

Schools Funding Forum 23rd October 2025

ITEM 8

Subject Heading:

Early Years – funding update

Report Author:

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Eligibility to vote:

Information only

SUMMARY

This report outlines the revision to the estimated carry-forward and confirmation of the distribution of the supplementary rate paid in the summer term from the carry-forward.

RECOMMENDATIONS

That the Schools Funding Forum notes the report

REPORT DETAIL

1. 2024-25 DSG Early Years carry-forward update

Following the July 2025 update of the 2024-25 Early Years funding allocations, an update to the previously reported carry-forward balance has been confirmed. The revision relates primarily to the 2024 autumn term PTEs. Havering's internal calculations remain correct, however, earlier internal figures overstated the PTEs compared with the data the DfE collected from the Census returns.

The PTEs used for Havering's 2024-25 final funding allocation for the new working parents entitlements, with weighted PTEs reflecting the number of weeks funded per term (Summer = 12, Autumn = 14, Spring = 12), are shown below:

	2YO WP		Under 2s WP	
	PTEs	Weighted PTEs for the term	PTEs	Weighted PTEs for the term
Summer 2024	1121.60	354.19	N/A	N/A
Autumn 2024	1382.54	509.36	1029.58	379.32
Spring 2025	1329.01	419.69	1080.11	341.09
Total PTEs for funding allocation		1283.23		720.41

The impact to the accrued amount, which formed the carry-forward amount, is as follows:

Category	Age	Funding Factor	LA £,000	DfE £,000	Difference £,000
Existing entitlements	Three/Four Year Old	Universal	-95	-95	0
	Three/Four Year Old	Extended	121	121	-0
	Two Year Old	Disadvantaged	-233	-188	44
	Three/Four Year Old	Pupil Premium	14	14	-0
	Two Year Old	Pupil Premium	-6	-1	5
New Entitlements	Two Year Old	Expansion	705	-86	-791
	Under Twos	Expansion	110	110	0
	Under Twos	Pupil Premium	1	1	-0
Total			618	-124	-741

As a result of the update, the overall Early Years carry-forward balance is revised from the originally disclosed amount of £1.744m to £1.003m as below, with the agreed distributions indicated.

	Original	Revised	
Total	1,744	1,003	
Under Twos	615	615	Allocated to EY providers as a supplementary hourly rate for all entitlements for the Summer term claims
2 year olds	756	15	
3&4 year olds	-2	-2	
Provision for Early Inclusion Funding	221	221	earmarked for SEN/SENIF
Centrally retained	154	154	earmarked for Central Costs

The overall funding for the supplementary rate was revised and the supplement for Summer term only was for 32p per hour. This was valid for all claims in the summer term and the funding was made payable at the end of the term. The distribution and average for each type of setting is as per the table below.

Provider Type	No. of providers	Total Funding Allocated	Average
Academy School	6	20,831.04	3,471.84
Childminder	82	35,676.75	435.08
Day Nursery	59	301,732.99	5,114.12
Independent School	5	10,704.64	2,140.93
Maintained School	18	79,619.00	4,683.47
Out Of School Care	1	24.96	24.96
Preschool	64	172,872.32	2,701.13
Grand Total	235	621,461.70	2,655.82