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To: Members of the  
**SCHOOLS' FORUM**

Andrew Downes (Chairman)	Secondary Academy Governor
David Bridger (Vice-Chairman)	Non-School Representative (Church of England)
Colin Ashford	Primary Academy Governor
Geoff Boyd	Primary Maintained Governor
Leah Crawley	Primary Maintained Head Teacher
David Dilling	Primary Academy Governor
Patrick Foley	Primary Maintained Head Teacher
Aydin Önaç	Secondary Maintained Head Teacher
Sam Parrett	Non-School Representative (14-19 Partnership)
Neil Proudfoot	Non-School Representative (Joint Teacher Liaison Committee)
Karen Raven	Secondary Academy Head Teacher
Alison Register	Non-School Representative (Early Years)
Keith Seed	Special Head Teacher/Governor
Cheryl Sutton	Primary Academy Head Teacher
David Wilcox	Secondary Academy Governor
1 x vacancy	Non-School Representative (Catholic Church)
1 x vacancy	Pupil Referral Unit Head Teacher/Governor

A meeting of the Schools' Forum will be held at the Bromley College of Further and Higher Education, Rookery Lane, Bromley, BR2 8HE on **THURSDAY 15 JANUARY 2015 AT 4.30 PM** \*

**\* PLEASE NOTE STARTING TIME AND VENUE**

MARK BOWEN  
Director of Corporate Services

## A G E N D A

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**7 ANY OTHER BUSINESS**

**8 DATE OF NEXT MEETING**

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## SCHOOLS' FORUM

Minutes of the meeting held at 4.30 pm on 20 November 2014

### Present:

Andrew Downes (Chairman)	Secondary Academy Governor
Geoff Boyd	Primary Maintained Governor
Leah Crawley	Primary Maintained Head Teacher
Patrick Foley	Primary Maintained Head Teacher
Neil Miller	Secondary Academy Head Teacher
Aydin Önaç	Secondary Maintained Head Teacher
Neil Proudfoot	Non-School Representative (Joint Teacher Liaison Committee)
Karen Raven	Secondary Academy Head Teacher
Alison Regester	Non-School Representative (Early Years)
Keith Seed	Special Head Teacher/Governor

### Also Present:

Councillor Stephen Wells	Portfolio Holder for Education
Bev Pennekett	Education Funding Authority
Jane Bailey	Education, Care and Health Services
Rob Bollen	Education, Care and Health Services
David Bradshaw	Head of Education and Care Services Finance
Nina Newell	Education, Care and Health Services
Amanda Russell	Head of Schools Finance Support
Graham Walton	Democratic Services

## 18 APOLOGIES FOR ABSENCE

The Chairman welcomed Neil Miller to his first meeting, and Bev Pennekett of the Education Funding Agency.

Apologies for absence were received from Colin Ashford, David Bridger, Sam Parrett and David Wilcox.

## 19 DECLARATIONS OF INTEREST

Alison Regester declared an interest in relation to the report on proposed Changes to the Early Years Funding Formula as she ran a nursery which was one of eight providers receiving a supplement.

**20 MINUTES OF THE MEETING HELD ON 25TH SEPTEMBER 2014**

The Forum noted the following matters arising from the last meeting –

- Minute 12: Consultation on Fairer Funding for 2015/16 - The Education Budget Sub-Committee had supported option 1 at its meeting on 16<sup>th</sup> October 2014.
- Minute 13: Constitution - Recruitment for a second primary academy governor representative and a Pupil Referral Unit representative were underway.
- Minute 15: Unspent DSG – A letter had been received from Karen Raven as chair of the Secondary Head Teachers requesting a one-off payment to schools, or ring-fencing the money to be drawn as needed. This issue could be considered further at the next meeting of the Forum.

The following amendments to the minutes were proposed –

- In the list of those present, Cheryl Sutton should be listed as a Primary Academy Governor.
- In minute 15 (Unspent DSG) it was suggested that the words “in recognition of the school having increased its FTE by 8 pupils” should be deleted as this was not a major part of the reason for the decision.

**RESOLVED that, subject to the amendments above, the minutes of the meeting held on 25<sup>th</sup> September 2014 be confirmed.**

**21 PROPOSED CHANGES TO EARLY YEARS FUNDING FORMULA FOR 2015/16**  
Report ED15119

The report outlined proposals for a full review of the Early Years formula, including consultation with all stakeholders, in the light of changes within the authority and within the remit of Early Years funding. Officers were proposing the following changes –

- The inclusion funding which was allocated as a one-off lump-sum in 2014/15 should be absorbed into the base rate, giving an additional amount of 0.16p.
- Deprivation would remain as a separate element, but may be adjusted to follow the funding methodology to be used for the allocation of the new Early Years Pupil Premium (EYPP.)

- The Special Educational Needs (SEN) factor to remain as a separate element, but for Early Years and SEN officers to explore the long term viability of the current methodology of the new EYPP.

In addition, as Early Years settings in Bromley had received no increase to their base rate since it was introduced in 2009, the Forum was asked to consider a growth bid for £500,000 from within the DSG, representing a 3% increase, and options for distributing this money. Reservations were expressed about the need for transitional support for any settings losing money under the revised arrangements.

It was noted that some of the elements in the formula were different for Private, Voluntary and Independent (PVI) settings and Maintained settings. In particular, the quality element for PVI settings was dependent on suitably qualified staff and an excellent rating, which with Ofsted changes was likely to be harder to achieve. Maintained schools received a lower base rate to reflect that they did not have the same rent and rate liabilities as PVI settings.

It was recognised that investing in very young children would potentially have an impact throughout their school careers, but it was suggested that the Forum needed more information to understand the broader picture.

**RESOLVED that the Forum's comments be taken into account.**

**22 DEDICATED SCHOOLS GRANT 2015/16**  
Report ED15120

The Forum received a report outlining early estimates of how the 2015/16 Dedicated Schools Grant (DSG) would be estimated and allocated. The report set out the changes for 2015/16 and the cost pressures, which included a growth bid of £500k for the Early Years Funding Formula (covered in minute 21 above) and a shortfall of £500k for bulge class funding. Various options were set out in the report for funding these, but there was some feeling that consideration should be given to using the underspend on DSG.

Officers would be working on the figures and carrying out detailed modelling to bring to future meetings of the Forum. In view of the current DSG surplus the Forum concluded that no decisions were needed at this stage.

**RESOLVED that the Schools Forum notes that the Dedicated Schools Grant may overspend by £1m in 2015/16 because of the need to have an additional £500k in the Growth Fund and an additional £500k for Early Years funding, but there is no need at this stage to take any further action because of the DSG surplus built up over the past 3 years.**

## **23 SCHOOL PREMISES HEALTH & SAFETY**

The Council had undertaken a document-based health and safety audit of premises used by maintained and voluntary aided education establishments during 2013/14. An officer working group had identified three key actions in response -

- Undertaking site audits including mechanical and electrical, health and safety and fire risk assessments to ascertain outstanding areas of non-compliance and implementing a planned programme of works to address these issues.
- Creating new guidance for schools regarding their responsibilities with regards health and safety and implementing an associated programme of training for governors, head teachers and premises management staff.
- Ensuring an ongoing periodic audit of schools whilst they remained under local authority control.

