

Early Years Entitlements Update for Schools Forum

Early Years Entitlements Funding – EY DSG

In December 2025, the government announced the funding rates for the early years entitlements funding. The funding includes

- the 3- & 4-year-old universal (15 hours) and extended (15 hours) offers;
- the 2-year-old disadvantaged (15 hours) and
- the 9 months to 3-year-old working parents (30 hours)
- Early Years Pupil Premium (EYPP)
- Disability Access funding (DAF)

In addition, there is also maintained nursery school (MNS) supplementary funding for 3 & 4 year olds.

North East Lincolnshire's Allocations are:

		Allocations	
Stream	LA rate	PTE	Total Fund
3&4 YO Universal	£6.20	1894.2	£6,694,102.80
3&4 YO Extended	£6.20	802.42	£2,835,752.28
EYPP 3&4's	£1.15	426.02	£279,256.11
DAF 3&4's	£985.00	114	£112,290.00
Disadvantaged 2YO's	£8.62	456.75	£2,244,195.45
2YO's Extended	£8.62	1093.18	£5,371,230.61
EYPP 2's	£1.15	260.65	£170,856.08
DAF 2's	£985.00	29	£28,565.00
Under 2's Extended	£11.72	1101.91	£7,361,199.56
EYPP U2's	£1.15	24.47	£16,040.09
DAF U's	£975.00	5	£4,875.00
			£25,118,362.98

For the financial year 2026 to 2027, there are a small number of changes to the operational guide. The updates that have been made are intended to ensure the funding system supports the continued rollout of the new entitlements and delivery of the existing entitlements.

The main changes to the guidance are:

- confirmation of an increased minimum pass-through requirement for local authorities in 2026 to 2027 – the minimum pass-through rate will increase from 96% to 97%
- confirmation that the 28 February deadline, by which local authorities must announce their funding rates to childcare providers, is now a statutory requirement
- information on how we will be allocating funding to local authorities when we move to a termly funding system for all the early years funding streams from financial year 2026 to 2027
- information on changes to the eligibility criteria for the special educational needs inclusion fund (SENIF)

The Early Years and finance teams have looked at the allocations, local data and projections and have determined that 2.75% of the hourly rates are to be retained to cover the costs of administering the funding and supporting the sector and community to ensure NELC meets its statutory responsibilities.

The annual funding consultation is now open for providers to decide on their preferred options for the deprivation rate, which will also determine the hourly rates. The consultation also asked them to respond with their preferred the payment schedule



NELC EYE Funding
Provider Consultation

Sufficiency

Across the borough, there remains to be sufficient places, but they are not all in the right place or age range.

Places per eligible child (average) based on current part time (15hour) places

	2025-26		2026-27		2027-28	
	Actual PTE	PTE Required	Actual PTE	PTE Required	Actual PTE	PTE Required
All	1.61	0	1.68	0	1.72	0
3 & 4 year olds	1.77	0	1.84	0	1.92	0
2 Year olds	1.64	0	1.71	0	1.74	0
Under 2's	1.23	0	1.27	0	1.27	0

There is a potential need for additional PTE places in Croft Baker, Haverstoe, Humberston & New Waltham, Scartho, Wolds and Yarborough wards. A total of

approximately 120 PTE places could be required to meet future demand. Almost all the places are needed for under three's.

The supply, demand and take up of places is assessed termly and the team continue to work with providers to determine capacity and support the increase places were needed.

There remains no evidence of unmet demand in any age range, within the borough.

The team is holding an Early Years, Childcare and Wraparound market place event at the end of the month. The event will provide information, advise and support to all local providers and stakeholders as to the sufficiency of places locally. The team will be available to talk to any potential and existing setting who may be considering reviewing and or expanding their childcare offer.

Take up in Academic Year 2024-25

Offer	Take up Summer 25	Take up Spring 25	Take up Autumn 24
3 & 4 year Universal offer	94%	95%	100%
3 & 4 year extended	50%	47%	46%
2 year disadvantage	25%	25%	31%
2 year expanded	40%	38%	37%
Under 2's expanded	39%	37%	33%

Average Take up Year on Year

	3 & 4 year Universal	3 & 4 year extended	2 year disadvantage	2 year expanded	Under 2's expanded
2024-25	96%	49%	27%	38%	36%
2023-24	97%	47%	40%	31%	
2022-23	96%	47%	38%		
2021-22	97%	42%	36%		
2020-21	94%	37%	33%		

Note: Some 2 year olds could be eligible for both the disadvantaged and working offers. However, they can only access either offer not both.