



Item 9



Early Years Entitlement Claims 2015-16

Final Report

Issue Date: 9th November 2016

Working in Partnership to Deliver Audit Excellence

Executive Summary

- This section provides an overview for senior management to understand the main conclusions of this audit review, including the opinion, significant findings and a summary of the corporate risk exposure.

Findings and Outcomes

- This section contains the more detailed findings identified during this review for consideration by service managers. It details individual findings together with the potential risk exposure and an action plan for addressing the risk.

Appendices:

- Audit Framework Definitions
- Support and Distribution
- Statement of Responsibility

Executive Summary

Overview

In 2014-15, the South West Audit Partnership (SWAP) was commissioned by Somerset County Council (SCC) to review the claims submitted for Early Years Entitlement (EYE) funding submitted by registered providers in order to ensure their legitimacy. On 3rd November 2015 SWAP issued a report to SCC senior managers which detailed the overall findings of audits carried out at thirty individual providers for claims submitted between the Summer 2014 and Spring 2015 funding periods. Based upon the findings of these reviews, our assessment was that we could provide Partial assurance that funding claims were compliant with the Somerset Code of Practice.

In 2015-16, SWAP completed EYE claim reviews at a further twenty-eight settings. This review has been completed under an identical remit in order to establish the prevalence of issues identified in the previous report, and to highlight these issues to SCC.

EYE provides parents of three and four year olds with up to 570 hours of free early education provision per annum for each of their children. Children become eligible for EYE in the funding period after their third birthday. EYE funding is also available for two year olds who meet specified eligibility criteria. Between the Summer 2015 and Spring 2016 funding periods, over 4.94m funded hours were accessed by parents in Somerset at an overall cost of £20.3m. As of 1st October 2016, SCC has 499 registered Early Years providers.

The findings from the individual providers have been amalgamated in this report and collectively used to form an overall opinion on whether the claiming of funding is in line with the Somerset Code of Practice.

Objective

To verify that the claiming of EYE funding is in line with the Somerset Code of Practice.

Significant Findings

Risk:	Impact:
1) Though we reviewed fewer individual claims than in 2014-15, we identified that a higher number and proportion of funded hours had been over claimed. 2.4% of funded hours claimed by providers we reviewed had been over claimed, against 1.4% in 2014-15.	<p>If funded hours are over claimed, there is a risk that children will not receive their full entitlement for free.</p> <p>If funded hours are over claimed, providers are receiving more funding than they are owed.</p> <p>If the 2.4% over claim rate was consistent across all providers, the total overpayment for 2015-16 based on the amount paid to all providers would be £488k. This calculation does not take account of the fact that two year olds are paid at a higher rate than three and four year olds.</p>
2) Only 14% of the providers we reviewed were found to issue invoices that were fully compliant with the requirements of the Somerset Code of Practice. We identified a series of common weaknesses and some significant concerns, such as two settings that were receiving 'top up' by not deducting funded hours at the correct rate, and one	<p>Invoices are the primary means of confirming to customers that their child's funded hours have been received for free. If invoices are not complete and accurate, customers may not receive all necessary information and may be charged incorrectly.</p>

