

# BRIEFING PAPER

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**Date: 19 September 2013**

## **EDUCATION FUNDING FOR CHILDREN WITH SENSORY IMPAIRMENT IN THE EARLY YEARS – SEPT 2013**

### **1. INTRODUCTION**

- 1.1 This briefing paper sets out arrangements for funding the education of children with sensory impairment in the early years and gives the policy context for making provision. It is based on DfE guidance and policy. It has three main sections:
- a) The policy context for funding education support for children with sensory impairment who are two years and under
  - b) The policy context for funding education support for children eligible for a free place with early years education providers (i.e. all children that are three and four years and some children who are two years old)
  - c) A commentary on some of the issues and a brief description of NatSIP's work in this area over the next few months
- 1.2 This paper will be revised to reflect the draft newly revised SEN Code of Practice when it is published

### **2. SUPPORTING CHILDREN WITH SENSORY IMPAIRMENT WHO ARE TWO YEARS OLD AND UNDER**

Policy Context – Children who are two years and under

- 2.1 The existing statutory SEN Code of Practice (2001) states:

*For very young children, access to a home-based learning programme, such as the Portage Home Teaching Programme, or the services of a peripatetic teacher for the hearing or visually impaired, may provide the most appropriate support or advice*

- 2.2 The indicative Code of Practice issued in 2013 prior to the draft for consultation states:

*From birth to two - Many of the more complex needs, developmental and sensory, are identified at birth. Early health assessments, such as the hearing screening test which is used to check the hearing of all new-born babies, enable the very early identification of a range of medical and physical difficulties such as spina bifida and cerebral palsy, and sensory impairments, such as vision and hearing and deaf-blindness ...*

*Where the health services anticipate that the child will have SEN when they start school, they can refer early to education services, so that families can start receiving educational advice, guidance and intervention.*

*There are several forms of support and provision for this age group. Examples are:*

- *Early Support is a programme underpinned by a set of principles that aim to improve the delivery of services for disabled children, young people and their families ....*
- *Educational psychologists or specialist teachers such as a teacher of the deaf or vision impaired or an early years support worker. These specialists may visit families at home, their role being to support parents and the child, answering questions, discussing communication, clarifying needs, and offering practical support.*

### **Funding for two year olds and under**

- 2.3 The funding guidance makes it clear that support for children with a sensory impairment aged two years or under, including specialist sensory support services, is funded from the Dedicated Schools Grant (DSG)<sup>1</sup>. It is anticipated that the support will be funded from the **High Needs Block** part of the DSG.

## **3. ACCESS TO EARLY YEARS EDUCATION**

### **Policy Background – Early Years Education**

- 3.1 Children with a sensory impairment, like all children, are entitled to free early years education from the age of three years. They are entitled to 15 hours a week for 38 weeks of the year.
- 3.2 From September 2013 children aged two years who are looked after or living in families on low income receive the same entitlement<sup>2</sup>. From Sept 2014 the entitlement will be extended to children in receipt of Disability Living Allowance.
- 3.3 All providers must comply with the Early Years Foundation Stage (EYFS) and SEN Code of Practice. This includes a requirement to consider whether a child may have SEN or additional needs and how they can be supported.
- 3.4 The current statutory guidance to local authorities (LAs) on the sufficiency of early education and childcare provision underlines their duties to promote equality for disabled children.
- 3.5 Local authorities and early years (EY) providers have to comply with the reasonable adjustments duty:

*they must make reasonable adjustments to their policies, procedures and practices to prevent disabled children being put at a substantial disadvantage. They must also*

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<sup>1</sup> Note that educational psychologists are as a whole funded from outside the DSG.

<sup>2</sup> To qualify, families should be receiving one of the following: Income Support; income-based Jobseeker's Allowance (JSA); income-related Employment and Support Allowance (ESA); support through part 6 of the Immigration and Asylum Act; the guaranteed element of State Pension Credit; Child Tax Credit (but not Working Tax Credit) and have an annual income not over £16,190; the Working Tax Credit 4-week run on (the payment you get when you stop qualifying for Working Tax Credit).

*provide auxiliary aids and services for disabled pupils where reasonable and where failure to do so would put pupils at a substantial disadvantage” (indicative SEN Code of Practice (DfE 2013).*

## **Funding of Early Years Education**

### **Mainstream Funding of Early Years Providers**

- 3.6 Early years providers are funded via an Early Years Single Funding Formula (EYSFF). This consists of a basic rate per hour plus any additions to reflect particular characteristics of the provider such as flexibility (opening times), quality (qualifications of staff) and deprivation.
- 3.7 A *low level SEN funding factor* is not included in the funding formula for EY providers. Some LAs had an SEN factor in their funding arrangements for early years settings prior to the DfE introducing the EYSFF but dropped it in the light of new government requirements.
- 3.8 Hence, unlike schools, early years providers do not receive a notional SEN budget to support children with a sensory impairment who may be at early years action or early years action plus. Neither do they have a notional SEN budget to make a contribution to meeting the cost of a statement.
- 3.9 This lack of a notional SEN budget will have implications for the way access and participation of young children with a sensory impairment are funded. Key points are:
- a) Determining the point at which top up is provided to ensure access. For example, schools are expected to contribute the first £6,000pa towards the additional cost of a statement. However, expecting EY providers to contribute £3,600<sup>3</sup> may be unreasonable and this is illustrated in the example below.
  - b) The fact that the definition of a reasonable adjustment and the respective roles of the EY provider and LA aim to avoid placing the child with a sensory impairment at a substantial disadvantage in accessing early years education. For example what may be reasonable for a secondary school to provide in terms of auxiliary aids and services may not be reasonable for an early years provider. However, it may be reasonable for an LA to provide that support and make the required adjustments to ensure access to early years education and avoid any substantial disadvantage.

