Cost of inclusive Ordinarily Available Provision in England

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Dingley's Promise

Transforming the Early Years for children with SEND

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1 Introduction

The Best Start in Life strategy, along with policies ranging from the national rollout of the Best Start Family Hubs and expansion of funded childcare entitlements, presents an opportunity to reform the early years sector. A critical part of this reform must be to **make early years provision more inclusive to those with Special Educational Needs and Disabilities (SEND) across the entire sector**. For example, the vast majority (77%) of settings believe that inclusion training is important, but only around half (53%) of settings access it[1]. In addition, fewer than a third of local authorities believe they have enough places for at least three-quarters of children with SEND[2].

The **government's school white paper**[3] sets out a range of measures to improve provision for children with SEND. For example, it announced more than £200 million over three years specifically for their SEND Continuing Professional Development (CPD) programme, as part of a wider set of initiatives to improve inclusive practices within all settings.

The analysis in this report estimates the **cost of measures** that would improve the inclusivity of early years provision for all children with SEND across the entire sector as part of **Ordinarily Available Provision**[4] **(OAP).** OAP is the provision given for all children before they go on to access any other funding such as SEND Inclusion Funding or Disability Access Funding. Some of these measures would be universal across all settings in England (such as inclusion training), and not just at settings looking after a child with SEND, to ensure that all settings are ready to look after a child with SEND, even if they currently do not.

In addition, the analysis highlights the importance of making provision inclusive for all children and **not just those with a formal diagnosis or formal support**. This is particularly important for children's development as well as potentially reducing subsequent need for support as the child grows up. For example, the Disabled Children's Partnership and the Speech, Language and Communication Alliance estimated that early support for those with speech and language difficulties would save £470 million in health, special education and social care services.

The OAP measures that this study investigates can broadly be categorised as:

- **Coordination and additional quality assurance**,
- **Continuing Professional Development (CPD)**, and
- **School transition support**.

2 Summary of results

The analysis estimates

[1] Dingley's Promise (2025). Link here.

[2] Coram (2025). Link here.

[3] Department for Education (2026). Link here.

[4] Ordinarily Available Provision refers to everyday practice across all settings that can be inclusive for all children, before specialist help is considered.

- a **total annual** cost across the sector of **£245m**[5] (£138m if the government were to cover CPD costs), made up of
  - **£120m** for **coordination/additional quality assurance**,
  - **£107m** for **CPD** (including the cost of staff time spent undertaking the training), and
  - **£17m** for **school transition support**;
- an **average annual cost per child** benefitting from the measures of
  - **£895 per child not starting** school the next year (£473 if the government were to cover CPD costs), and
  - **£1,064 per child starting** school the next year (£642 if the government were to cover CPD costs);
- An average of **8 children per early years setting benefiting from the measures**.

Analysis focusing on **ratio enhancements** and the associated cost of additional staffing can be found in the **Annex**. The cost of ratio enhancements would ideally be funded through SENIF cohort funding, but if this is not the case, this cost would be incurred by the setting.

The government's **Best Start in Life Strategy (BSIL)** suggested that support would be available to make '*inclusive practice standard practice in the early years by embedding an inclusive approach in our workforce education, training and leadership opportunities and funding evidence-based programmes that are proven to improve children's development*'[6]. The Government announced in January 2026 a new package of funding for SEND CPD across all sectors, including Early Years[7], which would leave settings with coordination and additional quality assurance costs and school transition support.

The cost of these measures is based on

- The amount of **time recommended for each type of staff member** (Key Person, SENCo, and Manager) for each measure, and
- The average **hourly pay** of each staff member.

In this analysis, we focus on group-based and school-based providers. **Childminders** are a key part of the early years sector, but many of the measures set out in this analysis are associated with larger settings with potentially many staff members, so the costs for childminders are not explicitly estimated. However, childminders would also incur costs of inclusive OAP, with 23% of childminders caring for children with SEND[8]. Many families choose childminders or smaller settings to avoid overwhelming their child with SEND. As a result, while the total cost estimates are not calculated including childminders, the cost per child estimates presented in this report are indicative of the cost of inclusive OAP for childminders, who should not be ignored from funding considerations.

