

# Schools Forum – 8 November 2021

## Education Banding Tool

### Executive Summary:

- To make Schools Forum fully aware of the proposals for consultation based on the work of the Education Banding Tool Implementation Group and to encourage Education Providers to respond. No decision is required.
- This is part of a solution for establishing education top-up funding linked to Education, Health and Care Plans (EHCPs) which are met from the High Needs Block (HNB). It is achieved through a single algorithm which is implemented across all sectors of education – mainstream, specialist provision and further education.
- The Education Banding Tool (EBT) will support **fair, equitable and consistent** funding mechanisms across education providers and localities. It is a needs-led tool rather than a provision based one and it is not about reducing funding but about making it fair across the system. It will remove the need for individually negotiated top-up funding with providers
- The alternative is to continue “as-is” with varying mechanisms we currently have in place to agree top-up funding for our EHCP pupils across the different education sectors and so will remove the current inconsistencies.

### Recommendation

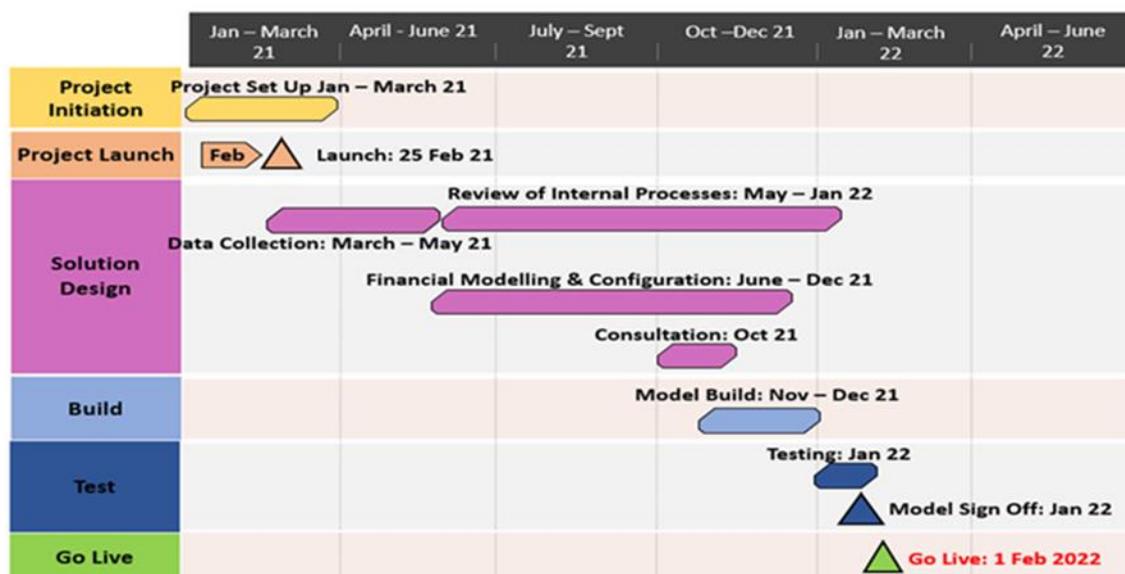
That Schools Forum notes:

1. The progress to date on the Education Banding Tool implementation and consultation which commenced 4<sup>th</sup> October and to close on 29<sup>th</sup> October 2021 therefore allowing 4 weeks for Education Providers to respond.

**Report of Deputy Chief Executive and Director for Families and Communities**

## Background

2. Since last Forum progress on the implementation of the EBT has continued as per the agreed high-level plan detailed below



3. Throughout the implementation period, from February 2021 to date, there has been consistent and timely engagement and communications with our primary and secondary stakeholders (see below) and all slides and notes from the Steering Group and Implementation Reference Group meetings have been published on the [Local Offer](#)<sup>1</sup>.

