

April 2019

Dear Headteacher, Principal, Chair of Governors

Changes to Mainstream Element 3 Banding

Introduction and Context

The introduction of the SEND Code of Practice and the subsequent high needs funding reforms meant that our previous system for top up funding for children and young people with education, health and care plans (EHCP) needed to be reviewed. A desire to move away from EHCP provision being based on equivalent Teacher Assistant (TA) hours, a focus on specifying and quantifying support within EHCP's and an agreement about what should ordinarily be available through school and college delegated funding, have all factored into the decision to review how we resource mainstream EHCP funding.

Funding for North Lincolnshire education providers comes in four parts;

- The Early Years Block which funds the free entitlement to nursery education for 3 and 4 year olds and some 2 year olds
- The Schools Block which funds mainstream schools and academies
- The Central Schools Service Block which provides funding for the local authority to carry out central functions on behalf of pupils in state-funded maintained schools and academies
- The High Needs Block which supports all pupils with needs that cost in excess of £10,000.

Funding arrangements for pupils/learners with SEND changed in April 2013 and a **place-plus** approach to the way support for pupils and students with high needs were funded was introduced.

High needs pupils/learners are defined as those requiring over £10,000 per year to meet their special educational needs and/or disabilities. This additional funding is referred to as element 3 top-up funding. Top up funding must be an amount per pupil and the funding must follow pupils/learners if they move education providers during the year.

Therefore, under a **place-plus** approach high needs funding comprises three elements:

Element 1: Funding per pupil at a school – each school will receive an amount to fund a place at the school.

Element 2: Additional learning support funding – each school will be expected to provide support to meet the additional requirements of a child/young person who would benefit from this.

Element 3: Top up funding from the commissioner to meet the assessed needs of individual pupils/learners, based on the provision quantified and specified within their EHCP.

Figure 1. Equivalence of funding for all high needs provision under a place plus approach:

	Mainstream Setting	Special School/Resource Provision in Mainstream Setting
Element 1 Universal	Basic entitlement – per pupil/learner of £4K within school delegated budget.	Place funding of £10K through delegated budget.
Element 2 Low cost, high incidence	Additional funding through the schools delegated notional SEN budget – schools are expected to provide support up to the equivalent of £6K per pupil/learner.	
Element 3 High cost, low incidence (top up funding)	Further funding required above the £6K of Element 2 to meet the assessed needs of the pupil/learner as set out in their EHCP.	Further funding required above the place element of £10K to meet the assessed needs of the pupil/learner as set out in their EHC Plan.
	Budget centrally managed and delegated to an education Provider based on individual pupil/learner need.	Budget centrally managed and delegated based on individual pupil/learner need.

ELEMENT 3 BANDING SYSTEM:

What is it?

- A way of specifying financial support to pupils with SEND – element 3 top up funding
- Provides a mechanism for allocating additional resources to provide support in school to meet the outcomes stated in an EHCP
- Allows flexibility for the school to meet the outcomes on an EHCP

The purpose of Banding:

Previously when a child/young person’s EHCP was agreed, element 3 top up funding was allocated in terms of **equivalent** hours of generic TA support. This did not always relate to the specified and quantified SEND provision identified in the EHCP and caused confusion because some people thought this meant that a TA must be provided.

Using a new system, EHCP's will specify and quantify the type of support to be provided and link this to a tiered banding system and an appropriate school setting. This will give education settings more freedom to meet the child/young person's needs in a range of ways, rather than only providing hours of TA support. Thus, the funding may enable a range of interventions identified within the EHCP - training, specialist support, group activities and/or some 1-1 support which may be from a teacher or support staff. The effectiveness of the EHCP would therefore be judged by the achievement of outcomes.

We have already agreed a new banding structure with our post 16 providers, which was implemented in September 2018.

Why Banding?

- A transparent and simplified approach to top-up funding in mainstream schools
- Reduces administrative burdens
- Removes association between EHCP plan and funded TA hours, which might not match provision identified within the EHCP
- Removes risk of parental frustration - if TA hours of support provided does not match provision identified within the EHCP
- Encourages consistency in the Local Area

What did we do?

We brought together a Local Authority Banding Working Group to review banding systems in a number of Local Authorities and determine a North Lincolnshire approach. We met on 13th November 2018 and 17th December 2018 and agreed a banding model for consultation with school leaders.

CONSULTATION:

This proposal went out for consultation until **15th February 2019** with questions or comments directed to special.needssection@northlincs.gov.uk

6 primary schools responded, including one Governing Body and 6 secondary schools. The issues raised were similar and related to:

- A positive response to the proposal / acknowledgement that removing the references to TA hours will provide opportunities for a range of innovative provision to be agreed within the EHCP
- Concern that the timeframe for implementation of a new system was insufficient
- Concern that core funding does not equate to £4K in all settings
- Potential reduction in school budgets and the impact on staffing
- Concern about the impact on small schools

The outcomes of the consultation were reviewed by the Local Authority Banding Working Group on **27th February 2019**. Further proposals were recommended to the local authority:

- To consider a phased introduction
- To review the impact on small schools where the changes may have a disproportionate effect on staffing budgets
- To further review the proposed funding to reduce impact on school budgets

Following the recommendation of the Local Authority Banding Working Group, funding across the banding levels was reviewed once again and adjusted to reduce the impact on school budgets:

New banding system

FUNDING BAND	Band A	Band B	Band C	Band D	SEN Support
Delegated element 2 funding in addition to Element 3	£6000	£6000	£6000	£6000	£6,000
Element 3 top up funding	£7,000	£5,800	£3,000	£2,000	£0

Implementation Process:

Following consultation we propose to introduce the agreed banding system in the following way :

- Changes to element 3 top up funding of **existing** EHCPs will commence on the agreed implementation date of 1st April to a new funding band. Schools will be notified of this in the schedule of SEND payments which is sent out by the Local Authority in April 2019.
- To ease administrative burden upon education providers, existing EHCPs will be amended to reflect the change in element 3 banding, following Annual Review. Annual Reviews should ensure that outcomes and support is specified in terms of frequency and duration. Additional training is being provided for SENCOs in the summer term. The first event is being held on 7th May 2019 – please contact special.needssection@northlincs.gov.uk for further information.
- **New** EHCPs approved to take effect from 1st April will be allocated to a band according to the evidence provided during the assessment process, in line with the *Ordinarily Available Education Provision* document and the support specified and quantified within the EHCP.

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