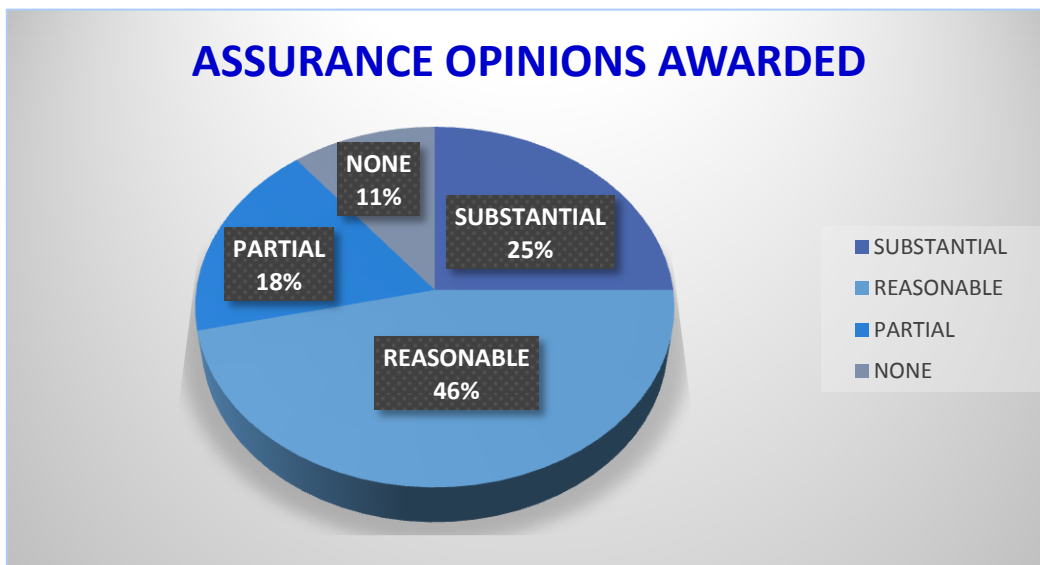
provider that did not issue invoices at all.	
3) Though the majority of providers were found to meet requirements, we identified significant errors relating to Parent Declaration Forms at three settings. In one instance, an error on two Parent Declaration forms resulted in an over claim of 330 hours.	The Parent Declaration form must be completed in order for the setting to have evidence of parental permission to claim funded hours for their children. If the Parent Declaration form is not completed correctly, there is a risk that too many or too few EYE hours will be funded.
4) Throughout the review we identified some significant common weaknesses in attendance registers that support EYE claims. This included nine settings where we identified examples of children not being signed in or out of their session, or not having the time of arrival or departure recorded.	If attendance registers are not complete there is reduced assurance that they provide an accurate record of attendance, and may reduce the confidence of stakeholders that children who attend the setting are being appropriately safeguarded.

Audit Opinion:

Partial

We are able to offer Partial assurance in relation to the areas reviewed and the controls found to be in place. Some key risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.

This opinion has been based on the findings identified by our review of twenty-eight providers visited in order to confirm their legitimacy of their EYE claims. Each provider has received an individual assurance opinion. The figure below provides an overview of the assurance opinions we have given:



We are pleased to report that 71% of providers visited were found to be largely compliant with the Somerset Code of Practice and hence received a Substantial or Reasonable assurance opinion. However, 29% of providers received a Partial or No Assurance opinion.

In the 2014-15 report we noted that the results of our review may have been skewed as a number of the providers were audited as a result of concerns raised by SCC officers, and therefore our findings may not have been fully representative of all settings in Somerset. Due to this we have used a predominantly random selection methodology throughout this review.

A comparison of the assurance opinions we have given in 2014-15 and 2015-16 is included below:

Report:	2014-15		2015-16	
	#	%	#	%
Substantial	7	23	7	25
Reasonable	14	47	13	46
Partial	6	20	5	18
No Assurance	3	10	3	11
Total	30	100	28	100

As shown above, although we selected providers to be reviewed at random, there is no significant difference in the proportion of providers receiving Substantial/Reasonable and Partial/No Assurance opinions. This indicates that the results of the 2014-15 review are more reflective of the population of providers than initially thought. In addition, our 2015-16 review identified a higher number of over claimed funded hours from a smaller sample of claims. Further details are available in paragraph 2.1 of this report.

Additional contributing factors in our decision to provide a Partial assurance opinion include:

- A delay in completing our recommendation to publish an amended Somerset Code of Practice. Though management agreed to alter the Somerset Code of Practice by February 2016, this was postponed due to consultations on the new 30 hours offer and was only completed in October 2016.
- The overall similarity of our findings in this review compared to those of the last audit.

As part of the 2016-17 internal audit plan a follow up review to confirm the progress of recommendations raised in the 2014-15 EYE report has been carried out and will be reported to the Audit Committee separately. However, due to our findings for this review being very similar to the last, we have carried forward some recommendations from the previous report.

Though it is accepted that the responsibility for complying with the Somerset Code of Practices lies with the providers, SCC must make further efforts to ensure that providers are aware of all expected requirements of the scheme, and take appropriate action where deviations from these requirements are identified.

Findings and Outcomes

Method and Scope

A sample of twenty-eight providers were selected for review at random from a list of settings which had not been audited by SCC or SWAP in the last six years. A visit was carried out for each provider and a representative sample of claims were reviewed to ensure that they were legitimate based on available supporting evidence. In total, we reviewed 178 funded hours claims submitted in 2015-16.

