



Element 3 (High Needs Top-Up) Funding Policy for Mainstream Settings

Version: 1.0

Effective from: September 2026

Applies to: EHCP pupils in Mainstream schools (incl. academies/free schools), and LA decision-making for top-up funding; includes separate pathway for Vulnerable SEN Support (SEN K) Inclusion Fund.

Owner: LA SEND Team / High Needs Finance Lead

Review cycle: Annual (or earlier if DSG/operational guidance changes)

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1 Introduction

The Local Authority (LA), working in partnership with education, health and care partners, has a statutory responsibility to keep under review the special educational needs and disabilities (SEND) provision available within the local area. This includes:

- sufficiency planning of the number, age range and type of SEND provision available;
- commissioning arrangements to ensure the availability of appropriate SEND support services; and

- the arrangements for allocating high needs top-up funding (Element 3/E3) to children and young people with Education, Health and Care Plans (EHCPs).

This document relates specifically to the third area above and sets out how Element 3 funding is allocated to mainstream educational settings in Torbay.

This policy sets out amendments to the existing Torbay Element 3 funding allocation matrices to ensure that:

- funding decisions are consistently linked to specified provision;
- the Local Authority's commissioning and funding responsibilities are explicit and transparent; and
- requests for additional funding follow a clear, equitable and evidence-based process.

The amendments reflect learning from the original matrices pilot, which a number of schools participated in, and which went through Schools Forum in 2023. Since the conclusion of the pilot, the matrices approach has been progressively applied to all EHCPs including phase transfer plans during the most recent academic year.

This policy review forms part of the Local Authority's review of Element 3 funding arrangements, to ensure funding remains fair and equitable across all mainstream provisions and continues to support the delivery of the special educational provision specified in Section F of EHCPs.

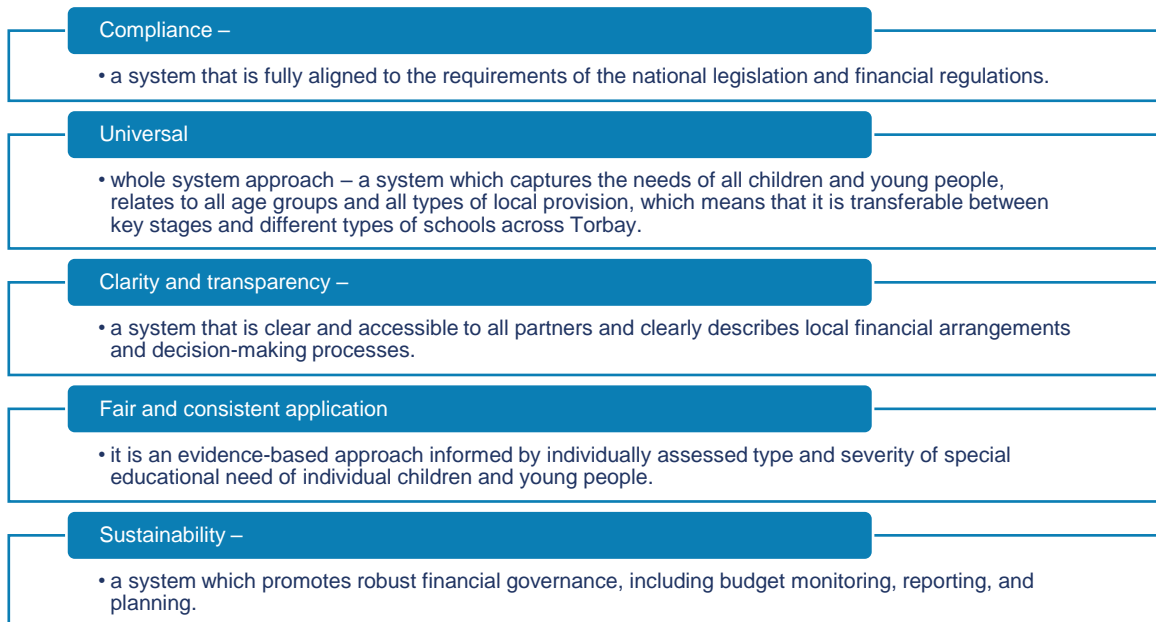
The purpose of this updated policy is to clarify and strengthen elements of the original pilot, ensuring consistent application across learners, in line with guidance from Southwest regional SEND improvement partners.