Primary Stakeholders	Secondary Stakeholders
<ul style="list-style-type: none"> <li>SEND &amp; Inclusion Performance Group</li> <li>SEND Senior Management Team</li> <li>SEND Locality Managers</li> <li>SEND Keyworkers</li> <li>Staffordshire Education Providers (Inc. Early Years)</li> <li>Skills &amp; Employability Team</li> <li>Finance Business Partner</li> <li>Parents/carers Forum</li> </ul>	<ul style="list-style-type: none"> <li>Cabinet Member for Children, Families and Community Safety</li> <li>SEND Partnership Group</li> <li>Families and Communities SLT</li> <li>Wider Families &amp; Communities Workforce</li> <li>School Forum</li> <li>School Governors</li> <li>Wider Parents &amp; Carers</li> <li>Other Local Authority Education Providers &amp; Independent sector</li> <li>Health &amp; other professional advice givers</li> <li>LMSCC (Teachers Unions)</li> </ul>

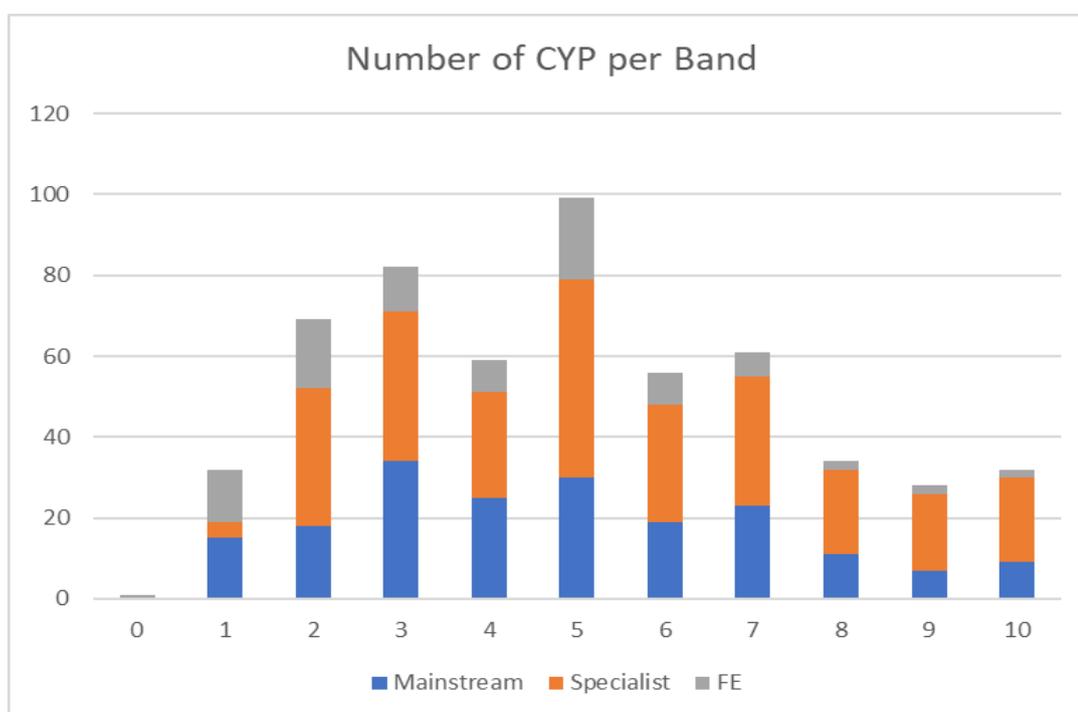
<sup>1</sup> 592 hits to date which is 331 individuals and is the 8th most popular page of 268