In addition to the claims, the audits assessed the compliance of each provider against the requirements of the Somerset Code of Practice (January 2015). The following risk areas were included in the review and common weaknesses across these areas have been reported below:

- Fees Policy
- Funded hours claimed
- Invoices raised
- Parent Declaration forms
- Attendance registers
- Funding received into an appropriate bank account.

The findings were discussed at the end of each visit and all providers visited have received a report detailing the results of their review, in which we made recommendations to address any weaknesses identified. Where settings were unable to provide the required documentation, not all of the risks could be fully tested. Any scope limitations have been identified in the provider reports, and all reports have been issued to SCC officers.

This report does not account for the results of one additional Early Years review carried out following a specific request from SCC Commissioners.

1. Risk Area: Fees Policy

1.1 Finding and Impact

Priority 3

Our review of the fees policies and documents held by the Early Years providers highlighted a number of common weaknesses which should be addressed. Of the twenty-eight provider policies we reviewed:

- Fourteen did not contain any guidance on how EYE funding can be claimed if a child is removed from the setting either without notice or before the end of a four week notice period.
- Eleven did not adequately explain the notice period for cancelling a child's place, or provide any guidance as to why the setting may opt to terminate a place.
- Nine either did not refer to or fully explain the basic EYE claiming rules as defined in section 2.1 of the Somerset Code of Practice.
- Nine were either not dated or had not been reviewed in the last year.
- Five did not clearly explain if charges were due for bank holidays and planned or emergency closures.
- Five indicated that customers would be charged in the event of closure due to unforeseen circumstances, though the Code of Practice states under section 2.5 that 'if the provider is not able to offer a service (due to closure) parents should not be charged.'
- Five did not provide a clear indication of how funded hours could be accessed at the setting.
- Five did not clearly specify the charging rate for hours attended that are not funded by EYE.
- Four did not state whether sessions not attended due to sickness or holidays were charged.
- Though only assessed for the eight providers visited for review of the Spring 2016 claims, we found that four providers who accepted two year-olds did not state in their fees policy the

necessary documents that must be provided in order for the provider to claim two year-old funding.

- Three policies defined session and hourly charges that were not consistent with one another, meaning there was no clear hourly rate.

Only three of the providers we visited were found to have fees policies or documentation which fully fulfilled the requirements of the Somerset Code of Practice, despite the Code of Practice containing a Model Fees Policy.

1.1a **Agreed Outcome:**

The Council should contact all registered providers in regards to the common errors so that they can review their own arrangements and take remedial action if necessary.

Action Plan:

Person Responsible:	Service Manager – Early Years Commissioning	Target Date:	1st January 2017
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Management Response:	<p>We will write to providers to inform them of the common errors identified in the 2014-15 and 2015-16 audits. We will also produce a Provider Self-Assessment Checklist which will allow providers to assess their Fees Policies against the new Somerset Code of Practice, which will be sent to all providers alongside the aforementioned letter.</p> <p>The Somerset Code of Practice (October 2016) will be amended to include a hyperlink to the ‘Guidance on writing a Fees Policy’ document which was removed from the Code to reduce the length of the document. ‘Guidance on writing a Fees Policy’ will be moved on the website to ensure it is visible to providers.</p> <p>A process for following up providers who received Partial or No Assurance results from their SWAP audits is now in place. The Early Years Improvement team will visit the provider six months after the audit to check the progress of recommendations. A decision will then be made as to whether a follow up audit is required. A letter outlining the new process has been prepared and is being reviewed by Legal.</p>
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Update from management- March 2017 :	<ul style="list-style-type: none"> • All providers were sent a ‘self- assessment’ checklist with their new hourly funding rates in early February 2017. A copy of this checklist is in Appendix A. • School and Early Years Improvement managers check all fees policies for providers that join the directory, and identify where they are not compliant. • The hyperlink to the guidance on writing fees policies has been added to an amended Code Of Practice, and will be uploaded once other changes are confirmed. • Providers that receive a ‘no’ or ‘partial’ audit result now receive a letter from the Service Manager for early years commissioning, explaining the process for follow up. SSE officers are conducting a follow up support visit to check that actions have been completed, and a report is sent to the Service manager. • SWAP has re-audited Sunbeams, Kickers and Dribblers, and Smartees- these all received no assurance in 2014-15 and all have improved.
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2. Risk Area: Funded hours claimed.

