

Childcare and Early Childhood Learning

Productivity Commission Public Inquiry 2014

Supplementary Submission by KU Children's Services

Proudly a not for profit organisation



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Summary of Submission

This additional submission by KU Children's Services focuses on the inclusion of children with additional needs in childcare and early childhood learning services. As a provider of brokered funding on a national basis to all Australian Government funded services, and a provider of inclusion support programs in NSW and VIC to over 2,500 services, KU is uniquely positioned to provide a national perspective on the inclusion of children with additional needs.

KU would recommend that the Productivity Commission considers the following as part of the Review of Childcare and Early Childhood Learning:

- Implement funding structure changes for the funding of additional educators, in particular the Inclusion Support Subsidy
- Continue with the implementation of the National Quality Framework
- Review the scope of Federal and State funded programs to support the inclusion of children with additional needs in early childhood education and care (ECEC) and school aged services and ensure best use of Government funds as a whole
- Increase the expert support available to ECEC and school aged services to assist them to build their capacity to include children with additional needs.
- Reduce paperwork for services/ISAs to access ISS funding
- Review the best way to provide inclusion support to Family Day Care and In Home Care schemes
- Strengthen the supports available to assist ECEC services to include children from CALD or refugee backgrounds
- Increase opportunities for educators to build their knowledge of quality inclusive practice

1. About KU

KU's inclusion experience as a provider of Inclusion Support Programs

As Australia's most experienced not for profit provider of quality early education and care, KU is committed to the inclusion of all children in high quality early education programs. KU has experienced the challenges of including children with additional needs both as an ECEC service provider and also as a provider of Australian Government and State Government funded inclusion support programs.

KU (in collaboration with Include Me, our partner organisation) has been funded since 2009 as the National Inclusion Support Subsidy Provider (NISSP), administering Inclusion Support Subsidy (ISS) funding to assist Australian Government funded ECEC services to include children with ongoing high support needs across all States and Territories.

KU also manages 8 Inclusion Support Agencies in NSW and VIC supporting over 2,500 Australian Government funded ECEC services to include children with additional needs, including children with disabilities, children from culturally and linguistically diverse backgrounds (CALD) and Indigenous children.

In addition, KU manages the NSW State funded Supporting Children with Additional Needs (SCAN) program in Northern Sydney providing inclusion support to preschool services.

2. Are ECEC services meeting the needs of families with children with additional needs?

Research has widely demonstrated that the early years are a critical time in children's lives and all children, including those children with additional needs, benefit from high quality early childhood education.

Children with additional needs benefit from active participation in a high quality early education program with their typically developing peers to assist their own development. Other children also become better equipped to be part of our diverse community if they are able to engage with their peers with additional needs, or from different cultural backgrounds, from an early age.

Families with children with a disability often have the additional costs of medical treatments and therapies, so it can be important that the family has access to suitable early childhood education and school aged care options, to enable the parent/s to work to meet these costs, as well as participate in the workforce and broader community.

The provision of qualified, experienced educators can be a challenge for service providers, particularly in rural/remote areas or where demand for educators outstrips the availability of educators. There can also be a high proportion of trainees in some services, when compared to the numbers of core staff, who may only remain in the service for a short period of time. Both educator turnover and the lack of experienced, qualified educators impact on the provision of quality education and care for young children with additional needs.

Unfortunately the additional cost of employing extra educators, and the lack of experience of educators in some services, means that children are sometimes excluded from enrolling in ECEC services. If children secure an enrolment in a service they may not be fully participating with their peers in the educational programs offered as the educators are unsure of how to support this, so the quality of educational experience for the child is lower. Children exhibiting challenging behaviours or who require additional supervision or support may have their enrolment terminated, or days/hours of attendance reduced, due to the impact of their behaviour or care requirements on other children and/or educators in the education and care environment.

Services who are experienced at including children with ongoing high support needs often become the "go to" service in the area for children with ongoing high support needs, whilst other services in the area exclude the children and refer them to the "go to" service. In some areas the ECEC service may be the only service or service of its type available, e.g. After School Care, so by default that service becomes the "go to" service. If the numbers of children with ongoing high support needs becomes disproportionately high, this can have an impact on both the financial viability of the "go to" service and the quality of education that the service itself can provide.