## Education Banding Tool Overview

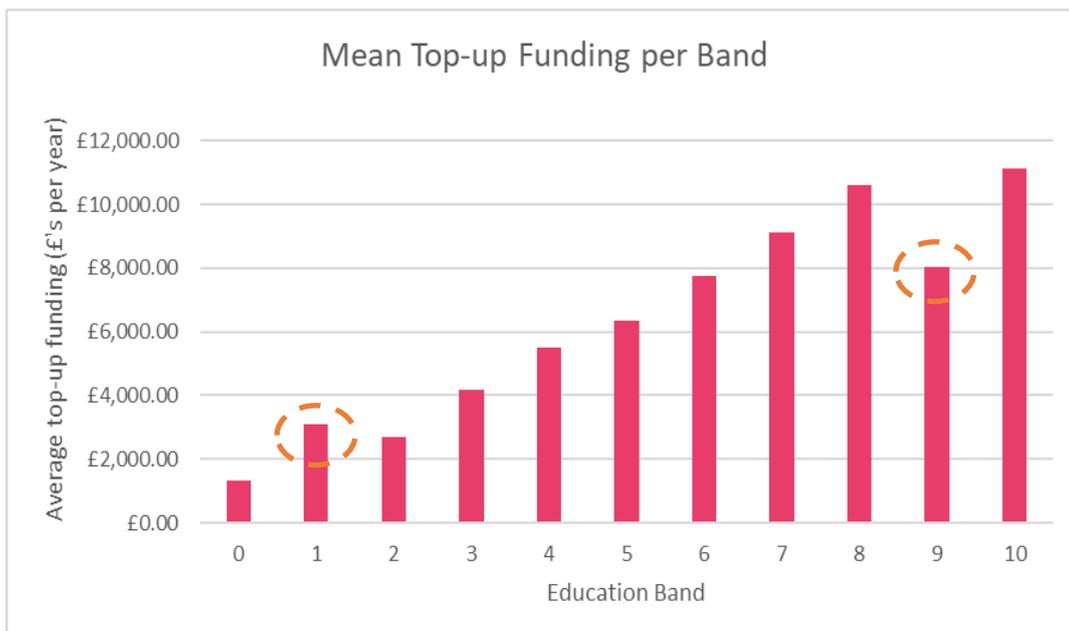
4. There are 10 Band Levels within the EBT (Level 1 to 10). There are options for sub levels which can be utilised within each individual level (e.g. 'a', 'b', 'c' etc). It is proposed that sub levels will be applied for levels 8 and above to manage the varying level of complexity for Children and Young People (CYP) with higher levels of need.
  
5. The baseline band is determined using the nine education areas recorded in the EBT Pupil Needs Profile (see below), which is completed using information contained within the pupil's EHCP. Each of the education areas are measured from the CYP being able to manage with little or no support to having constant difficulties and requiring continuous support. The education areas use a 0 to 4 scale with a total score (out of 36) across all nine areas:
  - Communicating well
  - Achieving potential for learning
  - Developing and enjoying recreation activities and community inclusion
  - Forming positive relationship
  - Maintaining emotional well-being
  - Dealing successfully with change and transitioning between education providers
  - Being independent with self-care
  - Being independent with mobility and motor skills
  - Managing behaviour
  
6. After calculating the initial baseline band, the EBT determines whether or not the band needs to be increased to ensure appropriate top-up funding is provided to account for some specific factors. The risk areas that are considered are detailed below:
  - The impact of sensory impairments and/or processing difficulties
  - The likelihood and/or impact of accidental or intentional harm
  - Support for social, emotional and mental health needs
  - Support to prepare for adulthood
  
7. For each band the Local Authority has considered financial values and the use of sub levels which will allow for a fair and steady increase in top-up funding between levels, especially for those with higher levels of need. We will be seeking Education Providers views on financial values for each Band Level and the use of sub levels. The proposed levels as explained below have been established to ensure that the overall funding remains broadly in line with existing funding levels.

## Pilot Data

8. The SEND Assessment Team completed the EBT Pupil Needs Profile for 600+ pupils with an EHCP (10% of our cohort) providing a 'pilot data set' to support financial modelling and configuration.
9. Imosphere undertook a data analysis of the relationship between the EBT and current top-up funding provision for the pilot data set. Their report provided an overview of the findings in the analysis areas and additional interpretation and recommendations.
10. Imosphere confirmed that the pilot data set contained a good sample of CYP with different levels of SEND and top-up funding provision from across our Education Providers. As expected, the band with the most CYP was Band 5, which typically tends to be CYP with a higher need in a mainstream provision or CYP with a lower need in a specialist provision. Please see graph below detailing the pilot data across the Band Levels.



11. The general trend was that as the Education Band produced by the EBT increased, so did the average top-up funding that was provided for this sample. However further investigations were undertaken to understand the instances where funding was disproportionate to the Education Band to support and inform the budget modelling stage e.g. as indicated at Band Level 1 and 9 in the graph below.



