

# **HOW TO CLAIM 2-YEAR-OLD FUNDING – 2025/2026**

Following the government expansion of funded childcare from April 2024 onwards, there are now two different types of 2-year-olds funding a parent may be eligible to receive for their child. These are 2YO Working Family Entitlement funding and 2YO Families Receiving Additional Support (FRAS) funding. 2YO FRAS funding was previously known as 'Disadvantaged' funding.

# What is the difference between funding and 2YO Working Family Entitlement funding?

The main differences are shown below. Both types of funding are claimed for up to 15 hours per week, for 38 weeks per annum. Both types are also paid the same basic funding rate of £7.30 per hour from April 2025 onwards.

2YO Working Family Entitlement	2YO Families Receiving Additional Support (FRAS)	
Claimed by working families/carers meeting certain	Claimed by families in receipt of certain income	
income requirements. Eligibility criteria can be	related benefits, children receiving Disability Living	
found here Childcare Choices   30 Hours Childcare,	Allowance or children with looked after status.	
Tax-Free Childcare and More   Help with Costs	Eligibility criteria can be found here Early years	
GOV.UK	funding for 2 year olds   North Yorkshire Council	
Parents apply to HMRC online using above link	Parents apply to North Yorkshire Council (NYC)	
	online using above link	
If eligible, a parent will receive an 11-digit code from	If eligible, a parent will receive a 6-digit code from	
HMRC	NYC	
Must be re-confirmed by the parent every three	Does not need to be re-confirmed. Once a code is	
months with HMRC, to continue accessing 2YO	received, the child remains eligible for 2YO FRAS	
Working Family Entitlement funding until the term	Funding until the term after their 3 <sup>rd</sup> birthday.	
after a child's 3 <sup>rd</sup> birthday.		
Can access up to 30 hours per week of childcare	Can access up to 15 hours per week of childcare	
funding for 38 weeks per annum*	funding for 38 weeks per annum*	
Parent must apply and have received their code on	Parent must apply to NYC by 16 May 2025, 3	
or before 31 March, 31 August, or 31 December to	October 2025, or 16 January 2026 to claim	
claim funding from 1 April, 1 September, or 1	funding for all funded weeks available in Summer,	
January respectively.	Autumn, or Spring Term respectively	
Any queries regarding applying or eligibility must be	Any queries regarding applying or eligibility must be	
made to HMRC on 0300 123 4097	made to our FIS Team 0300 131 2131	

<sup>\*</sup>if a parent is eligible to access both 2YO funding types, maximum funded hours eligible to claim is 30 hours per week for 38 weeks per annum. See below for information on how to input funding claim if eligible for both.

A provider should identify from the signed parental agreement which type of funding a child is eligible to access and which type of funding to claim on headcount.

If a parent is eligible for both types of funding, but claiming 15 hours per week or less, their funding should be claimed on headcount by a provider as 2YO FRAS Funding only.

If a parent is eligible for both types of funding, but claiming more than 15 hours per week, their first 15 funded hours per week should be claimed by a provider as 2YO FRAS Funding. Then any balance of funded hours left to claim should then be added and claimed as 2YO Working Family funding.

Please ensure that the parental agreement in place confirms the type of early years funding you are claiming on behalf of the parent.

#### When does a child become eligible to access either type of 2YO Funding?

For both types of funding, a parent becomes eligible to access funded hours the term after a child's second birthday.

For a child eligible for 2YO Working Family Entitlement funding, the child must not only meet the date of birth criteria shown, but the parent must also have applied and received from HMRC a valid 11-digit code, by the end of the month before a new term starts.

Parents can also apply to HMRC up to 16 weeks before their child's 2<sup>nd</sup> birthday for their Working Family Entitlement code. However, even if the parent holds an 11-digit code, the child must still also meet the date of criteria shown below, before 2YO Working Family Entitlement funding can be claimed.

Your child's birthday	When they can get their hours from
1 September to 31 December	Term starting on or after 1 January
1 January to 31 March	Term starting on or after 1 April
1 April to 31 August	Term starting on or after 1 September

For a child eligible for 2YO FRAS funding as well as meeting the date of birth criteria above, the parent must also have **applied to North Yorkshire Council** before headcount deadline date, for a provider to claim and be paid for the full number of weeks funding available in that term.