2 Principles

The allocation of Element 3 funding in Torbay is underpinned by the following principles:

- Element 3 funding is needs-led, not diagnosis-led.
- Funding supports the delivery of special educational provision specified in Section F of an EHCP.
- The use of a banded framework promotes fairness, transparency and consistency across settings.

- Funding arrangements must support inclusive mainstream practice, while ensuring the High Needs Block is used sustainably and responsibly.
- Funding decisions do not replace, limit or override the Local Authority's statutory duties.



3 Whole-System Approach to SEN

The vast majority of children and young people with SEND have their needs successfully met through the resources and approaches ordinarily available within the educational setting they attend.

Accurate identification of need, alongside high-quality teaching and targeted intervention, is central to effective practice. This informs the strategies used by early years practitioners, teachers and tutors to support children and young people at the earliest opportunity.

In Torbay, this whole-system approach is supported through:

- the Ordinarily Available Provision (OAP) framework;
- the graduated response to SEN; and
- the continued development of system-wide models, including the forthcoming Experts at Hand approach, which aims to strengthen early advice, capacity and inclusion in mainstream settings.

3.1 Addendum: Vulnerable Pupils and Alternative Provision Costs

The Local Authority recognises the need for clarity in relation to children and young people who are:

- SEN K (on SEND support),
- at risk of permanent exclusion, or
- otherwise, vulnerable.

An addendum to this policy establishes a clear framework for vulnerable SEN Support (SEN K) pupils, clarifying roles and responsibilities and ensuring that Alternative Provision (AP) costs are not inappropriately routed through Element 3 funding where this does not align with statutory duties or agreed funding pathways.

Element 3 funding is not a mechanism for funding Alternative Provision. Where AP is required, this will be commissioned and funded through the Local Authority's agreed alternative education or Section 19 pathways.

4 Children and Young People with Education, Health and Care Plans

Most children and young people with SEND will have their needs met by their educational setting without the need for an Education, Health and Care Needs Assessment (EHCNA).

An EHCNA is normally required for children and young people with the most complex and long-term SEN, where it may be necessary for special educational provision to be made in accordance with an EHCP.

4.1 New EHCPs

Where an EHCNA is undertaken in Torbay, Local Area partners decide whether:

- the child or young person's needs require provision to be made in accordance with an EHCP; and

- an EHCP should be issued.

Most children and young people with an EHCP will require additional, individually allocated top-up funding (Element 3). At this stage, a funding matrix is completed for the individual learner.

The Local Authority will not be funding any transitions. Under the Children and Families Act 2014 and SEND Regulations 2014, a local authority's duty is to secure the special educational provision specified in Section F of an EHCP; there is no general statutory basis to fund transitional arrangements unless they are clearly identified as necessary provision within the plan. In line with the High Needs Funding guidance, resources must be allocated to meet assessed special educational needs through provision set out in the EHCP, and as transition support has not been specified as required provision, the local authority is not able to agree funding for this.

The matrix:

- is derived from the original model developed with the Sector-Led Improvement Partner;
- is completed using the draft EHCP, taking account of assessed needs and professional advice;
- is completed by the Plan Writer, quality assurance checker and moderated/approved by a senior management to ensure consistency and robustness.

The outcome of the matrix process is translated into a unit/points score, which determines the annual Element 3 allocation.

4.2 Amended EHCPs

Changes to Element 3 funding may occur in two ways:

a) Phase transfers

The matrix is automatically reviewed and re-completed for all statutory phase transfer plans, including:

- Early Years to Reception
- Year 6 to Year 7
- Year 11 to Year 12

b) Annual Review process

Requests for changes to Element 3 funding outside of phase transfer must be made through the Annual Review only.