2.1. Finding and Impact

Priority 4

Throughout the audit a total of 178 individual EYE funding claims were reviewed to ensure they were accurate when compared to supporting records such as registers, invoices and Parent Declaration forms. A breakdown of our findings is displayed in the figure below:

Review of claims			
Category	2014-15	2015-16	Variance
Settings tested for claims	28	28	0
Settings with claim errors	20	17	-3
	71%	61%	-10%
Settings with over claims	17	15	-2
	61%	54%	-7%
Settings with under claims	8	8	0
	29%	29%	0%
Claimed hours reviewed	40,459.5	28,843.25	N/A
Hours over claimed	549.5	680.75	+131.25
	1%	2%	+1%
Hours under claimed	128.25	229.25	+101
	0.3%	0.8%	+0.5%

61% of providers we visited were found to have at least one claim error during testing. Within the sample of claims we tested, we found that 14% of claims had been over claimed. In comparison to 2014-15, fewer settings had over claimed and fewer claims were over claimed, however the number of over claimed funded hours identified was 680.75, 24% higher than the total we identified in 2014-15. The over claimed hours accounted for 2.4% of the total number of hours claimed by the settings we audited. If this rate of error was consistent across the total amount funded, the total liability would be £488k. It should be noted that 48.5% of the hours we found to be over claimed are attributable to one setting. If this setting is not taken into account the over claim error rate is 1.3%. If this error rate was consistent across all providers, the total over payment in 2015-16 not taking into account higher payment rates for two year olds would be £264k.

Included below is a breakdown showing the number of providers who have over claimed in tens of hours:

Breakdown of total over claims by providers			
Hours	2014-15	2015-16	Variance
<10	7	6	-1
>10 – 20	2	1	-1
>20 – 30	2	3	+1
>30 – 40	2	1	-1
>40 – 80	1	2	+1
>80 – 100	1	1	0
>100	2	1	-1
TOTAL	17	15	N/A

As shown above the majority of providers had minor over claims, however five settings were found to have over claimed by more than thirty hours. This is not significantly different from our findings in 2014-15. Though the reasons for over claims have been communicated to the individual providers, the most common causes were that:

- Providers did not take into account any days that the setting would be closed during the funding period that would not be charged to parents, such as inset days or bank holidays, and

providers did not adjust their claims at the end of the funding period.

- Providers claimed for more hours than were booked, attended or claimable under the rules of the Somerset Code of Practice, and did not adjust their claims at the end of the funding period.

The findings of this review, which are essentially identical to what we reported for 2014-15, indicate that providers do not always forecast attendance correctly, or check the attendance of all children at the end of the period in order to make adjustments as needed.

2.1a **Agreed Outcome:**

The Council should contact all providers to ensure that they are aware of their obligations as outlined in the Somerset Code of Practice (October 2016). In addition, we recommend that SCC creates additional guidance for the calculation of claims and the adjustment process, and communicate this to all providers.

Action Plan:

Person Responsible:	Service Manager – Early Years Commissioning	Target Date:	1st April 2017
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Management Response:	<p>We will write to providers to inform them of the common errors identified in the 2014-15 and 2015-16 audits. This will remind providers about the need to ensure that all children attending the setting are reviewed when an adjustment is submitted. The updated Code of Practice highlights that not submitting an adjustment when necessary is considered to be fraud.</p> <p>We are aware that providers need more help and assistance in understanding Early Years Entitlement and how to claim correctly. We will aim to develop ‘claim buster’ guidance and involve providers in this process to ensure it is fit for purpose. We will also explore the possibility of commissioning claims workshops for providers.</p> <p>We are aware that claim forms submitted prior to the agreed deadline are not reviewed until the deadline has passed, meaning potential issues are not identified proactively. We will undertake work to confirm whether changes to this process can be made.</p>
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Update from management- March 2017 :	<ul style="list-style-type: none"> • All providers were sent a ‘self- assessment’ checklist with their new hourly funding rates in early February 2017. A copy of this checklist is in Appendix A. • The updated Code of Practice 2016 highlights that not submitting an adjustment when necessary is considered to be fraud. • The Code of Practice 2017 will also clearly specify the sanctions for not submitting adjustments, and over-estimating claims. • The Head of Outcomes and Sufficiency met with SSE entitlements team to discuss the issue of not checking forms before the deadline date. He was satisfied that this process was appropriate, as it is the provider’s responsibility to meet the terms and conditions • The introduction of 30 hours will change the claims processes for providers; therefore commissioners will investigate the opportunity to set up ‘masterclasses’ in Sept 2017.
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3 **Risk Area: Invoices raised.**

