



Merton Funded Early Education Guidance

Appendix Two - Annual Reviews and Audits for Early Years Providers Delivering Funded Early Education

London Borough of Merton's Early Education Funding Agreement 2020-21 sets out the expectation of how Early Years providers in Merton should deliver funded entitlements. The Annual Reviews allow the Local Authority to ensure that, under sections 1-5 and 9 of the Childcare Act 2006, providers delivering funded early education are meeting the learning outcomes of individual children and the conditions of delivery set out in the Funding Agreement and additional Guidance.

Below are the practice areas that will be reviewed:

- 1. SEN and Inclusion**
- 2. Keeping children safe**
- 3. Early Education Funding**

There are two Annual Practice Reviews and a Early Education Funding Audit.

The **Annual Practice Reviews** have been designed to help you to self-review your practice. They can be part of your continuous improvement cycles and will also help you review key elements of effective practice. These can be used as evidence for Ofsted of strong leadership and management, which is a key feature of the inspection.

According to "**Getting it Right First Time**" (Ofsted 2013), strong leaders *'identify accurately what works and what needs to change, they never lose sight of the link between the quality of the provision and its impact on children's learning and development. They involve staff, parents and children in the process of self-evaluation and they welcome challenge from other professionals'*. The Reviews will help you strive towards outstanding practice, thus raising the quality of the experiences of children who attend your provision and their parents.

The Practice Reviews will be led by an Early Years Advisor. A member of the team will email you the Practice Review documentation and confirm the date that they will be visiting your setting. Where possible, this will be a day and time that is convenient to you. You will be given a minimum of two weeks' notice unless there has been a serious complaint which requires a Practice Review to be delivered at an earlier date. You and your team should review the **Practice Statements** and tick yes/no column against



each one. Where you have identified a no response, it will be helpful for you to add the actions you have identified. Completing the practice self review can and should form part of your Ofsted Self Evaluation Form (SEF).

The **Funding Audit** is designed to monitor that the claims for funding that have been made are accurate and reflect what has been signed and agreed by the parent, and that the conditions of delivering funded education are being met as laid out in the Funding Agreement. The Early Education Funding Audit will be carried out by a member of the Funding, Sufficiency and Information Team.

The setting will be notified via email of the day and time of the Audit. At least two weeks notice will be given, unless there has been a serious complaint which requires an Audit to be delivered at an earlier date. Where possible, the Audit will be scheduled for a day and time that is convenient to the setting.

What is included in each of the Reviews / Audits?

1 - SEN and Inclusion Annual Practice Review – the practice elements in this review are 1) meeting the individual needs of vulnerable children and 2) the promotion of equality and inclusion. It will support providers to evidence how they meet the relevant parts of the EYFS, the SEND Code of Practice 0-25 (Jan 2015) and the Equality Act 2010. Included in the review will be:

- A discussion with the manager/SENCo regarding the settings overall approach and organisation of SEN
- Observation of any planned interventions to meet the needs of individual children, such as social interaction groups, language groups, individualised teaching
- Evidence of how additional funding is used to enhance the learning environment of particular children (for example, deprivation (EYPP), SENDIF and DAF funding)
- Discussion with the keyworkers of their work with individual children requiring additional support or differentiated or individualised learning
- A discussion with the manager as to how the setting ensures the closing of the attainment gap for certain cohorts of children, for example, funded two-year-olds, those in receipt of EYPP, and the sharing of any tracking tools used to evidence learning outcomes of those groups
- A review of records of children who have a SEN Support Plan, Behaviour Plan, Healthcare plan, EHCP etc. and will include ongoing assessment and planning.



2 - Safeguarding Annual Practice Review – the practice elements in this review are helping to ensure that children are kept safe. It will support providers to evidence how they meet relevant parts of the EYFS requirements and guidance set out in 'Working Together to Safeguard Children' (2018). Included in the review will be:

- A discussion with the manager regarding the setting's overall approach and organisation of safeguarding
- Observation of the premises and the safety measures in place
- A discussion with individual staff regarding their understanding of safeguarding
- A discussion with the safeguarding lead (where different to the manager)
- Review of setting documentation that relates to safeguarding
- A review of the setting processes with regard to record keeping for children who are receiving safeguarding interventions

3 - Financial Funding Audit – the funding audit will establish whether the setting is using government Early Education Funding for its given purpose, which is to offer children high quality early learning experiences that supports their learning outcomes, as well as ensuring that organisational practice is linked to the administration of Early Education Funding, as laid out in section 99 of the Childcare Act. The assigned Auditor will review all the relevant paperwork linked to the delivery of funded early education for a sample number of children.

The following will be audited:

- Parent Funding Agreement Forms and all additional paperwork that supports evidence of eligibility, for example, paperwork confirming a child's adoption status.
- Registers/Signing in Sheets – these are required for the whole term of the funding period that is being audited. For example, the spring term, the auditor will require registers as from 1 January to 31 March. If you have an absence book, where you record the reason for absence of a child this will be required as well.
- A copy of any published information – whether in a parent brochure or on a website that tells parents how the setting delivers funded early education places, what days of the week, hours that are offered, whether there are any restrictions etc.
- A copy of the fee structure
- A copy of a sample invoice
- A review of your published information on the Local Offer published on the FSD



When will the Reviews / Audit take place?

SEN and Inclusion and **Safeguarding Practice Reviews** will take place annually.

The **Funding Audit** is triggered either by random selection, parental complaint, where a child appears as a duplicate on a Headcount submission and where there are concerns that the provider is misappropriating public funds (Early Education Funding).

Where possible, the Local Authority will attempt to arrange a convenient date and time for both parties.

If there is a duplicate linked to a Headcount, the provider will be required to make the required documentation available within 24 hours.

How long will the Reviews / Audits take?

Reviews will take between one and three hours, depending on the size of the setting.

How many children's details will be reviewed / audited?

SEN/Inclusion Practice Review

- All funded children identified with delay or SEN
- In addition, any children or groups of children who are in receipt of additional funding, for example EYPP or DAF

Financial Funding Audit

Core information for all funded children at the setting will be reviewed. In addition, information for a percentage sample of children submitted onto the Headcount for a funding period will be reviewed in depth, as indicated below.

- 5 or fewer children – 100 per cent will be reviewed
- 5-15 children – between 25 and 50 per cent will be reviewed
- 15 plus children - 10 to 25 per cent will be reviewed

If inconsistencies or concerns are noted in the sample, the Auditor may judge it necessary to look at records beyond the time frame as detailed above or include additional children in the sample. It is for this reason that you are required to keep you



setting's registers for 3 years and financial records relating to funded children for 7 years

What happens after the Reviews / Audits?

Verbal feedback of the review will be given to you on the day and this will be followed up with a written report within 10 working days.

The report will highlight any strengths, recommendations or actions where a provider is not compliant with the terms and conditions of the Early Education Funding Agreement. The provider will be required to evidence that they have met any actions within the required time frame; failure to do so may result in the procedure for removal from the Directory of Providers being instigated.

Where there are concerns in relation to practice that affect the safety or well-being of the children in attendance, Ofsted will be notified.

Where there is evidence of fraudulent claim(s) having been made, the provider will receive formal notification of their removal from the Directory of Providers and the Local Authority will issue an invoice for the amount that has been falsely claimed. The provider will be given seven working days to make this payment before this is forwarded to the Local Authority's debt recovery team.