**High Needs Funding Guidance for Finance/Business Managers**

**High Needs Funding is for learners who have a high level of Special Educational Needs/Disabilities and not all learners with SEND are high needs learners. You may also hear this funding referred to as Element 3 funding or Top Up Funding.**

Element 1 funding is the basic place funding that is available for every learner, in every setting, to access general learning. This can also be known as AWPU – age weighted pupil unit – and it varies according to the age of the learner and the type of setting that they are in. This funding pays for the general running of the setting, the basic teaching offer that is available to all learners and all associated staffing costs.

Element 2 funding is the first layer of funding for SEND and is sufficient to meet the cost of high incidence, low level provision. In a specialist setting, where all learners will have an Education Health and Care Plan (EHCP), the setting will receive this SEND funding automatically for every learner. In a mainstream setting, where it is more difficult to identify the exact number of learners with SEND, the setting receives a notional amount of Element 2 SEND funding. The amount is calculated on proxy indicators that are closely related to SEND and this funding, although not ring-fenced, is clearly identified as a separate amount in the setting’s annual budget. This funding pays for all SEND provision up to a threshold of £6,000 per learner.

Element 3 funding is the second layer of funding for SEND and is for learners whose provision costs more than the first £6,000 of Element 2 funding. In order to access High Needs Funding, the setting must clearly demonstrate the level of need and provision on an individual learner basis. A banding system is used in Suffolk to further identify escalating levels of high need and the bands are determined by matching to clear descriptors and exemplars. Once an application has been made for a band, it will be moderated by a team of professionals who are experienced SEND practitioners from a variety of settings.

There will be a designated person in your setting who is responsible for identifying your high needs learners and determining the HNF band that it would be suitable to make a request for. In a mainstream or FE setting, this is always the Special Educational Needs and Disabilities Coordinator (SENDCo) but in specialist settings, it will usually be a member of the senior leadership team. Each term there is an opportunity to make new applications for HNF or to ask for banding levels to be changed.

We require a termly spreadsheet that clearly identifies your existing learners with a band (this includes learners with a band who are new to your setting), your learners whose bands are no longer appropriate, existing learners who have not been previously banded, learners who are new to your setting and not been previously banded elsewhere, learners who have left your setting and learners who are dual placed with another setting. (Learners who are new to your setting who have been previously banded elsewhere, will automatically carry their band forward with them and should be placed on the Learners with a Band tab.) Any new applications or requests for changes to increase bands will go through a moderation process that takes place at Endeavour House each term. The moderation panel is made up of colleagues working across settings, with representatives from the primary, secondary, tertiary and specialist sectors, alongside colleagues from the Local Authority Specialist Education Services. There is also an opportunity for colleagues from a wider range of settings to observe the panel and you would be welcome to join us, should you so wish. (This arrangement has been on hold during the pandemic but we will reassess the situation in readiness for the autumn 2021 moderation event) . Once moderated, we send out the results via email to confirm your allocated bands for the term. If you would like to be copied into this communication, please provide your email address on the spreadsheet. Our finance team is then given the final band allocations and you will receive a payment. This payment is for one third of the value of the allocated bands and is the payment in arrears for the term in which it is paid.

The value of the different bands are set as follows:

Band C - £1,500 – this gives a termly payment of £500

Band D - £3,300 – this gives a termly payment of £1,100

Band E - £5,500 – this gives a termly payment of £1,833

Band F - £8,200 – this gives a termly payment of £2,733

Band G - £10,500 – this gives a termly payment of £3,500

Band H - £13,000 – this gives a termly payment of £4,333

(Bands A and B do not have any funding associated with them and are there to profile learners with SEND who do not meet the level of need for HNF. You may see learners who have been moderated at Band B and this indicates that they have needs but do not meet the Band C descriptors. Band A is rarely used in this process as this is a very low level of SEND and we do not tend to see applications being made for these learners.)

You will always be able to project your future funding for all agreed bands, as they will not change unless you request to change the band or we need to challenge the appropriateness of a band through our quality assurance work. This helps enormously when planning future budgets.

**Frequently Asked Questions**

**How do I know which learners in my setting have High Needs Funding?**

There will be a designated colleague in the setting who has responsibility for this and they will be able to give you information about your existing bands and any imminent changes or new applications that are planned. If, for any reason, that person is not available or unable to give you this information, please contact us and we will be able to help.

