

Meeting:	Schools Forum
Date:	14 January 2025
Subject:	Item 6: Early Years Funding Proposals 2025-26
Responsible Officer:	Andrew Osei, Interim Finance Business Partner – Children’s Services

Summary

1. This report provides an update on Early Years funding for 2025-26 which includes changes to funding rates, methodologies, and the expansion of Early Years entitlements.
2. Schools Forum is required to:
 - Note the changes to Early Years Funding
 - Note the expanded Early Years entitlements
 - Discuss and comment on the draft Early Years Funding 2025-26 Proposal Consultation document

Early Years Funding 2025-26

3. **In 2025-26 the Early Years entitlements will be as follows:**
 - the 15 hours entitlement for eligible working parents of children from 9 months to 2 years old (due to be extended to 30 hours from 1 September 2025)
 - the 15 hours entitlement for eligible working parents of 2-year-old children (due to be extended to 30 hours from 1 September 2025)
 - the 15 hours entitlement for families of 2-year-olds receiving additional support
 - the universal 15 hours entitlement for all 3 and 4-year-olds
 - the additional 15 hours entitlement for eligible working parents of 3 and 4-year-olds
4. The entitlement hours are up to 15 hours of childcare a week over 38 weeks of the year (equivalent to a maximum 570 hours a year) or, for 3 and 4-year-olds, up to 30 hours of childcare a week over 38 weeks of the year for qualifying children of working parents (equivalent to a maximum 1,140 hours a year).

5. From September 2025, eligible working parents of children aged 9 months and above will be able to access 30 hours (over 38 weeks a year) from the term following their child turning 9 months to when they start school).
6. The provisional Early Years Block for 2025-26 is shown at Table 1

Table 1 – provisional Early Years Block 2025-26

Entitlement	Hourly Rate to LA	Pupil PTE Estimate	Funding
3- & 4-year-old entitlement - universal 15 hours	6.85	3,718.15	£14,517,517
3- & 4-year-old entitlement - additional 15 hours	6.85	1,153.61	£4,504,271
2-year-old entitlement - additional support	9.69	386.42	£2,134,314
2-year-old entitlement - working parents	9.69	1,052.22	£5,811,728
Under 2s entitlement - working parents	13.15	1,146.12	£8,590,743
EY Pupil Premium - 3- & 4-year-olds			£151,392
EY Pupil Premium - 2-year-olds			£41,610
EY Pupil Premium - under 2s			£3,745
Disability Access Fund - 3- & 4-year-olds			£83,482
Disability Access Fund - 2-year-olds			£21,574
Disability Access Fund - under 2s			£10,318
Maintained Nursery Schools Supplementary Grant			£234,305
Provisional Early Years Block 2025-26			£36,104,999

7. More details on the entitlements and funding proposals is set out at in the appendix which is a draft consultation document
8. Local authorities must determine their funding formulae before the beginning of the financial year and it must first consult with its schools' forum, maintained schools and early years providers. The final decision on the funding formulae, following any consultation, rests with the local authority

Section 3 – contact details

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