It can be difficult to include children with high support needs in Outside School Hours Care and Vacation Care services as the premises that the service operates from (often the school hall or a council community hall or sporting ground facility) is not adequately set up to meet the needs of children with disability, e.g. there is no adequate fencing to prevent a child with autism running onto the nearest road, or the toilet block is a long distance away from the play areas so supervision is challenging for educators. In addition, educators in OSHC and VAC services sometimes lack experience, and are unqualified and/or are employed on a casual basis, so may not be equipped to best manage the inclusion of children with ongoing high support needs in these challenging environments.

There is a shortage of inclusive ECEC services for teenagers with additional needs. Often, the only option for families is continued attendance for their teenager at an OSHC service for 5 to 12 year olds. The OSHC service is then faced with the challenges of including a teenager who is dealing with the physical changes in becoming an adult, while also having a range of developmental issues in coping with trying to understand what is happening to them. Quality inclusion of the teenager within the service, which includes the provision of a program which caters to the interests, needs and developmental stage of all

children attending, is challenging considering the service is set up to cater to a younger age group and the complexities of including an older child with ongoing high support needs in this environment have not always been considered.

3. What can be done to improve the delivery of ECEC services to children with additional needs?

KU would recommend that the Productivity Commission considers the following as part of the Review of Childcare and Early Childhood Learning:

1. Implement funding structure changes for the funding of additional educators, in particular the Inclusion Support Subsidy

The current Inclusion Support Subsidy (ISS) is a contribution to the cost of employing an additional educator (currently \$16.92 per hour for a time limited period per day). In Family Day Care and In Home Care the ISS can also be used as a payment in recognition of the impact on the carer of the additional care and attention required by children with ongoing high support needs (\$9/hr or \$4.45/hr).

The service that employs the educator must fund the “gap” between the actual cost of employing the educator and the ISS subsidy which can be financially unviable for some services and is a large financial disincentive to enrol children with additional needs for all services. The “gap” has been growing larger over the 6 years the program has been operating, as the wage cost indexation of 1-1.5 % pa is well below average annual award wage increases of 3-4 %, thus increasing the financial hardship for services who include all children.

Additionally, some services only allow children to attend for the hours that an additional educator is in place at the service. This practice is discriminatory as the family are entitled to a full day’s education and care in relation to the childcare fee that they have paid. While safety concerns may be cited as the reason for the exclusion, there should be an expectation that the service commits to having the child for all of the hours that have been requested by the family.

Some families are also being asked by services to pay for the difference in costs between the ISS subsidy and the actual cost to the service of the employment of the additional educator (the “gap”).

Recommendations:

- **The level of Inclusion Support Subsidy needs to be increased** to reduce the financial outlay for services in employing an additional educator and encourage all services to include children with additional needs, across both ISS and state based programs. Consideration should be given to the ISS funding pool based on demand rather than a budget allocation.

Child Care Benefit (CCB) is funded based on demand. To ensure that all children and families can access child care and early learning services the overall ISS budget to support services to include children with ongoing high support needs should also be based on the need for this support. Management of ISS should focus on targeting ISS to meet demand in line with the Inclusion and Professional Support (IPSP) guidelines with consideration of current demographics.

- If the annual overall funding allocation for the ISS cannot be increased, **the ISS Guidelines need to be changed to prioritise funding for the inclusion of children with more significant needs** and then other support needs to be provided to help services to include children with lower level additional needs.

There have been recent changes to the diagnosis guidelines impacting on the numbers of developmental issues and conditions which are considered to be a disability, and subsequently this is likely to increase the number of applications received for support through ISS (e.g. the Sydney South West ISA region reports that 40 % of the referrals they receive for support are related to children with autism and in NSW South West ISA region, the local Early Intervention service reports that their waitlist numbers have increased by 30 % over the past two years).

This is a positive change but child eligibility requirements need to be reviewed in line with changes in diagnosis tools, demographics and available resources to determine where ISS resources are best targeted.

2. Continue with the implementation of the National Quality Framework

The **NQF needs to be retained** as this will increase the capacity of educators in the ECEC and school aged care sector to include a range of children, as the number of qualified educators and the subsequent quality of each ECEC service increases. With a skilled workforce many children can be included without an increase in educator to child ratios, leaving the available funding to be prioritised to assist the inclusion of children with higher needs.

One of the most significant inconsistencies for children attending childcare and early childhood learning services is the variation in educator to child ratios across the country. The educator to child ratios provided have an impact on educators being able to include children who meet both the ISS eligibility requirements and other children who have support needs but do not meet ISS requirements.

