

WESTMINSTER CITY COUNCIL**SCHOOLS' FORUM – 6TH JUNE 2022****REPORT BY THE ASSISTANT DIRECTOR, SPECIAL EDUCATIONAL NEEDS
AND EDUCATIONAL PSYCHOLOGY AND LEAD STRATEGIC FINANCE
MANAGER – BI-BOROUGH CHILDREN'S SERVICES****HIGH NEEDS EDUCATION BANDING TOOL REVIEW UPDATE**

This report updates progress on the Education Banding Tool (EBT) recalibration review

FOR INFORMATION AND DECISION**1. INTRODUCTION**

- 1.1 High needs funding operational guidance issued by the DfE sets out that where individual pupils require additional support that costs more than £6,000, the excess should be met by top-up, over and above core funding. Top up funding does not contribute to or subsidise overheads attributable to other school budgets or costs that have to be met even if the school has no pupils with high needs, for example, the SEN Co-ordinator.
- 1.2 Until January 2020 top up payments were based on average hourly rates for teaching and support staff. As these rates were felt to be underfunding, it was agreed to introduce a resource allocation system to improve the targeting of resources. As the resource allocation system used by adult social care offered an Education Banding Tool (EBT) at reduced cost, it was introduced.
- 1.3 Schools' Forum (1 November 2021 and 20 January 2022) noted the high needs block forecast overspend, largely due to the significant increase in funding for Education, Health and Care Plans allocated via the EBT. Forum endorsed the need for an urgent review of affordability. Findings from the EBT review were discussed by the High Needs Budget Review Group (1 February 2022) and recommendations were presented to Forum on 28 March, WSSIC 18th March and an extraordinary meeting for primary Headteachers on 21 March.
- 1.4 This report provides an update following further consideration of the EBT by the HNBRG on 20 April 2022.

2 EBT REVIEW AND RECALIBRATION

- 2.1 The EBT review found 83% of funding had been allocated at band 6 or above. This means that 42% of EHC plan funding was providing the equivalent to at least 7.4 hours per day of 1:1 teaching assistant support. There were no bands in early years funded below band 4. Analysis issues indicated the system

needed urgent recalibration. Officers worked with the system developers to ensure system amendments. Recalibration was put in place from April 2022.

- 2.2 The review highlighted that the EBT was providing an average of £6.5k per pupil more than the cost of additional support required by individual pupils e.g. the interventions specified within Education, Health and Care plans.
- 2.3 Whilst the EBT had enabled some improvements, the review found that top-up funding allocated to bands 8-10 exceeds the average cost of a full time TA (excluding the first £6k)

WCC Band	EBT funding	1:1 TA hrs pwk	1:1 TA hrs pd
1	£7,100	9.2	1.8
2	£8,500	11.0	2.2
3	£9,950	12.9	2.6
4	£11,400	14.8	3.0
5	£15,000	19.5	3.9
6	£19,500	25.3	5.1
7	£23,000	29.8	6.0
8	£28,500	37.0	7.4
9	£34,000	44.1	8.8
10	£38,000	49.3	9.9

*Based on actual payroll costs 32.5 hr pr wk, 190 term days £26,259

- 2.4 The review concluded that funding which exceeds the cost of 1:1 for a large percentage of pupils is unsustainable as well as contrary to effective practice around delivery of special educational provision, promoting independence and preparing for adulthood.
- 2.5 Following discussion at Schools Forum funding for bands 8-10 has been capped at £20,259 with effect from April 2022. All children should still receive the provision specified in their EHC plans. Forum agreed not to make any further changes to the bands until September 2022.
- 2.6 For the most complex children and young people in mainstream, where the EHC plan specifies additional support costing in excess of the cap, funding will continue to be provided at the band shown in para 2.3.
- 2.7 The Local Authority has also agreed a temporary hardship fund for schools already in deficit or where this would cause a deficit, funded from the Council's funds, not the high needs block.
- 2.8 No changes have been made to the targeted safety net mechanism that ensures the most inclusive schools receive a £6k for each additional EHC plan when they reach the threshold (calculated as 50% of their notional funding), typically between 6-10 EHCPs in a primary school.

3 EBT MODERATION

- 3.1 The HNBRG considered whether to pause or maintain the phased EBT rollout noting there are no alternative systems currently available and recalibration and further development work, including reporting is in hand. It was agreed that in the absence of an alternative system, the EBT roll out should continue. However there will be a moderation process.
- 3.2 Terms of reference for the moderation are set out at appendix 1.

4 FURTHER ACTION

- 4.1 Review of all existing banding has commenced as part of the annual review process. Each allocated band will be reassessed, confirmed or corrected. A major consideration for Schools Forum is how to address overpayments if recalculation indicates there was a banding error and individual schools received an overpayment in the financial year 2021/22.
- 4.2 No schools have been asked to repay funding for the financial year 2021/22 as this could be a significant challenge for schools already in deficit or where this would cause a deficit.
- 4.3 Where review identifies EBT bands previously allocated require correction e.g. the review process generates a lower band, the effective start date for calculation of the repayment will be 1st September 2022 e.g., not backdated to the start of the financial year/summer term.
- 4.4 The review found inconsistencies arising from multiple system users and concluded these could be addressed through training for existing system users and it is also proposed to review whether establishing a dedicated EBT funding officer most would ensure the banding tool's application and output are robust.

5 RECOMMENDATIONS

- 5.1 Schools Forum is asked to:
- 1) note the planned moderation and
 - 2) consider at its first meeting in the autumn term 2022, whether to develop a repayment model for funding received in error during 2021/22;

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