

Schools Forum 29th June 2017

Early Years Activity Led Funding In the Early Years (ALFEY)

Contextual Information

It is the duty of all providers delivering funded early education places to meet the needs of children with SEN and disabilities. In order to do this the Local Authority follow recommended guidelines to ensure the funding arrangements for early education reflect the need to provide suitable support for these children.

It is at the discretion of each private, voluntary and independent (PVI) provider to decide how to spend their allocation for special educational needs. Some providers choose to fund extra teaching or non-teaching staff to support pupils with special educational needs and/or use this funding to provide interventions and resources. Others may pay for additional time for the provider's special educational needs coordinator (SENCO) to work with pupils. This funding also covers the providers duties around the provision of specialist equipment and aids.

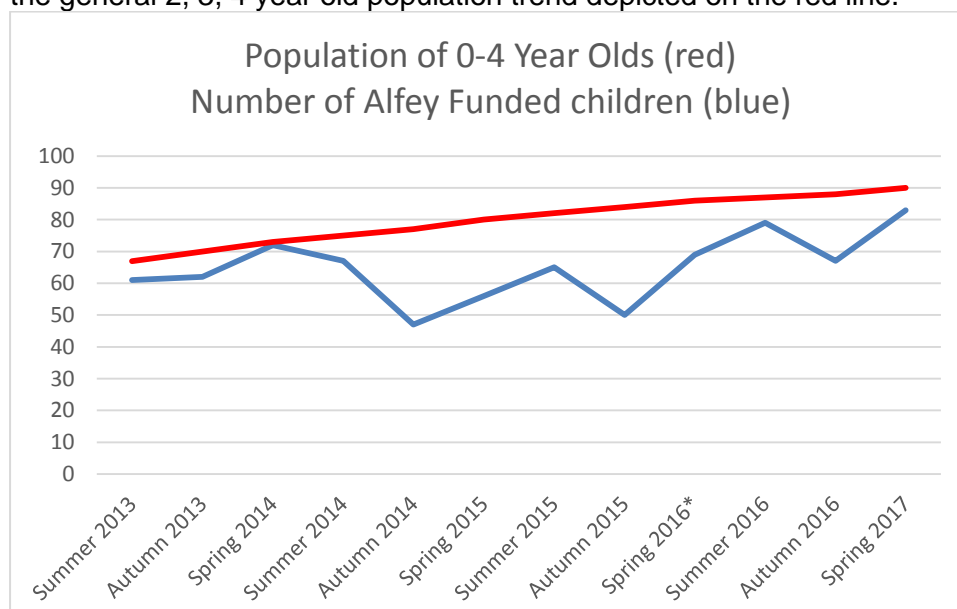
Local Practice

The funding is awarded by the Advisory Teacher for Early Years Inclusion. Upon receipt of an application for support, each individual child is visited by the Advisory Teacher, assessed and scored based upon the level of support required. This score then dictates how much additional funding the setting will receive for the child. The scores are set out below:

ALFEY Score	% of hourly rate received	£ hourly rate received
1	20%	£1.80
2	40%	£3.60
3	60%	£5.40
4	80%	£7.20
5	100%	£9.00

Demand

The chart below clearly demonstrates an increase in the number of children requiring additional support to access mainstream provision. The increased numbers are in line with the general 2, 3, 4 year old population trend depicted on the red line.

