



Early Years

Early Years Inclusion Funding

A Practical Guide for Early Years Settings



Northumberland
County Council

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Understanding the Funding Landscape

Introduction

In recent years, the Early Years sector has seen a significant increase in the complexity and range of children's needs, alongside growing expectations that mainstream settings are able to deliver fully inclusive provision.

Inclusion funding plays a critical role in enabling this. It is not simply about providing additional resources; it is about ensuring that all children can access, participate in, and benefit from high-quality provision.

When used effectively, funding supports early intervention, reduces barriers to learning, and helps prevent the escalation of need.

The current Northumberland Early Years funding landscape consists of five key funding streams, each designed to meet different types and levels of need:

1. Inclusive Fund (newly introduced) - supports improvements across the whole setting or cohort
2. Early Years Pupil Premium (EYPP) - focuses on narrowing gaps for disadvantaged children
3. EYSTAR - funds short-term targeted support for emerging or additional needs
4. Disability Access Fund (DAF) - enables an individual child with a disability to access provision
5. Education, Health and Care Plans (EHCPs) - secure statutory support for children with complex, long-term needs



Understanding the Funding Landscape

A Graduated Approach to Inclusion Funding

These funding streams are not intended to operate in isolation. Instead, they reflect a graduated approach to inclusion, where support is layered according to need.

At the foundation is strong universal provision, where inclusive environments and high-quality adult interactions benefit all children. From there, settings can introduce targeted support for groups of children who share similar needs, followed by individualised adjustments where specific barriers to access exist. For a small number of children with significant and ongoing needs, statutory support through an EHCP ensures long-term provision.

A key shift in practice is required when working within this framework. Rather than asking, “What can we buy with this funding?”, practitioners need to ask, “What needs to change in our practice?”

The most effective use of funding is not found in purchasing resources alone, but in strengthening:

- the quality of adult-child interaction
- the consistency of approaches across staff
- the structure and accessibility of the environment
- the ability to identify and respond to needs early

When these elements are in place, funding has a far greater and more sustainable impact. Importantly, the different funding streams should be used strategically and in combination.

For example, a setting supporting children with communication needs might use the Inclusion Fund to develop a communication-friendly environment, EYSTAR to deliver small group interventions, and DAF to provide an individual child with a personalised communication system. In this way, support is layered and coherent,

rather than fragmented.

