



SCHOOLS FORUM

2026-27 Early Years Block Budget

24th June 2026

Content Applicable to;		School Phase;	
Maintained Primary and Secondary Schools		Pre School	x
Academies		Foundation Stage	x
PVI Settings	x	Primary	
Special Schools / Academies		Secondary	
Local Authority	x	Post 16	
		High Needs	

Content Requires;		By;	
Noting	X	Maintained Primary School Members	
Decision		Maintained Secondary School Members	
		Maintained Special School Members	
		Academy Members	
		All Schools Forum	X

1. Purpose of the Report

1.1 This report is presented to Leicestershire Schools Forum for information. It sets out the Early Years Block budget for 2026-27 and confirms that Leicestershire County Council has met the statutory requirement to pass through a minimum of 97% of its Early Years National Funding Formula (EYNFF) allocation to early years providers.

1.2 No decision is required from Schools Forum. Members are asked to note the information and compliance position set out in this report.

2. Background and Legislative Context

2.1 The Schools and Early Years Finance (England) Regulations require local authorities to pass through at least 97% of the funding received from the Department for Education through the Early Years National Funding Formula directly to providers delivering funded early education entitlement places.

2.2 The requirement applies separately to each of the four funded entitlement streams: 3 and 4 year olds, including the universal 15 hours and additional 15 hours; early learning for 2 year olds from disadvantaged families; 2 year olds of working parents; and children aged 9 months to 2 years of working parents.

2.3 The pass-through rate is calculated as the proportion of the EYNFF allocation directed to providers through the Early Years Single Funding Formula (EYSFF). This includes base rates, deprivation supplements, SEN Inclusion Fund payments and contingency, measured against the total EYNFF allocation received.

2.4 Centrally retained expenditure, the Early Years Pupil Premium (EYPP) and the Disability Access Fund (DAF) are funded separately and do not form part of the 97% pass-through calculation.

3. Pass-Through Rate Summary

3.1 The table below confirms the pass-through rate achieved for each entitlement stream. All four streams meet or exceed the statutory minimum pass-through requirement of 97.0%.

Entitlement Group	Required Rate	Achieved Rate	Status
3 and 4 Year Olds	97.0%	97.2%	Compliant
Early Learning for 2 Year Olds (Disadvantaged)	97.0%	97.1%	Compliant
2 Year Olds - Working Parents	97.0%	97.1%	Compliant
9 Month to 2 Year Olds - Working Parents	97.0%	97.2%	Compliant

4. Early Years Funding Formula - Budget Detail

4.1 The Early Years Single Funding Formula allocates funding to providers across Private, Voluntary and Independent settings, nursery schools and primary nursery classes. The 2026-27 budget positions are summarised below.

4.2 Funding Formula Budgets

Funding Stream	Budget (£)	Notes
3 and 4 Yr: Base Rate (PVI - Universal and Additional 15 hrs)	£42,907,951	£5.70/hr; 4,843,860 PVI hrs + 40,977 nursery school hrs
3 and 4 Yr: Deprivation Supplement	£217,905	IDACI-based; two bands (£0.04 and £0.08/hr)
3 and 4 Yr: MNS Lump Sum	£236,849	Maintained Nursery School supplementary funding
3 and 4 Yr: SEN Inclusion Fund	£299,790	Paid directly to providers
3 and 4 Yr: Contingency	£526,939	
TOTAL - 3 and 4 Year Old EYSFF	£44,189,434	
Early Learning 2 Yr: Base Rate	£3,235,046	£7.56/hr; 427,916 PVI hours
Early Learning 2 Yr: SEN Inclusion Fund	£17,042	Paid directly to providers
Early Learning 2 Yr: Contingency	£29,954	
TOTAL - Early Learning 2 Year Olds	£3,282,042	
2 Yr Working Parents: Base Rate	£31,281,215	£7.56/hr; 4,137,727 PVI hours

2 Yr Working Parents: SEN Inclusion Fund	£164,784	Paid directly to providers
2 Yr Working Parents: Contingency	£289,641	
TOTAL - 2 Year Olds Working Parents	£31,735,640	
9 Mth-2 Yr Working Parents: Base Rate	£42,440,029	£10.23/hr; 4,148,585 PVI hours
9 Mth-2 Yr Working Parents: Deprivation Supplement	£120,089	IDACI-based; two bands
9 Mth-2 Yr Working Parents: SEN Inclusion Fund	£165,217	Paid directly to providers
9 Mth-2 Yr Working Parents: Contingency	£290,401	
TOTAL - 9 Month to 2 Year Olds Working Parents	£43,015,735	

4.3 No supplements have been applied for quality, flexibility, rurality or sparsity, or English as an Additional Language in 2026-27. Deprivation supplements are allocated using IDACI rankings, with two bands applied for 3 and 4 year olds and for 9 month to 2 year old working-parent entitlements.