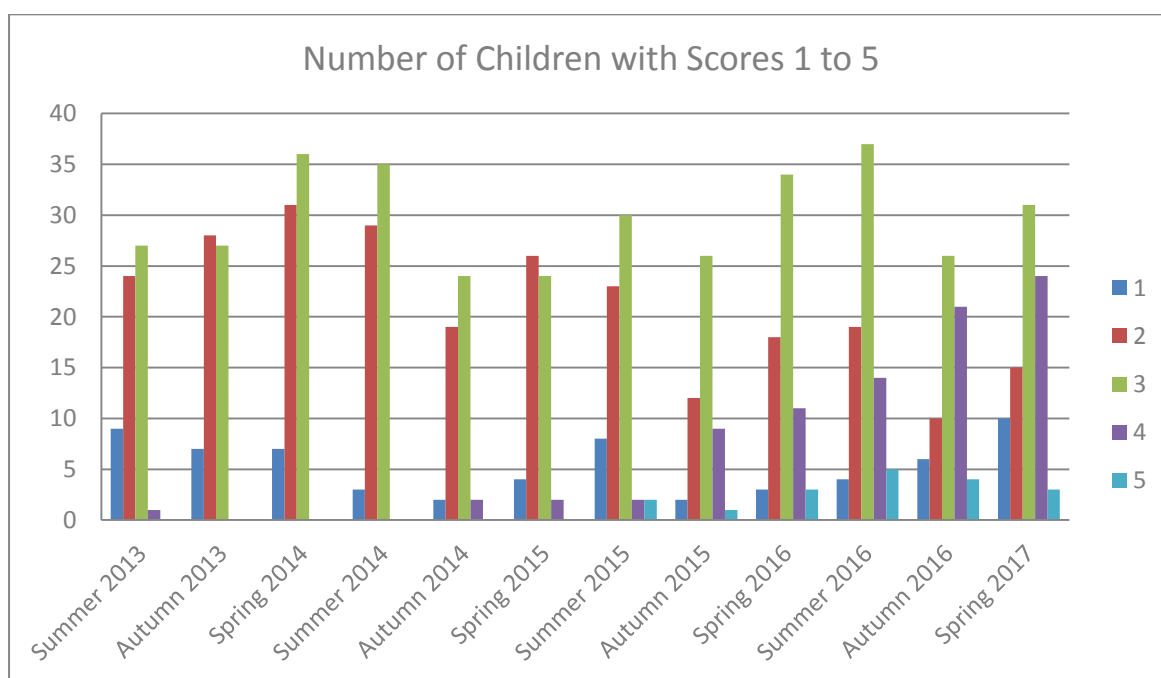


In 2014 the full implementation of a 15 hour offer to vulnerable two years olds was introduced. Although the local area received additional funds to fund the places for the eligible group there were no additional funds provided to ensure children were supported appropriately if their needs could not be met through a universal offer.

The implications of this new duty for funding two years has resulted in additional demand through the following factors

- The need to provide ALFEY funding to an unfunded cohort of two year olds
- The ability of the setting to assess children for additional needs at an early stage has been created. The work of SENCO's start with two years olds, this has moved the average age of the application forward. Although subject to review it has resulted in an increase in the length of time the funding is required.

In addition to demand there has also been an increase in the complexity of the needs of children. The Advisory Teacher for Early Years Inclusion has increased the level of scrutiny of each of the applications and aligns the information available from other sources (e.g. health evidence, portage) prior to decision making. The chart below shows the complexity of need at level 3 and above has increased significantly.



Spend

The impact of increased demand and complexity of need has resulted in additional demands on the ALFEY budget. The following table demonstrates the number of children, average score and spend from 2013 to 2017.

It is important to note that the hourly rate was increased from £7.50 per hour to £9.00 per hour to align the funding with minimum wage expectations. This was applied in spring 2016.

	Number of children	Spend	Average Spend per child	Average Score
Summer 2013	61	£32,769.38	£537.20	2.3
Autumn 2013	62	£30,437.25	£490.92	2.3
Spring 2014	72	£36,265.50	£503.69	2.4
Summer 2014	67	£38,268.00	£571.16	2.5
Autumn 2014	47	£30,910.50	£657.67	2.6
Spring 2015	56	£30,892.50	£551.65	2.4
Summer 2015	65	£43,960.50	£676.32	2.5
Autumn 2015	50	£39,073.50	£781.47	2.9
Spring 2016*	69	£50,738.22	£735.34	2.9
Summer 2016	79	£68,493.96	£867.01	2.9
Autumn 2016	67	£67,906.08	£1,013.52	3.1
Spring 2017	83	£71,767.44	£864.67	2.9

**Important note – the hourly rate increased from £7.50 ph to £9.00 ph in Spring 2016.*

Next steps

In order to further scrutinise applications, the local authority are taking additional actions. This includes the introduction of a funding allocation panel to moderate and review all claims. This will bring practice in line with the SEND panel and mirrors the development of the post 16 panel, with the aim of creating equality in decision making across all phases of education.

School Forum took a decision to increase the budget by £100k to mitigate the increased demand and impact of children receiving a 30 hour entitlement from September 2017.

Recommendation

- The Forum note the content of the report and request an update report in Spring 2018.

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