

Title of Report: Early Years Budget Grant 2024/25

Report of: Darren Collins, Strategic Director, Resources & Digital

Purpose of the Report

1. To bring to Schools Forum the outcome of the consultation on the allocation of the Early Years Budget Grant (EYBG).

Background

2. The EYBG was announced in July 2024 at the same time as core budget grants for mainstream schools, post 16 and special schools to support education providers with their costs following the 2024/25 teachers pay award. The allocations and operational guidance were only published by the Department for Education (DfE) 17 September 2024 for the EYBG and is for the time period September 2024 to March 2025.
3. The EYBG funding is made to Local Authorities with school based early years provision as school-based providers are more likely to incur specific costs related to teachers pay. A proportion of the grant will be directed towards maintained nursery schools.
4. Funding has been allocated as proportion of the total funding available (£34m for EYBG) based on the value of the previous Teachers Pay Grant that was rolled in to early years funding for 2024/25.
5. The value of the grant for Gateshead to cover the period September 2024 to March 2025 is £148,100 for nursery classes and £10,787 for maintained nurseries.
6. Local authorities must pass on the funding in a clear and transparent way, so that providers can understand how allocations have been determined locally.
7. Unlike previous years allocations for teachers pay and pension grants, the DfE did not provide individual allocations to school bases settings but left the allocation methodology to local authority discretion.
8. The EYBG conditions of Grant state that:
 - Local Authorities do not have to consult with Schools Forum (due to time constraints)
 - The DfE encourages Local Authorities to consult with providers, where this is possible and does not create excessive delays in finalising allocations and making payments
 - All funding must be allocated to providers

- There must not be any carry forward past 31 March 2025
9. Before consultation with providers a draft consultation document was taken to senior officers, where it was approved, before being e-mailed out to providers.
 10. The consultation ran from 17th to 28th October 2024. The consultation document is in appendix 1 for information.

Outcome of the Consultation

11. At the close of the consultation, 25 responses had been received.
12. Although the response rate was low (25 out of more than 140 3- & 4-year-old settings), most of the responses were in favour of the proposals, ranging from 76% for questions 2 and 3, 72% for question 1 and 64% for question 3.
13. The breakdown of the responses are in appendix 2 and comments in appendix 3.

Proposal

14. The proposal is for the EYBG for nursery class funding to be allocated to school-based providers who have a teacher led provision and have teachers that are paid on teachers pay terms and conditions. Settings must also have a teacher led provision that is at least on a 1:26 ratio.
15. It is proposed that the allocations are based on Spring 2024 hours, as the DfE are allocating funding on January 2024 head count data.
16. For the EYBG for maintained nurseries, it is proposed that the funding allocated by the DfE to Gateshead for nursery schools is passported to Gateshead's only nursery school.

Recommendation

17. It is recommended that Schools Forum notes: -
 - The consultation document in appendix 1
 - The consultation results in appendix 2
 - The consultation comments in appendix 3
18. It is recommended that Schools Forum approves:-
 - The allocation of funding to nursery classes in school-based providers that have teachers that are paid on teachers terms and conditions, and that settings are staffed on a teacher ratio of no more than 1:26
 - That allocations are based on spring 2024 hours
 - The maintained nursery element of the EYBG be allocated to Bensham Grove nursery school as Gateshead's only maintained nursery school.

For the following reason(s):

- To enable the EYBG to be allocated to settings in a clear and transparent way

- To provide funding to school-based settings following the 2024/25 teachers pay award

Gateshead Metropolitan Borough Council

Early Years Budget Grant

CONSULTATION PAPER

18 October 2024 to 28 October 2024

INTRODUCTION

This consultation paper is for early years' providers that are in receipt of funding for 3- & 4-year-old children.

On the 29 July 2024, the Department for Education (DfE) announced additional funding for mainstream schools, post 16, Special Schools and early years provision to support education providers with their costs following the 2024/25 teachers pay award.

This funding will cover the 7-month period between September 2024 to March 2025, and will then be rolled into the 3-and-4-year-old element of the dedicated schools grant (DSG) early years block for 2025/26.

For early years providers the Early Years Budget Grant (EYBG) will only be paid to local authorities. The DfE funding approach for the EYBG targets areas that have more school-based provision as school-based settings are more likely to incur specific costs related to teachers pay.

The DfE allocation methodology is also proportionally based on the previous Teachers Pay Grant that was allocated to school-based settings before being rolled into 3- & 4-year early years DSG funding.

