Dorset Schools' Forum

Date of Meeting:	**6 November 2026**
Report Title:	**Distribution method for 2026-27 early years grants to school-based settings**
Executive Director:	**Paul Dempsey, Executive Director for People - Children**
Corporate Director:	**Jen Furnell, Corporate Director for Education and Learning**
Report Author: Title: Tel: Email:	Vanessa Eddey Team Manager Schools, Finance & Support 01305 225918 vanessa.eddey@dorsetcouncil.gov.uk
Presenting Officer:	**Vanessa Eddey, Team Manager, Schools, Finance & Support Officer Schools, Finance & Support**
Report Status:	**Public**
Reason for Submission to Schools' Forum:	**For CONSULTATION** **Under Forum power/responsibility**: 2(b)(ii) Early Years Provision
Recommendation(s):	**The Schools Forum consider and approve the methodology of distribution two grants to school-based early years settings: Early years teachers' pay grant (EYTPG) 2026-27 and Early years free school meals (EYFSM) expansion grant 2026-27**
Reason for Recommendation(s):	
DECLARATIONS OF INTEREST	Schools' Forum members are reminded of their responsibility to make a declaration of interest in any agenda item in which they have an interest, to the Chair or the Clerk, preferably in advance of the meeting.

1. Executive Summary

1.1 Two grants are available to eligible school-based early years settings. A school-based nursery setting has an age range to include early years pupils and structures the school with early years classes. This paper details the proposed distribution method for the Early years teachers' pay grant (EYTPG) 2026-27 and Early years free school meals (EYFSM) expansion grant 2026-27 for consultation purposes.

1.2 Early years teachers' pay grant (EYTPG) 2026-27

The EYTPG will provide additional funding in 2026 to 2027 to support eligible public sector early years settings with the costs of the schools teachers' pay award from September 2026 to March 2027. After this period, the funding is included in funding rates. The grant is available to public sector early years provision in schools (maintained and academies) and governor-run academies and maintained nursery schools. Local authorities must ensure that all the EYTPG funding received is distributed to eligible EY settings in their area using local part time equivalent (PTE) data in conjunction with the rates information which have been published by the Department for Education (DfE) in the rates tables.

1.2.1 Dorset has received the following grant for the September 2026 to March 2027 period:

	PTE	Dorset Rate	PTE x Rate	25/38ths	TPAG Allocation
3- & 4-year-old universal	750.42	£60.00	£45,025.20	£29,621.84	
3- & 4-year-old additional	305.71	£60.00	£18,342.60	£12,067.50	£41,690.00
2-year-old EL2s	142.43	£79.00	£11,251.97	£7,402.61	
2-year-old working	74.42	£79.00	£5,879.18	£3,867.88	£11,271.00
Under 2 working	0	£106.00	£0.00	£0.00	
			£80,498.95		£52,961.00

The rates above are for a full year and are reduced to 25/38ths to reflect the September 2026 to March 2027 period.

1.2.2 Full grant calculations are shown in Appendix A.

1.2.3 There are separate TPAG calculations for 3- & 4-year-olds and 2-year-olds to reflect the different grant rates. The columns are labelled alphabetically to identify the calculations:

Data for grant calculations					Teachers' Pay Grant 2026-27			
D	E	F	G	H	I	J		L
Age 3&4 PTE	% of total Age 3&4 PTE	Age 2 PTE	% of total Age 2 PTE	Total PTE	TPAG Age 3&4	TPAG Age 2	**TPAG**	**Total**

- Total part-time equivalent (PTE) amounts from the spring 2026 census have been used (see columns D and F).
- For new settings, data from autumn term actuals has been used.
- The PTE amounts are shown as percentages of the total PTE (see columns E and G).
- The grant allocation is calculated by multiplying the percentage of PTE by the total available grant (see columns I and J).
- The total TPAG allocation is shown in column L.

1.2.4 For example:

A school with 3- & 4-year-old PTE of 34.07 receives 3.06% x £41,690 = £1,274.78 (I)

A school with 2-year-old PTE of 12.53 receives 5.17% x £11,271 = £ 583.15 (J)

Total Teachers Pay Grant £1,857.93 (L)

1.3 Early Years Free School Meals (EYFSM) Expansion Grant 2026-27

From the 2026 to 2027 academic year, the eligibility criteria for free school meals (FSM) in England expanded to include all children in households receiving Universal Credit, including those in eligible early years settings. . In order to receive a free school meal, an early years child must be a registered pupil and attend both before and after the lunch break. A pupil is only eligible to receive a free school meal where a claim for this support has been made, and their eligibility has been verified by the school where they are enrolled or by the local authority.

The EYFSM expansion grant is available to state-funded school-based nurseries to cover the increased cost of free school meals from September 2026.

1.3.1 Dorset has received a grant of £39,534 to allocate to school based early years settings for the period September 2026 to March 2027.

1.3.2 The proposed distribution method is to use a combination of FSM data (likelihood) and PTE data (volume) to distribute the funding in proportion to the expected level of FSM costs.

1.3.3 Columns are labelled in Appendix A to show the grant calculation:

	Free School Meals Expansion Grant 2026-27		
C	M	N	O
APT FSM proportion	APT FSM proportion x PTE	% of grant	**FSM Expansion Grant Total**

- FSM proportion data by school has been used, from the APT (Authority Planning Tool) spreadsheet used to distribute the 2026-27 schools block of the dedicated schools block (see column C in Appendix A). This is school level pupil-based data, based on the October 2025 census, showing the likelihood of a pupil in the school being eligible for FSM.

- The FSM proportion is multiplied by the total PTE for each setting to combine the number of pupils (volume) with the likelihood of pupils being eligible for FSM (see column M). This combines the volume and likelihood of FSM by each school.

- The combined volume and likelihood in column M is expressed as a percentage of the total in column N.

- The percentage in column N is multiplied by the available grant of £39,534 to give an allocation for each school (see column O).

1.3.4 For example:

For a school with an APT FSM proportion of 0.27 and total PTE of 46.60, the grant would be:

0.27 x 46.6 = 12.58

12.58 divided by 237.06 (the total of column M) = 5.31%

5.31% x £39,534 (total available grant) = £2,098.26

1.4 Conclusion

The proposed distribution methods for the two grants take account of the size of early years settings together with the likelihood of cost being incurred.

2. Financial Implications

n/a

3. Climate Implications

n/a

4. Other implications

n/a

5. Risk Assessment

Having considered the risks associated with this decision, the level of risk has been identified as:
Current Risk: low
Residual Risk: low

6. Equalities Impact Assessment (EqIA)

n/a

7. Appendices

Appendix A – Grant calculation and proposed distribution

8. Background Papers

Early years teachers' pay grant (EYTPG) for 2026 to 2027 - GOV.UK

Early years free school meals (EYFSM) expansion grant: 2026 to 2027 - GOV.UK

Footnote:

Issues relating to financial, legal, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.