In addition, it is important to recognise other differences between settings, such as how many weeks per year they are open for. Almost school-based (95%) providers are open during term time only,

[5] Some reported figures are rounded to the nearest million, so in some cases the sum of reported figures will not exactly match reported total figures.

[6] UK Government (2025). Link here.

[7] UK Government (2026). Link here.

[8] Department for Education (2026). Link here.

while 61% of group-based providers are open during the holidays as well as term time.[9] However, it should be noted that the cost of almost all of the measures set out in this analysis are not affected by how long the setting is open for each year (for example, a Key Person would meet with parents once per term rather than one per set number of weeks provision). One key exception is the cost of ratio enhancements. As a result, we provide separate estimates of the cost of ratio enhancements for settings open during term time only and for settings open all year round.

3 Measures for inclusive Ordinarily Available Provision

The following outlines the recommended time for each measure.

3.1 Coordination and additional quality assurance costs

Coordination and additional quality assurance costs cover time spent by the Special Educational Needs Coordinator (SENCo) and Key Person (where each child has a specific member of staff assigned to them). These allow staff to coordinate with parents, keep track of children's development, and prepare for inclusive provision.

The time required for each measure listed below has been informed through Dingley's Promise consulting a range of settings to estimate the average amount of time would be needed.

- Coordination with parents
  - Termly meeting between the Key Person and parents for 30 minutes per child per term and between SENCo and parents for 1 hour and 30 minutes per term (these meetings may overlap – i.e., in some meetings both the Key Person and SENCo may be present).
  - Preparation for the meeting (1 hour and 30 minutes for the Key Person and 2 hours and 30 minutes for the SENCo per child per term).
  - Additional conversations with parents across the term (1 hour and 20 minutes for the Key Person and 1 hour for the SENCO per child per term).
- Additional quality assurance
  - SENCo child observation for 2 hours and 50 minutes per child per term.
  - SENCo coaching and support to implement strategies for 1 hour and 35 minutes per child per term.
  - Manager and SENCo review of all children being supported for 1 hour and 10 minutes per half term.
  - Referrals and applications (1 hour and 30 minutes per term for the SENCo).

3.2 Continuing Professional Development (CPD)

Continuing Professional Development (CPD) allows staff to undertake further training to provide quality and inclusive SEND provision. While currently some staff undertake training in their own time, allowing staff to **undertake training during working hours** improves staff morale, relationships with managers, and long-term retention[10]. As a result, we include the cost of staff's time, as

[9] Department for Education (2025). Link here.

[10] Early Childhood Hub. Link here.

additional staffing would be required to maintain existing staff-to-child ratios while other staff are undertaking the training.

- Whole setting inclusion training[11]
  - One five-hour course per term for every member of staff.

3.3 School transition support

School transition support specifically provides support in advance of the transition from early years provision to school. This only covers those in early years provision who are one academic year away from starting school.

- School transition support
  - 1 hour of SENCo time per child per week for 4 weeks per year.
  - 8 hours of Key Person time per child per year (e.g., across 4 weeks).

4 Key assumptions and methodological components

4.1 Key assumptions

Key assumptions include:

- The costs are only incurred during term time (38 weeks per year).
- The costs are for the 2026-27 financial year. This uprates current pay for different types of staff by the increase in the National Living Wage (4.1%) between 2025-26 and 2026-27, given the high proportion of staff earning at or near the NLW.
- There is one Key Person for two children with SEND.
- When a cost is attributable to a SENCo or a Manager, we assume that this cost would be incurred by all settings, not just those with a child with SEND.

4.2 Estimating the number of children with SEND

The measures set out in this analysis are focused on all children with SEND, across levels of need and across types of setting.

The total number of children with SEND, and with different types of primary need, was estimated using DfE data. However, the **available DfE data only covers a subset of children with SEND**, those children attending

- state-funded primary schools
- state-funded secondary schools
- state-funded special schools
- non-maintained special schools
- state-funded alternative provision schools (includes pupil referral units, alternative provision academies and free schools), and
- independent schools.

[11] It is assumed that the direct cost of the course fee would be covered by existing funding.

Further, the DfE data covers those with EHCP and those with 'SEN support'. To ensure that the cost estimates reflect truly inclusive practice, they should cover children with SEND even if they do not already have formal support in place. As a result, we have used a range of other DfE SEND and childcare datasets to include children with SEND

- in **all types** of settings, and
- those **not already receiving formal support**.