The work was proposed to be funded from a combination of £1.8m from DSG with a £140k contribution from the Education Planned Maintenance Programme/DfE Capital Maintenance Grant.

The Forum discussed where responsibility lay between the local authority and governing bodies for various aspects of health and safety. Whatever historic deficiencies there were, the proposals were designed to provide a base line of health and safety compliance, but some Forum members were concerned that this was not an appropriate use of DSG funding. It was also questioned why voluntary aided schools had been included, but academies were not and would not therefore benefit.

**RESOLVED that the proposals be deferred for further clarification and guidance on the responsibilities involved and the legality of using DSG in this way.**

## **24 DATE OF NEXT MEETING**

The next meeting was due to be held at 4.30pm on Thursday 15<sup>th</sup> January 2015.

The Meeting ended at 6.12 pm

Chairman

Report No.  
ED15033

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:**        **SCHOOLS' FORUM**

**Date:**                    **Thursday 15 January 2015**

**Decision Type:**        Urgent Non-Urgent        Executive Non-Executive        Key Non-Key

**Title:**                    **2015-16 DEDICATED SCHOOLS GRANT**

**Contact Officer:**        Amanda Russell, Head of Schools Finance Support  
Tel: 020 8313 4806    E-mail: Amanda.Russell@bromley.gov.uk

**Chief Officer:**        Executive Director of Education, Care & Health Services

**Ward:**                    (All Wards);

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1. Reason for report

This report provides updated information on the 2015-16 Dedicated Schools Grant and how it will be allocated.

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2. **RECOMMENDATION(S)**

**The Schools Forum is asked to:**

- **Note the revised DSG allocation**
- **Discuss the proposed allocation, including changes to the Early Years Funding Formula**
- **Agree de-delegation for maintained primary schools for 2015-16**

### 3. COMMENTARY

3.1 In December 2014 the DfE released the DSG figures for 2015/16 to include final figures for the Schools Block and the Early Years Block – final details of the High Needs Block will be released in January. Appendix 1 shows how the Pupil Numbers have been calculated for Bromley, which are then used in the calculation of the DSG. Appendix 2 shows full details of how the Dedicated Schools Grant is calculated across all three Blocks including the additional funding for Newly Qualified Teachers. This gives an overall total DSG figure for 2015/16 of £251,733,734. The High Needs Block adjustment and the funding for two year olds has been estimated at this stage as the exact figures will not be known until January/June 2015 respectively.

2015/16 Dedicated Schools Grant						
High Needs Block		Early Years Block		Schools Block		Total
2015/16 funding	£48,365k	Pupil numbers	3,176	Pupil numbers	41,785	
		Funding per pupil	£3,899.47	GUF per pupil	£4,545.22	
		Pupil funding	£12,385k	Pupil funding	£189,922k	
				Free school pupil funding	£758k	
		Early Years Pupil Premium	£241k	NQT	£63k	
Total	£48,365k	Total	£12,626k	Total	£190,743k	<b>£251,734k</b>
Estimated deductions	£6,361k	Estimated 2 year old Funding	£2,408k			
	£42,004k		£15,034k		£190,743k	£247,781k
				Less Academy Recoupment	£146,219k	
Final Total	£42,004k		£15,034k		£44,524k	£101,562k

3.2 There are a number of changes for 2015/16 which the Schools Forum are reminded of as detailed in the previous DSG report as follows:



- Within the Early Years Block, the Two Year Old Funding has reduced from the previous years as from 2015/16 this will be calculated on a participation basis, ie we will only receive funding for pupils actually taking up places. In previous years we have benefitted from additional funding to help to “grow” this service which the LA has been able to use flexibly.
- In accordance with DfE guidelines, from 2015/16 the LA will be responsible for calculating the funding for any free schools. Additional funding has been estimated to support this (e) along with the relevant amount to be recouped from the DSG (f). The Schools Forum will note that the recoupment figure is higher than the funding figure, thus putting pressure of the LA’s overall budget.
- There are a number of adjustments that have been made within the High Needs Block to reflect savings that have been identified within individual services.
- Individual School and Academy funding has been calculated using the formula element from revised option one as agreed at the last Schools Forum meeting and therefore includes the additional allocation of £19.5 million.

3.3 In addition to this there are a number of further changes to be aware of:

- Non recoupment academy funding ( ie funding for the two free schools opened in Bromley in 2015) has been confirmed at £758,000.
- Full details of High Needs Block allocation can be seen at appendix 3.

3.4 Appendix 4 shows full details of how the DSG will be allocated in 2015/16. At the previous Schools Forum meeting two areas of additional expenditure were identified, relating to growth funding and Early Years Formula Funding. With regard to the Growth funding, an additional sum of £500k has been added to the budget, based on the estimated level of expenditure for 2015/16. Further work has been done on the Early Years Funding Formula, which is outlined in a separate report. Based on the new formula, it is estimated that around £500k will be required to implement these changes to ensure that there is no significant impact on any individual settings. It was proposed at the last Schools Forum Meeting that these two potential overspends should be met from the underspent DSG from previous years. This is outlined in detail in a separate report, however in anticipation of this the expenditure detail on Appendix 4 shows an in year overspend of £1,012,268.

3.5 Within the Schools Block, individual schools budgets have been set based on the formula factors as previously agreed by the Schools Forum and by Members, which includes the £19.5 million additional funding. Details of the individual formula funding levels can be seen on the APT proforma at Appendix 5. Maintained schools will be notified of their individual funding by the end of February as required by DfE – Academies will be notified of their funding by the EFA in line with their own timescales.

3.6 The LA has made a small change to the amount de-delegated from Maintained Primary Schools for Supply Staff Costs, including cover for maternity, jury service, suspension and union duties. The amount per pupil has increased from £17.38 to £18.50 – this is as a direct result of increased expenditure. There is no change to the amount de-delegated for free school meal eligibility which remains at £8.65 per pupil. The relevant Schools Forum members are asked to formally agree the de-delegation for 2015/16.

3.7 The Schools Forum is asked to discuss the DSG and the related allocations. Any comments will be reported to the Education PDS at their meeting on the 27<sup>th</sup> January 2015 before they are formally asked to agree the figures.

