

**CITY OF WESTMINSTER
SCHOOLS' FORUM 11th NOVEMBER 2024**

**REPORT BY THE LEAD STRATEGIC FINANCE MANAGER
CHILDREN'S SERVICES**

EARLY YEARS BUDGET GRANT (EYBG)

This report provides information on the Early Years Budget Grant from September 2024 to March 2025.

FOR INFORMATION

1 INTRODUCTION

- 1.1 The DfE published information regarding the £34 million additional funding to local authorities in 2024 to 2025 to support early years providers with their costs, following the recent teacher pay award. This funding is part of the almost £1.2 billion announced by the department following confirmation of the 2024 teachers' pay award.
- 1.2 The approach taken by the DfE to calculate EYBG hourly rates is in line with the way the historic teachers' pay grant (TPG) was incorporated into core funding arrangements in 2023 to 2024.

2 FUNDING RATES METHODOLOGY

- 2.1 The amount of EYBG funding that local authorities receive will be calculated using 2 hourly rates:
 - a 'core' EYBG hourly rate and
 - an MNS EYBG hourly rate
- 2.2 Each rate is multiplied by seven-twelfths of a local authority's part-time equivalents (PTE) count, based on January 2024 universal and additional hours (for the 'core' rate) PTEs and January 2024 MNS universal hours (for the MNS rate), to produce each authority's total allocation under the grant.
- 2.3 The EYBG will be paid to local authorities to cover the 7-month period between 1 September 2024 and 31 March 2025.
- 2.4 From April 2025, the EYBG will be rolled into the EY DSG and will therefore be subject to any allowable retention when calculating the pass-through rate, in line

with DfE guidance. This means there is a possibility that the combined hourly rates from September 2024 to March 2025 may be higher than the new rates from April 2025. The rates for the new financial year have not yet been announced by the DfE.

- 2.5 The EYBG will be distributed as a separate grant and the supplementary payments will be shown as separate lines in remittance advices sent to schools for each element they receive.
- 2.6 The Early Years funding rates from September 2024 to March 2025 are as follows:

Westminster	EY WCC Rate April 24 - March 25	EYBG Sept 24 - March 25	Combined Rate Sept 24 - March 25
Universal Entitlement (3/4YO) - 15hrs	£7.31	£0.15	£7.46
Working Family Entitlement (3/4YO) - 30hrs	£7.31	£0.15	£7.46

- 2.7 Maintained Nursery Schools (MNS) in WCC will not receive any supplementary funding due to the DfE MNS DSG allocation being on a maximum capped rate.

3 CONCLUSION

- 3.1 Schools' Forum are asked to note the rates for the Early Years Budget Grant from September 2024 to March 2025, detailed in section 2.

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Background Papers:

Guidance for local authorities on the early years budget grant for 2024 to 2025:
<https://www.gov.uk/government/publications/early-years-budget-grant-eybg-2024-to-2025>