As part of our calibration, we use information from the **Survey of Childcare and Early Years Providers (SCEYP)**, where providers report the number of under-school-aged children who have SEND, including those '*with and* ***without formal support in place, as well as those who are not yet formally identified but who your staff have identified as potentially having SEND***'.

A key issue in the early years sector is the delay in formal diagnosis and subsequent support that many children face. As a result, we assume that **the proportion of children aged two or younger who would benefit from additional support is the same as the proportion of children aged three and four with SEND.** The rationale for this is that the children aged three and four with SEND may have needed additional support when they were younger, even if to a lesser degree. This is an important aspect of the inclusive measures proposed in this report, as **it is not only those with a formal diagnosis that inclusive provision supports**.

In total, we estimate a total of around **254,400 children** that would benefit from the measures described (**14.8% of those in early years**), with around three-fifths (61%) of these children having Speech, Language and Communication needs.

Across around 31,300 school- and group-based early years settings, there is an **average of 8 children per setting who would benefit from the measures set out in this report**.

4.3 Staff hourly pay

Staff hourly pay is estimated by assigning a qualification level to each role and estimating the average hourly pay for a staff member with a given qualification level based on the Survey of Childcare and Early Years Providers (SCEYP) data.

Table 1 Estimated average hourly pay by role (2026-27 financial year)

Role	Assumed (average) qualification level	Estimated average hourly pay
SENCO	Level 3	£14.07
Manager	Level 3 - Level 6	£17.86
Key Person	Level 3	£14.07
Other staff	Level 3	£14.07

Source: London Economics analysis of the Survey of Childcare and Early Years Providers and aggregate nursery manager annual salary information from the CV Library job advert website.

5 Cost estimates

5.1 Total cost

The total annual cost associated with the three types of measures is **£245m**. Around half **(49.2%, £120m)** of this total comes from **coordination/additional quality assurance,** and the cost of **setting-**

wide inclusion training (CPD) is **43.8% (£107m)** of the total cost**. School transition support** making up the remaining **7.0% (£17m)** of total costs.[12] CPD costs are driven by the **size of the early years workforce**, whereas coordination/additional quality assurance costs and school transition support costs are driven by the **number of children with SEND**.

The table below sets out the total annual costs associated with the three types of measures across the entire sector in England, as well as the average cost per setting.

Table 2 Summary of total costs

Measure	Total annual cost
Coordination/additional quality assurance	**£120m**
Continuing Professional Development (CPD)	**£107m**
School transition support	**£17m**
Total	**£245m**

Note: Due to the rounding of each cost to the nearest million, the sum of individual costs may not exactly match the reported total. The 2025 DfE Survey of Childcare and Early Years Providers estimates 53,644 childcare settings in England.
Source: London Economics analysis of DfE data sources.

According to previous London Economics analysis for the Department for Education[13], the mean total weekly cost for settings excluding childminders was £4,356 in the 2022-23 financial year. Applying a 14.4% increase (estimated CPI inflation from 2022-23 to 2026-27[14]) and assuming a setting is open 38 weeks per year, the estimated annual cost for a typical setting would be £189,420. This suggests that the **cost per child** of the measures outlined in this analysis would amount to an **estimated 0.6% of a typical setting's costs** (£1,064 per year out of £189,420 per year) if the child was going to school next year, and 0.5% if the child was not. **If the government were to cover the cost of CPD, the total annual cost in the sector would be £138m[15].** The cost per child would be around 0.3% of a typical setting's costs if the child was going to school next year, and 0.2% if the child was not.

5.2 CPD costs

The CPD costs are estimated by calculating the **cost of staff hours** when they are undertaking the training (15 hours per year)[16].

The number of staff in different roles across the sector in England is assumed to be one SENCo and one manager per setting, with the remaining staff either a Key Person or other staff. The cost of CPD time for the Key Person/other staff is assumed to higher than their average hourly pay as the cost of agency staff to replace them would be more expensive (assumed to be two-thirds higher based on discussions with childcare providers).

[12] The percentages of the total cost are rounded to the nearest 0.1%. As a result, the total of the rounded percentages may not be exactly 100.0%.

[13] London Economics (2023), link here.

[14] Office of Budget Responsibility (2025), link here.