Where a young person's needs have changed, and amendments to Section F provision are being requested, the Annual Review must include evidence such as:

- a costed provision map;
- evidence of provision delivered and impact;
- attendance and behaviour/incident information; and
- the views of the child or young person and their family.

Following the Annual Review decision, any request for a change to Element 3 funding is considered through the appropriate decision-making panel, with input from Local Area partners.

5 Children and Young People in Enhanced Resource Bases or Special Schools

This policy applies to mainstream educational settings only.

Top-up funding arrangements for children and young people placed in:

- Enhanced Resource Bases (ERBs), or
- Special schools

are set out in separate funding frameworks, reflecting place-funding arrangements and specialist commissioning agreements.

6 Funding and Rates

Local Authorities, as accountable bodies for the High Needs Block, retain responsibility for decisions about individual top-up funding allocations. However, national guidance recognises the importance of LAs and educational settings working together to agree transparent and equitable approaches to organising top-up funding.

Educational settings are expected to:

- be transparent about how funding is deployed;
- demonstrate how resources support the delivery of special educational provision; and
- work collaboratively with the LA to ensure the efficient and effective use of High Needs funding.

The funding formula and band values remain unchanged from the original model agreed following the pilot phase.

Additional descriptors have been added to the matrices to improve consistency across all areas of need.

All 1:1 support funding calculations are underpinned by a standard Teaching Assistant (TA) hourly rate, which provides a consistent and transparent basis for funding where EHCPs specify TA support.

The matrices include an overarching statement setting out the Local Authority's approach to:

- indicative per-hour TA funding rates;
- expectations regarding value for money; and
- circumstances where higher costs may require further scrutiny.

This approach aligns with DfE High Needs Operational Guidance, which recognises that banded frameworks can provide an efficient, fair and transparent way to organise SEN top-up funding decisions.

7 Application of Funding Matrices

Guiding Principles

- Element 3 funding cannot fund Alternative Provision but is there to deliver the provision outlined in Section F.
- Element 3 can only fund the Section F of a plan (it cannot fund other sections i.e health needs in Section G).

- Funding is allocated to enable provision to be delivered within mainstream settings; it is not intended to fund separate placements or dual registrations.
- Matrix outcomes must be evidence-based, moderated and applied consistently.

Review of Matrix Application

The matrix identifies the level of need and provision required and assigns points accordingly (see 9.1). Once points are determined, they are combined to produce a total score (see 9.2), which translates into the Element 3 funding allocation.

To better reflect the needs of our students, we have changed the following to the SLCN weighting:

- Increase the SLCN (C&I) multiplier from 2 to 4 for all plans. This change ensures that students with significant SLCN needs receive adequate support. This will increase the possible top score from 16 to 32
- Remove the restrictor in C&L to allow the maximum points available to double to 32
- Restrict the weighting in SEMH to a maximum 36 points i.e. multiplier x 3
- Restrict the weighting in PD&S to a maximum 32 points i.e. multiplier x 2

This will bring all 4 areas of need within a similar rating and offer equity on the final score achieved.

We have added age as a factor in the funding matrix with the following weightings:

- Early Years (0-5 years): Add an additional 8 points to the final score
- Primary School (6-11 years): Add an additional 6 points to the final score
- Secondary School (12-16 years): Add an additional 4 points to the final score
- Post-16 (17-18 years): Add an additional 2 points to the final score
- Post-19 (19-25 years): No additions to the final score

We have added an individualised adult support to the funding matrix, with the following weightings:

- Under 15 hours of individualised support: No additions to the final score
- Between 15-25 hours of individualised support: Additional points to the final score, which brings it to the middle banding.

- Full time hours of individualised support: Additional points to the final score, which brings it to the top banding.

