9-month-olds will be able to apply for a code for the new 15 hours entitlement from September 2024.

A child will need to have turned 9 months old on or before 31 August 2024, and their parents will need to have submitted an application to be able to claim for the 9-month-old funding from the 1 September 2024.

Parents need to reconfirm their eligibility every 3 months. This means any parents that apply before 1 June will need to reconfirm their eligibility before 31 August to take up a place on 1 September.

Parents can apply up to 31 days before taking up or returning to work. The earliest a parent could receive an eligibility code for their child is 16 weeks before they turn the age of eligibility.

If parents apply in the term before they wish to take up a place and HMRC needs time to decide on eligibility, they have 14 days after the start of term to make a decision. If the code is valid, auto-rollback will be applied so that the code will show as valid from the previous term (allowing parents to access an early education and care place in the term they wish to take it up).

When children become eligible

All entitlements will continue to work on a termly basis, so children of eligible working parents will be able to receive the entitlement from the termly date (1 September, 1 January, or 1 April) after they reach the relevant age, and the parent has successfully applied.

As with current policy, parents are only legally entitled to start claiming the 15 hours entitlement for their child the term following the date of a successful application.

A child in foster care will be entitled to the new entitlements if the child has attained the relevant age, is under compulsory school age and the criteria set out below are met:

- That the foster parent(s) engaging in paid work outside their role as a foster parent is consistent with the child's care plan, **and**
- in single foster parent families, the foster parent engages in paid employment outside of their role as a foster carer **or**
- In two foster parent families, both partners engage in paid employment outside of their role as a foster carer or one partner engages in paid work and the other receives certain qualifying benefits.
- There is no minimum income requirement for the foster parent(s).

Reconfirmation

Parents will still be required to reconfirm every 3 months as per current policy, via the Childcare Service, regardless of whether their child has started their place. Foster parents must reconfirm with the local authority. Temporary codes beginning '11' can only be used once and so parents will need to reconfirm by completing a new Childcare Service application online.

As with current policy, if parents lose eligibility, and their child is already in a place, they will enter a grace period and will be able to retain their place for a short period.

If a parent becomes eligible again after they have fallen out of eligibility, they can go into their childcare account, resubmit their Childcare Service application and present their code to their provider again for verification. They will receive the same eligibility code, not a new one. As before, HMRC have confirmed that the eligibility code will stay the same for a child, even if parents move in and out of eligibility.

The grace period

Where parents cease to meet the eligibility criteria for the working parent entitlements upon reconfirmation, but the child has already taken up a place, local authorities should continue to fund a place for the child for a limited 'grace period' and ensure that providers and parents are aware of this.

Local authorities will be able to access information about parents that have entered the grace period via the ECS, which will automatically encode the grace period end date to all eligibility codes.

Audit

As with current policy, local authorities should continue to complete an audit check on eligibility codes at 6 fixed points in the year, both at the start of term and half-term across the year (in line with the dates listed in Table A of the Early Education and Childcare Statutory Guidance). Local authorities can then prompt providers to inform parents when they will lose funding for their child's place. They can also ensure that children who have fallen out of eligibility do not start places.

Local systems (which access ECS via the web services interface) will be able to run an automatic check against all previously verified eligibility codes and will associate codes with relevant providers. If local authorities use the ECS web browser, they will need to keep a record of codes verified and which providers are relevant so they can undertake a batch check and communicate the results to the right providers.

Local Authorities should use the ECS 'Eligibility Code Cross Border Report' to check which eligibility codes they have approved for funding have also been checked in other local authorities and make contact to reduce the risk of a parent accessing more than the maximum of 1,140 hours per year.

Disadvantaged 2-year-old entitlement

The early education and childcare statutory guidance and The Childcare (Free of Charge for Working Parents) (England) (Amendment and Transitional Provision) regulations 2023 states 'in calculating the number of hours available under the working parent entitlement, account is taken of any hours available under the universal or disadvantaged 2-year-old entitlements'. In other words, where parents meet the eligibility criteria for both entitlements, they should take up the disadvantaged 2-year-old entitlement and should be recorded as such for census purposes.