SCHOOLS BLOCK 15-16

*Bromley*

- a. Pupils aged 4 at 31st August 2014 (headcount) in YG R-11
  - b. Pupils aged 5 to 10 at 31st August 2014 (headcount) in YG R-11
  - c. Pupils aged 11 to 15 at 31st August 2014 (headcount) in YG R-11
  - d. Pupils aged 16 and above at 31st August 2014 (headcount) in YG R-11 only
  - e. Pupils aged 4 to 15 at 31st August 2014 (headcount) in YG "X"
  - f. Places in SEN units and Resourced Provision (from High Needs returns)
  - g. Reception Uplift: Increase (where relevant) of pupils aged 4 at 31 August 2013 (October 2013) and 31st August 2013 (January 2014) (headcount) in YG R only<sup>5</sup>
- Total funded pupils<sup>2</sup>**

Pupils from October School census 2014 (also October 2013 SC and Jan 2014 SC for Reception Uplift):				
Maintained Nurseries <sup>1,3</sup>	Maintained Primaries <sup>2</sup>	Maintained Secondaries <sup>3</sup>	Academies going through recoupment <sup>4</sup>	Total
0.0	1,843.0	0.0	2,094.5	3,937.5
0.0	10,103.5	0.0	11,588.5	21,692.0
0.0	1.0	596.0	15,841.0	16,438.0
0.0	0.0	0.0	23.0	23.0
0.0	0.0	0.0	0.0	0.0
				348.0
				42.5
<b>0.0</b>	<b>11,947.5</b>	<b>596.0</b>	<b>29,547.0</b>	<b>41,785.0</b>
a+b+c+d+e	a+b+c+d+e	a+b+c+d+e	a+b+c+d+e	a+b+c+d+e+f+g

- a. Pupils without a statement of SEN aged 4 at 31 August 2013 (headcount)
- b. Pupils without a statement of SEN aged 5 to 10 at 31 August 2013 (headcount)
- c. Pupils without a statement of SEN aged 11 to 15 at 31 August 2013 (headcount)

**Total funded pupils**

Pupils from January Alternative Provision 2014: Independent schools <sup>6</sup>	
a.	0.0
b.	0.0
c.	0.0
<b>Total funded pupils</b>	<b>0.0</b>
	a+b+c

Notes

**Pupils from October 2013, January 2014 & October 2014 School Census:**

1. Maintained nursery figures also include direct grant nursery schools.
2. This section adds up all pupils (including pupils aged 16 and over in row d in year groups R-11 only) then subtracts the SEN Unit and Resourced Provision place numbers from the
3. For all pupils headcount rather than FTE is used, and those with sole or dual main registrations are included.
4. Includes pupils in academies which are going through recoupment in 2015-16.
5. Reception Uplift not available on a school type split so shown as a total only.

**Pupils from January Alternative Provision 2014:**

6. This only includes pupils for whom the full cost of tuition is paid for by the authority in conjunction with social services and health authorities.

Dedicated Schools Grant: 2015-16 allocations		2015-16 DSG allocations															
		2015-16 DSG schools block					2015-16 DSG early years block **					2015-16 DSG high needs block	2015-16 DSG non block additions			2015-16 TOTAL DSG ALLOCATION (€million)***	
		2015-16 schools block		2015-16 non-recoupment		2015-16 total schools block (€million) *	2015-16 3 & 4 year old unit of funding (€)		2015-16 3 & 4 year old pupil numbers (FTE) ***		2015-16 3 & 4 year old funding (€million) **		2015-16 indicative early years pupil premium		2015-16 high needs block (€million) †		2015-16 funding for induction for newly qualified teachers (€million)
2015-16 schools block unit of funding (€)	2015-16 schools block pupil numbers (headcount) *	2015-16 schools block (€million)	2015-16 non-recoupment academies cash transfer (€million)	2015-16 3 & 4 year old unit of funding (€)	2015-16 3 & 4 year old pupil numbers (FTE) ***		2015-16 3 & 4 year old funding (€million) **	2015-16 indicative early years pupil premium	2015-16 3 & 4 year old funding (€million) **	2015-16 indicative early years pupil premium	2015-16 3 & 4 year old funding (€million) **	2015-16 indicative early years pupil premium					
<b>ENGLAND</b>		<b>5,393.77</b>	<b>1,006,842</b>	<b>5,430.677</b>	<b>328.495</b>	<b>5,759.172</b>	<b>5,262.71</b>	<b>86,834</b>	<b>456.982</b>	<b>10.507</b>	<b>467.490</b>	<b>1,075.054</b>	<b>1.510</b>	<b>-</b>	<b>1.510</b>	<b>7,303.224</b>	
201	City of London	8,587.04	201	1.726	-	1.726	7,475.52	52	0.389	0.009	0.398	0.320	0.000	-	0.000	2.444	
202	Camden	6,197.78	17,632	109.279	4.573	113.852	8,712.78	1,736	15.125	0.299	15.424	32.227	0.026	-	0.026	161.530	
203	Greenwich	5,998.19	31,882	191.234	10.665	201.900	5,027.59	3,059	15.379	0.375	15.754	38.333	0.048	-	0.048	256.034	
204	Hackney	6,672.54	24,609	164.205	33.161	197.365	7,122.63	3,170	22.579	0.530	23.108	36.395	0.037	-	0.037	256.905	
205	Hammersmith and Fulham	6,240.96	13,745	85.782	15.775	101.557	6,285.70	1,799	11.308	0.268	11.576	18.622	0.021	-	0.021	131.775	
206	Islington	6,221.79	19,667	122.364	6.830	129.194	7,991.27	1,869	14.936	0.416	15.352	25.582	0.029	-	0.029	170.157	
207	Kensington and Chelsea	5,866.40	9,660	56.669	7.426	64.096	6,394.69	1,244	7.955	0.192	8.147	17.341	0.014	-	0.014	89.598	
208	Lambeth	6,376.52	29,330	187.023	17.135	204.159	7,463.75	2,954	22.048	0.484	22.532	36.430	0.044	-	0.044	263.164	
209	Lewisham	5,963.98	34,621	206.479	8.122	214.601	5,814.37	2,906	16.897	0.391	17.287	43.842	0.052	-	0.052	275.783	
210	Southwark	6,116.28	28,683	175.433	51.224	226.657	8,212.00	2,800	22.994	0.354	23.348	38.653	0.043	-	0.043	288.701	
211	Tower Hamlets	7,006.87	35,221	246.789	3.900	250.689	7,803.99	2,767	21.594	0.575	22.169	43.745	0.053	-	0.053	316.655	
212	Wandsworth	5,573.89	24,599	137.112	10.520	147.632	4,933.29	3,260	16.083	0.406	16.489	41.643	0.037	-	0.037	205.801	
213	Westminster	5,864.09	15,426	90.459	20.934	111.393	6,840.91	1,618	11.069	0.316	11.384	24.108	0.023	-	0.023	146.909	
301	Barking and Dagenham	5,575.36	34,244	190.923	3.006	193.928	4,052.78	2,589	10.928	0.341	10.834	24.001	0.051	-	0.051	228.815	
302	Barnet	4,980.85	43,754	217.932	16.966	234.898	4,559.76	3,695	16.848	0.342	17.190	41.671	0.066	-	0.066	293.825	
303	Bexley	4,619.30	35,661	164.729	8.454	173.182	3,775.52	2,299	8.680	0.214	8.894	27.548	0.053	-	0.053	209.678	
304	Brent	5,349.90	38,437	205.634	14.375	220.009	5,930.02	3,348	19.854	0.384	20.238	55.831	0.058	-	0.058	296.135	
305	Bromley	4,545.22	41,785	189.922	0.758	190.680	3,899.47	3,176	12.385	0.241	12.626	48.365	0.063	-	0.063	251.733	
306	Croydon	4,829.17	46,026	222.267	16.758	239.025	4,564.33	3,879	17.705	0.494	18.199	51.909	0.069	-	0.069	309.203	
307	Ealing	5,288.96	41,856	221.375	9.520	230.895	5,653.00	3,768	21.301	0.383	21.684	43.957	0.063	-	0.063	296.599	
308	Enfield	5,186.51	46,960	243.559	10.979	254.538	3,947.94	3,293	13.001	0.418	13.419	31.454	0.070	-	0.070	299.481	
309	Haringey	5,870.93	31,156	182.915	8.871	191.785	5,345.46	2,423	12.952	0.317	13.270	31.376	0.047	-	0.047	236.477	
310	Harrow	4,919.97	30,090	148.042	2.860	150.902	4,320.96	2,303	9.951	0.181	10.132	26.145	0.045	-	0.045	187.225	
311	Havering	4,719.03	34,948	164.921	0.785	165.705	3,979.94	2,207	8.784	0.195	8.978	19.161	0.052	-	0.052	193.897	
312	Hillingdon	4,824.27	39,601	191.046	12.972	204.018	4,897.51	3,236	15.848	0.293	16.141	32.153	0.059	-	0.059	252.371	
313	Hounslow	5,203.39	33,902	176.405	2.291	178.696	3,776.97	2,666	10.069	0.276	10.346	33.550	0.051	-	0.051	222.643	
314	Kingston upon Thames	4,594.40	20,326	93.386	-	93.386	3,737.30	1,673	6.253	0.101	6.353	18.604	0.030	-	0.030	118.373	
315	Merton	4,824.26	22,169	106.949	9.831	116.780	3,896.07	2,411	9.393	0.199	9.593	27.896	0.033	-	0.033	154.301	
316	Newham	6,124.75	49,407	302.606	6.741	309.347	4,907.87	3,896	19.121	0.599	19.720	41.129	0.074	-	0.074	370.270	
317	Redbridge	4,798.70	43,786	210.116	5.210	215.326	4,119.55	3,526	14.526	0.326	14.851	36.311	0.066	-	0.066	266.554	
318	Richmond upon Thames	4,499.38	22,588	101.632	0.886	102.518	3,601.23	2,341	8.430	0.105	8.535	20.942	0.034	-	0.034	132.030	
319	Sutton	4,670.41	29,201	136.381	-	136.381	4,486.36	1,901	8.529	0.154	8.683	31.577	0.044	-	0.044	176.685	
320	Waltham Forest	5,197.35	35,669	185.384	6.966	192.351	4,884.45	2,970	14.507	0.329	14.836	34.233	0.053	-	0.053	241.473	

