

Dorset Schools' Forum

Date of Meeting:	25 September 2026
Report Title:	Distribution of the Inclusive Early Years Fund / DfE Early Years Funding consultation
Executive Director:	Paul Dempsey, Executive Director for People - Children
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Report Status:	Public
Reason for Submission to Schools' Forum:	For APPROVAL Under Forum power/responsibility: 1(e) Changes to the Scheme for Financing Schools
Recommendation(s):	
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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 – Distribution of the Inclusive Early Years Fund

1.1 The inclusive early years fund was announced in February 2026 and nationally will provide £47 million of additional early years funding in 2026 to 2027 to support the early years sector to become more inclusive of children with special educational needs and disabilities (SEND). Dorset received £203,606. The allocation was calculated using Spring 2026 census part-time equivalent (PTE) data for 3- and 4-year-old universal hours multiplied by the rate for Dorset of £57.35.

1.2 The funding intended to:

- help providers adopt setting-wide inclusive practices
- reduce reliance on individual child-based funding applications
- enable early intervention for children with SEND

1.3 In 2026 to 2027, the inclusive early years fund complements existing funding such as special educational needs inclusion fund (SENIF), disability access funding (DAF), and high needs funding. It is likely to continue to be a stand alone grant in 2027-28, but the DfE early education funding consultation indicates it could be combined with other funding in future years.

1.4 The DfE asked LAs to determine a distribution method and set the following conditions:

- Allocations should be upfront, not require a panel or application process and not be tied to individual children.
- A clear and transparent manner, so that providers understand how allocations have been determined locally, especially when they differ from the DfE's suggested route.
- The DfE recommend implementing a de minimis in the region of £1,000 when allocating funding, to ensure that providers receiving an allocation receive an amount that is substantial enough to effect meaningful change.

The DfE acknowledged that the funding provided is not enough to pay something to every setting.

1.5 After careful consideration, Dorset used the following approach:

- Use spring 2026 PTE data for all funded entitlements (under 2s, 2-year-old and 3- and 4-year-olds)
- Payments were on a sliding scale, with the 50 settings with the highest PTE receiving £1,500, the next 50 received £1,250 and the remaining funding was allocated at £1,000 to settings and £500 to childminders until the fund was fully used.

Using this approach, 176 settings received funding and 98 settings did not.

Type of Setting	Total Number of Settings	£1,500 Grant	£1,250 Grant	£1,000 Grant	£606 Grant	£500 Grant	No Grant	Total number of settings receiving Grant	% receiving Grant	Total Grant
Childminder	105					19	86	19	18%	£9,500
Voluntary	56	9	22	24			1	55	98%	£65,000
Governor Managed	42	1	14	17			10	32	76%	£36,000
Private	58	34	13	9	1		1	57	98%	£76,856
Independent	12	5	1	6			0	12	100%	£14,750
LA	1	1					0	1	100%	£1,500
Total	274	50	50	56	1	19	98	176	64%	£203,606

1.6 Settings are encouraged to use this funding in ways that have a sustainable impact on inclusive practice and that align with Dorset's key Early Years SEND priorities. This may include:

- Enhancing the quality of your universal provision and inclusive environment.
- Developing staff knowledge, confidence and skills in supporting children with SEND through training, coaching and professional development.
- Implementing approaches that promote communication and language development, social and emotional wellbeing, and early identification of additional needs.
- Purchasing resources that support inclusive practice and participation for all children.
- Strengthening graduated response approaches, ensuring children receive the right support at the right time.
- Supporting the development of effective partnerships with families and multi-agency professionals.

1.7 The **Best Start in Life Advisors (BSILA)** will play an important role in supporting settings to consider how this funding can best be used to meet the needs of their provision. The BSILAs will help settings reflect on their current inclusive practice, identify priorities for development, and ensure that spending decisions contribute to long-term improvements that benefit all children, particularly those with emerging SEND.

2. Executive Summary – Dorset Council response to the DfE Early Years funding consultation

2.1 The DfE Early Years Funding Consultation was published on 6 July and remained open until 14 September. The proposals in the consultation were aimed at:

- Improving access to childcare for families on low incomes
- Improving support for children with SEND in the early years
- Driving greater efficiency and simplicity in the way funding is allocated

2.2 The timing of the consultation made it difficult to engage with early years providers. A meeting was held with one member of the Early Years Reference Group in August to inform the response.

2.3 The response submitted on 10 September 2026 can be seen in Appendix A.

2.4 Strong feedback was given that the Inclusive Early Years Fund should be made available to all settings in future years.

2.5 A meeting will be held with the Early Years Reference group in the autumn term to inform the consultation on the Dorset Early Years funding process for 2027-28.

3. Financial Implications

n/a

4. Climate Implications

n/a

5. Other implications

n/a

6. Risk Assessment

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

Current Risk: low

Residual Risk: low

7. Equalities Impact Assessment (EqIA)

n/a

8. Appendices

Appendix A: Dorset Council response to the DfE Early Years funding consultation, submitted on 10 September 2026.

9. Background Papers

[Inclusive early years fund for 2026 to 2027: conditions of grant and operational guidance for local authorities - 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.