2027 Inclusion Funding Program

2027 NSW Government Inclusion Funding Program for community and mobile preschools, commencing 1 January 2027

What is not changing

Who can apply
Not-for-profit preschools operating as community preschools, and mobile preschools.

Age eligibility
Children at least 3 years old on or before 31 July in that preschool year.

How to apply
Applications continue to be made for each child through ECCMS.

Application rounds
Multiple application rounds during the year.

Types of evidence
Written diagnosis, NDIS plan and preschool observations continue to be accepted.

Individual Learning Plans
Required for every child approved for funding.

Capability building support
Support for services continues alongside funding.

Specialised equipment funding
Funding for specialised equipment will continue to be available, where required.

What is changing

Tiered funding system: Tier 2: frequent individual support in some functional domains are required to enable the child's participation in the preschool, and Tier 3: substantial and constant individual support sustained across most or all functional domains are required.

Up to a maximum of 750 hours of support: An increase from 600 hours per eligible child each year.

Funding rate and approach: Increase in the hourly rate to $28.88 (ex GST) for eligible Tier 3 applications. Hourly rate of $9.63 and provision of funding floor for services with eligible Tier 2 applications.

Changes to spending rules: All Tier 2 and Tier 3 funding can be utilised flexibly across approved children, and across direct supports (additional staffing) and indirect supports (activities supporting the child's Individual Learning Plan).

Key dates: Revised schedule, with most application cut-off and notification of outcome/payment dates to occur later than current program settings to reflect the change in program and assessment requirements for new tiered funding approach.

Backdating: Applications must be submitted by 9 April to be backdated to the child's enrolment start date.

Variations: School exemption documentation is no longer required. Variations can also now be used to request a review of funding eligibility between Tier 2 and Tier 3.

New applications required: All applications must be submitted as new applications and assessed against new criteria. This includes children with eligible 2026 applications returning to the preschool in 2027.

Specialised equipment and minor construction: Funding for minor construction projects and the 2026 Inclusion Readiness funding stream will cease. Up to $7,500 will be available per eligible child per year for specialised equipment.