\* Pupil numbers include pupils in academies going through recoupment (i.e. academies with maintained predecessors that opened in 2008-09, 2009-10, 2010-11, 2011-12, 2012-13, 2013-14, or have opened/plan to open in 2014-15 and 2015-16). The DSG Pupil Number Tool shows how the pupil numbers have been derived.

\*\* The participation funding for disadvantaged two-year-olds will be added in the July 2015 DSG update.

\*\*\* 2015 to 2016 financial year early years block allocations are provisional, and based on school census data from January 2014. These allocations will be updated based on January 2015 and January 2016 census data. The cash floor calculation will also be updated as a result.

† The "2015-16 HN Block" sheet shows how the final High Needs Block for 2015-16 has been calculated.

†† The "2015-16 additions" sheet shows how these additions to financial year 2015 to 2016 DSG have been calculated.

Dedicated Schools Grant: 2015-16 high needs block calculations	December 2014 2015-16 high needs block calculations based on 2014-15 data					
	2014-15 high needs block baseline (£million)	Funding of last 5 months of 2014/15 places growth for pre 16 (£million)	Funding of last 4 months of 2014/15 places growth for post 16 (£million)	Increase/Decrease as a result of the exceptions process for AY2015/16 (£million)	2015-16 additional high needs block top-up funding (£million)	Total 2015-16 indicative high needs block
<b>ENGLAND</b>	<b>5,183.865</b>	<b>9.842</b>	<b>0.906</b>	<b>3.507</b>	<b>47.000</b>	<b>5,245.120</b>
201 City of London	0.315	-	0.001	-	0.003	0.320
202 Camden	32.280	0.216	0.012	-	0.176	32.227
203 Greenwich	37.973	0.097	0.011	-	0.252	38.333
204 Hackney	36.093	0.071	0.004	-	0.227	36.395
205 Hammersmith and Fulham	18.463	0.036	0.001	0.067	0.130	18.622
206 Islington	25.294	0.086	0.007	0.040	0.155	25.582
207 Kensington and Chelsea	17.096	0.097	0.016	0.023	0.109	17.341
208 Lambeth	36.491	0.289	0.011	-	0.238	36.430
209 Lewisham	43.421	0.154	0.010	-	0.259	43.842
210 Southwark	38.469	0.050	0.005	-	0.239	38.653
211 Tower Hamlets	43.327	0.041	0.004	0.223	0.240	43.745
212 Wandsworth	41.279	0.107	0.012	0.020	0.224	41.643
213 Westminster	23.987	0.037	0.004	-	0.163	24.108
301 Barking and Dagenham	23.902	0.126	0.007	-	0.232	24.001
302 Barnet	41.300	0.019	0.002	-	0.350	41.671
303 Bexley	27.124	0.154	0.015	0.029	0.226	27.548
304 Brent	55.544	0.000	0.000	-	0.287	55.831
<b>305 Bromley</b>	<b>47.777</b>	<b>0.272</b>	<b>0.033</b>	<b>-</b>	<b>0.283</b>	<b>48.365</b>
306 Croydon	51.407	0.126	0.008	-	0.368	51.909
307 Ealing	43.346	0.273	0.025	-	0.312	43.957
308 Enfield	31.023	0.085	0.010	0.006	0.330	31.454
309 Haringey	31.131	0.059	0.005	0.047	0.228	31.376
310 Harrow	25.928	0.008	0.001	-	0.225	26.145
311 Havering	18.875	0.068	0.004	-	0.215	19.161
312 Hillingdon	31.491	0.313	0.045	0.023	0.280	32.153
313 Hounslow	33.241	0.066	0.004	-	0.240	33.550
314 Kingston upon Thames	18.371	0.014	0.001	0.067	0.150	18.604
315 Merton	27.615	0.094	0.009	-	0.178	27.896
316 Newham	40.678	0.064	0.004	0.063	0.319	41.129
317 Redbridge	36.015	0.022	0.003	0.023	0.298	36.311
318 Richmond upon Thames	20.551	0.211	0.008	-	0.171	20.942
319 Sutton	31.284	0.108	0.005	-	0.181	31.577
320 Waltham Forest	34.041	0.179	0.015	0.133	0.252	34.233
330 Birmingham	121.840	0.237	0.018	-	1.150	123.244
331 Coventry	29.381	0.054	0.004	0.006	0.313	29.759
332 Dudley	30.308	0.051	0.001	0.267	0.271	30.794
333 Sandwell	36.523	0.139	0.009	-	0.309	36.981
334 Solihull	24.101	0.393	0.033	0.070	0.185	24.781
335 Walsall	28.261	0.094	0.009	-	0.258	28.415
336 Wolverhampton	27.606	0.164	0.008	-	0.228	27.662
340 Knowsley	19.792	0.087	0.006	-	0.130	19.828
341 Liverpool	42.885	0.349	0.031	-	0.378	43.643
342 St Helens	17.786	0.162	0.014	-	0.147	18.108
343 Sefton	26.661	0.064	0.004	-	0.216	26.945
344 Wirral	33.643	0.089	0.008	-	0.272	33.818
350 Bolton	27.148	0.073	0.010	-	0.266	27.497
351 Bury	24.077	0.082	0.009	-	0.170	24.339
352 Manchester	63.337	0.453	0.037	-	0.480	64.307
353 Oldham	24.900	0.095	0.014	0.293	0.228	25.531
354 Rochdale	22.748	0.031	0.003	-	0.202	22.916
355 Salford	29.036	0.342	0.026	0.152	0.213	29.768
356 Stockport	27.136	0.009	0.000	0.115	0.245	27.504
357 Tameside	14.794	0.010	0.000	-	0.196	15.001
358 Trafford	23.337	0.026	0.002	-	0.213	23.578
359 Wigan	25.601	0.110	0.014	-	0.273	25.998
370 Barnsley	18.379	0.180	0.018	0.222	0.200	18.601
371 Doncaster	27.536	0.044	0.004	-	0.259	27.843
372 Rotherham	20.550	0.076	0.008	-	0.226	20.860
373 Sheffield	51.794	0.183	0.012	-	0.495	52.485
380 Bradford	49.646	0.049	0.006	-	0.556	50.148
381 Calderdale	19.230	0.044	0.007	-	0.185	19.467
382 Kirklees	29.708	0.098	0.005	-	0.400	30.210
383 Leeds	56.903	0.218	0.033	0.071	0.675	57.899
384 Wakefield	23.564	0.011	0.001	-	0.276	23.852
390 Gateshead	20.737	0.016	0.001	-	0.163	20.918
391 Newcastle upon Tyne	29.025	0.358	0.017	0.291	0.244	29.935
392 North Tyneside	16.566	0.032	0.002	-	0.164	16.764
393 South Tyneside	15.839	0.202	0.009	-	0.119	16.170
394 Sunderland	23.047	0.001	0.000	-	0.223	23.269
800 Bath and North East Somerset	15.463	0.126	0.018	-	0.153	15.760
801 Bristol, City of	42.263	0.117	0.013	0.141	0.377	42.649