Summer Term	Code must be applied by, and eligibility confirmed by NYC before 16 May 2025	13 Funded Weeks Payable
Autumn Term	Code must be applied by, and eligibility confirmed by NYC before <b>3 October 2025</b>	14 Funded Weeks Payable
Spring Term	Code must be applied by, and eligibility confirmed by NYC before <b>16 January 2026</b>	11 Funded Weeks Payable

If a parent applies (and is found eligible by NYC) after the deadline dates shown for their 2YO FRAS Funding, funding will only be paid to a provider from the date the parent's application was approved. The parent will therefore need to pay for any childcare accessed beforehand.

# How do I know if I can claim 2YO Funding for a child and offer a funded place?

For a child claiming 2YO Working Family Entitlement funding, before offering a funded place, a provider must:

- Check the child's date of birth means they are eligible to access funding in that term and;
- Check the parent holds a valid code from HMRC using the 'eligibility checker' on the Portal.

Further information on checking Working Family Entitlement codes can be found on our website here <u>Early Years Funding | CYPSinfo.</u>

For a child claiming 2YO FRAS funding, before offering a funded place, a provider must:

- Check the child's date of birth means they are eligible to access funding in that term and;
- Check the parent holds a letter of eligibility or details of a 6-digit code from NYC a code eligibility check is not required.

If the parent has a letter from another local authority, the parent must apply online to North Yorkshire to check they are eligible. This can be done using the link here <u>Early years funding for 2 year olds | North Yorkshire Council</u>. They must apply by the dates shown previously to be included on headcount and claim all funded weeks available.

For either type of funding, it is a providers' responsibility to check that a parent is eligible to access any type of 2YO funding in that term, before offering their child a funded place.

# How to input a 2YO headcount claim and claim 2YO funding correctly

## To make a 2YO FRAS Funding Claim only

Please follow the link here to our Synergy website guidance for guidance on how to add your headcount claim correctly: **Early Years Funding | CYPSinfo** 

#### To make a 2YO Working Family Funding Claim only

Please follow the link here to our Synergy website guidance for guidance on how to add your headcount claim correctly: **Early Years Funding | CYPSinfo** 

# To make a 2YO FRAS and 2YO Working Family Funding Claim for a parent eligible for both and accessing more than 15 hours per week funding

Please follow the link here to our Synergy website guidance for guidance on how to add your headcount claim correctly: **Early Years Funding | CYPSinfo** 

### Disability Access Funding (DAF) - Can I claim this for a 2YO Funded child?

Yes, from April 2024 onwards eligible 2YO Funded children, claiming <u>either</u> FRAS or Working Family Entitlement funding can have DAF claimed on their behalf. Further details on DAF including how much is payable, when this can be claimed/paid and what DAF may be used for, can be found on our website here <u>Early Years Funding | CYPSinfo</u>

# How will I know if a child is eligible for DAF?

For DAF to be claimed by a provider, the child must be accessing early years funding on headcount week and receiving Disability Living Allowance (DLA) from the Department of Work and Pensions, also on headcount week of the term your claim is made. Your signed parental agreement should indicate when a child is claiming DLA in this section overleaf.

# Disability Living Allowance (DLA) and Disability Access Funding (DAF) Funded children who are in receipt of DLA and are receiving the funding entitlement are eligible for the DAF. The DAF is a fixed annual rate of £910 per eligible child, and paid annually to the child's nominated early years childcare Is your child eligible and in receipt of DLA? Please nominate the main early years provider that you wish to claim for the DAF.

If this is ticked yes by the parent, please discuss with the parent if they wish a claim to be made and how the funding claimed will be spent to benefit their child or the setting. We advise documenting any discussion you may have with the parent, alongside their parental agreement as well as retaining any invoices/receipts to show how the child's funding was spent.

#### How do I claim DAF?

To claim and be paid DAF alongside the child's 2YO funding a provider must;

 Confirm the child is nominated for DAF on the 'Funding Details' screen, on the child's headcount claim, as shown below

#### Nominated for DAF\*



- Then, please send to the Funding Team or upload the following supporting evidence:
  - ➤ A copy of the signed parental agreement dated after 1 April 2025.
  - A copy of the child latest award letter from the Department of Work and Pensions to confirm they are being paid Disability Living Allowance. This must clearly show payment for the child is still being made on headcount week, for the term your claim is made.