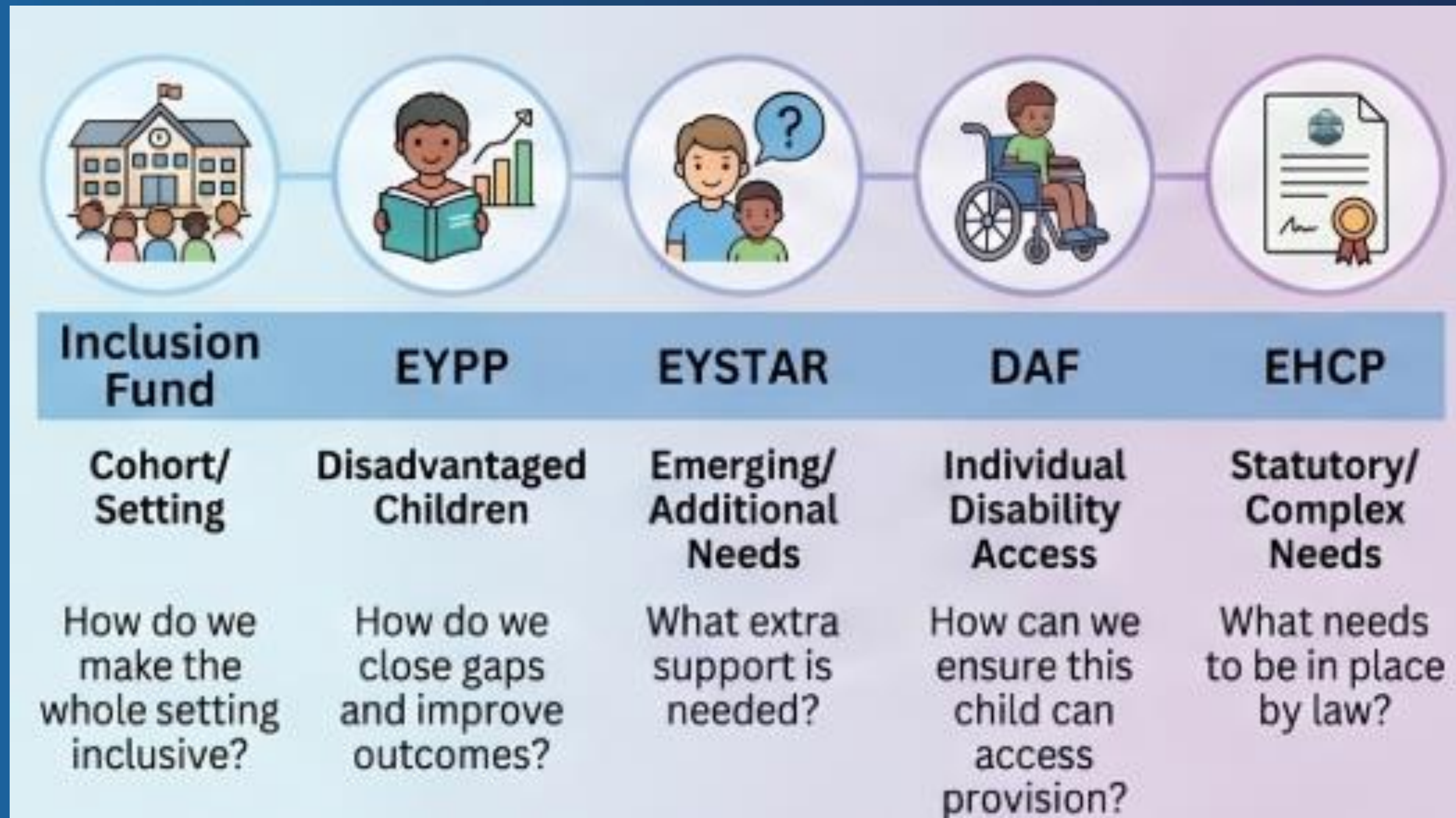
Across all funding streams, there are several core principles that underpin effective practice. These include:

- starting with strong universal provision
- investing in staff skills and time
- focusing on early intervention
- ensuring consistency in implementation
- measuring the impact of provision on children’s engagement, development, and inclusion.

This guidance is designed to support Early Years settings to navigate this landscape with confidence. It will set out how each funding stream should be used, what effective practice looks like in real settings, and how to ensure that funding leads to meaningful and measurable improvements for children.



Early Years Inclusion Funding Continuum





Using the Inclusive Fund to Strengthen Universal Provision

THE INCLUSION FUND: A BLUEPRINT FOR WHOLE-SETTING IMPROVEMENT

EMBEDDING INCLUSIVE PRACTICE

Integrating inclusion across all environments, staff teams, and daily routines.

WHOLE-SETTING IMPROVEMENT

Moving beyond individual fixes to create systemic change across the entire setting.

WORKFORCE DEVELOPMENT



Upskilling staff teams to ensure inclusive practice is standard across the workforce.

ENVIRONMENT



Adapting and improving physical and social environments to be more inclusive.

SYSTEMS OF SUPPORT



Establishing robust internal frameworks to provide consistent support.



A Tiered Approach to the Inclusive Fund

Strengthening Practice

The tiered structure of the Inclusive Fund is not simply about increasing levels of funding; it represents a progressive model of capacity-building within a setting.

Each tier strengthens a different aspect of provision, and effective practice depends on understanding how these layers build on one another.

At its core, the model ensures that settings do not move too quickly to higher-cost solutions without

first securing strong foundational practice. It also recognises that inclusion challenges are often systemic rather than individual, and therefore require whole-setting responses.



