

Schools Forum			
REPORT TITLE	Banding Review		
KEY DECISION	Yes	Item No.	4
CLASS	Part 1	Date	17 March 2016

## 1. Purpose of the Report

To consider the recommendations of the High Needs Sub Group on the review of the banding structure to fund pupils with High Needs

## 2. Recommendation

### The Schools Forum agree

- That the costing of the banding model takes place by December 2016, and the consultation on the model is delegated to the High Needs Sub Group as part of this process
- That the partial implementation in September 2016 be incorporated into the main implementation in April 2017

## 3. Background

- 3.1 The Schools Forum set up a Task Group in 2013 to consider the costs of funding high needs pupils. At that time there was concern about the funding being received for High Needs pupils and the costs being incurred. The forecasts in December 2015 indicated the shortfall in funding for 2016/17 was going to be £4.1m if no action was taken. At the budget setting meeting on both 10 December 2015 and 19 January 2016 Forum agreed proposals to cover the cost of this.
- 3.2 In 2015 the remit of the Task groups was extended to look at how High Needs pupils are funded with a specific requirement to consider the funding bands on which pupils are placed.
- 3.3 One of the key principles of the banding review was that any proposals should be **cost neutral** over all schools.
- 3.4 The other main principle was to ensure that there is greater clarity in the system of which band a pupil fits into and to make sure that the system was easy to moderate.
- 3.5 The current funding for placements in Lewisham is £35m.

#### 4 New Banding Scheme

4.1 The rationale for having a new universal banding system is based on the following

- Current banding differential
- Lack of transparent top-up allocation
- Lack of moderation process
- Lack of equity due to funding variation for the same need between schools

4.2 The desire is to establish a process for banding which is:-

- Fair
- Equitable
- Transparent

4.3 The Department of Education published a set of characteristics of an ideal school funding system. The review has had regard to these characteristics which are as follows

- Distribute money in a fair and logical way
- Distribute extra resources towards pupils who need them most
- Be transparent and easy to understand and explain
- Support a diverse range of school provision
- Provide value for money and ensure proper use of public funds
- Covers provision expected for all pupils with SEND access, as well as additional support, which would lead to strategic borough wide agreement on the school local offer
- Provides a clear and transparent process for moderation of banding

4.4 The system that is currently used by Birmingham is felt to be the most appropriate. The Banding system has five categories

Band	Descriptor
A	Speech and Language and Communication ASC
B	Cognition and Learning
C	Social, Emotional & Mental Health
D	Sensory
E	Physical

4.5 For each of these bands there are a number of levels

Level	Funding Source/Block	Description
Band 1	Schools	Basic Entitlement - £4000 & Devolved Funding - £6000
Band 2	High Needs	Pupils with more complex needs, High cost needs
Band 3	High Needs	Pupils with more significant complex needs, High cost needs
Band 4	High Needs	Pupils with more severe complex needs, High cost needs

4.6 Following an appropriate assessment each pupil will be placed on a band according to their primary need. Each band has a full descriptor of the child's needs and describes the provision required across key areas:-

- Assessment, Target Review
- Curriculum Access
- Grouping & Pastoral Care
- Equipment and Resources.

## 5. Funding Rates

5.1 While the Birmingham scheme has funding attached to each of the bands these funding rates are not suitable for Lewisham due to the extra costs of being in London.

5.2 There are two ways to determine the funding rates,

- To build the funding rate up based teacher to pupil ratio, learning support Assistant to pupil ratios, etc.
- Fitting the current funding rates into the new bands.

5.3 One of the current difficulties in calculating the funding rates is that until all the pupils have been moderated onto the new bands it is not possible to see that the funding will be cost neutral. To determine which of the new funding bands each high needs pupils would come under would take some time as there are about 1,500 pupils to allocate.

5.4 There is of course an alternative of keeping the funding for the current pupils the same and to only apply the new banding structure to new pupils. The disadvantage of this is that two pupils with the same need could attract different funding. It would also mean that the current

funding system would remain, albeit partially, in place for a number of years.

- 5.5 It is proposed that a staged approach is undertaken to ensure that the banding is consistent across all pupils with High Needs. The first stage will be to consider special schools, then consideration will be given to resource bases, followed by other children with EHCP. Rather than start a partial implementation in September, it is proposed that all pupils are assimilated onto the new banding system. With 1,500 pupils involved it is felt it is better to delay implementation until April 2017.
- 5.6 Moderating all High Needs pupils will ensure that the proposals are cost neutral across all schools. While some schools will see funding gains, others will lose. The delay to April 2017 will allow schools more time to plan and implement the changes.
- 5.7 The first step under the revised timetable will be to set up a small working group consisting of special school head teachers and representatives of primary and secondary schools with the purpose of moderating their own pupils on to the new bands and to test out the impact of the funding. These meetings will take place during April and May and will look at Special School pupils initially. The outcome will be reported to the Forum in June.
- 5.8 The final stage will be in the Autumn Term which will look at to moderating the pupils in Primary and Secondary schools. The final results will be reported back to the Schools Forum in December.

## **6 Conclusion**

The placements budget is significant it is important that any changes to the way in which it allocated are fully understood before any new system is implemented. While any delay is regrettable it is perhaps a better option than implement a system which creates inequality between pupils and schools.

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