The headcount claim and all evidence must be received by the funding by the headcount deadline date, for the term DAF is being claimed.

Details on how and where to send all supporting evidence can be found on our DAF website information here Early Years Funding | CYPSinfo.

It is a providers' responsibility to ensure both the child's headcount claim, and all correct supporting evidence are submitted to the Funding Team by headcount deadline date. No claim for DAF will be paid if headcount or any supporting evidence is missing or submitted after our deadline. If supporting evidence is received late or is invalid, providers will be notified and advised to re-submit the child's DAF claim correctly in the following term instead, subject to the child still being eligible for DAF.

#### Early Years Pupil Premium (EYPP) - Can I claim this for a 2YO Funded child?

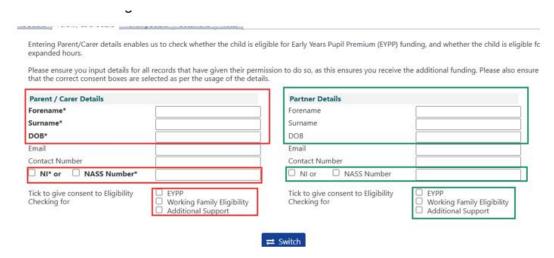
Yes, from April 2024 onwards eligible 2YO Funded children, claiming <u>either</u> FRAS or Working Family Entitlement funding can be eligible and paid EYPP funding for up to a maximum of 570 hours per financial year.

Further details on EYPP including how much is payable, how eligibility is checked, how EYPP is allocated and how EYPP funding may be used can be found on our website here <u>Early Years</u> <u>Funding | CYPSinfo</u>

#### How does a child qualify for EYPP?

The eligibility criteria for a child to qualify for EYPP is if their family are in receipt of certain income related benefits (economic grounds) **OR** the child has 'looked after status'. If a child or siblings have qualified for 'free school meals' this does not mean a child will then also automatically qualify for EYPP.

For a child to be checked to see if they qualify on 'economic grounds', we carry out an automatic check when processing your termly headcount claim. However, we can only do this if a provider has correctly completed the information on the Parent/Carer screen correctly, with all required information added, and you have also ticked the EYPP consent box.



If one or more pieces of information are missing, the automatic check cannot be completed. This may mean a provider is missing out on receiving additional early years funding for a child.

The other criteria that may apply for EYPP, is if a child has 'looked after' status. We are unable to check whether a child qualifies on this basis, using your headcount data. We therefore need providers to be aware from their contact with any parent/carer, if a child may meet these criteria. If a child's adoption or placement was carried out via North Yorkshire, then our child record may have EYPP added. However, if the child was placed via a different local authority, we may need additional evidence from the parent/carer to be provided by you before we can add EYPP to your headcount claim.

## How do I know if a child has been found eligible for EYPP?

Once all termly headcount claims are processed and the Portal is re-opened for providers to check claims, this is when you should also check if any children you expected to have EYPP, have this shown. If a child has been found eligible, you will see the initials 'EYPP' for the child in the 'weightings column', if they are eligible.

Once you have checked headcount, if there is a child you would have expected to qualify for EYPP either on 'economic' or 'looked after' criteria who is not shown with this on the Portal, we ask that you notify the team at <a href="mailto:eyft@northyorks.gov.uk">eyft@northyorks.gov.uk</a>. Please confirm the name and date of birth of the child and why you believe the child should qualify e.g., 'economic grounds' or because they have 'looked after' status. We can then review the headcount and child data held and advise further.

To amend and include EYPP on your headcount for a child, we would need to be contacted by a provider and any further details/evidence submitted by the deadline given for all termly headcount checks to be completed. This deadline will be included in our email to providers when sent asking for headcount to be checked.

# How much is EYPP and what can EYPP be used for?

Further details on EYPP including details on the amount payable and how to use EYPP to benefit a child can be found on our website here <u>Early Years Funding | CYPSinfo</u>

# Can I stretch funding for a child claiming 2YO Funding?

Yes, as with 3&4 YO funding if you are a provider that offers 'stretched' funding to parents you can also do this for any 2YO funded child if you wish. Further details on 'stretching' funding and how this should be claimed can be found on our website here Early Years Funding | CYPSinfo