Tier 1: Universal Inclusion - Securing the Foundations

All children access high-quality provision
Whole setting consistency



Tier 2: Targeted Inclusion - Strengthening Early Intervention

Structured, time-limited support for groups of children
Planned, consistent interventions
Plan-do-review cycle



Tier 3: Enhanced Inclusion Capacity - Responding to Complexity

Whole-setting capacity and resilience
Strategic deployment of staff

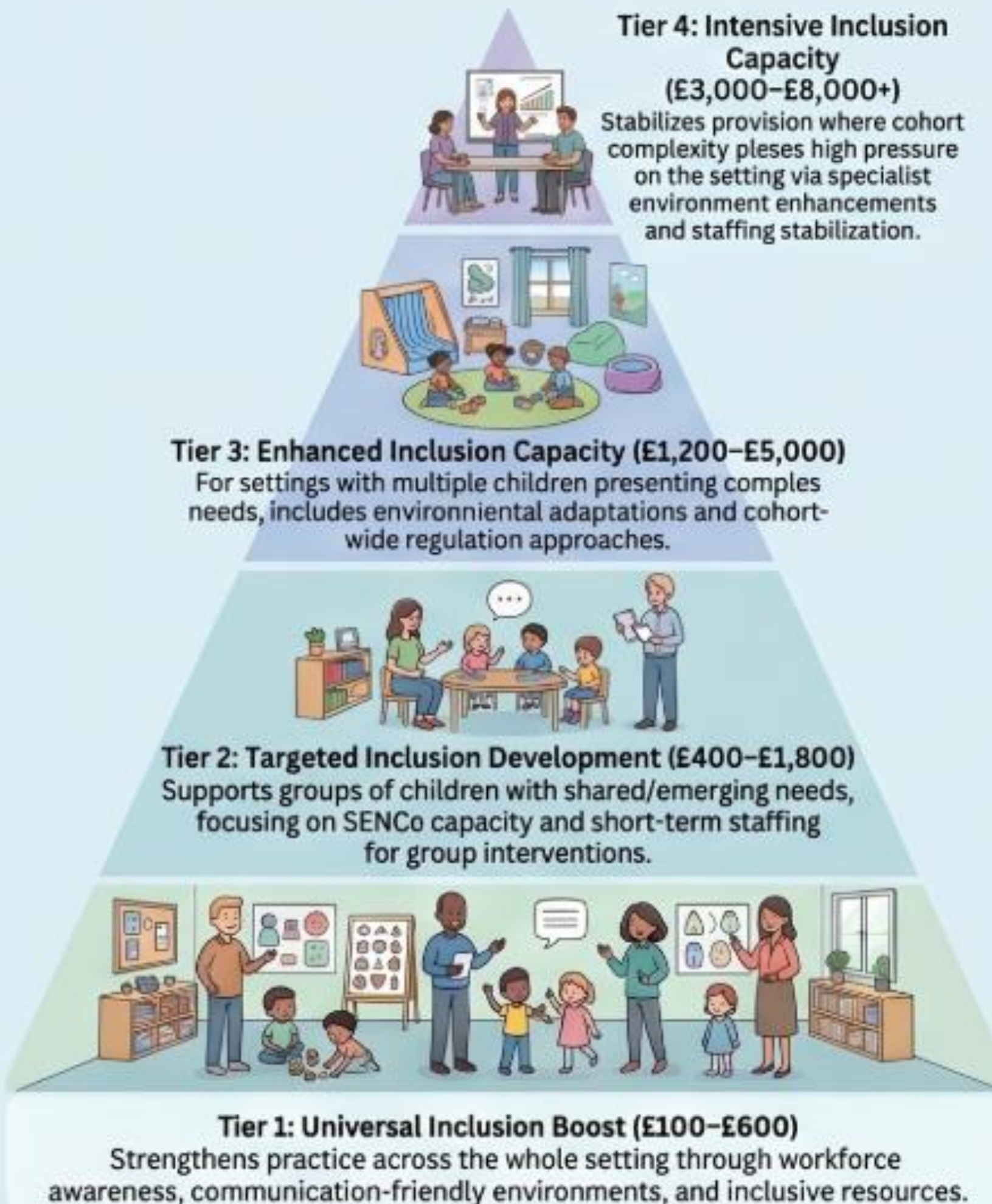


Tier 4: Intensive Inclusion Capacity - Stabilising Provision

Stabilise the setting and restore effective systems



The Inclusion Fund Model





Scaling Inclusion: Example Inclusion Fund Tiered Models				
Setting Type	Typical Context	Likely Inclusion Fund Tier	Combining with Other Funding Streams	What this might look like in practice
Childminder	3–6 children; mixed ages; limited staff capacity	Tier 1 (Universal)	IEYF (Tier 1) → small environment adjustments and practitioner skill EYPP → enhance interaction quality	Simple visual routines, consistent communication approaches, strong adult-child interaction; personalised support embedded naturally into daily routines
Small Setting (1 room / <30 children)	Small team; emerging patterns of need across a few children	Tier 1 + Tier 2	IEYF (Tier 1) → whole-room environment and training IEYF (Tier 2) → small group interventions EYSTAR → short-term targeted support	Consistent use of visuals; small group sessions for communication or attention; staff supported to embed strategies daily