The DfE published allocations of the EYBG on the 17 September 2024, and the total value of the grant for Gateshead to cover the period September 2024 to March 2025 is £148,100 for nursery classes and £10,787 for maintained nurseries.

Local authorities must pass on the funding in a clear and transparent way, so that providers can understand how allocations have been determined locally.

The EYBG conditions of Grant state that:

- Local Authorities do not have to consult with Schools Forum (due to the time constraints)
- The DfE encourages Local Authorities to consult with providers, where this is possible and does not create excessive delays in finalising allocations and making payments to providers
- All funding must be allocated to providers
- There must not be any carry forward past 31 March 2025

Funding Proposal

The proposal is for the EYBG for nursery class funding to be allocated to school-based providers who have a teacher led provision and have teachers that are paid on teachers pay terms and conditions. It is proposed that the allocations are based on Spring 2024 hours, as the DfE are allocating funding on January 2024 head count data.

For the EYBG for maintained nurseries, it is proposed that the funding allocated by the DfE to Gateshead for nursery schools is passported to Gateshead's only nursery school.

The consultation will run from 18 to 28 October 2024, and the outcome of the consultation will be reported to Schools Forum.

The consultation questions are:-

Q1 Do you accept the proposal to allocate the EYBG to school based nursery classes, who have a teacher led provision and employ teachers on teachers pay terms and conditions?

Q2 Do you accept that only nursery classes that are teacher led (in a ratio of 1:26) will attract EYBG funding?

Q3 Do you accept that funding will be awarded based on Spring 24 hours?

Q4 Do you accept that Gateshead's allocation of EYBG for nursery schools be passported to the only Gateshead maintained nursery as the only setting eligible for this funding?

Consultation Response

Please complete the attached consultation form and return by 28th October 2024 and send to Carole Smith carolesmith@gateshead.gov.uk

Consultation Response Form

Early Years Budget Grant Consultation for 3- & 4-year-old Early Years Settings

The name organisation and role sections must be completed, and only one consultation response will be accepted from each setting.

Return deadline 28 October 2024

Name	
Organisation	
Role	

EYBG

Q1 Do you accept the proposal to allocate the EYBG to school based nursery classes, who have a teacher led provision and employ teachers on teachers pay terms and conditions only?

Yes
Don't Know
No

Comments

EYBG

Q2 Do you accept that only nursery classes that are teacher lead (in a ratio of 1:26) will attract EYBG funding?

Yes
Don't Know
No

Comments

EYBG

Q3 Do you accept that funding will be awarded based on Spring 24 hours?

Yes
Don't Know
No

Comments

EYBG	
Q4 Do you accept that Gateshead's allocation of EYBG for nursery schools be passported to the only Gateshead maintained nursery as the only setting eligible for this funding?	
Yes	<input type="checkbox"/>
Don't Know	<input type="checkbox"/>
No	<input type="checkbox"/>
Comments	

Please return to
Carole Smith
Finance Business Partner Schools
By Monday 28 October 2024

Appendix 2

Setting	Question 1			Question 2			Question 3			Question 4		
	Yes	Don't Know	No	Yes	Don't Know	No	Yes	Don't Know	No	Yes	Don't Know	No
1	x			x			x			x		
2	x			x			x			x		
3	x			x			x			x		
4	x			x			x			x		
5	x			x			x			x		
6	x			x			x			x		
7	x			x			x			x		
8	x			x			x			x		
9	x			x			x			x		
10	x			x			x			x		
11	x			x			x				x	
12			x			x		x				x
13	x			x			x			x		
14	x			x			x			x		
15			X			x			x			x
16	x			x			x			x		
17	x			x			x			x		
18		x		x				x			x	
19	x			x			x				x	
20	x			x			x			x		
21			x			x	x					x
22		x			x			x			x	
23	x			x			x			x		
24			x			x		x				x
25			x			x		x				x
Total	18	2	5	19	1	5	19	5	1	16	4	5
Percentage	72%	8%	20%	76%	4%	20%	76%	20%	4%	64%	16%	20%

Appendix 3

Comments	
Q1	
Setting 15	We are a PVI and do not have teacher status but work as hard
Setting 21	I totally disagree with it being only settings with teacher status, as all settings are struggling with increased cost, and the rise in minimum wage.
Q3	
Setting 15	Unfortunately this will not help PVI settings
Q4	
Setting 15	Again preschools should receive this funding to enhance staff wages
Setting 21	Who/what is the only Gateshead maintained nursery?
Setting 24	I just don't know much about the whole scheme; the info is very vague.