## Progress to Date

12. The overall RAG rating for the EBT Project remains green as delivery against the plan (as detailed in paragraph 2 above) is on target, key project milestones have been achieved within the agreed timescales to date and the project risks and issues continue to be monitored, managed and made visible to key stakeholders, who are actively engaged on a regular basis.
13. A detailed Communication and Engagement Strategy and a Benefits Realisation Plan have been developed and approved by the SEND & Inclusion Programme Group. The development of the Benefits Realisation Plan was supported by an Education Provider survey during the summer term to obtain views on the current mechanism for agreeing top-up funding for pupils with an EHCP. This provided a baseline to enable us to measure the expected benefits post implementation.
14. Key decisions have been made following consultation with the Implementation Reference Group, which includes representatives across our Education Providers, Parent/Carers and the Local Authority and then agreement through the Local Authority's governance group, the SEND and Inclusion Programme Group. (See Key Decision section below - paragraphs 22-29).
15. Funding level principles to support the financial modelling and configuration stage of the EBT have been developed to support the values placed upon each Band Level and will form part of the consultation with Education Providers. (See Funding Level Principles section below - paragraphs 30-37).

16. A dedicated parent/carer workshop was held on 12<sup>th</sup> July 2021 and a further two workshops are planned on the 11<sup>th</sup> and 13<sup>th</sup> October 2021 to support their understanding of the EBT Pupil Needs Profile. Parent/Carers will not be consulted upon the use of the EBT as it will not impact the content of the EHCP, it is about the resource the Education Provider will receive to deliver the outcomes detailed within the EHCP.
17. Throughout the implementation period we have worked in partnership with EBT developers, Imosphere, to refine the EBT Pupil's Need Profile to ensure it works effectively for Staffordshire's CYP.
18. The Local Authority's internal systems in respect of the processes and pathways to support the implementation of the EBT will continue to be developed during the autumn term to ensure it aligns with the Children and Families System Transformation. The transformation aims to create one system that places children and their families at the heart of all we do. Where support is required for some families, access to this will be local, accessible and make a difference.
19. The [DfE High Needs Funding Guidance 2021-22](#) paragraph 254 states that *"Where a child or young person with SEN has relevant health or social care needs, these should be addressed within an EHC plan. Responsibility for securing the provision specified in the plan sits with the relevant statutory bodies: the local authority for education and social care provision [Section F & H], and either the Clinical Commissioning Group or (in some cases) NHS England for health provision [Section G]"*.
20. The EBT only allocates funding linked to an education need and within the pilot data, the EBT highlighted areas where currently education funding from the HNB has been allocated to Education Providers linked to an identified health need for a CYP. Considering the paragraph above, this issue was discussed at the SEND Joint Commissioning meeting on the 14<sup>th</sup> July 2021 where upon it was agreed with our Health colleagues that to address potential gaps in funding:
  - There would be a review of the Clinical Intervention Levels during the autumn term
  - that a pupil-by-pupil view is taken to ensure the health need is recorded within Section C<sup>2</sup> and provision detailed in Section G<sup>3</sup> of EHCPs
21. Feedback throughout the project to date has been very positive regarding the way we have communicated and engaged with our stakeholders:

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<sup>2</sup> Must specify any health needs identified through the EHC needs assessment

<sup>3</sup> Must include any continued health input, advice or support and which health service/professional will provide it.

*"I can say that of the education providers and parent governors invited to your EBT Reference Group meetings:*

- we have had the benefits explained to us*
- we have a good idea how and when it will impact upon us*
- you have kept us well informed of progress*
- there is at least agreement that a simpler mechanism of SEN funding is necessary*
- we have all had many opportunities to contribute and to have our questions answered*
- we have had our voices heard and our concerns taken seriously"*

*"feels like real progress in a well-managed and planned approach. Updates via Local Offer really useful"*

*"this is one of the best examples on the Local Offer of being open and transparent"*