8 Review of this Policy

This policy will be reviewed annually (each summer term and brought to Schools Forum and the SEND Local Area Improvement Partnership Board) unless there is new national guidance through the SEND Reform roll out which may require us to amend the way that Element 3 needs to be distributed.

9 Appendices

9.1 High Needs Matrix Descriptors

PfA: 1. Health and Wellbeing (HWB) 2. Community Inclusion (CI) 3. Employment (E) 4. Independent Living (IL)

	Cognition and Learning		Communication and Interaction		Emotional, Social and Behavioural Development			Sensory and/or Physical			
	Cognitive Abilities	Specific Learning	Speech and language	Social and communication	Emotional well-being	Social behaviour	Attention and Concentration	PD/or medical conditions	Hearing	Vision	Personal Care /Organisation
PfA	E	E	E	CI	HWB	CI	E	HWB	HWB	HWB	IL
EHCP subheading	*Literacy *Numeracy *Ability to generalise and apply knowledge *Attainment *Engagement in learning *Attainment	*Dyslexia *Dyscalculia *any specific learning difficulty/disability	*Expressive Language *Receptive Language	*Social Communication *Understanding of non-verbal comms *Attention & listening *Social Skills *Risk taking behaviour *Attention & listening	*Mental Health *Emotional regulation *Confidence and self-esteem *Attachment	*Social Skills *Behavioural Regulation	*Engagement in Learning *Working Independently *Attention and Listening	*Medical conditions *Mobility *Sensory sensitivity *Developmental Coordination Disorder (DCD) *Dyspraxia	*Hearing	*Vision	*Bladder and bowel *Managing money *Travel *Housing *Personal Organisation

0	Cognitive abilities within broad average levels and National Curriculum attainment at or close to average	Literacy and numeracy within broad average levels and in line with expectation	Language communication skills within average levels or above	No significant needs in this area	No significant needs in this area	No significant needs in this area	No significant needs in this area	No needs in this area; physical development and general health within normal limits	Hearing within normal limits	Vision within normal range, including when corrected by glasses	No needs in this area; developing within normal limits for age range
1	Presents with some learning delay; shows some difficulty with conceptual understanding in one or more areas approximately 16-25 centile on standardised tests.	Some difficulty reading / spelling high frequency words and the acquisition of phonic skills Reading and/or maths 2 years behind chronological age after extensive intervention.	Moderate delay in expressive and/or receptive language Mild speech sound disorder	Features of neurodiversity (may include a diagnosis) but academic and behavioural competencies that support ability to manage expectations of setting life with some adaptations.	Some inappropriate emotions and responses e.g. lacks empathy Some mood swings Unsettled by change	Some poor interaction with peers Sometimes disrespectful to staff of property Some attention seeking and unable to wait for feedback Low-level, but may be constant	Sometimes distracted from task Sometimes inattentive to staff/does not follow adult direction Some poor organisation skills Sometimes doesn't work well in a group	Mild disability e.g. mild diplegia Poor fine and/or gross motor control Independently mobile without aids. May need support with administration of medication. Has mild sensory sensitivity difficulties	Mild loss of hearing (e.g. conductive or unilateral loss) Can hear without aids	Mild impairment i.e. 6/12 - 6/18 Reads N12 print Mild bilateral field loss or adapted to monocular vision Independently mobile	Needs more adult / peer support for some self-help / self-care activities at home and setting than other children of the same age