802	North Somerset	16.706	0.066	0.005	-	0.172	16.948
803	South Gloucestershire	25.883 -	0.054 -	0.004	-	0.237	26.062
805	Hartlepool	10.360	0.063	0.007 -	0.029	0.081	10.482
806	Middlesbrough	18.727	0.546	0.033	-	0.130	19.437
807	Redcar and Cleveland	14.820	0.019	0.002	-	0.110	14.951
808	Stockton-on-Tees	20.592	0.227	0.019	0.029	0.173	21.039
810	Kingston Upon Hull, City of	25.738 -	0.122 -	0.007	-	0.223	25.832
811	East Riding of Yorkshire	19.103 -	0.052 -	0.007	-	0.265	19.308
812	North East Lincolnshire	15.785 -	0.004 -	0.000	-	0.138	15.919
813	North Lincolnshire	14.609	0.022	0.001	-	0.143	14.775
815	North Yorkshire	43.243	0.026	0.005	-	0.482	43.756
816	York	14.892	0.029	0.003	0.047	0.163	15.133
821	Luton	22.796 -	0.030 -	0.001	-	0.217	22.982
822	Bedford Borough	17.105 -	0.019 -	0.002	-	0.149	17.234
823	Central Bedfordshire	24.905	0.231	0.023	-	0.233	25.393
825	Buckinghamshire	68.380	0.197	0.023	0.099	0.477	69.175
826	Milton Keynes	32.523 -	0.057 -	0.007 -	0.018	0.259	32.701
830	Derbyshire	61.823	0.183	0.021	0.191	0.628	62.847
831	Derby	26.689	0.093	0.005	-	0.236	27.024
835	Dorset	36.825	0.015	0.001	-	0.318	37.158
836	Poole	13.031	0.023	0.002	-	0.122	13.179
837	Bournemouth	14.459	0.051	0.005	-	0.144	14.659
840	Durham	46.192	0.285	0.014	-	0.420	46.911
841	Darlington	9.051	0.023	0.001	0.076	0.090	9.242
845	East Sussex	42.821	0.147	0.011	-	0.431	43.411
846	Brighton and Hove	23.248 -	0.050 -	0.004	-	0.216	23.410
850	Hampshire	90.404	0.099	0.003	0.024	1.149	91.680
851	Portsmouth	15.472	0.029	0.001	-	0.186	15.688
852	Southampton	18.108	0.063	0.001	0.041	0.212	18.423
855	Leicestershire	52.337 -	0.029 -	0.005	0.023	0.568	52.894
856	Leicester	40.212 -	0.004 -	0.000	-	0.327	40.535
857	Rutland	3.968	0.005	0.001	-	0.032	4.005
860	Staffordshire	62.193	0.251	0.028	-	0.694	63.166
861	Stoke-on-Trent	28.708 -	0.045 -	0.003	0.033	0.223	28.916
865	Wiltshire	37.120	0.036	0.002	0.088	0.420	37.665
866	Swindon	24.287	0.015	0.001	-	0.195	24.497
867	Bracknell Forest	12.851 -	0.027 -	0.006	-	0.109	12.927
868	Windsor and Maidenhead	15.774	0.130	0.015	-	0.134	16.053
869	West Berkshire	17.550	0.015	0.002	-	0.144	17.711
870	Reading	16.632	0.235	0.023	-	0.143	17.032
871	Slough	20.508 -	0.066 -	0.003	-	0.155	20.594
872	Wokingham	17.588 -	0.075 -	0.009	-	0.151	17.656
873	Cambridgeshire	63.799 -	0.131 -	0.018	-	0.545	64.194
874	Peterborough	26.986	0.046	0.003	-	0.183	27.218
876	Halton	14.193	0.143	0.010	-	0.113	14.458
877	Warrington	20.080	0.168	0.012	-	0.179	20.439
878	Devon	59.590 -	0.356 -	0.027	-	0.591	59.797
879	Plymouth	25.443	0.114	0.008	-	0.219	25.784
880	Torbay	14.039	0.104	0.007	-	0.101	14.250
881	Essex	114.874	0.416	0.037	-	1.218	116.545
882	Southend-on-Sea	16.170	0.092	0.007	-	0.152	16.421
883	Thurrock	20.345 -	0.036 -	0.003	-	0.159	20.466
884	Herefordshire	13.361 -	0.002 -	0.000	0.065	0.145	13.569
885	Worcestershire	43.730 -	0.166 -	0.011	-	0.463	44.016
886	Kent	147.434 -	0.162 -	0.013	0.115	1.340	148.714
887	Medway	32.423 -	0.001 -	0.000	-	0.252	32.674
888	Lancashire	98.581	0.732	0.068	0.021	1.003	100.405
889	Blackburn with Darwen	21.668	0.019	0.001	-	0.154	21.841
890	Blackpool	16.264 -	0.035 -	0.001	0.107	0.118	16.452
891	Nottinghamshire	56.176 -	0.001 -	0.000	-	0.661	56.836
892	Nottingham	24.571	0.164	0.017	0.133	0.289	25.174
893	Shropshire	24.891	0.293	0.043	0.093	0.245	25.567
894	Telford and Wrekin	16.053	0.131	0.003 -	0.167	0.158	16.179
895	Cheshire East	35.086	0.040	0.006	0.088	0.302	35.522
896	Cheshire West and Chester	41.320	0.160	0.013	0.032	0.270	41.795
908	Cornwall	31.222 -	0.145 -	0.010	-	0.432	31.498
909	Cumbria	39.053	0.093	0.019	-	0.379	39.543
916	Gloucestershire	51.125	0.011	0.000	-	0.506	51.643
919	Hertfordshire	94.748	0.161	0.008	0.012	1.049	95.977
921	Isle of Wight	12.222	0.028	0.004	-	0.105	12.360
925	Lincolnshire	61.961 -	0.213 -	0.016	-	0.581	62.313
926	Norfolk	65.191	0.437	0.027	-	0.685	66.341
928	Northamptonshire	65.739	0.036	0.003	-	0.647	66.424
929	Northumberland	30.418	0.158	0.029	0.047	0.245	30.897
931	Oxfordshire	49.159	0.087	0.007	0.085	0.586	49.924
933	Somerset	40.364	0.056	0.007	0.098	0.444	40.969
935	Suffolk	45.896	0.082	0.003 -	0.160	0.612	46.434
936	Surrey	125.183 -	0.128 -	0.011	0.035	1.033	126.113
937	Warwickshire	53.670	0.136	0.019	-	0.455	54.280
938	West Sussex	70.534	0.145	0.015	-	0.683	71.376