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<sup>3</sup> £3,600 is 3/5<sup>th</sup> of £6,000 to recognise that provision in EY settings is 3 days a week (or 15 hours) and not 5 days a week (or 25 hours in primary **schools**).

## Local Authority Top-Up Funding for EY Providers – Case Example

- 3.10 The following is extracted from DfE (2012) guidance; *School funding reform: Next steps towards a fairer system. Improving arrangements for funding pupils and students with high needs: Additional illustrative information*
- 3.11 A case to illustrate how a child with SEN is funded to access early years education:
- A four year old child has additional needs costing £5,000 more than what is normally available in a nursery.
  - The nursery receives funding for 15 hours of education through the Single Funding Formula to provide what should be normally available. This funding comes from the LA's Early Years Block.
  - The LA responsible for securing the child's access to early years education pays a top-up of £5,000 from its High Needs Block to the provider
- 3.12 In commenting on this example the DfE stated: *mainstream early years settings do not receive the equivalent of a notional SEN budget. **Local authorities will need to ensure that there is clarity, through their local offer, about what mainstream early years settings will provide for high needs pupils using funding for the 15 hours of early education.***
- 3.13 There is no change to this position in 2014/15. In its publication *2014-15 Revenue Funding Arrangements: Operational Information for Local Authorities* issued in July 2013, the Government's Education Funding Agency states: *as in 2013-14, we are not implementing the high needs funding system in 2014-15 for those institutions that cater solely for children aged under 5, such as nursery schools. It is for each local authority to decide how high needs places and children in these institutions are funded, from their **early years and high needs budgets**.* This guidance enables Local Authorities to fund the additional cost of access which is above that provided through the Early Years Single Funding Formula either from its Early Year Block or the High Needs Block of its Dedicated Support Grant.

### Funding demographic pressures

- 3.13 The extension of eligibility of EY education to two year olds receiving DLA in 2014 may create a demographic pressure. The DfE estimates there are 8,000 two year olds receiving DLA who will be eligible for EY places from September 2014 although some will be eligible in 2013 because they will be living in households on low income.
- 3.14 In response to a query raised by the Special Educational Consortium on funding the increasing numbers of children with SEN accessing EY education the DfE said:
- As well as the revenue funding for early years, and for 2 year olds specifically, which should be more than sufficient, capital funding is available to LAs to help with the expansion of provision. These funding streams can be used to make sure that there are sufficient places for young children with SEN and disabilities. And LAs' high needs budgets can also be used to support two year olds, so there should not be any shortage of funding to secure the right provision for children as young as 2 who have SEND.*

3.15 Thus, from a DfE perspective there will be sufficient funding both for ensuring there are sufficient places for children with a sensory impairment, including accessible premises and providing any additional day to day support which is required above that which can normally be provided by EY settings from their EYSFF budget.

3.16 The DfE also informed members of its High Needs Funding Group that it felt there would be 'headroom' in early years funding because budget allocations to LAs were based on maximum take up rates and an hourly rate which was lower than the average paid nationally. The implication of this is that there may be scope from within the early years block allocation to fund additional cost of access.

#### **4 COMMENTARY AND NEXT STEPS FOR NATSIP**

4.1 The recent funding changes raise a number of policy questions for LAs. The questions are largely related to the respective roles and responsibilities of EY providers and the LA with regard to funding additional provision and making reasonable adjustments to ensure children with sensory impairment (and other types of SEN) can:

- i) fully participate in early years education in a way that does not place them at a substantial disadvantage
- ii) make good educational progress towards the start of compulsory education.

4.2 The questions for LAs include:

- a) What can be normally expected from EY providers with regard to what EY providers will provide for children with SEN from their mainstream budgets given that they do not receive a notional SEN budget?
- b) Linked to this, at what level of need does the LA provide top up funding to enable access and participation?
- c) With regard to the Equality Act what adjustments can EY providers be expected to make to avoid disabled children being placed at a substantial disadvantage, particularly with respect to the provision of auxiliary aids and services?

4.3 To help LAs, NatSIP will in the Autumn term 2013 be undertaking a survey of LAs to find out how they have approached these questions, the problems they have experienced and the solutions that have been developed. It is hoped that information that emerges from this survey will help LAs to:

- a) compare their arrangements with others
- b) develop their local offer with respect to early years provision
- c) review the respective responsibility of EY providers and the LA with reference to any national norms.

#### **Note:**

This document will be re revised to incorporate the content of the draft SEN Code of Practice when it is published later in 2013.