The local authority should communicate to the parent that they do not need to apply for a working parent entitlement place through the Childcare Service if they are eligible for the disadvantaged 2-year-old entitlement. If the parent applies in order to benefit from Tax Free Childcare (TFC) then the local authority will need to work with providers to ensure that the child is benefiting from a disadvantaged 2-year-old entitlement place. As a reminder, parents cannot benefit from TFC if they are in receipt of Universal Credit (UC).

It is up to local authorities to determine how best to administer the disadvantaged 2-year-old entitlement. In circumstances where local authorities issue codes to disadvantaged 2-year-olds, they will need to ensure that the child is only taking up a disadvantaged place (and not using the eligibility code issued by HMRC if they have been issued one).

In circumstances where two different providers are claiming for the same child under different 2-year-old entitlements, systems should flag this. The LA would need to contact the provider offering the working parent entitlement to tell them that the child won't be receiving funding.

Local authorities will be required to differentiate between the two groups for census purposes; providing 'basis for funding' for disadvantaged 2-year-olds and the eligibility code for the eligible working parent 2-year-old entitlement. This is set out in the [school census](#) and [Early Years census](#) technical specifications.

Moving from 9-month-old working parent entitlement to disadvantaged 2-year-old entitlement

There might be circumstances where parents are taking up the working parent entitlement for a child that turns 2 between 1st September and 31st December 2024 and meet the eligibility criteria for both 2-year-old 15 hour entitlements. From 1st Jan, the child should take up, and be recorded for funding purposes, the 15 hour disadvantaged 2-year-old entitlement. The child will retain these 15 hours until they transition onto the universal entitlement for 3- and 4-year-olds. If the household meets the eligibility for the working parent entitlement, then from September 2025, they may benefit from the additional 15 hours (working parent entitlement) as well.

In circumstances where 2-year-olds lose eligibility for the working parent entitlement but meet the eligibility criteria for the disadvantaged 2-year-old entitlement, they may benefit from this once their grace period has come to an end. They will retain the place until the

term following their 3rd birthday when they will benefit from the universal entitlement for 3- and 4-year-olds. If the household meets the eligibility criteria for the working parent entitlement, they can benefit from 30 hours free childcare for their 3-year-old.

Funding

The [early years entitlements: local authority funding operational guidance 2024 to 2025](#) sets out the rules and principles local authorities should follow when funding childcare providers to deliver the early years entitlements in the financial year 2024 to 2025, including the changes and extensions agreed to existing local funding rules as set out in the November 2023 [funding consultation response](#).

Local authorities will continue to process and pay for all submissions which will include the new cohort. There will still be a process to:

- Record an Early Years term – the eligibility dates will run against the same schedule they do for existing children (Jan – March, April – August, Sept – Dec).
- Maintain funding information for all children within a current term (historical information will be maintained and reported on).
- Allow providers to submit estimates and headcount information to include the new cohort.

All the early years funding streams for the main entitlements are listed below (please note this excludes the separate funding strands for EYPP and DAF). From September 2024, there will be one additional funding stream: 15 hours for eligible 9-month to 2-year-olds of eligible working parents.

Table 2

	Existing funding streams	Additional funding streams
From September 2024	<ul style="list-style-type: none"> • 15 hours for disadvantaged 2-year-old entitlement • universal 15 hours entitlement for all 3- and 4-year-olds • extended 15 hours for eligible 3-and 4-year-olds of working parents • expanded 15 hours for eligible 2-year-olds of working parents 	<ul style="list-style-type: none"> • expanded 15 hours for eligible 9-month-to 2-year-olds of working parents.

Families will continue to be able to move between funding streams on a term-by-term basis as current policy. All entitlements will continue to work on a termly basis, so children of eligible working parents will be able to receive the entitlement, including if they are moving from one entitlement to another, from the termly date (1 September, 1 January or 1 April) after they reach the relevant age.

Both Term Time Only and All Year Round stretched funding will be available for all children including the new cohort. This will have the same flexibility as the current process.