			2015/16 Funding			
<b>High Needs Block Income</b>		<b>Early Year Block</b>		<b>Schools Block</b>		
2013/14 funding	48,365,000	2013/14 funding	12,384,717	pupil numbers	41,785	
		EY Pupil Premium	241,000	Baseline £ per pupil	4,545.22	Less CRC adj
					189,922,018	
				non recoupment academies	758,000	
				NQT	63,000	
				CRC adj		
	<b>48,365,000 (b)</b>		<b>12,625,717 (c)</b>		<b>190,743,018 (a)</b>	<b>251,733,734 (d)</b>
academy units	-832,513	2 year old funding	2,408,000			<b>247,780,872</b>
PRU places recoupment	-1,191,667					
HN recoupment	-4,336,682					
	<u>-6,360,862</u>					
<b>Expenditure</b>						
Special Schools - pre 16	9,536,170	Maintained	1,155,927	Academy Recoupment	£146,218,503	
PRU	1,308,000			Primary SBS	£42,218,571	
Units - maint places	760,000			Secondary SBS	£2,827,893	
- maint top up	488,000					
- academy top up	732,000					
<b>Central</b>		<b>Central</b>		<b>Central</b>		
Darrick Wood HIU	732,210	PVI	12,619,287	Access and Admissions	468,490	
Pupil Referral costs	-68,650			Supply Staff costs	177,026	
Early Intervention - Primary	185,240	2 yr old exp	2,736,000	Dedelegated FSM eligibility	19,564	
Progression Courses	451,090	EY Pupil Premium	241,000	Growth Fund	1,500,000	
Home and Alternative Provision	992,550			Licences	140,000	
SEN Support in Mainstream	170,020			Capital	212,180	
Primary academy matrix	532,235			Schools Forum	24,150	
Secondary academy matrix	926,183			Pupil Support Advisory team	497,400 (g)	
Maintained matrix	692,767			Support to Schools	46,174	
Social Communication Difficulties Team	216,970			Business Support	5,000	
Sensory Support	991,700			Workforce Development	54,180	
Outreach and Inclusion	234,610					
SEN Support in Preschools	360,840					
Specialist Support and Disability	338,380					
Complex Needs Team	322,780					
Phoenix Pre School Service	1,565,740					
Early Support Programme	99,860					
SEN Transport	330,000					
Special Central	45,000					
Other Statemented	412,260					
SEN Outborough Fees	11,553,240					
SEN in fe Colleges	3,700,000					
Special capital	22,600					
<b>Total</b>	<b>37,631,795</b>		<b>16,752,214</b>		<b>194,409,131</b>	<b>248,793,140</b>
	10,733,205		-4,126,497		-3,666,113	-1,012,268

**Local Authority Funding Reform Proforma**

LA Name: Bromley  
 LA Number: 305

**Pupil Led Factors**

Description	Reception uplift	No	Pupil Units			Sub Total	Total	Proportion of total pre MFG funding (%)	Notional SEN (%)		
				0.00							
1) Basic Entitlement											
Age Weighted Pupil Unit (AWPU)											
Primary (Years R-6)		£2,938.00		25,490.00		£74,889,620	£145,699,034	39.07%	4.00%	4.00%	
Key Stage 3 (Years 7-9)		£4,168.00		9,960.00		£41,513,280		21.66%	4.00%	4.00%	
Key Stage 4 (Years 10-11)		£4,559.00		6,426.00		£29,296,134		15.29%	4.00%	4.00%	
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)	
2) Deprivation	FSM6 % Primary	£1,500.00		5,425.76		£8,138,645	£13,580,898	7.09%	50.00%		
	FSM6 % Secondary		£1,500.00		3,628.17	£5,442,253			50.00%		
	IDACI Band 1			1,301.83		727.83			£0		
	IDACI Band 2			865.73		668.30			£0		
	IDACI Band 3			2,474.83		1,553.85			£0		
	IDACI Band 4			2,415.97		1,785.14			£0		
	IDACI Band 5			1,537.90		999.81			£0		
IDACI Band 6			34.95		39.01	£0					
	Description	Primary amount per pupil	Secondary amount per pupil	Eligible proportion of primary NOR	Eligible proportion of secondary NOR	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)	
3) Looked After Children (LAC)	LAC X March 12			137.86		£0		0.00%			
4) English as an Additional Language (EAL)	EAL 3 Primary	£1,000.00		2,149.92		£2,149,920	£2,418,406	1.26%	0.00%	0.00%	
	EAL 3 Secondary		£1,129.00		237.81	£268,486					
5) Mobility	Pupils starting school outside of normal entry dates			524.76	0.00	£0		0.00%			
	Description	Weighting	Amount per pupil	Percentage of eligible Y1-2 and Y3-6 NOR respectively	Eligible proportion of primary and secondary NOR respectively	Sub Total	Total	Proportion of total pre MFG funding (%)	Primary Notional SEN (%)	Secondary Notional SEN (%)	
6) Prior attainment	Low Attainment % new EFSP	100.00%		36.03%		£10,913,120	£13,841,787	7.22%	100.00%		
	Low Attainment % old FSP 73		£1,858.00	15.50%	5,873.58	£10,913,120					
	Secondary pupils not achieving (KS2 level 4 English or Maths)		£1,000.00		2,928.67	£2,928,666					100.00%