Medium Setting (2–3 rooms / 30–60 children)	Increasing diversity of need; multiple children with SEND	Tier 1 + Tier 2 + emerging Tier 3	IEYF (Tier 1) → whole-setting systems IEYF (Tier 2) → structured interventions IEYF (Tier 3) → additional staffing at key times EYSTAR → group interventions EYPP → targeted teaching quality	Defined approach across all rooms; group interventions running consistently; staff deployed at key times (e.g. transitions); SENCo coordinating provision
Large PVI / Maintained Nursery (60–100 children)	High levels of additional need across cohort; multiple interventions running	Tier 1 + Tier 2 + Tier 3	IEYF (Tier 1) → whole-setting training and environment IEYF (Tier 2) → multiple targeted groups IEYF (Tier 3) → structured staffing and SENCo time EYSTAR → intervention blocks EYPP → closing gaps	Fully embedded inclusive systems; multiple group interventions; clear staffing roles; consistent behaviour and communication approach; layered support for individuals
Large Nursery in Multi-Form Entry School	Complex cohort; high proportion of SEND and disadvantaged children; pressure on provision	Tier 1–4 fully utilised	IEYF Tier 1–3 → strong universal + targeted + capacity IEYF Tier 4 → stabilisation during pressure periods EYSTAR → targeted group work EYPP → teaching quality and parental engagement	Whole-setting approach is highly structured; staffing deployed strategically; specialist advice embedded; short-term stabilisation used during peak pressure; strong SENCo leadership