**When are new applications and band change requests processed?**

Each term, we ask settings to send in a spreadsheet by the Wednesday before the half term break. This tells us if you have any new applications or changes of band requests and also confirms that existing learners with a band are still with you. If you have any new or increased band change requests, we will require an evidence form to enable us to moderate your request(s). The evidence forms are due in on the Friday of the first week back after half term.

**What if we have no new requests or band change requests?**

We still require a spreadsheet, so that we can ensure that funding for existing bands is paid accurately.

**What if a band request is for a lower band than the existing band allocated?**

We do not require an evidence form for this – we can process your request without one.

**When do we find out the allocations for our new requests?**

Once we have everyone’s spreadsheets and evidence forms, we can organise a moderation panel. The moderation panel is currently made up of colleagues from settings who joined the new system in May 2019 and more recently has the addition of colleagues from the Specialist Education Services, who were trained during the spring 2021 term.

The moderators look at each individual request and decide whether the band requested is appropriate. If it is, this is agreed and the band is allocated. If the moderators do not think that the request is appropriate, they will suggest the band they think is accurate and this could be a lower or a higher band. This is then entered into a second layer of moderation. The lead moderator, who works for the Local Authority, then carries out the second moderation. This ensures that each application is fully considered and there is no requirement for an appeals process. In the past, when the first moderation took place, the results were notified and then there was an appeals process which involved LA moderators. The new system removes the time between the two processes. Once moderation is complete the emails are sent out with the results and the bands are confirmed with the finance team at the LA.

Spring 2021 - After much deliberation, the moderation panel was convened for the autumn term and every effort was made to provide a safe environment within Endeavour House for the moderators to attend. We were low on numbers due to some colleagues being unwell, shielding, isolating or simply ‘holding the fort’ in their own setting. We managed three days and despite some IT issues, the moderators were able to complete around 80% of cases. Unfortunately, our plans to involve new moderators for training and continue to welcome observers, were unable to go ahead. We completed the process right at the very end of term and had high expectations for a return to normal working practice in the spring term. We are now facing a similar situation to last summer where the moderation panel could not convene and will continue to follow government guidelines when making decisions about spring moderation. When we do return to normal working practices, it would be good to welcome any interested finance/business managers to come and observe the moderation panel at work.

Summer 2021 - The COVID-19 pandemic has had a major impact on the work of the moderation panel and there have been two terms when it has not been possible to convene a panel. Moderation was carried out by the Moderation Lead for High Needs Funding and all invitations to observe the panel had to be cancelled. All plans to extend the panel cohort were put on hold. We expect to be able to convene a panel in the summer 2021 term and any expressions of interest to join the panel will be re-activated. Last term, we took the opportunity to offer virtual moderator training to LA colleagues in the Specialist Education Services team. This was very successful and it is the intention to incorporate a model of working for future panels, whereby exiting moderators, new moderators and LA moderators work side by side.

Summer 2021 – we were able to hold a moderation event in the summer term and the panel was made up of existing colleagues from various settings and new colleagues from the Specialist Education Services team. Requests for new and changes of band were high and reflected the impact of the pandemic on the SEMH needs of learners and the delay in accessing specialist services for assessment and therapy. We took the decision to introduce a temporary band structure to enable the correct bands to be allocated to these cases but with an inbuilt system for reassessing them in a year’s time. The impact of these increased numbers and the complexity of the decision making process, meant that moderation took longer than usual and it was very late in the term when results were emailed out. We can only apologise for this but hope that you will support us in our decision to ensure that the unprecedented issues that the pandemic brought, have been appropriately dealt with.

Moderation has now returned to normal and the event is held each term in Endeavour House.

**How is the funding paid to settings?**

The LA finance team releases the funding and we always aim to ensure that this happens before the end of the term. Where academy chains have one central finance hub, they will receive funding for a number of settings. It is important in these circumstances, that finance/business managers are fully aware of the bandings for each setting and are able to calculate individual amounts. In cases of difficulty with this, we are always happy to help.

In the Autumn 2020 term, we had conversations with finance/business managers about the format in which the funding arrives in settings. Some of you told us that it is confusing to receive an amount of funding with no indication of how this relates to individual learners. You also said that this is further complicated where Trust finance models are in place. Trust finance/business colleagues told us that some of their models involve the funding coming in for a number of schools and this compounds the issues even further. In the shorter term, Steve is happy to liaise with settings and Trust colleagues to give clarity around the funding received and in the longer term, we are working on a system that will provide this information as part of the process. A recent internal audit of High Needs Funding highlighted a requirement to implement new systems for the collection and processing of data and the disbursement of funding. We are committed to exploring what is available to us for this and will make your observations and comments a key part of the process. This continues to be an ongoing process and we will report back when final decisions have been made.