5. Centrally Retained Expenditure

5.1 The local authority retains the following amounts from the Early Years Block to fund quality improvement, advisory and administration functions.

Item	Budget (£)
Central Retained - 3 and 4 Yr Olds	£1,296,105
Central Retained - Early Learning 2 Yr Olds	£98,967
Central Retained - 2 Yr Working Parents	£956,956
Central Retained - 9 Mth-2 Yr Working Parents	£1,276,425
TOTAL CENTRALLY RETAINED	£3,628,453

6. Early Years Pupil Premium and Disability Access Fund

6.1 The Early Years Pupil Premium and Disability Access Fund are passported in full to providers and are not subject to the 97% pass-through calculation. The budgets are included below for completeness.

Grant	Budget (£)	Pass-through to Providers
Early Years Pupil Premium - 3 and 4 Yr Olds	£588,921	100% - directly to providers
Early Years Pupil Premium - Early Learning 2 Yr Olds	£24,829	100% - directly to providers
Early Years Pupil Premium - 2 Yr Working Parents	£240,085	100% - directly to providers
Early Years Pupil Premium - 9 Mth-2 Yr Working Parents	£37,220	100% - directly to providers
TOTAL EYPP	£891,055	
Disability Access Fund - 3 and 4 Yr Olds	£359,775	100% - directly to providers

Disability Access Fund - Early Learning 2 Yr Olds	£9,961	100% - directly to providers
Disability Access Fund - 2 Yr Working Parents	£96,314	100% - directly to providers
Disability Access Fund - 9 Mth-2 Yr Working Parents	£34,125	100% - directly to providers
TOTAL DAF	£500,175	

7. Pass-Through Calculations

7.1 The detailed calculations supporting the pass-through rates for each entitlement stream are set out below. The methodology follows the Department for Education prescribed framework.

7.2 3 and 4 Year Olds

Ref	Description	Amount
A	Base rates + deprivation supplements + MNS lump sums + SEN Inclusion Fund + contingency = Subtotal	£44,189,434
B	DfE quantum MNS supplementary funding allocation (published in DSG allocations tables)	£236,849
C	Planned total base rate hours for universal and additional 15 hrs, including MNS	7,527,711 hrs
D	Equivalent average rate to providers = (A - B) / C	£5.84/hr
E	LA EYNFF hourly rate for 3 and 4 year olds (DSG allocations tables)	£6.01/hr
F	Pass-through test = (D / E) x 100%	97.2%

7.3 Early Learning for 2 Year Olds (Disadvantaged)

Ref	Description	Amount
A	Base rate + supplements + SEN Inclusion Fund + contingency = Subtotal	£3,282,042
B	Planned total base rate hours for early learning 2 year olds	427,916 hrs
C	Equivalent average rate to providers = A / B	£7.67/hr
D	LA hourly rate for 2 year olds (DSG allocations tables)	£7.90/hr
E	Pass-through test = (C / D) x 100%	97.1%

7.4 2 Year Olds - Working Parents

Ref	Description	Amount
A	Base rate + supplements + SEN Inclusion Fund + contingency = Subtotal	£31,735,640
B	Planned total base rate hours for 2 year olds of working parents	4,137,727 hrs
C	Equivalent average rate to providers = A / B	£7.67/hr
D	LA hourly rate for 2 year olds (DSG allocations tables)	£7.90/hr
E	Pass-through test = (C / D) x 100%	97.1%

7.5 9 Month to 2 Year Olds - Working Parents

Ref	Description	Amount
A	Base rate + deprivation supplements + SEN Inclusion Fund + contingency = Subtotal	£43,015,735
B	Planned total base rate hours for 9 month to 2 year olds of working parents	4,148,585 hrs

C	Equivalent average rate to providers = A / B	£10.37/hr
D	LA hourly rate for 9 month to 2 year olds (DSG allocations tables)	£10.67/hr
E	Pass-through test = (C / D) x 100%	97.2%

8. Matters for Schools Forum to Note

8.1 Leicestershire County Council has met the statutory 97% pass-through requirement for all four Early Years entitlement streams in 2026-27.

8.2 The highest achieved pass-through rate is 97.2%, recorded for both 3 and 4 year olds and 9 month to 2 year olds of working parents.

8.3 No supplements have been applied for quality, flexibility, rurality or sparsity, or English as an Additional Language in 2026-27. The only supplement in use is deprivation, allocated through IDACI rankings.

8.4 The combined EYPP and DAF budget of £1.39m are passported in full to providers and sit outside the pass-through calculation.

8.5 The amount centrally retained by the local authority is £3.63m, covering quality improvement, advisory and administration costs.

9. Equal Opportunity Issues

9.1 There are no equality issues arising directly from this report.

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