In November 2023 it was announced that for 2024-25, the following existing local funding rules would be extended to the disadvantaged 2-year-old entitlement and the new working parent entitlement for children aged 2 years old and under:

- the 95% pass-through requirement;
- the same list of allowable funding supplements (amounts of funding paid to providers in addition to the universal hourly base rate to reflect local needs or policy objectives), except the deprivation supplement, which *will not* be a mandatory requirement for 2-year-olds and under; and
- the requirement for local authorities to have special education needs inclusion funds (SENIFs) for all children with special education needs (SEN), regardless of the number of hours taken up.

Early Years Pupil Premium and Disability Access Fund

From 1 April 2024, EYPP and DAF will be extended to eligible 2-year-olds in receipt of the 2-year-old entitlements, and from 1 September 2024 this will be extended to children aged 9 months. The funding rates for EYPP and DAF will be the same across all age groups.

EYPP and DAF eligibility and policy will remain as set out in the existing guidance. This includes:

- Continuing to pay EYPP as a rate per hour per eligible child up to a maximum of 570 hours per year.
- EYPP becoming payable from the beginning of the term after an eligible child turns 9 months old, or the beginning of the term following their second or third birthday.
- Foster children receiving a full year's worth of EYPP regardless of the number of hours they take up.
- DAF is paid as an annual rate per child, issued to the provider as soon as possible when the child takes up the relevant entitlement for children aged 9 months up to 4 years.
- Children do not have to take up the full 570 hours of early education that they are entitled to, in order to receive the DAF. Children will be eligible where they take up any period of free entitlement and receive Disability Living Allowance.
- Where children remain eligible for DAF, providers should receive payments annually on the anniversary of the first payment until the child starts school.

Censuses

School census

The first school census to pick up the September 2024 changes will be the **Autumn 2024 school census**. The [technical specification for the 2024/25 school censuses](#) was published 26 March 2024.

From Autumn 2024 census onwards, the 'expanded hours' and 'eligibility code' data items will be expanded to cover children aged 9 months up to and including 2-year-olds.

Previous guidance advised that only children aged 2 and over will be recorded on the school census and children under 2 must be recorded on the Early Years census. We have reviewed this position after feedback from local authorities that this creates an additional burden for schools. We have therefore amended our advice, as follows:

- Where a school provides early years provision to a child under the age of 2 (whether they are a registered pupil or not), the school will have to separately register as an early years provider with Ofsted on the early years register.
- Children under 2 who are registered pupils of the school and who are receiving free early years provision should be recorded on the school census.
- Children under 2 who are not registered pupils of the school and who are receiving free early years provision should be recorded on the Early Years census.

Early Years census

The first Early Years census to capture the new entitlements and under 2s will be the **January 2025 Early Years census**.

The January 2025 Early Years census will be amended as follows:

- Addition of 'expanded hours' field to capture children aged 9 months up to and including 2 years old with working parents who are eligible for 15 hours funded early education
- Renaming '30 hours code' to 'Eligibility code'

There will also be changes to how children taking up a stretched entitlement should be recorded on the Early Years census. The Department published the [technical specification](#) for the January 2025 Early Years census in January 2024.

Temporary termly Early Years data collections for new entitlements

For financial year 2024 to 2025 there will be a temporary variation to the way we allocate funding to local authorities for the new early years entitlements in the first year of rollout.

We will collect two sets of termly data in the 2024 summer term (for 2-year-old working parent entitlement and EYPP for 2-year-olds) and in the 2024 autumn term (for 2-year-old working parent entitlement, under 2s entitlement and EYPP for 2-year-olds and under). This is to ensure local authorities are accurately funded for the hours they deliver under the new entitlements as take-up increases across the first year.

The full technical guidance for local authorities will be issued in April 2024.

Children splitting provision between providers

Where parents split their child's free entitlement between providers, local authorities and / or providers will need to distinguish between

- the 15 hours universal entitlement for three and four-year-olds,
- the existing 15 hours extended entitlement for three and four-year-olds,
- the existing 15 hours entitlement for disadvantaged 2-year-olds,
- and the new 15 hours expanded entitlement for eligible working parents of 9-month-olds up to and including 2-year-olds

in order to accurately record take-up in either the school census or the Early Years census.

Local authorities and providers may wish to use the parental declaration form to enable parents to indicate at which provider they are taking the universal entitlement, extended entitlement or expanded entitlement and, where appropriate, pass this information onto the provider or local authority.



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