In order to establish that customers were able to access all agreed funded hours at their provider, we reviewed invoices issued for each claim tested. Our review identified some significant issues, as follows:

- One provider was found to not issue any invoices at all, regardless if payment was due, and hence we could not confirm what had been charged to customers.
- One provider was found to not retain invoices after issue.
- We found that two providers visited were charging customers under more than one fee structure, meaning charged amounts were not consistent for all customers.
- Two providers visited were found to be in receipt of 'top up' of their funded hours because they were deducted at an hourly rate lower than the standard hourly rate for the setting. As a result, customers who access EYE funding at these settings are not receiving their entitlement for free.

Similarly, reviews across the twenty-eight providers identified several common weaknesses:

- Twelve providers were found to have under charged at least one customer. Examples of causes for under charges include, but are not limited to, providers not issuing revised invoices when the attendance pattern was altered; providers deducting more EYE funded hours than claimed; not charging for early drop offs or late collections; and invoices charging for fewer hours or sessions than attended. One provider was found to deduct EYE funded hours at the rate received from SCC, though the hourly rate charged by the provider was lower, meaning income was lost for every EYE funded hour claimed. At one setting we identified that 75% of the children we reviewed had been under charged, resulting in reduced revenue of £1.73k.
- We found that five providers did not issue invoices or an appropriate alternative for children who only access EYE funded hours, meaning that customers do not receive written confirmation that the funded hours have been accessed for free.
- The invoices issued by seven providers were found to be non-compliant either because they did not provide clear confirmation of the number of hours being charged, funded hours were deducted as a value, or it was not clear from the invoice how charged had been calculated.

Only four of the providers we reviewed were deemed to have invoices which fully met the requirements of the Somerset Code of Practice and did not feature any errors. All providers should review their invoices against the requirements of the Somerset Code of Practice to determine whether all required information is being communicated. Though many of these findings are outside of the SCC's direct control, steps should be taken to ensure that providers are aware of all requirements for invoices. For instance, as highlighted in the 2014-15 report, the Somerset Code of Practice does not explicitly explain that providers must deduct funded hours at their own standard hourly rate rather than the hourly rate paid by SCC.

3.1a Agreed Outcome:

Early Years Commissioners should commission appropriate support to should assist the identified providers wherever possible to ensure that they meet the expected standards.

The Council should contact all registered providers in regards to the common errors so that they can review their own arrangements and take remedial action if necessary. In addition, we recommend that SCC introduces additional guidance which clarifies the minimum information that providers must give to customers regularly, and provides examples of how this can be achieved in a compliant manner.

Action Plan:

Person Responsible:	Service Manager – Early Years Commissioning	Target Date:	1st January 2017
Management Response:	We will write to providers to inform them of the common errors		

	<p>identified in the 2014-15 and 2015-16 audits.</p> <p>We have included two example invoices in the updated Code of Practice which demonstrate the details that need to be included, though one of the examples included is incorrect. This will be amended in an addendum to the Somerset Code of Practice.</p> <p>The Early Years Improvement team have now visited some providers were identified as having significant problems with their invoices. Feedback from these visits has not yet been received.</p>
<p>Update from management- March 2017 :</p>	<ul style="list-style-type: none"> • All providers were sent a 'self- assessment' checklist with their new hourly funding rates in early February 2017. A copy of this checklist is in Appendix A. • There is guidance on how to write a fees policy on the somerset.gov.uk website for all providers to access. The new Code of Practice addendum contains the corrected example invoices. • The introduction of 30 hours will change the claims processes for providers; therefore SSE is delivering business support workshops that will include looking at invoices. • SSE improvement officers have carried up follow up visits to providers who gained a partial assurance in 2014 and 2015 to offer support in improving their processes.

4. Risk Area: Parent Declaration forms

4.1 Finding and Impact Priority 4

Prior to April 2015 the Entitlements Team received Parent Declaration forms from all providers every funding period, however from April only 25% of providers are required to do this in each period. The Somerset Code of Practice states that providers must ensure that these forms are signed by the parent or carer and that the hours agreed on the declaration reconciles exactly to the hours claimed on the Actual Form. If a Parent Declaration form is not completed, the claim is invalid.