	Cognition and Learning		Communication and Interaction		Emotional, Social and Behavioural Development			Sensory and/or Physical			
2	<p>Mild learning difficulties</p> <p>Needs differentiated work and support with conceptual understanding / reasoning</p> <p>In low range (approximately 2-16 centile) on standardised tests, or with a very uneven profile.</p> <p>Executive functioning needs impact learning.</p>	<p>Uneven profile of skills in core areas</p> <p>Some difficulties with spelling and reading high-frequency words</p> <p>Unrecognisable spelling</p> <p>Reading and/or maths 3-4 years behind CA after purposeful intervention over at least 1 year.</p>	<p>Severe language delay or moderate language disorder or moderate speech sound disorder</p>	<p>Features of neurodiversity (may include a diagnosis) and other associated areas of need (learning, attention, behaviour e.g. pre-occupation, unusual responses, stress) and requires additional support / supervised interventions in setting.</p>	<p>Often shows inappropriate emotions and responses e.g. lacks empathy</p> <p>Often unhappy, disengaged, withdrawn, or anxious, shows mood swings</p> <p>Often upset by change</p>	<p>Often has poor interaction with peers</p> <p>Often disrespectful to staff of property</p> <p>Often attention seeking and unable to wait for feedback</p> <p>Limited awareness of personal risk or danger.</p>	<p>Often distracted from task</p> <p>Often inattentive to staff/does not follow adult direction</p> <p>Often has poor organisation skills</p> <p>Often finds group learning difficult</p>	<p>Moderate disability</p> <p>Pupil is mobile with the use of walking aids - may require level / supervised access.</p> <p>Needs daily specialised programme for co-ordination skills</p> <p>Needs daily support with health care regimes</p> <p>Has moderate sensory sensitivity difficulties</p>	<p>Moderate hearing loss but oral</p> <p>Uses behind the ear aids</p> <p>Use radio aids</p>	<p>Moderate impairment</p> <p>Needs some work modified</p> <p>6/19 - 6/36</p> <p>Moderate bi-lateral field loss</p> <p>Independent mobility in familiar areas</p> <p>Some specialist equipment needed</p>	<p>Needs adult support for dressing, eating and toileting.</p>

	Cognition and Learning		Communication and Interaction		Emotional, Social and Behavioural Development			Sensory and/or Physical			
3	<p>Moderate learning difficulties</p> <p>Shows significant delay in reasoning skills with learning difficulties across all areas</p> <p>Extremely low range, between approximately 0.1 and 2nd centile on standardised tests</p> <p>Needs an individual curriculum</p>	<p>Very uneven profile of skills.</p> <p>Difficulty in all literacy-based subjects.</p> <p>Reading 5 or more years behind CA</p>	<p>Severe language and/or speech sound disorder with limited language</p> <p>Uses mix of speech and augmented communication systems</p>	<p>As above, but in addition needs a regulated setting with staff experienced in using approaches suited to neurodiversity.</p>	<p>Frequently shows inappropriate emotional responses</p> <p>Frequently distressed by change / transition</p> <p>Frequently displays bizarre, obsessive or repetitive or impulsive behaviours</p> <p>High level of anxiety</p> <p>Exhibits emotional barriers to learning as a result of their difficulties</p>	<p>Frequently has poor interaction with peers</p> <p>Frequently disrespectful to staff of property</p> <p>Frequently attention seeking and unable to wait for feedback</p> <p>Threats posed to others</p> <p>Poor understanding of personal risk or danger</p>	<p>Frequently distracted from task</p> <p>Frequently inattentive to staff/does not follow adult direction</p> <p>Frequently has poor organisation skills</p> <p>Frequently finds group learning difficult</p>	<p>Severe disability</p> <p>Needs access to wheelchair for movement (independent or adult supported)</p> <p>Needs special seating and/or other equipment</p> <p>Needs assistive technology and/or support for access to most of the curriculum</p> <p>Has severe sensory sensitivity difficulties</p>	<p>Severe hearing loss</p> <p>Needs aids (e.g. radio aids, sound field system, cochlear implant) to access curriculum</p> <p>May use signing</p>	<p>Severe impairment</p> <p>6/36 - 6/120</p> <p>Registered sight impaired (partially sighted)</p> <p>May need short term specialist support for mobility training / independent living skills</p> <p>Significant level of specialist equipment needed</p>	<p>Needs significant support to move safely around the setting and for most self-care functions</p>