**What if the funding is not the expected amount?**

The finance team will calculate the amount based on the bands allocated to each setting and this will tally with the information sent to the setting after moderation. It is not impossible for mistakes to be made and we would rather be notified straight away if you think that this has happened. Please bear in mind that we can only use the email addresses that the settings provide on the most recent spreadsheet and if they are incorrect, the lines of communication will break down. If the setting receives banding confirmations that are incomplete or are thought to be inaccurate, we need to know straight away.

**Why do learners with bands sometimes not get their funding paid?**

There are three main reasons why this happens – a learner is in alternative provision, a learner is on a part timetable or a learner has been signed off by a health professional as unfit to attend.

**Alternative Provision –** when a Pre-16 learner is placed in alternative provision, even if it is full time, they have to remain on a substantive school roll. There are many types of alternative provision but the majority are facilitated by the Local Authority and therefore the setting does not pay anything towards the costs. The LA is therefore double funding this learner, with Element 1 and 2 funding being paid twice. The costs for an individual learner are spread across the two settings and the substantive setting therefore does not require high needs funding at this time, even if it is only part time alternative provision. We are seeing an increasing number of cases where settings are paying for AP and need the high needs funding, so it is crucial that this is communicated on a learner’s costed provision map. The moderators are building up a list of non-LA provisions and this is being constantly added to, but we need the setting to be really clear about the provision and who is paying the costs. If a learner is retaining a band and no provision map is involved, please indicate this information in the notes section on the spreadsheet.

**Part Timetable** – there are many reasons why a learner may be placed on a part timetable and you should always let us know when this is the case. It is expected that this will always be a temporary measure and will not remain the case in the longer term. For the first term that the learner is on the part timetable, we will pay the full high needs funding – this is because we recognise that all part timetables must be agreed by the parent/carer(s) and they can revoke it without notice. There must be a significant increase in the timetable by the following term and we will contact the setting to check that this has happened, as part of our new quality assurance work. If this is not the case, we will pro-rata the funding according to the timetable in the previous term and assume that the full funding already allocated will cover the current term. Obviously, there are some circumstances where this will not be so straightforward and we would discuss individual cases before arriving at the level of pro-rata to be applied. For learners where an application form is not involved, please indicate this information in the notes section on the spreadsheet.

**Medically Unfit** – if a learner is signed off as unfit to attend, the high needs funding will not be paid. In many of these circumstances the LA will be funding other provision through its Specialist Education Services and there will be no cost to the setting. As with AP, please let us know if this is not the case and we will evaluate each individual’s circumstances accordingly.

**How is a learner’s provision costed?**

We ask for a costed provision map on all learner applications and there is separate guidance on the website about costed provision mapping. You will find it useful to have a look at these provision maps and see how your learners’ costings relate to your staffing costs and you may need to discuss this with the person making the applications, especially if these comparisons do not tally. The subject of ‘on costs’ for staffing is regularly debated and again the guidance goes into this aspect.

**What is the funding mostly for?**

High Needs Funding is to pay for the support and resources required to put the provision in place to meet an individual learner’s needs. If a learner has an Education Health and Care Plan, the support and resources will be clearly defined but you should be aware that a learner does not need to have a plan to be allocated HNF. Support comes in many forms and is provided by staff with a variety of skills levels and pay grades. Some resources are appropriately funded via HNF but there are some that do not come within its scope. The costed provision map guidance explains all of these aspects.

**What is my role in determining how High Needs Funding is spent?**

High Needs Funding is allocated to individual learners and as such, there is no debate about how the money is spent. You cannot receive this funding and spend it on anything else – including provision for another learner. The costed provision maps and timetables on learners’ application forms will enable you to see what provision should be in place. If a learner does not need some or all of the funding that you receive for them, they should be entered for a change of band and their decreased needs/provision declared. As part of the new quality assurance work, we will carry out checks from time to time and for learners who have retained bands over the last two academic years, we will start to ask for updated evidence.

**What if I am new to the role and I need further help?**

The answer to this question is the same as it would be for any new member of staff who is dealing with high needs funding – we are here to help and there are many experienced colleagues close by who will be happy to mentor you. If you need our help then please email us:

joy.settle@suffolk.gov.uk

steve.newman@suffolk.gov.uk

We can also put you in touch with more experienced colleagues in your area if you do not know how to make contact.