In Victoria the 3-5 years ratio of 1 educator to 15 children can mean it is difficult to include any child with a disability without additional support. Under the current model, a child could be in a care environment in New South Wales with a 1 educator to 10 children ratio and another child could be in Victoria with a ratio of 1 to 15. The capacity of the educator in these environments to meet the needs of all children is understandably different. While the NQF has addressed the variation in educator to child ratios, some changes do not come into effect until 2016. There is a concern that the government may delay or not implement these changes and educator to child ratios may remain significantly different across the states/territories. This impacts on all children, but the impact is greater for children with disabilities and also those in single staffed care environments. In some cases ISS compensates for the educator to child ratios allowed under the regulations, but this is not an effective use of the available ISS funding.

3. Review the scope of Commonwealth and State funded programs to support the inclusion of children with additional needs in ECEC and school aged services and ensure best use of Government funds as a whole

There are a variety of state funded programs operating to assist the inclusion of children with additional needs, in addition to the Australian Government funded Inclusion and Professional Support Program (IPSP). In some areas these programs slightly overlap raising the risk of 'double dipping' of Government funds, and in some situations there are gaps where there is no funded program available to support the needs of individual families. The availability of multiple differing programs also causes confusion for services and families.

With the introduction of the National Disability Insurance Scheme (NDIS), care should be taken to continue to recognise the Inclusion and Professional Support Program as a valuable resource to build the capacity of educators in childcare and early learning services to include children with disabilities. Provision of ISA and ISS on a per service, per care environment basis is a cost effective way of building capacity of services to include children with additional needs and increase family choice in accessing quality education and care.

Recommendations:

- **KU recommends a review of Commonwealth and State based inclusion programs**, especially in light of the introduction of the NDIS to ensure that funding is provided to support all families and there is no overlap between different funded programs. Areas to include in the review would be:

- **Universal Access funding**

This is provided to services to enable them to provide children with preschool/ kindergarten education by a qualified teacher in the year before school. Funding is provided by the Australian Government to the state and territory governments to deliver this initiative.

When this program occurs within long day care services, inclusion support for children with ongoing high support needs must be accessed through the state/territory government during the hours the child is funded to participate in the Universal Access funded preschool/kindergarten program, not through the Inclusion Support Subsidy. For the hours the child with ongoing high support needs attends outside kindergarten/ preschool program, the service can apply for inclusion support through the Inclusion Support Subsidy.

Long day care services operate for longer hours and more weeks than the kindergarten/ preschool programs operate and the inclusion support funding has different eligibility requirements and guidelines, such as ISS is approved per care environment, not per child. This means that services can be applying to access inclusion support through both ISS and the state/territory governments to support the same children at different times of the day, week or year, which can be complex and confusing for services.

- **Support to include vulnerable children and children at risk who may display challenging behaviours but have no diagnosed disability.**

This is currently outside the scope of the ISS, but including some vulnerable children can have a significant impact on the delivery of the program for all children. A review would assist in determining what type of support would best assist services to include vulnerable and at risk children.

- **Provision of adequate respite support for families**

Currently services may apply for ISS, but this cannot be approved as the support the family requires is for respite purposes, e.g. families where the parents are not working or studying but require In Home Care to meet family or personal needs. However, the provision of state funded respite services is inconsistent across the country. Further care options need to be considered and funded to better meet the needs of families with children with disabilities.

- **State funded inclusion programs**

For example, in the Hunter region in NSW early intervention services are restructuring as their funding has now changed due to the implementation of the NDIS. There are no centre based Early Intervention Services being offered, but instead the EI Teachers are now working within ECEC services under the title 'inclusion facilitators'. ECEC are already supported through the IPSP by Inclusion Support Facilitators through the Inclusion Support Agency program. Services are confused by the naming of the positions within these programs and subsequently the roles of each.

4. Increase the expert support available to ECEC and school aged services to assist them to build their capacity to include children with additional needs.

Inclusion Support Agencies (ISAs) effectively provide on-the-ground expert consultancy support to assist services to build their capacity to include children with additional needs. This support is critical to the inclusion of children as, on its own, ISS funding allowing services to employ an additional educator will not result in quality inclusion, if ECEC services do not reflect on their environment, policies, program and practice and commit to achieving improvements in the quality of inclusion in their service.

In the majority of cases, Inclusion Support Facilitators (ISFs) are the most frequent professional visitor to ECEC services. They are the main link for educators, providing updated information, support and assistance in response to educator needs. ISFs help educators to understand the needs identified in their Quality Improvement Plan, and assist them to work out a plan of action for inclusion through the development of the Service Support Plan. This is a vital component in the delivery of outcomes through the NQF.