	Cognition and Learning		Communication and Interaction		Emotional, Social and Behavioural Development			Sensory and/or Physical			
4	<p>Exceptionally low range/severe learning difficulties and global delay, on standardised tests.</p> <p>Functions at a level that requires specialised interventions and adaptations to the curriculum</p>	<p>Severe difficulties in accessing any written material or math activities.</p>	<p>Cannot express and/or understand language.</p> <p>Uses alternative communication systems to make needs / choices known.</p>	<p>As above but difficulties have a profound impact on ability to function, with multiple difficulties attaining developmental expectations</p>	<p>Persistently shows inappropriate emotional responses</p> <p>Regularly distressed by change / transition</p> <p>Regularly behaviour is severely withdrawn. bizarre, or obsessional</p> <p>Extreme level of anxiety</p> <p>Often severe emotional barriers to engaging with learning</p>	<p>Persistently shows only minimal respect for adults or peers.</p> <p>Persistently intimidates and readily resorts to physical aggression</p> <p>Unable to self-regulate</p> <p>No sense of personal risk or danger</p>	<p>Persistently finds it difficult to cope with most learning situations as an individual or part of a group</p> <p>Regularly shows very little interest in setting work</p> <p>Persistently does not follow adult direction</p>	<p>Profound or progressive condition - life expectancy compromised.</p> <p>Wheelchair dependent and needs assistance for mobility</p> <p>Non-weight bearing - needs hoist</p> <p>Requires regular moving / handling</p> <p>Needs specialist health care and multi-agency response</p> <p>Has profound sensory sensitivity difficulties</p>	<p>Very limited functional hearing despite aids</p> <p>Signing as first language</p> <p>Those who are multi-sensory impaired</p>	<p>Profound impairment</p> <p>Less than 6/120</p> <p>Registered Blind</p> <p>Alternative methods of text access</p> <p>Needs on-going specialist support and training for mobility and living skills</p> <p>Needs high level of specialist equipment</p>	<p>Daily living skills and functioning severely disrupted. Completely dependent on adults for all personal care</p> <p>e.g. tube feeding, catheterisation</p>

9.2 Funding Matrix (Example)

TORBAY COUNCIL

Internal staff use only - not for sharing

Every cell needs a score (G-Q)

Element 3 Top Up Funding Matrix

September 2026 - V4

High Needs Matrix Descriptors
Process Noted - Link

LEARNING & NEXT STEPS		FRIENDS, RELATIONSHIPS & COMMUNITY INCLUSION		HEALTH & WELLBEING			INDEPENDENT LIVING				Total	Total with 1:1 Weighting	Top Up
Cognition and Learning		Communication & Interaction		Social Emotional & Mental Health			Sensory and/or Physical						
Cognitive abilities	Sp LD	Speech & Language	Social communication	Emotional well-being	Social behaviour	Learning behaviour	Physical/medical	Hearing	Vision	Personal/Self Care			
<i>Employment</i>	<i>Employment</i>	<i>Employment</i>	<i>Community Inclusion</i>	<i>Health & Wellbeing</i>	<i>Community Inclusion</i>	<i>Employment</i>	<i>Health & Wellbeing</i>	<i>Health & Wellbeing</i>	<i>Health & Wellbeing</i>	<i>Independent Living</i>			

Pupil's Name	Age	NCY	Staff Name (1,2,3)	New or Existing EHCP
				New
<i>Moderator name, if required</i>				
Q1. Does provision meet need?	Yes - no further action			
	No - please move to question 2			
Q2. Enter a number in the cells below, to add 1:1 weighting				
Under 15 hours of 1:1 (enter a 0)				
Between 15-25 hours of 1:1 (enter a 1)				
Full time 1:1 hours (enter a 2)				
ELEMENT 3 APPROVED:				
ELEMENT 2 FUNDING:	£	6,000.00		
TOTAL FUNDING:	£	6,000.00		

BSO To Enter - Decision Panel Decision below and add E3 approved in C20

Date:	XX/XX/XXXX
insert text from panel decision here	

N.B Element 2 may be changed according to a settings individual rate where this is provided.