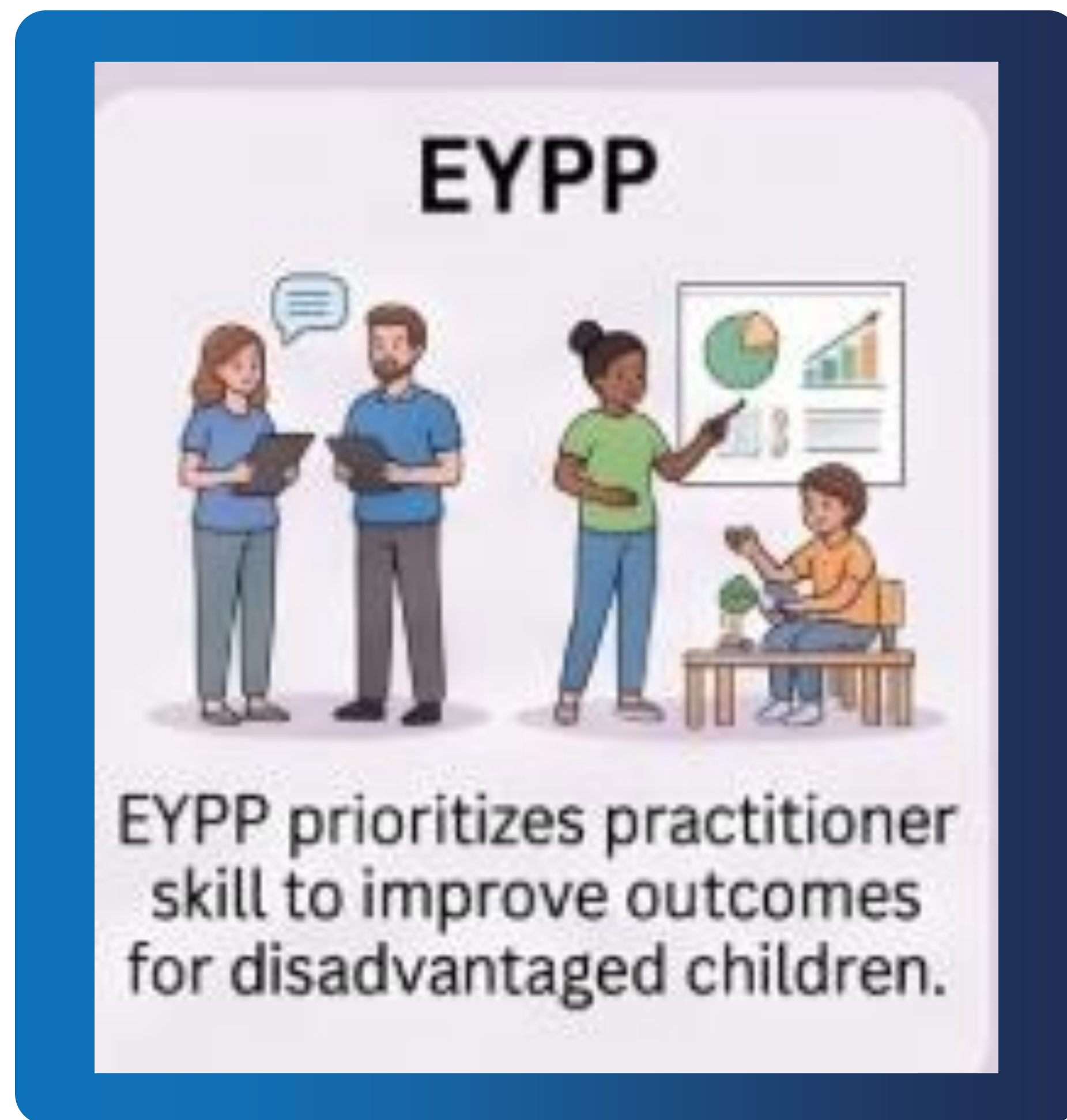
EYPP: Improving Outcomes Through High-Quality Practice

The Early Years Pupil Premium is focused on improving outcomes for disadvantaged children. The most effective use of this funding is through enhancing the quality of teaching and interaction.

This includes extending children's language, supporting sustained shared thinking, and creating rich learning experiences. Targeted group interventions can also play a role where specific gaps in learning have been identified.

In addition, engaging parents and carers is an important aspect of successful EYPP use. By strengthening the connection between home and the setting, practitioners can extend learning beyond the classroom and support more consistent outcomes.

