

**WESTMINSTER CITY COUNCIL****SCHOOLS' FORUM – 14<sup>th</sup> NOVEMBER 2022****REPORT BY THE ASSISTANT DIRECTOR, SPECIAL EDUCATIONAL NEEDS  
AND EDUCATIONAL PSYCHOLOGY AND LEAD STRATEGIC FINANCE  
MANAGER – BI-BOROUGH CHILDREN'S SERVICES****HIGH NEEDS UPDATE**

This report provides an update on the work of the High Needs Block Reference Group, particularly focussing on the Education Banding Tool (EBT) and also seeks a decision on an increase to the top up funding for The St Marylebone CE Bridge School – a special free school.

**FOR INFORMATION AND DECISION****1. INTRODUCTION**

- 1.1 The Schools' Forum is requested to note the work of the High Needs Block Reference Group (HNBRG).
- 1.2 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.
- 1.3 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 the Education Banding Tool (EBT) to funding for Education, Health and Care Plans.
- 1.4 Following the significant increase in cost for support allocated via the EBT, Schools' Forum endorsed an urgent review of affordability. Findings from the EBT review and recommendations of the High Needs Budget Review Group (1 February 2022) were presented to Forum on 28 March, WSSIC 18<sup>th</sup> March and an extraordinary meeting for primary Headteachers on 21 March. An update was provided to Forum on 6<sup>th</sup> June 2022 following further consideration of the EBT by the HNBRG on 20 April 2022.
- 1.5 Schools' Forum on 28<sup>th</sup> March 2022 agreed to increase St Marylebone CE Bridge School's top up rate by 4.3% from £13,900 to £14,500 from September 2021. The Forum is asked to consider the information and proposals regarding the increase to the top up and approve the rates to be applied from September 2022.

## **2. BACKGROUND**

- 2.1 The High Needs Budget Review Group (HNBRG) was established to provide an opportunity for officers and schools/settings to monitor the ongoing use of the HNB funding and to consider new developments that arise.
- 2.2 Revised Terms of Reference (TOR) have been agreed and termly meetings with headteacher representatives will normally rotate on annual (academic year) basis.

## **3. EBT REVIEW AND RECALIBRATION**

- 3.1 The review found 42% of funding provided the equivalent of at least 7.4 hours per day of 1:1 teaching assistant support and highlighted that the EBT was providing an average of £6.5k per pupil more than the cost of the interventions specified within Education, Health and Care plans.
- 3.2 Following discussion at Schools Forum, funding for bands 8-10 was capped at £20,259 with effect from April 2022. The Local Authority agreed a time limited (for the summer term) temporary hardship fund for schools already in deficit or where rapid implementation would result in a deficit, funded from the Council's funds, not the high needs block.
- 3.3 Top up funding for EHCPs issued since April 2022 has been allocated using the recalibrated EBT. This includes those existing band where an annual review has taken place. Headteachers participated in a moderation exercise reviewing a sample of banding against the evidence of SEN and provision. Recalibration is ensuring an affordable level of funding is allocated to EHCPs.
- 3.4 The EBT review found inconsistencies arising from multiple system users. This has been addressed temporarily by diverting staffing capacity within the SEN Service to put in place a dedicated EBT funding officer. This is helping to ensure the banding tool's application and output are robustly consistent.
- 3.5 No changes have been made to the targeted safety net mechanism that ensures the most inclusive schools receive a £6,000 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.
- 3.6 DfE consultation (2022) as part of the SEND green paper set out a proposal to introduce national funding bandings/matrices..

## **4. OVERPAYMENTS**

- 4.1 The review and recalibration of the EBT highlighted the tool was over providing for particular areas of need resulting in erroneously bands and overpayment.

