

Conditions For the Award of the Quality Premium and Recruitment Incentive:

Settings in receipt of the Quality Premium and the Recruitment Incentive must meet the conditions set out below. These will be specified in the contract between the local authorities and the provider, and monitored by the local authority who should assure themselves that all conditions are met before continuing the payments:

- One Quality Premium and one Recruitment Incentive per setting which can be claimed in each of the two years;
- Settings must offer group based care for longer than 4 hours a day, with a minimum of 20 registered places and a satisfactory or better Ofsted rating;
- As evidence that affordability is not being compromised, fees paid by parents for a full week should not exceed £175 (£205 in London), and should not increase above the level notified to parents for the year ahead. A full week is a minimum of 6 hours a day, 5 days a week;
- Evidence that staff attracting the Quality Premium meet the criteria for graduate level qualifications;
- Commitment to having a member of staff with Early Years Professional Status in place within 2 years of receipt of the Premium and if applicable the Recruitment Incentive;
- Agreement to use at least half of the Quality Premium to fund staff professional development, particularly in preparation for the Early Years Foundation Stage, supported by local authority Early Years Advisers, and any remainder on improvements to the quality of services to children and parents (see paragraphs 3.8 and 3.9 above);
- Agreement to report on how the Quality Premium has been spent;
- Agreement to provide monitoring data as required and participate in the evaluation so that DfES can gather and assess evidence of both outputs and outcomes over time; and
- No expenditure prior to September 2006 and agreement to the financial conditions set out in the *General Sure Start Grant: Memorandum of Grant*.

If local authorities are not satisfied that the conditions have been met they will need to take action to adjust or cease payments accordingly.