Further advice about making best use of EYPP:
[The EEF Guide to Early Years Pupil Premium](#)
[Northumberland Early Years Pupil Premium \(EYPP\) Toolkit](#)





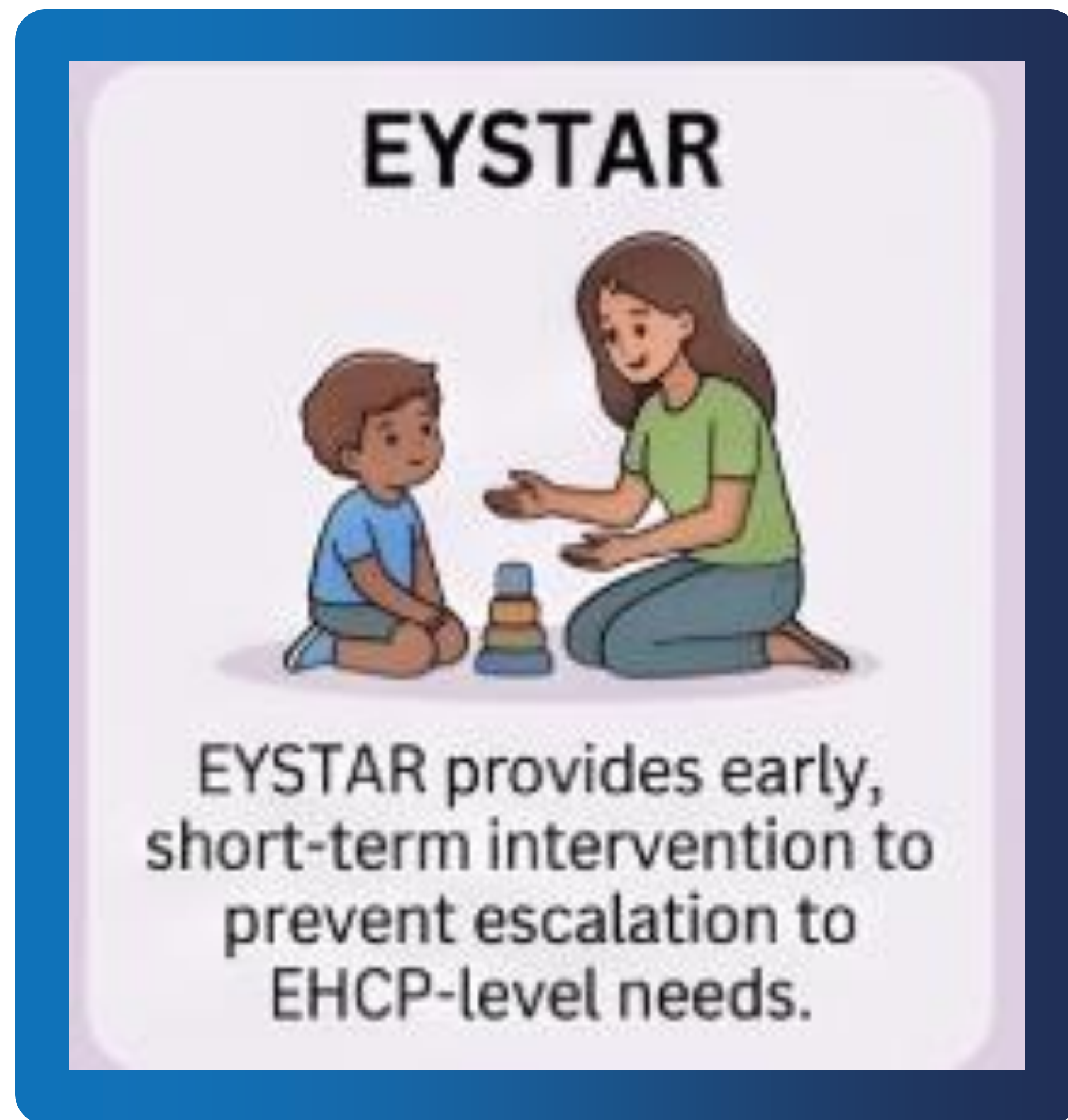
EYSTAR: Targeted Support

Where children experience emerging or additional needs, targeted support becomes necessary. This is often delivered in small groups and should follow a structured plan-do-review cycle.

Effective targeted support begins with clear identification of need and the setting of specific, measurable goals. Interventions should be delivered consistently, with the same adults, structure, and expectations. Regular review is essential to ensure that support is having the desired impact and to identify when adjustments are needed.