## **Key Decisions**

22. The pilot data set that was used to support the budget modelling and configuration was selected to ensure we had the appropriate range of pupils across education providers, age and the four areas of need within the SEND Code of Practice (Communication and Interaction, Cognition and Learning, Social, Emotional and Mental Emotional Health and Sensory and/or Physical).
23. Education Providers who attend the Implementation Reference Group were given the opportunity to complete the EBT Pupil Needs Profile for CYP with an EHCP from their provision. These were included within the pilot data set.
24. Following the pilot data set, the SEND Assessment and Planning Team have continued to complete the EBT Pupil Needs Profile for all new Education, Health and Care Needs Assessments to build their confidence in using the tool and to support its implementation.
25. The SEND Keyworkers will be completing the EBT Pupil Needs Profile by using the contents of the CYP's EHCP. SEND Keyworkers will receive in-depth training and guidance notes and a quality assurance framework will be developed to ensure consistency of practice across the County. EBT training will not be provided for the advice givers, who contribute towards a CYP's Education, Health and Care Needs Assessment, as their role is to provide their professional advice in line with statutory requirements.
26. Agreed a phased implementation approach from the go live date of 1<sup>st</sup> February 2022. This will apply to:

- all new ENCNA's from this date onwards
- all amended EHCPs where there is a significant change in need as identified through the annual review process
- all phased transfers

27. Agreement of which High Needs Budgets will be allocated through the EBT table below:

<b>Funding to be allocated through Banding Tool</b>	<b>2021-22 Estimated Outturn £'000</b>	<b>Funding to remain outside of Banding Tool</b>	<b>2021-22 Estimated Outturn £'000</b>
Staffordshire Special School Matrix Levels 1, 2 and 3	9.645	Staffordshire Special School Planned Places	33.830
Staffordshire Special School Exceptional Need (EN) Funding	2.960	Staffordshire Residential Special School Funding	1.833
Staffordshire Special School Early Years Enhancement (non 2-3yr olds) and KS4 Enhancement	1.180	Staffordshire Special School Early Years Enhancement (2-3 year-olds)	0.100
Staffordshire Special School School Specific (Minimum Funding Guarantee)	0.750	Staffordshire Special School Lump Sum	1.330
Staffordshire Special School Enteral Feeding	0.319	Staffordshire EHCP pupils placed in independent mainstream schools (fee element only)	1.500
Staffordshire mainstream pupils with an EHCP allocated AEN funding – including other Local Authority maintained, academy & independent schools	15.650	Staffordshire pupils allocated AEN funding but without an EHCP	0.350
Staffordshire EHCP pupils in Staffordshire and out of authority FE colleges & Post 16 Training Providers	1.600	Post 16 SPI	2.400
		Staffordshire EHCP pupils placed in other Local Authority special schools, academies, free schools and independent schools	23.490
		Staffordshire ASD Resource Bases	0.864
		Staffordshire mainstream schools AEN high level protection	0.300

28. The EBT Band Level will be included within the Draft EHCP and the Final EHCP within Section F.

29. The EBT Pupil Needs Profile will be shared with parent/carers and education providers at the Draft EHCP stage but will not form part of the EHCP as it is not statutory advice.

### **Funding Level Principles**

30. The EBT allows the individual Local Authority to personalise the Bands by applying top-up funding amounts which are representative of the level of funding required to support the needs of CYP at each band within Staffordshire's identified HNB funding. This is achieved by using the data pilot evidence to support the LA's configuration decisions for each Band Level.
31. There will be different funding levels attributed to each band across specialist and mainstream Education Providers.
32. The funding value will be based upon a full-time education offer<sup>4</sup> and the value will be adjusted accordingly for any placement on a part-time basis or with reduced guided learning hours.
33. There will be no difference of funding between primary, secondary, post 16 and post 19 across specialist and mainstream providers as it is needs driven and not provision led. Element 1<sup>5</sup> addresses the curriculum offer in a mainstream school and the special school planned place funding (Element 1 and 2<sup>6</sup>) addresses the curriculum offer in a special school with the small class sizes this funding enables.
34. However, it is acknowledged that due to statutory staffing ratios for early years pupils, there will be an additional funding allocation for CYP aged 2-3 years within a special school provider. It is proposed that this additional allocation will be paid as a funding enhancement at existing levels of the special school's early years enhancement of £2,442.47 per annum. This would not apply to early years mainstream providers as their core funding already addresses the required staffing ratios regardless of a pupils' SEND status whereas special school funding does not address this as it is a fixed £10k per place regardless of CYP age.
35. There will be an annual review of Band Levels and funding attributed, in partnership with Imosphere, to ensure they are appropriate and deliver minimum funding guarantee requirements set by government.

