

Warwickshire County Council

Early Years Funding Provider Agreement 2025/26 – Updates

1. Introduction

The annual funding Provider Agreement sets out the terms and conditions for providers delivering funded early education entitlements in Warwickshire. It reflects statutory requirements and local authority processes to ensure compliance, transparency, and fairness.

2. Purpose of Update

This update is being implemented following the changes to the Ofsted Education inspection framework introduced in November 2025 and how this directs the offer of funded early education places, and the changes to the Statutory Guidance for Early Education and childcare. [Early education and childcare \(valid from 1 April 2026\) - GOV.UK.](#)

Settings that operate on Ofsted gradings allocated prior to November 2025 sit within the Ofsted grading wording of the original 2025 / 26 Provider Agreement until such time they are reinspected under the new Ofsted inspection framework.

Information on page 5 of this document from 2.75 onwards applies to ALL settings.

The amendments are being made in accordance with Clauses 1.4 and 1.8 of the 2025 / 26 Provider Agreement, under which the Local Authority has the power to unilaterally vary the agreement to reflect changes in legislation and guidance.

3. Additions to clauses

The additions to the clauses within the Provider Agreement are listed below with revised wording shown in *italics* for ease of identification.

The following apply to settings which have been inspected under the Ofsted Education inspection framework introduced in November 2025.

1.9 The Local Authority cannot impose requirements which subject the quality of the early years provision, or services provided by the childminder agency, to a quality assessment process by the Local Authority; or require the Provider to attend any training or other quality improvement

programme, other than any training or quality improvement programme identified in the following circumstances:

- **a Provider judged 'Needs Attention or Urgent Improvement in leadership and governance' in an early years provision inspection report;**
- **a state funded school inspected where inspection judges early years provision to be 'less than good';**
- **a maintained nursery school where inspection judges provision to 'require significant improvement or special measures';**
- **Any provider including schools where safeguarding is 'Not Met'; or**
- a Childminder Agency judged as 'Ineffective'.

2.50. Local authorities have a legal duty to provide information, advice and training for Providers who are judged as **'Needs Attention or Urgent Improvement in leadership and governance' and / or Safeguarding 'Not Met'** by Ofsted, or newly registered Providers who have not yet had an inspection report published with regards to:

- meeting the requirements of the EYFS;
- meeting the needs of children with SEND, vulnerable and disadvantaged children;
- effective safeguarding and child protection.

Where Ofsted has identified the need for training or quality improvement, the Local Authority will allow Providers to choose where and how they take this up, but Providers must access information, advice and training as agreed in their action plan for improvement if the setting is judged **'Needs Attention or Urgent Improvement in leadership and governance' and / or Safeguarding is 'Not Met'** and evidence this to the Local Authority where requested.

2.51 Provision must be offered in accordance with the national parameters on quality as set out in the Early Education and Childcare Statutory Guidance for Local Authorities.

Inspection judgements and specified grades – 1st April 2026 Statutory Guidance.

[Early education and childcare \(valid from 1 April 2026\) - GOV.UK](#)

The guidance outlines the circumstances in which local authorities are not required to make arrangements with providers for the delivery of the free entitlements following receipt of a 'specified grade' after an inspection by Ofsted or the Independent Schools Inspectorate. The definition of specified grade is as follows:

For providers inspected under section 5 of the Education Act 2005 (state schools and academies, including maintained nursery schools)

Latest inspection took place on 1 September 2024 or earlier:

- For Early Learning for 2-year-olds – 'requires improvement' or below for overall effectiveness
- For all entitlements – 'inadequate' for overall effectiveness

Latest inspection took place between 2 September 2024 and 9 November 2025:

- For Early Learning for 2-year-olds – judgement of less than ‘good’ in the early years provision judgement
- For all entitlements – where ‘significant improvement’ or ‘special measures’ are required

Latest inspection took place from 10 November 2025:

- For Early Learning for 2-year-olds – ‘needs attention’ or below in leadership and governance or safeguarding is ‘not met’
- For all entitlements – ‘urgent improvement’ in leadership and governance or safeguarding is ‘not met’

For providers inspected under section 49 of the Childcare Act 2006 (early years provision registered in the early years register, such as private, voluntary and independent providers or any provision for under-2s)

Latest inspection took place on 9 November 2025 or earlier:

- For Early Learning for 2-year-olds – ‘requires improvement’ or below for overall effectiveness
- For all entitlements – ‘inadequate’ for overall effectiveness

Latest inspection took place from 10 November 2025:

- For Early Learning for 2-year-olds – ‘needs attention’ or below in leadership and governance or safeguarding is ‘not met’
- For all entitlements – ‘urgent improvement’ in leadership and governance or safeguarding is ‘not met’

For independent schools inspected by Ofsted (where the provision is not registered in the early years register)

Latest inspection took place on 4 January 2026 or earlier:

- For Early Learning for 2-year-olds – ‘requires improvement’ or below for overall effectiveness
- For all entitlements – ‘inadequate’ for overall effectiveness

Latest inspection took place from 5 January 2026:

- For Early Learning for 2-year-olds – ‘needs attention’ or below in leadership and governance or safeguarding is ‘not met’
- For all entitlements – ‘urgent improvement’ in leadership and governance or safeguarding is ‘not met’

For independent schools inspected by the Independent Schools Inspectorate (where the provision is not registered in the early years register)

- For all entitlements regardless of the date of inspection – ‘not met’ for leadership and governance or ‘not met’ for safeguarding

For providers inspected by the Independent Schools Inspectorate (where the provision is registered in the early years register)

Latest inspection took place on 4 January 2026 or earlier:

- For Early Learning for 2-year-olds – ‘requires improvement’ or below for overall effectiveness
- For all entitlements – ‘inadequate’ for overall effectiveness