EYSTAR funding is particularly valuable at this stage, as it enables settings to invest in practitioner capacity and skill. This might include training approaches such as Portage, which emphasise small steps learning, play-based teaching, and careful observation.

Importantly, training should always be followed by time for implementation. Without this, learning is unlikely to translate into improved practice. SENCOs play a key role in supporting this process, guiding staff, modelling strategies, and monitoring consistency across the setting.





Supporting Individual Access: The Role of DAF

The Disability Access Fund is specifically intended to support one named child to access provision. The focus is not on improving attainment, but on removing barriers to participation.

Effective use of DAF involves identifying the specific challenges a child faces and selecting strategies or resources that directly address these. For example, a child with communication difficulties might benefit from a personalised communication system, while a child with sensory needs might require an individual sensory toolkit.

However, providing resources alone is not sufficient. Staff must understand how to use them effectively and embed them within daily routines. This may involve allocating time for staff to set up, practise, and consistently implement strategies.

The impact of DAF should be evident in the child's increased ability to engage in routines, communicate needs, and participate in play.





EHCP: Securing and Delivering Long-Term Support

For children with complex and long-term needs, an EHCP provides a statutory framework for support. It is essential that this funding is used to deliver high-quality provision, rather than simply increasing adult presence.

This means ensuring that staff working with the child are skilled, confident, and able to implement the strategies and programmes outlined in the plan. Consistency is critical, as fragmented or inconsistent

approaches are unlikely to lead to meaningful progress.

SENCOs play a vital role in monitoring the implementation of EHCP provision, ensuring that it is delivered as intended and that it supports the child's independence and development over time.





Key Steps to Maximising Funding

To use all inclusion funding effectively, SENCOs and leaders should:

1. **Analyse Need Across the Setting:** Identify patterns (e.g. communication, regulation, social interaction); consider both individual needs and cohort trends
2. **Prioritise System-Level Improvements:** Focus on what will have the widest impact; strengthen universal provision before moving to higher tiers
3. **Align All Funding Streams:** Ensure new Inclusion Fund complements EYSTAR, DAF, EYPP, EHCP
4. **Plan for Implementation:** Allocate time for: staff training, embedding strategies, monitoring impact; this ensures that funding results in real changes to practice, not just planned activity.