**Other Factors**

Factor	Lump Sum per Primary School (£)	Lump Sum per Secondary School (£)	Lump Sum per Middle School (£)	Lump Sum per All-through School (£)	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)	
7) Lump Sum	£155,000.00	£155,000.00			£14,415,000	7.52%	0.00%	0.00%
8) Sparsity factor					£0	0.00%		
Please provide alternative distance and pupil number thresholds for the sparsity factor below. Please leave blank if you want to use the default thresholds. Also specify whether you want to use a tapered lump sum for one or both of the phases.								
Primary distance threshold (miles)		Primary pupil number average year group threshold			Fixed or tapered sparsity primary lump sum?	Fixed		
Secondary distance threshold (miles)		Secondary pupil number average year group threshold			Fixed or tapered sparsity secondary lump sum?	Fixed		
Middle schools distance threshold (miles)		Middle school pupil number average year group threshold			Fixed or tapered sparsity middle school lump sum?	Fixed		
All-through schools distance threshold (miles)		All-through pupil number average year group threshold			Fixed or tapered sparsity all-through lump sum?	Fixed		
9) Fringe Payments					£0	0.00%		
10) Split Sites					£0	0.00%		
11) Rates					£1,706,363	0.89%	0.00%	0.00%
12) PFI Funding					£0	0.00%		
13) Sixth Form					£0	0.00%		
14) Exceptional circumstances (can only be used with prior agreement of EFA)								
Circumstance	Total (£)	Proportion of total pre MFG funding (%)	Notional SEN (%)					
Additional lump sum for schools amalgamated during FY14-15	£0	0.00%	0.00%	0.00%				
Additional sparsity lump sum for small schools	£0	0.00%						
Exceptional Circumstance3	£0	0.00%						
Exceptional Circumstance4	£0	0.00%						
Exceptional Circumstance5	£0	0.00%						
Exceptional Circumstance6	£0	0.00%						
<b>Total Funding for Schools Block Formula (excluding MFG Funding Total) (£)</b>	<b>£191,661,487</b>	<b>100.00%</b>	<b>£26,460,197</b>					
15) Minimum Funding Guarantee (MFG is set at -1.5%)	£8,082							
Apply capping and scaling factors? (gains may be capped above a specific ceiling and/or scaled)	No							
Capping Factor (%)								
Scaling Factor (%)								
Total deduction if capping and scaling factors are applied	£0							
	Total (£)	Proportion of Total funding (%)						
MFG Net Total Funding (MFG + deduction from capping and scaling)	£8,052	0.00%						
High Needs threshold (only fill in if, exceptionally, a high needs threshold different from £6,000 has been approved)	£0.00							
Additional funding from the high needs budget	£0.00							
Growth fund (if applicable)	£1,500,000.00							
Falling rolls fund (if applicable)	£0.00							
<b>Total Funding For Schools Block Formula</b>	<b>£191,669,540</b>							
% Distributed through Basic Entitlement	76.02%							
% Pupil Led Funding	91.59%							
<b>Primary: Secondary Ratio</b>	<b>1 :</b>	<b>1.18</b>						



Report No.  
ED15035

London Borough of Bromley

PART ONE - PUBLIC

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**Decision Maker:**      **SCHOOLS' FORUM**

**Date:**                      **Thursday 15 January 2015**

**Decision Type:**      Non-Urgent                      Non-Executive                      Non-Key

**Title:**                      **EARLY YEARS FUNDING FORMULA 2015/16**

**Contact Officer:**      Amanda Russell, Head of Schools Finance Support  
Tel: 020 8313 4806      E-mail: Amanda.Russell@bromley.gov.uk

**Chief Officer:**              Executive Director of Education, Care & Health Services

**Ward:**                      (All Wards);

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1.    Reason for report

This report outlines the proposed changes to the Early Years Funding Formula

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2.    **RECOMMENDATION(S)**

**The Schools Forum is asked to agree the proposed Early Years Funding Formula for 2015/16.**

### 3. COMMENTARY

3.1 Since the Early Years Funding Formula (EYFF) was established in 2009 there have been no reviews or changes as part of the National Fair Funding process. The formula itself therefore remains unchanged. However, due to a number of changes within the of Early Years Funding it is proposed that the Bromley's formula be reviewed and for a few changes to take place.

3.2 The current EYFF is used to fund both maintained nurseries, including those in schools that have converted to Academy status, and all Private, Voluntary and Independent (PVI) settings, although there some minor differences between the funding levels. The current funding formula is made up of the following elements

Rate	Description	PVI Settings	Maintained Settings
Base rate	Basic hourly rate for all pupils	£3.66	£3.60
Deprivation	Based on post code of individual pupils	0.10p to 0.55p	0.20p to 0.60p
Quality	Based on staff qualifications and an Ofsted outcome of Good or Outstanding	0.33p or 0.40p	n/a
Flexibility	Based on the pattern of hours that settings are able to offer	0.18p	0.18p
SEN	Based on the number of pupils with Special Educational Needs (not receiving SIPS or only partially receiving SIPS) within the setting	0.41p	0.41p
Maximum Hourly Rate		£5.20	£4.79

3.3 Each of these rates is an hourly rate, therefore the setting would receive this amount for each pupil for the number of hours attending the setting, upto a maximum of 570 hours per annum ( which is the current free entitlement for three and four year olds) usually though not necessarily over the 38 week period ie the number of weeks that schools and approximately half EY settings are open. It should be noted that there is no quality payment for maintained settings as they are required to employ a qualified teacher which is recognised in the base rate. Conversely, PVI settings have a slightly higher base rate to cover occupancy costs where maintained schools have historically received funding within the lump sum which is premises related.

3.4 It should be noted that this formula is used only for three and four year old pupils, and that the funding for two year olds is identified and paid separately. Also, from 2015/16 the Government will be introducing an Early Years Pupil Premium (EYPP) which will provide additional funding for deprivation, but as with 5 to 16 age pupil funding, this will sit outside of the DSG and the funding formula.

3.5 In addition to this, in 2014/15 all settings received a payment of between £750 and £5,500 depending on the volume of pupil hours, to support inclusion. This was paid as a one off lump sum in September 2014 at the discretion of the DfE, however the DfE guidelines do state that all payments should be pupil led. It is therefore necessary to look at an alternative method for paying this in future years.

3.6 The LA is therefore proposing the following changes to the EYFF for 2015/16:

- a) Base rates to be increased to include funding for inclusion previously paid as a lump sum
- b) Quality supplement to be based on an Ofsted outcome of Good/Outstanding outcome as opposed to the current combined requirement for staff qualifications and Ofsted outcome ( as a result of this a greater number of settings will attract this funding)
- c) Flexibility supplement removed – this encouraged providers to offer the free places at times to suit parents and this has now largely been achieved
- d) Deprivation supplement – will remain the same for 2015/16 but from 2016/17 will be based on deprivation as indicated by the EYPP
- e) No changes to SEN

3.7 The new funding formula for 2015/16 would therefore be:

Rate	Description	PVI Settings	Maintained Settings
Base rate	Basic hourly rate for all pupils	£3.90	£3.80
Deprivation	Based on post code of individual pupils (EYPP from 2016/17)	0.10p to 0.55p	0.20p to 0.60p
Quality	Good/Outstanding Ofsted outcome	0.40p or 0.50p	0.10p or 0.20p
Flexibility	Deleted as no longer relevant	0	0
SEN	Based on the number of pupils with Special Educational Needs (not receiving SIPS or only partially receiving SIPS) within the setting	0.41p	0.41p
Maximum Hourly Rate		£5.36	£5.01

3.8 In order to support this, the Schools Forum have agreed an additional sum of £500,000 to support Early Years Funding which will ensure that there are no significant impact of loss of funding to individual settings as a result of these changes. This funding is clearly identified within the report outlining the overall DSG allocation for 2015/16.