The majority of providers were found to have satisfactory arrangements in place however testing identified that:

- For one provider two Parent Declaration forms were filled in incorrectly and resulted in an over claim of 330 hours. The setting had intended to claim 180 funded hours for both children by claiming 15 hours per week using the weekly claim box. However, the funding period box was completed instead, meaning that technically the parents had only agreed to access 15 funded hours for the entire funding period.
- We established that one provider had submitted a claim for funding for one child, but no parent declaration form was available on site, hence we could not verify that the claim was valid.
- For one provider we identified that where the setting had increased the number of funded hours claimed for two children, the original Parent Declaration form had been amended and signed with the initials of the parent. We sought guidance from the Entitlements Team who confirmed that a new Parent Declaration form should have been completed in this instance and that the use of initials is not sufficient. Therefore, technically the children were over claimed by 71 hours.

As shown above, though the Somerset Code of Practice states what the requirements for the Parent Declaration forms are, our findings suggest additional clarification is needed and that the format of the forms can lead to unintentional errors by providers.

4.1a	Agreed Outcome:		
The Council should consider revising the Parent Declaration form to include only one box which allows parents to only claim on a funding period basis. Management should review declaration forms produced by other local authorities to identify examples of good practice, and then incorporate these elements into a new form. A new Parent Declaration form should be required for every period. This should encourage greater vigilance among providers regarding the number of hours being claimed, and ensure that parents are aware of the number of funded hours their child will access in each funding period.			
Action Plan:			
Person Responsible:	Service Manager – Early Years Commissioning	Target Date:	1st September 2017
Management Response:	A new Parent Declaration form will need to be designed when the new 30 hours offer is introduced, however we are waiting upon statutory guidance from the Government before we begin to make changes to the form. A draft version of the new form should be finished by May with the final version going live in September 2017.		
Update from management- March 2017 :	<ul style="list-style-type: none"> • The new parent declaration form to be introduced in September 2017 will only have one box to input hours. • The Local authority does not pay providers who do not submit the requested parent declaration forms. 		

5. Risk Area: Attendance registers.

5.1	Finding and Impact	Priority 4	
The audit identified that the majority of the twenty-eight providers visited maintained adequate attendance registers which could be used to support EYE claims. However, we did identify some significant weaknesses: <ul style="list-style-type: none"> • For nine providers we identified at least one example of a child not being signed in or out, or the time of arrival or departure was not recorded. • For four providers we found that at least one register or relevant supporting record was not dated. In addition, during the visits to two providers we established that at least one register record was missing or had not been fully completed. • For three providers we found that where a child had not attended a session it was not always clear why the session had been missed. • As noted under 3.1, where invoices did not contain sufficient detail it was not always possible to confirm whether charges took all attended sessions into account. <p>If complete attendance registers are not retained there is reduced assurance that they provide an accurate record of attendance, and this may reduce the confidence of stakeholders that children are being appropriately safeguarded.</p>			
5.1a	Agreed Outcome:		
The Council should contact providers to remind them of the need to ensure that they have full records.			
Action Plan:			
Person Responsible:	Service Manager – Early Years Commissioning	Target Date:	1st January 2017
Management Response:	We will write to providers to inform them of the common errors identified in the 2014-15 and 2015-16 audits, including those relating to		

	<p>registers.</p> <p>A new Safeguarding Lead was appointed in February 2016 and she has since written an article on this subject in the Summer 2016 Early Years News & Views newsletter and provided a presentation at the most recent provider evening. Where safeguarding concerns are raised she will visit providers to identify and address issues.</p>
<p>Update from management- March 2017 :</p>	<ul style="list-style-type: none"> • The safeguarding lead has reminded providers at information events, and on visits about the importance of registers. A focused visit was made to the audited provider where issues with registers were found. • All providers were sent a 'self- assessment' checklist with their new hourly funding rates in early February 2017. A copy of this checklist is in Appendix A. • SWAP has been asked to copy in the safeguarding lead where issues with registers are found.

6.	Risk Area: Funding is received into an appropriate bank account.
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No significant findings were identified.

Audit Framework and Definitions

Assurance Definitions

None	The areas reviewed were found to be inadequately controlled. Risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
Partial	In relation to the areas reviewed and the controls found to be in place, some key risks are not well managed and systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
Reasonable	Most of the areas reviewed were found to be adequately controlled. Generally risks are well managed but some systems require the introduction or improvement of internal controls to ensure the achievement of objectives.
Substantial	The areas reviewed were found to be adequately controlled. Internal controls are in place and operating effectively and risks against the achievement of objectives are well managed.