Analyse Need Across the Setting



Prioritise System-Level Improvements



Align All Funding Streams

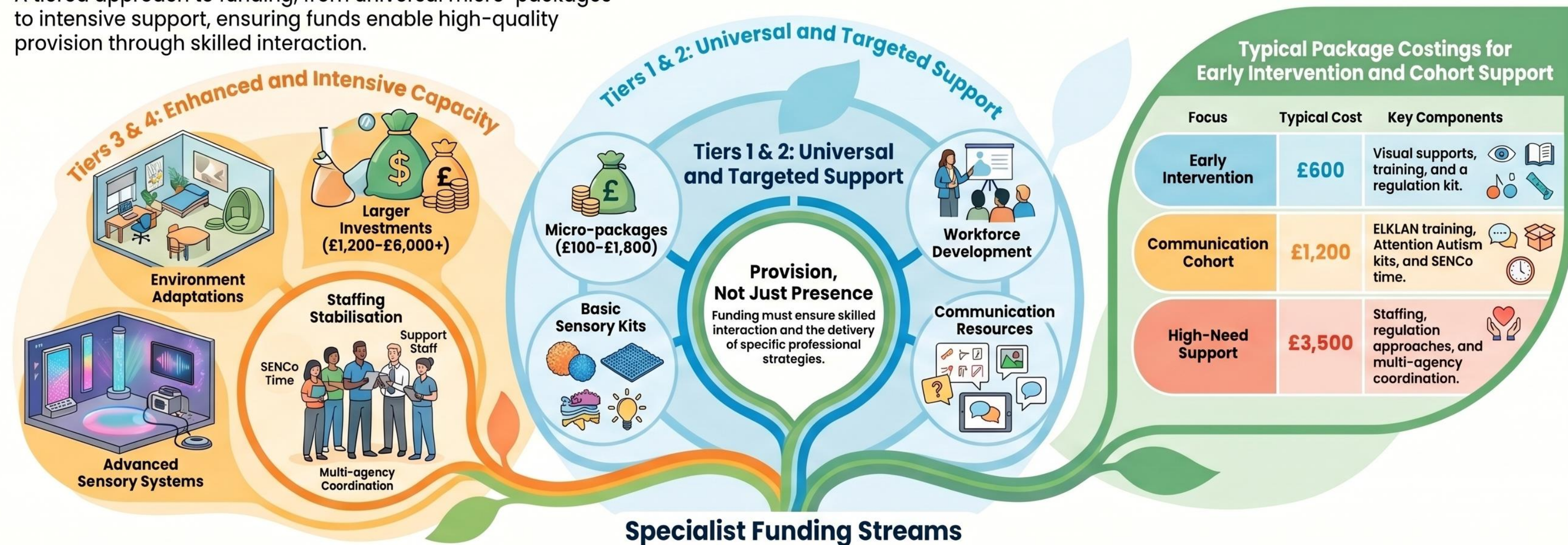


Plan for Implementation



Navigating SEND Funding: A Guide for Early Years Providers

A tiered approach to funding, from universal micro-packages to intensive support, ensuring funds enable high-quality provision through skilled interaction.





Combining Funding Streams by Setting Size for the Greatest Impact (Example Scenarios)						
Setting Type	Context	Inclusion Fund	EYPP	EYSTAR	DAF/EHCP	Total cost
Childminder with assistant	3–6 children; mixed ages; limited staff capacity 1 child with hearing impairment	Backfill for Quality Interactions training (£100–£200) Time to work with EY Consultant (free with SLA) on implementing key strategies (£100-£200)	Backfill for attendance at EYPP network (£100-£200)	NA	DAF - Communication book, visual supports, headphones (£300–£500)	£600-£1100
Small Setting	Small team; emerging patterns of need across a few children – primarily communication and regulation needs	Visual supports and sensory kit (£300-£600) Backfill for Quality Interactions training and Emotional Regulation training (£300-£800) Whole setting HINT/EY Consultant review – time to work with and implement strategies (free support, £200-£400 practitioner time)	Backfill for attendance at EYPP network (£200-£400)	Portage workshop and backfill to cover attendance (£150-£300)	NA	£1200-£2500
Medium to Large Setting	SEMH (regulation needs across cohort) 2 EHCPs (Autism + Cerebral Palsy - wheelchair user) 6 children needing targeted regulation support	Regulation toolkit (whole setting) (calm boxes, sensory supports) → £800–£1,200 Communication-friendly environment (visual timetables, zones, signage) → £500–£1,000 Quiet/regulation space development → £500–£800	Backfill for staff to attend: Quality Interactions training (free) Emotional Regulation training (free) EYPP best practice network → £300–£600 backfill Targeted SEMH small group sessions (e.g. turn-taking, co-regulation, routines) → £400–£800 staffing Coaching time (internal / EY Consultant input) → £200–£400	Additional staffing for small group regulation work (6 children) → £1,200–£1,800 Backfill for staff to work alongside: EY Inclusion Consultant (targeted) SALT / HINT / LINT input (targeted/specialist) → £300–£600 Low-cost training: Portage workshop (2 staff) £50 each (PVI) = £100 Backfill = £200–£300	EHCP - 1:1 or shared staffing for: Structured routines Communication support Regulation strategies → £8,000–£15,000 annually (context dependent) EHCP - Support access and mobility Personal care routines Participation in play and learning → £8,000–£15,000 annually DAF - Spend on: Accessible nappy changing setup → £200–£500 Positioning/comfort equipment → £200–£400 Independence supports (adapted resources) → £100–£200 Staff time to: Set up environment Work alongside physio / OT / inclusion → £100–£200	£21,200–£39,700+