The facilitation model of ISA service delivery which builds staff capacity through support visits, coaching and mentoring has resulted in services having the confidence to enrol children with additional needs (when previously they may have excluded these children), and improved the quality of inclusion within the care environment across all services.

Recommendations:

- The increases in ISA funding since 2006 have not kept pace with the increase in staff and travel costs in particular. KU award wage increases average 4 % per year compared with the significantly lower CPI increase in the ISA program funding (1.5 % for 2013-14). This means that there has been a consequent decrease in the amount of inclusion support provided by ISAs to services over time. **Funding linked to average award wage increases** would prevent a decline in the amount of support provided and help ISAs meet the changing needs of the ECEC sector.
- Services would benefit from **more targeted Professional Development (PD)** provision across all states/territories, so that all services are able to access PD that meets their needs. If the Professional Support Coordinators had a stronger focus on inclusion within their PD calendars, and the resources to develop associated resources, this would assist services to build their capacity to include children with additional needs.

5. Reduce paperwork for services/ISAs to access ISS funding

The current online application system for ISS is an improvement over the previous paper-based system as it enables services to claim ISS fortnightly rather than quarterly in arrears, therefore improving services' cash flow.

However the system (the IS Portal) was not tailor-made for ISS and is cumbersome to use for services, ISAs, the NISSP and the Australian Department of Education. The system can be slow and require considerable administration time from services and ISAs to complete an ISS application. The system has also had recurring technical problems which are not resolved, impacting on the system efficiency for all users. System enhancements are required to prevent over claiming, as well as enabling effective reporting.

Recommendation:

- **A cost-benefit analysis** should be undertaken to identify whether a new tailor made system would reduce administration time for services, ISAs and the NISSP and better meet Government needs.

Some families of children with disabilities experience additional financial and emotional pressure in order to provide annual updated documentation to confirm their child's disability status. While both the need for government accountability and the current acceptance of the Health Care Card as a form of documentary evidence, as well as some documentary evidence being accepted on subsequent applications, is greatly appreciated by services, further consideration of this issue is needed.

Recommendation:

- If **documentation provided by families to qualify for NDIS** was accepted as meeting child eligibility requirements for ISS this would further assist some families to meet child eligibility requirements.

6. Review the best way to provide inclusion support to Family Day Care (FDC) and In Home Care (IHC) schemes

Due to the different nature of service provision through the Family Day Care and In Home Care schemes, the delivery of inclusion support through the IPSP is difficult. For example:

- One FDC service may have 600 to 700 educators providing care, but for the ISA this is listed/funded as only one service. It is therefore unreasonable to expect the ISA to be able to provide support for all educators within the one FDC service.
- Support for State wide FDC/IHC services is also problematic, as the office is located in one ISA region but the educators can reside at different locations within the state.
- The capacity payment for FDC educators does not actively provide the educator with support around quality inclusion practices.
- IHC settings often care for only one child with high support needs which does not fit with a definition of "inclusion"

Recommendation:

- **A review be undertaken** to identify the best way to provide inclusion support to home based services.

7. Strengthen the supports available to assist ECEC services to include children from CALD or refugee backgrounds

As Australia becomes a more diverse community, the challenges with regard to the inclusion of children from a CALD or Refugee background are becoming more wide ranging.

Recommendation:

- That the **Bicultural Support program** be strengthened.

Further consideration is needed to determine if ISS is the support required to facilitate access to ECEC services for children from refugee or humanitarian intervention backgrounds. It is important that individual children, their families and the community as a whole, do not miss out on the learning and social opportunities accessed by their peers.

Recommendation:

- A review is required to determine **when and how to best support children and families from refugee or humanitarian intervention backgrounds** to access mainstream child care and early learning services.

8. Increase opportunities for educators to build their knowledge of quality inclusive practice

There is insufficient inclusion-specific training available to ECEC services to assist them to build their capacity, particularly in regional/remote areas.

Recommendations:

- Tertiary education institutions need to better prepare students to include children with additional needs by **incorporating an inclusive practices module based on sound understanding of child development in all relevant ECE qualifications.**
- **Additional Government support** could also be provided for educators to deepen their expertise by gaining formal qualifications in inclusion.
- **Professional Development opportunities for educators combined with coaching and mentoring support through Inclusion Support Agencies** would be an effective means to support educators to implement policies and practices to provide an inclusive service for all children.