Definition of Corporate Risks

Risk	Reporting Implications
High	Issues that we consider need to be brought to the attention of both senior management and the Audit Committee.
Medium	Issues which should be addressed by management in their areas of responsibility.
Low	Issues of a minor nature or best practice where some improvement can be made.

Categorisation of Recommendations

When making recommendations to Management it is important that they know how important the recommendation is to their service. There should be a clear distinction between how we evaluate the risks identified for the service but scored at a corporate level and the priority assigned to the recommendation. No timeframes have been applied to each Priority as implementation will depend on several factors, however, the definitions imply the importance.

Priority 5	Findings that are fundamental to the integrity of the unit's business processes and require the immediate attention of management.
Priority 4	Important findings that need to be resolved by management.
Priority 3	The accuracy of records is at risk and requires attention.

Priority 2 and 1 Actions will normally be reported verbally to the Service Manager.

Report Authors

This report was produced and issued by:

- Connor McLaughlin, Auditor
- Jenny Frowde, Senior Auditor
- Lisa Fryer, Assistant Director

Support

We would like to record our thanks to the following individuals who supported and helped us in the delivery of this audit review:

- June Mead, Entitlements Team Leader
- Charlotte Wilson, Service Manager – Commissioning Early Years Places
- Ken Rushton, Service Manager – School Finance
- Dave Farrow, Head of Improving Outcomes Commissioning

Distribution List

This report has been distributed to the following individuals:

- Dave Farrow, Head of Improving Outcomes Commissioning
- Charlotte Wilson, Service Manager – Commissioning Early Years Places
- June Mead, Entitlements Team Leader
- Ken Rushton, Service Manager – School Finance
- Martin Gerrish, Service Manager – Finance Governance
- Sue Rogers, Deputy Director of Education
- Julian Wooster, Director of Children’s Services

Working in Partnership with

Dorset County Council	Somerset County Council
East Devon District Council	South Somerset District Council
Forest of Dean District Council	Taunton Deane Borough Council
Hereford Council	West Dorset District Council
Mendip District Council	West Somerset Council
North Dorset District Council	Weymouth and Portland Borough Council
Sedgemoor District Council	Wiltshire Council

Statement of Responsibility

Conformance with Professional Standards
SWAP work is completed to comply with the International Professional Practices Framework of the Institute of Internal Auditors, further guided by interpretation provided by the Public Sector Internal Auditing Standards.

SWAP Responsibility

Please note that this report has been prepared and distributed in accordance with agreed Audit Charter and procedures. The report has been prepared for the sole use of the Partnership. No responsibility is assumed by us to any other person.



Appendix A

Self-assessment checklist – Early Years Entitlement

Have you?	✍ ✓
Explained if you will charge for any non- attendance and holidays taken? (If the setting is open but it is parental choice not to access the setting, then they can be charged.)	
Stated what extras you will charge for, and ensured that parents can opt out of these? (e.g. snacks, lunch, trips, nappies, laundry service)	
Ensured that you don't charge for when the service is not available e.g. planned closures?	
Explained if you will charge for unplanned closures e.g. gas leak, snow day, flooding.	
Included an explanation of what the EYE funding offer is? (Information is available to use on our website.)	
Stated how many weeks the 570 hours is offered?	
Included the notice period, and if you will charge when the child leaves without notice?	
Listed the additional services charges on the invoice?	
Stated payment methods and payment dates on invoices?	
Explained the arrangements for debtors and late payments in the fees policy?	
Explained that funded hours should not start until the term after the 2 nd /3 rd birthday?	
Produced registers that record the time that the child arrived and left at each session?	
Stated that the maximum number of hours allowed per day is 10 hours, and the minimum is 2.5 hours?	
Dated the fees policy, and included the date it was last reviewed?	
Stated your fee paying hourly rate in your fees policy?	
Stated that any hours attended in excess of EYE funded hours were chargeable to parents?	
Made arrangements to keep invoices and other paperwork relating to the EYE claim for 4 years?	
Used the term 'Early Years Entitlement' in all documents (e.g. instead of Nursery Education Funding, Early Years Grant etc.)?	
Collected a birth certificate (copy), Child Registration Form and Parent Declaration form as soon as (or before) the child starts?	