[15] Due to the rounding of each cost to the nearest million, the sum of individual costs may not exactly match the reported total.

[16] This assumes that when a staff member is training that this is during their working hours, and for the time that they are undertaking the training they would need to be replaced by someone else.

Table 3 Average hourly cost and number of staff, by role

Staff role	Average hourly cost	Number of staff in England
SENCo	£14.07	31,339
Manager	£17.86	31,339
Key Person/Other staff (agency staff to cover for CPD)	£23.45	262,141

Source: London Economics analysis of DfE data sources.

As a result, the cost per member of staff per year can be estimated. The annual cost per member of staff is calculated by multiplying the average hourly pay for each role by the 15 hours per year (i.e., the cost of replacing them while they are undertaking training).

Table 4 Annual CPD cost per member of staff

Staff role	Annual CPD cost per member of staff
SENCo	£211
Manager	£268
Key Person/Other staff	£352

Note: Due to the rounding of each cost to the nearest pound, the sum of individual costs may not exactly match the reported total.
Source: London Economics analysis of DfE data sources.

Multiplying the annual cost per member of staff by the number of staff in each role gives the total cost across the sector in England:

Table 5 Annual CPD cost per member of staff

Staff role	Total annual cost of CPD
SENCo	£7m
Manager	£8m
Key Person/Other staff	£92m
Total	**£107m**

Note: Due to the rounding of each cost to the nearest million, the sum of individual costs may not exactly match the reported total.
Source: London Economics analysis of DfE data sources.

5.3 Cost per child

The total cost of coordination/additional quality assurance and school transition support is driven by the number of children with SEND:

- **Coordination/additional quality assurance:** £473 per child per year.
- **School transition support:** £169 per child (of relevant age) per year.

However, the total cost of CPD is dependent on the number of staff, so **estimates of the per-child cost of CPD is sensitive to the estimated number of children with SEND**:

- **CPD:** £613 per child per year.

If the government were to cover the cost of CPD, the cost per child per year covered by the setting would focus on coordination/additional quality assurance and school transition support, and would be a total of

- **£642 per child per year** for children **going** to school the next year, and

- **£473 per child per year** for children **not going** to school the next year.

5.4 Cost for different-sized settings

To understand how the cost of these measures would differ for different settings, we present cost estimates for settings looking after different numbers of children (as previously estimated, **around 8 children per setting would benefit from these measures**).

Table 6 Estimated annual cost of measures for different-sized settings

Number of children	Number of children with SEND/benefiting from the measures	Cost to the setting	Cost to the setting (if the government covers CPD)	Cost to the setting (if the government covers CPD and school transition)
33	5	£4,800	£2,700	£2,400
66	10	£9,600	£5,400	£4,700
100	15	£14,400	£8,100	£7,100
133	20	£19,200	£10,800	£9,500

Note: Cost per child is assumed to be the same for each hypothetical setting, as the staff-to-child ratio is likely to be similar irrespective of the size of the setting. In addition, the proportion with SEND/benefiting from the measures is also assumed to be constant. Finally, the proportion of children in the setting who will be going to school next year is assumed to be constant (40%). Costs are rounded to the nearest £100 per year.

Source: London Economics analysis of DfE data sources.

These estimates are based on the following assumptions of the number of children going or not going to school the next year:

Table 7 Number of children in each scenario

Number of children	Number of children with SEND/benefiting from the measures	Number of children with SEND/benefiting from the measures AND going to school next year	Number of children with SEND/benefiting from the measures AND not going to school next year
33	5	2	3
66	10	4	6
100	15	6	9
133	20	8	12

The average cost per child per year of the three types of measures are

- **Coordination/additional quality assurance:** £473 per child per year (applicable to all children).
- **School transition support:** £169 per child (of relevant age) per year (only applicable to children going to school next year).
- **CPD:** £422 per child per year (applicable to all children).

This means the average cost per child per year would be

- **£1,064 per child per year** for children **going** to school the next year (£473 + £169 + £422), and
- **£895 per child per year** for children **not going** to school the next year (£473 + £422).

For the setting with 33 children (of which 5 have SEND/would benefit from the measures), their cost per year (without government paying for any support) would be:

- **£2,128** for the two children going to school the next year (**2 x £1,064**), and
- **£2,685** for the three children not going to school the next year (**3 x £895**).