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<sup>4</sup> 32.5 hours per week will be assumed as a full-time education offer to ensure the full day is covered

<sup>5</sup> Element 1 funding is the **Age Weighted Pupil Unit** (AWPU) – this money is given by the government via the Local Authority and pays for the basic costs for every child in the school regardless of any SEN. It's normally said to cover staffing and premises costs. It is sometimes called the "bums on seat" money

<sup>6</sup> Element 2 funding is to **provide SEN support** that is additional to or different from the support that most other children get.

36. The EBT addresses an increase in funding linked to an increase in need and there is therefore a continuum of support
- View that Bands 1-4 would be in a mainstream provider (dependent on primary need).
  - View that Bands 5-8 would be in a specialist provider or SEND resource within a mainstream provider (dependent upon primary need).
  - Bands 9 and 10 would be moving towards independent specialist provider and therefore propose that Band 10 are of same value regardless of mainstream or specialist provider. In addition Band 10e should equate nearer to an average cost of an independent placement costs (circa £50k) therefore a top up of £35k.
  - Propose that from Band 8 onwards we use the sub-levels because the jump between the funding is greater and to cope with the higher complexity of need
37. It is noted, however that the EBT is not the decision maker on the type of education placement for a CYP but will support the decision making.

### **Budget Model Findings**

38. Specialist Providers:
- The specialist placements within the pilot data provided a very strong profile of increased needs receiving increased top-up funding
  - There is currently a very large jump between the existing funding system in our special schools between the current Matrix Level 1 and 2 of £168 and £1,633 respectively to Matrix Level 3 of £8,521.
  - Propose EBT Band 1 equates to zero as the needs are low and can be met from the planned place funding and lump sum.
  - Propose EBT Band 2 equates to the current Matrix Level 1 £168. However, this is increased to acknowledge the funding which was previously allocated dependent upon enhancements and school specific funding.
  - Propose EBT Band 5 equates to the funding provided through the current Matrix Level 2 pupil of £1,633. However, this is increased to acknowledge the funding which was previously allocated dependent upon enhancements and school specific funding
  - Propose EBT Band 8c equates to the funding provided through the current Matrix Level 3 pupil of £8,521. However, this is increased to acknowledge the funding which was previously allocated dependent upon enhancements and school specific funding
  - Any Staffordshire resident pupil admitted to a Staffordshire special school or academy for an early intervention placement and does not have an EHCP will be funded at Band Level 5 . This is in line with our view that CYP on bands 5-8 would be in a specialist provision. It also

acknowledges that CYP placed on an assessment/ intervention placement have already been identified through the Early Years Forum as more complex and therefore requiring more specialist input.

39. Mainstream Providers:

- No strong conclusions could be drawn from the pilot data and the Band Level, which measured the level of need against their current number of hours allocated and funding. This was because in a high number of instances 20hours Teaching Assistant (TA) was the most popular rate allocated to pupils across each of the Bands.
- Propose that for mainstream providers, Band 1 equates to sufficient funding to support the cost of 10hours TA support. This has been calculated using the average salary term-time only rates<sup>7</sup> which are higher than the current rate being used.
- CYP within a sixth form will have their banding adjusted to reflect the reduction in guided learning hours for a Post 16 Study Programme.

