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EDUCATION SUPPORT CENTRE FUNDING REVIEW

Report of the Director of Children's Services

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1. Purpose

To consider interim arrangements pending the evaluation and revision of the new funding model for ESC's.

This paper describes the current position in relation to Education Support Centres funding and increase in demand.

The paper has been prepared for Schools Forum.

2. Context

A new funding formula was implemented for 2018/19, based on DSPL model indicators.

The total overall budget for ESC provision increased by £1.3m.

On implementation of the new funding formula, seven of the nine DSPL areas received an uplift in place numbers and overall funding.

Over the last 3 years most areas have experienced an increase in demand for ESC places. This is due to an increase in the number of permanent exclusions from mainstream schools.

This increase has continued into this academic year and show no signs of reducing.

There were two areas that did not receive an uplift in funding (Appendix 1), these were St Albans/Harpenden (DSPL 7) and Dacorum (DSPL 8). Both of these areas have seen an increase in demand for places from an increase in Permanent Exclusions (Appendix 2).

3. Background

The new funding arrangements were agreed at Schools Forum for introduction in 2018/19 but on the agreement that the funding model would be further reviewed and in particular the financial implications of split sites and 'movers in' to the DSPL area were considered.

Work has begun on evaluating and reviewing the current funding formula, these aspects are being taken into consideration along all other elements to ensure that available funding goes to the areas of need. Schools Forum will be kept updated on the progress of the review and any recommendations for implementation 2020/2021 we would expect to bring to Schools Forum either late Summer or early Autumn.

DSPL7 St Albans/Harpenden:

If the new DSPL model indicators that capture the last 3 years of data are applied to the current formula, it has a significant impact on the distribution of funding across DSPL areas. Whilst it is not planned to implement revised allocations prior to reviewing the funding formula, if adopted DSPL 7 would gain an additional £102k of funding. This would therefore indicate that the need in this area has changed in the last 3 years and some additional capacity/funding is warranted.

DSPL 8 Dacorum:

It is accepted that the current funding formula does not capture all relevant indicators. Additional pressures in DSPL 8 have been created by an unusually high number of 'movers in' to the area and CME/EHE returners which have not been legislated for in the formula.

There has been 4 movers into the area during this academic year that have needed ESC provision and 7 children that have returned from EHE or previously been missing from education.

There is an argument for a contingent event whilst the funding formula is reviewed to provide additional capacity.

4. Recommendations

- Whilst a review is being undertaken of the revised funding formula it is recommended that in the interim DSPL 7 and DSPL 8 have their funding increased to provide additional capacity
- It is reasonable to equate the total cost of a place at £20,000
- Both DSPL 7 and 8 to be funded for an additional five places in their base budget at a cost of £10,000 per place (Total cost £100,000)
- Additionally, a top up sum of £50,000 (5 x £10,000) to be provided to each ESC in order to provide adequate funding to cover the cost of providing five additional places

- These additional places to become a permanent uplift in overall place numbers and funding

Appendix 1

Funding Increase				
	2018/19	2017/18	Increase	% Increase
DSPL1	1,068,996	900,809	168,187	18.7%
DSPL2	1,145,251	963,472	181,779	18.9%
DSPL3	1,211,304	1,033,119	178,185	17.2%
DSPL4	986,050	848,151	137,899	16.3%
DSPL5	1,051,359	874,524	176,836	20.2%
DSPL6	713,818	595,301	118,517	19.9%
DSPL7	1,263,837	1,262,265	1,572	0.1%
DSPL8	1,365,252	1,365,078	174	0.0%
DSPL9	1,823,404	1,466,553	356,851	24.3%
TOTAL	10,629,272	9,309,272	1,320,000	14.2%

Appendix 2

Permanent Exclusion Numbers (Inc withdrawn)					
	2015/16	2016/17	2017/18	Difference	Notes
DSPL1	2	3	13	11	No Integration Panel – therefore does not include direct admissions from schools
DSPL2	4	9	35	31	Integration Panel introduced 2016/17
DSPL3	6	24	29	23	
DSPL4	51	59	43	-8	
DSPL5	6	18	20	14	
DSPL6	18	30	24	6	
DSPL7	5	11	26	21	
DSPL8	10	12	19	9	
DSPL9	11	10	16	5	
Total	113	176	225	112	