- 4.2 Although no schools were asked to repay funding received for the financial year 2021/22, Schools Forum asked HNBRG to consider at its meeting in the autumn term 2022 whether any 'clawback' for 2021/22, recognising this could be a significant challenge for school in deficit or at risk of deficit.
- 4.3 Although recalibration means the tool is now applying the correct banding, where the revised banding is lower, this is likely to be an indicator of an overpayment having been received.
- 4.4 Following detailed discussion at HNBRG in October, officers are undertaking further modelling of funding received by schools, before and after recalibration, for further view on by the HNBRG.
- 4.5 The HNBRG considered an alternative approach to clawback could be indefinite capping of funding for bands 8-10 at £20,259.
- 4.6 It is proposed to maintain the current capping for the remainder of the academic year 2022/23 whilst the work of the HNBRG is ongoing.

## **5. THE ST MARYLEBONE CHURCH OF ENGLAND BRIDGE SCHOOL**

- 5.1 In accordance with Department for Education (DfE) funding regulations special schools receive place funding of £10,000 for each commissioned place and locally agreed top up funding for each pupil. The £10,000 place funding relates to core costs and has remained at that level since it was introduced by the DfE.
- 5.2 Allocations in relation to the previous teachers pay and pension contribution grants have been included in the high needs block from September 2022 and need to be reflected in the special school top ups.
- 5.3 It was noted that the phased approach to the roll out of the top up funding based on the education banding tool (EBT) (over a three-year period) will see St Marylebone Bridge later in the EBT roll out and that it was important to ensure that the school was not disadvantaged by this phased timing. Each pupil at the school will be subject to a statutory annual review as part of the roll out process. It has therefore been agreed to apply a flat rate increase to the existing top up until the school can be transitioned to EBT.
- 5.4 The number of places required in specialist settings is reviewed on an annual basis, during the Autumn term. St Marylebone Bridge is commissioned to provide 65 places in 2022/23 academic year. These places are funded on the basis of the nationally agreed £10k per place and therefore amounts to £650,000 (65 x £10,000) for 2022/23. The national place funding does not increase and this was raised in the SEND review consultation response.
- 5.5 In September 2022 the school relocated from its temporary accommodation, which limited the number of pupils who could be accommodated, into new purpose built facilities which have been well received by pupils. This offers the

opportunity for an expansion in the size of the school and will see an increase the number of commissioned places in September 2023 to 70.

- 5.6 St Marylebone Bridge are requesting an increase of 9.7% to the top up funding, from £14,500 to £15,900 from September 2022, to cover staff and other cost increases. The increase in staffing costs is due to pay increases and incremental pay progression and not an increase in staffing numbers. After taking the £10,000 per place funding into account, the £1,400 increase per pupil represents an increase of 5.7% in funding from Westminster's High Needs Block. This increase, in respect of 26 Westminster pupils, is estimated to cost £21,200 in 2022/23 financial year and £36,400 in future years.
- 5.7 The school estimates that without an increase in top up rate there would be an in year budget deficit of £132,328 in the 2022/23 academic year. The proposed increase will not take the school out of deficit, but it does take it to a more manageable £38,028 deficit. The school is taking steps to manage the deficit by reducing inflationary pressure on non-staff costs.
- 5.8 The school's request will increase the current top up from £14,500 to £15,900. It is proposing a differential top up rate of £18,500 in respect of those who are not resident in the borough (currently 41 pupils).

## 6. **RECOMMENDATIONS**

6.1 Schools Forum is asked to:

- 6.1.1 Note the update from the HNBRG on modelling work around repayment for funding received in error during 2021/22;
- 6.1.2 Agree to maintain the current capping of bands 8-10 at £20,259 for the remainder of the academic year 2022/23; and
- 6.1.3 Approve the 9.7% increase for St Marylebone CE Bridge top up (equivalent to approximately £1,400 per pupil per annum for WCC pupils). This increase, in respect of 24 Westminster pupils, is estimated to cost £19,600 in 2022/23 financial year and £33,600 in future years.

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**Background papers:**

DfE High Needs 2022/23 Operational Guide

[High needs funding: 2022 to 2023 operational guidance - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/high-needs-funding-2022-to-2023-operational-guidance)

WCC Commissioning plan

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