The cost per year for that setting would be a total of £4,813 (£2,128 + £2,685), which is rounded to the nearest £100 to **£4,800** in Table 6.

5.5 Cost for settings in different regions

Cost of provision varies significantly across the country. For example, we estimate that the cost per hour of provision is 18% higher in London than in the England average,[17] driven by higher staff costs in London than across the country. The table below sets out estimated annual cost of measures for different-sized settings in London. As a result, it is important to note that while we present average costs per setting, any potential support must recognise potentially significant differences between settings.

Table 8 Estimated annual cost of measures for different-sized settings in London

Number of children	Number of children with SEND/benefiting from the measures	Cost to the setting	Cost to the setting (if the government covers CPD)	Cost to the setting (if the government covers CPD and school transition)
33	5	£5,700	£3,200	£2,800
66	10	£11,400	£6,400	£5,600
100	15	£17,000	£9,600	£8,400
133	20	£22,700	£12,800	£11,200

Note: Cost per child is assumed to be the same for each hypothetical setting, as the staff-to-child ratio is likely to be similar irrespective of the size of the setting. In addition, the proportion with SEND/benefiting from the measures is also assumed to be constant. Finally, the proportion of children in the setting who will be going to school next year is assumed to be constant (40%). Costs are rounded to the nearest £100 per year.

Source: London Economics analysis of DfE data sources.

[17] London Economics (2026). Providers' finances: Evidence from the 2025 survey of childcare and early years providers.

Annex 1 Indicative costs of ratio enhancements

The following analysis provides an estimate of the cost of improving ratio enhancements for those with SEND across settings in England. The mechanism through which this would impact settings' costs would be through the cost of additional staff time.

The estimated increase in staffing costs is calculated by the increase in the number of staff required for each ratio enhancement, outlined in Table 9 below.

While three members of staff could look after fifteen two-year-olds without SEND, the analysis models the recommendation of having five members of staff looking after fifteen two-year-olds with SEND. The increase in staffing from three to five reflects the assumed two-thirds (66.7%) increase in staffing costs associated with ratio enhancements for SEND provision.

Similarly, while five members of staff could look after forty three- or four-year-olds without SEND, the analysis models the recommendation of having eight memebrs of staff looking after forty three- or four-year-olds with SEND. The increase in staffing from five to eight reflects the assumed three-fifths (60.0%) increase in staffing costs.

Table 9 Modelled ratio enhancements for children with SEND

Age group	Ratio enhancement	Estimated average increase in staffing costs
Two-year-olds	1:5 to 1:3	66.7%
Three- and four-year-olds	1:8 to 1:5	60.0%

Note: The same increase in staff costs for two-year-olds is applied to those younger than two years old.

The tables below presents the cost of these ratio enhancements if applied to all children with SEND. Table 10 presents costs for term-time provision and Table 11 presents the cost for all year round.

Table 10 Indicative costs of ratio enhancements per year (38 weeks per year)

	Ratio enhancements
Total cost (across all settings in England)	£2,114m
Average cost per child	£8,310

Note: Assuming 24,757 children who would be beneficiaries of the ratio enhancements.

Source: London Economics analysis of DfE sources.

Table 11 Indicative costs of ratio enhancements per year (52 weeks per year)

	Ratio enhancements
Total cost (across all settings in England)	£2,893m
Average cost per child	£11,372

Note: Assuming 24,757 children who would be beneficiaries of the ratio enhancements.

Source: London Economics analysis of DfE sources.

According to the SCEYP, 57% of settings (excluding childminders) are open during term time only and 43% of settings (excluding childminders) are open during both term time and the holidays. As a result, the estimated indicative cost of ratio enhancements per year (weighted between providers open during term time only and those open all year) is presented in the table below:

Table 12 Indicative costs of ratio enhancements per year (incorporating the proportion of settings open during term time only and the proportion of settings open all year)

	Ratio enhancements
Total cost (across all settings in England)	£2,452m
Average cost per child	£9,637

Note: Assuming 24,757 children who would be beneficiaries of the ratio enhancements. The costs are a weighted average between the 57% of settings open during term time only and the 43% of settings open during both term time and the holidays.

Source: London Economics analysis of DfE sources.

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