Latest inspection took place from 5 January 2026:

- For Early Learning for 2-year-olds – ‘needs attention’ or below in leadership and governance or safeguarding is ‘not met’

- For all entitlements – ‘urgent improvement’ in leadership and governance or safeguarding is ‘not met’

2.53 The Local Authority will fund places for the universal or working parent entitlements at Providers **and Schools judged:** -

- **Requires Improvement or better (1st September or earlier)**
- **Requires Improvement or better (between 2nd September & 9th November 2025)**
- **‘Needs attention’ or better in leadership and governance with safeguarding ‘met’ (from 10th November 2025 onwards)**
- **Met for leadership and met for safeguarding (Independent Schools from 5th January 2026 onwards)**

by Ofsted **or the Independent Schools Inspectorate. The Local Authority will also fund places** at any childminder or childcare provider registered with a childminder agency judged ‘effective’ by Ofsted if a parent wants their child to take up their free place at that provider and the provider is willing to accept the Local Authority funding and any other Local Authority requirements.

2.56 The Local Authority will only fund 2Help (Early Learning for 2 year olds) places for eligible 2-year-olds at Providers judged **‘Needs Attention’ in leadership and governance with Safeguarding ‘Met’** where there is not sufficient accessible **provision judged ‘Expected Standard’ with Safeguarding ‘Met’ or above** in the local area or to ensure continuity of care for children already receiving their free entitlement.

2.57 Where the Local Authority agrees to fund Providers that are **judged ‘Urgent Improvement’ in leadership and governance or ‘Needs Attention’ in leadership and governance and / or with Safeguarding ‘Not Met’** setting for 2Help places, this will be on the understanding that the Provider will work closely with the Early Years Quality, Standards and Safeguarding Team (EYQSS team) at a targeted support level to address the issues raised in the **inspection** report. The EYQSS team will generate regular update reports, to ensure that substantial progress is being made in addressing the identified areas. The Local Authority is under no obligation to maintain this arrangement and is doing so on the basis that progress is being made in addressing the identified areas.

2.94 The Local Authority may withdraw funding from a Provider following publication of an inspection judgment of **‘Urgent Improvement’ in leadership and governance and / or with Safeguarding ‘Not Met’** or an inspection judgment of a childminder agency of ‘not effective’. When deciding whether to withdraw funding, and within what timescale, the Local Authority will take into account, non-exclusively, the reasons given for the judgment by Ofsted, the benefits of

ensuring continuity of care for children already receiving their free entitlement, and Ofsted monitoring information.

The Local Authority will not withdraw funding before the Provider's Ofsted inspection judgment is published. The Local Authority will consider any information published by Ofsted about a Provider, including the recent history of childcare provision by a particular Provider, or childcare provision at a particular address. This may include, for example, where concerns exist that a Provider judged **'Urgent Improvement' in leadership and governance and / or with Safeguarding 'Not Met'** by Ofsted may have re-registered their setting to avoid making the quality improvements required by Ofsted.

The Local Authority will not usually allow any new funded children to be registered at the setting until it has been re-inspected and received a judgment of at least **'Expected Standard' with Safeguarding 'Met'** to admit new 2Help (Early Learning for 2-year-olds), or at least **'Needs Attention' in leadership and governance with Safeguarding 'Met'** to admit new 9 months + and 2-year-olds eligible for the working parent entitlement and 3- and 4-year-olds eligible for the universal and working parent entitlements.

The Local Authority will withdraw funding immediately from a Provider following publication of a second consecutive Ofsted inspection judgment of **'Urgent Improvement' in leadership and governance, 'not effective' in leadership and governance and / or Safeguarding 'Not Met'**.

Changes after this point apply to **ALL** settings

2.75. Government funding is intended to cover the cost 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 be no mandatory charges for parents in relation to the free hours. It is not intended to cover the cost of meals, other consumables, additional hours or additional services. The Provider can charge for meals and snacks consumed by the child as part of a free entitlement place, and they can also charge for consumables such as nappies or sun cream used by the child and for extra optional activities such as celebrations, special tuition or other activities that are not directly related or necessary for the effective delivery of the EYFS. Providers should be mindful of the impact of additional charges, especially on the most disadvantaged parents. These charges must be listed clearly in writing on fee sheets and invoices stipulating the detail of each charge, including what is included as a 'consumable'. Where parents are unable or unwilling to pay for meals and consumables, Providers who choose to offer the free entitlements are responsible for setting their own policy on how to respond, with providing parents with options for alternatives to additional charges, including waiving or reducing the cost of meals and snacks or allowing parents to supply their own meals. **Alternative options must not impede a child from**

accessing their free entitlement if their parents choose not to pay for meals and consumables, and must not include requirements that significantly restrict this option, including requirements that any food provided by parents must be prepackaged, that any food provided by home must be delivered part way through a nursery day, or that children must be collected for meal times. Alternative options must be reasonable. Providers must have a policy or statement which clearly sets out their response to enquiries from parents about any charges they make while a parent is taking their free entitlement session. This could be incorporated into the setting's written terms and conditions. Settings should consider how it notifies parents of the additional charges for consumables, hours and activities available ensuring that the wording of this does not mislead parents concerning the provision that will be available should additional consumables, hours and activities not be purchased.

Provider Signature Section - Ofsted inspection grading table at the end of the agreement has been updated to reflect the new Ofsted outcomes.

4. Wording Change - 2Help

From the 9th February 2026, where wording throughout the document references '2Help' this will now mean '2Help (Early Learning for 2 year olds)'.

5. Provider Responsibilities

Providers must:

- Review the above listed amendments and update any relevant internal knowledge and documentation accordingly.

6. Local Authority Responsibilities

Warwickshire County Council will:

- Update and reissue any additional revisions of this document where required.