40. Further Education Colleges & Post 16 Training Providers:

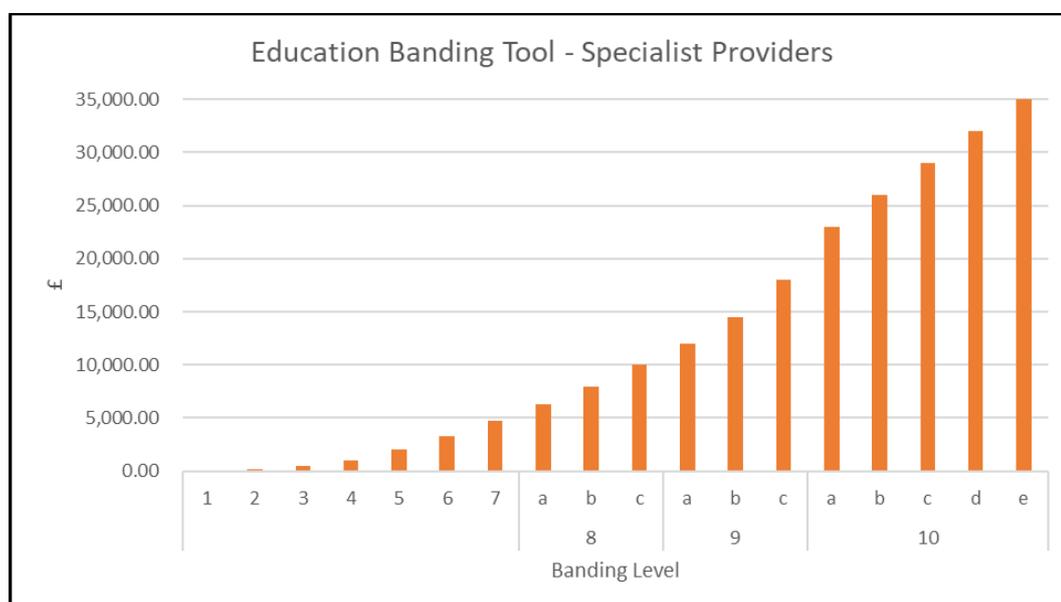
- The pilot data demonstrated that a proportion of young people in FE provision with an EHCP do not receive top-up funding. This is mainly due to the FE provider being able to meet the needs of the young person within their Element 1 funding. Further investigation and consideration is required to understand and develop processes to ensure that financial modelling remains within the current HNB identified funding.
- For FE Providers, it is proposed that there are two banding types to differentiate between a Foundation or Mainstream placement within a FE.
- Consideration is to be given as to whether the proposed Band Levels for specialist and mainstream providers will be applied to Foundation and Mainstream FE placements respectively. However, we acknowledge there would be a value adjustment linked to guided learning hours for a post 16 study programme.

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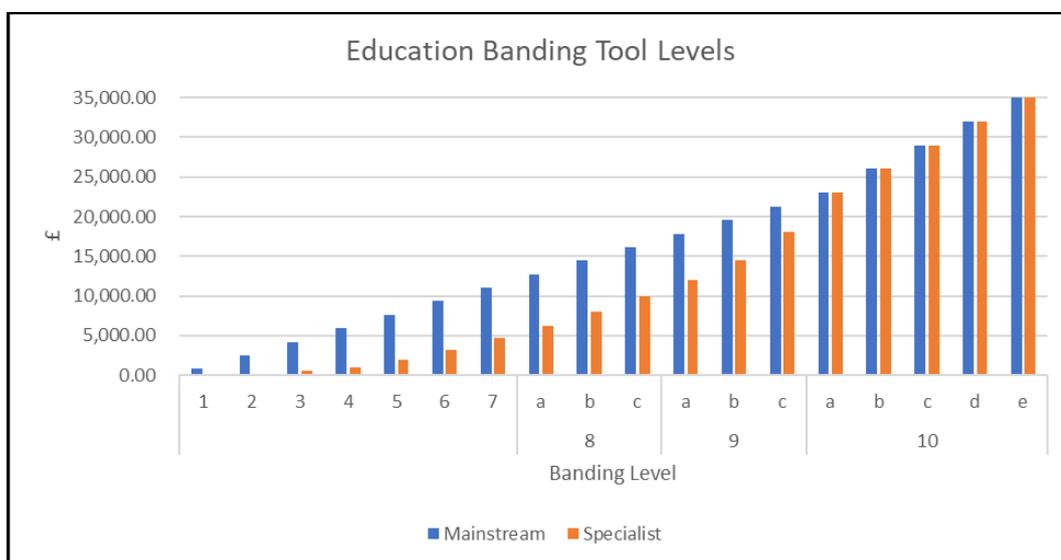
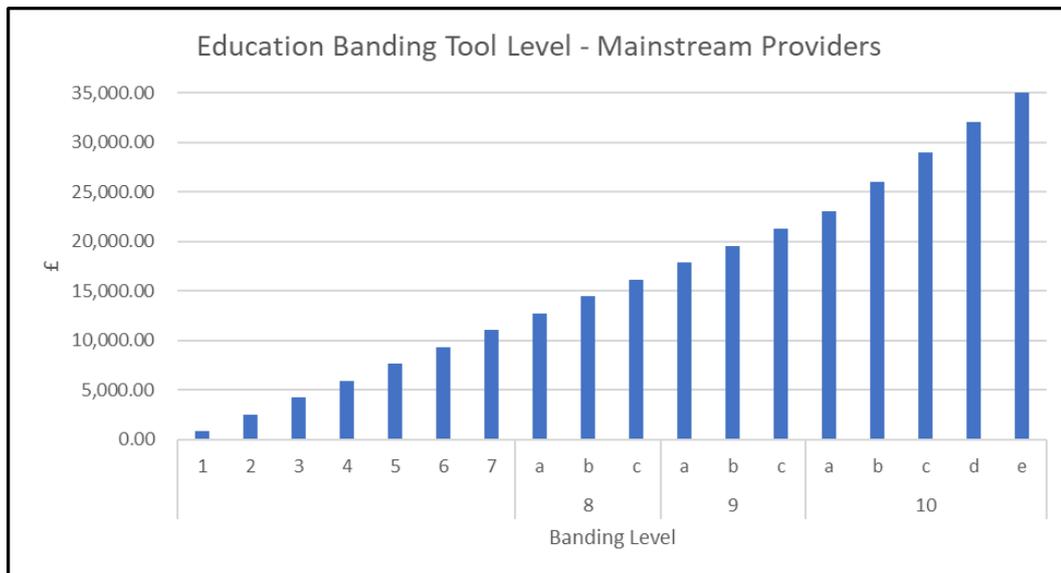
<sup>7</sup> Term time including all on-costs (43.7wks pa) ranges from £20,521 to £23,753

41. The proposed Element 3<sup>8</sup> top-up funding levels across each of the Band Levels are detailed below:

Band Level	Specialist	Mainstream
1	£0	£811
2	£200	£2,514
3	£500	£4,217
4	£1,000	£5,920
5	£2,000	£7,623
6	£3,250	£9,326
7	£4,750	£11,028
8a	£6,250	£12,731
8b	£8,000	£14,434
8c	£10,000	£16,137
9a	£12,000	£17,840
9b	£14,500	£19,543
9c	£18,000	£21,246
10a	£23,000	£23,000
10b	£26,000	£26,000
10c	£29,000	£29,000
10d	£32,000	£32,000
10e	£35,000	£35,000



<sup>8</sup> Element 3 is the funding required over and above Element 1 and Element 2 funding to enable a pupil or student with high needs to participate in education and learning



## EBT Override

42. It is acknowledged that there will be occasions when the funding attributed through the EBT may be insufficient to support the needs of the pupil. However, to ensure we retain the integrity of the EBT there will be an agreed list of circumstances when the EBT funding level can be overridden. There will be a strong governance established to support the Local Authority's decision making in relation to override and values and this list will be regularly reviewed and currently includes:

- Short term transition funding
- SEND Tribunal outcome
- Placement at Education Providers which are out of scope of the EBT e.g. ASD Bases, Independent specialist/school provider, Specialist Post 16 Institution (SPI) other Local Authority special schools, Free schools
- Communication Support Worker to be employed due to

- i. British Sign Language sign support of the curriculum
- ii. Modification of curriculum into Braille
- iii. Recent diagnosis with imminent loss of sight
- Risk of suicide and self-harm
- Serious safeguarding/sexualised behaviour/perpetrator behaviour
- Post-operative additional short-term support
- History of malicious accusations against staff
- High risk of significant/severe absconding (risk assessment in place)

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**List of background papers:**

Schools Forum 14 January 2021 – Item 7 Education Banding Tool

Schools Forum 25 March 2021 – Item 8 High Needs Block Update

Schools Forum 15 July 2021 – Item 9 High Needs Block