3.9 The Schools Forum is asked to agree the proposed Early Years Funding Formula for 2015/16.



Report No.  
ED15034

## London Borough of Bromley

### PART ONE - PUBLIC

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Decision Maker: **Schools Forum**

Date: **15 January 2015**

**TITLE: UNSPENT DEDICATED SCHOOLS GRANT (DSG)**

Contact Officer: David Bradshaw, Head of Education, Care and Health Services Finance  
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Chief Officer: Terry Parkin, Executive Director of Education and Care Services

Ward: Boroughwide

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1. Reason for report

1.1 This report provides an overview of the unspent DSG and the proposals for its use.

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**2. RECOMMENDATION**

**The Schools' Forum is asked to comment on and recommend the use of the unspent DSG.**

**3. BACKGROUND**

3.1 The Council has carried forward a total of £8.946m of Dedicated Schools Grant (DSG) from underspends of £1.697m, £2.984m and £4.265m in 2011/12, 2012/13 and 2013/14 financial years respectively.

3.2 As part of the ongoing discussions regarding this unspent DSG, the Schools Forum asked for proposals for the use of the funds. Attached are proposals to utilise the funds which will reduce the surplus considerably.

**4. USE OF THE UNSPENT DSG**

**Distribution to Schools**

4.1 It is proposed that £3.5m by distributed to schools as a one off payment. It is recommended that this be done on as simple a methodology as possible. All pupils would attract funding with the PRU and special schools attracting per pupil funding at an increased factor of 3.75 and 4.25 respectively. These factors are aligned to the current Education Services Grant (ESG) figures that DfE use to calculate the grant funding. If all schools received this funding on a pupil number basis this would equate to roughly £78 per pupil (assuming 42,000 pupils as the

school population up to age 16, the PRU pupils attracting £293 and special school pupils £312).

- 4.2 This would need to be added to the formula for 2015/16 as a one off exceptional payment and the Council would have to agree a mechanism with the DfE to achieve this.

### **Growth Fund**

- 4.3 At the last Forum meeting the DSG budget was discussed. As part of this debate two growth items were discussed, a rate increase for early years providers (£500k) and an increase in the bulge class funding (£500k). The total growth was £1m. It was suggested by the Forum that this be funded from unspent DSG as a short to medium term measure to absorb the costs. Two years funding has been assumed for this exercise. After this time the funding issue would need to be readdressed.

### **Beacon House purchase**

- 4.4 The use of DSG to purchase Beacon House was discussed at the Forum meeting in September. The Council rationale behind the purchase was to create more in borough provision, using an 'invest to save' model which would divert expenditure away from more expensive placements out of borough. Forum representatives recognised the need for the purchase but objected to the lack of consultation although the time period in which the property had to be purchased, alongside the need for confidentiality, made any meaningful consultation extremely difficult. On balance there was agreement for the purchase amongst the representatives on the Forum.

### **Beacon House refurbishment**

- 4.5 Consultants have been commissioned to look at Beacon House and assess the costs of bringing the building into use. The current estimate is £3.336m.
- 4.6 It is recommended that the unspent DSG pot funds the refurbishment to a maximum of £3m. The remaining amount would need to be funded from basic need capital funding.
- 4.7 This is a once in a lifetime opportunity for the Council and schools in Bromley to create purpose built provision for young people with significant special needs that affect their behaviour. By designing the right provision the benefits are going to be significant, both to the individuals themselves and the communities that they are part of. In addition secondary schools will be able to purchase part time places for young people who need a more practical curriculum alongside the degree of support that a special school will be able to offer. The alternative use of the money would be to share it amongst all 96 schools in the Borough which would realise far less impact, especially for our more vulnerable young people whose needs will be met at Beacon House. In addition schools are just about to receive a significant increase to their budgets, given that Bromley has been allocated a significant increase to DSG under the fairer funding arrangements.
- 4.8 If there is not the will to spend money on Beacon House the alternative would be to rebuild Burwood on its current site which is not fit for purpose and has significant issues in terms of transport access. This also affects the opportunity for pupils to travel independently as well as having a negative impact on staff recruitment.

- 4.9 Additional places will be created to meet the increasing demand for these types of placements and the extension of the school age. Savings can be made from the Dedicated Schools Grant (DSG) as the additional placements being created at the new setting are cheaper than Independent School placements currently meeting the need. Very prudent estimates suggest that over £220k could be saved in the first full financial year with a cumulative saving over four financial years of over £1.1m. DSG savings are recycled back into DSG funded services
- 4.10 Savings will also be achieved in the Revenue Support Grant (RSG) through transport savings. Prudent estimates suggest that there would be savings of around £3k per annum per child resulting in a saving of over £95k in the first full financial year of operation with a cumulative saving over four financial years of £489k. There may be further savings from this area as travel training may be possible in some cases which would eliminate the need for transport altogether. The savings will help to mitigate future demand in this area as the demand for this type of place grows due to increased need and the extension of the school age
- 4.11 Total savings of both the RSG and DSG areas could be £317k in the first full financial year with cumulative savings over a four financial year period of £1.63m
- 4.12 The table below shows the savings broken down into financial years

**TRANSPORT SAVINGS - RSG**

PART YEAR		Financial year			PART YEAR	CUMULATIVE
2015/16	2016/17	2017/18	2018/19	2019/20	SAVINGS	
52,500	90,000	90,000	90,000	37,500		
	5,250	9,000	9,000	3,750		
		17,500	30,000	12,500		
			24,500	17,500		
<b>52,500</b>	<b>95,250</b>	<b>116,500</b>	<b>153,500</b>	<b>71,250</b>	<b>489,000</b>	

**PLACEMENT SAVINGS - DSG**

PART YEAR		Financial year			PART YEAR	CUMULATIVE
2015/16	2016/17	2017/18	2018/19	2019/20	SAVINGS	
122,500	210,000	210,000	210,000	87,500		
	12,250	21,000	21,000	8,750		
		40,833	70,000	29,167		
			57,167	40,833		
<b>122,500</b>	<b>222,250</b>	<b>271,833</b>	<b>358,167</b>	<b>166,250</b>	<b>1,141,000</b>	

Assumes a capacity of 75 pupils  
 £7K cheaper placements costs per annum per child  
 £3K cheaper transport costs per annum per child

**5. FINANCIAL IMPLICATIONS**

5.1 The financial implications unspent DSG and its use are contained in the table below

	<u>£'000</u>	<u>£'000</u>
UNSPENT DSG CARRIED FORWARD INTO 2014/15		8,946
PAYMENT TO ALL SCHOOLS	- 3,500	
PURCHASE OF BEACON HOUSE	- 1,790	
REFURBISHMENT OF BEACON HOUSE	- 3,000	- 8,290
		<hr/>
REMAINING DSG		656
GROWTH BIDS CONTAINED FOR AT LEAST TWO YEARS	-	2,000
IN YEAR DSG SURPLUS 2014/15		2,000
UNALLOCATED DSG CARRIED FORWARD INTO 2015/16		<hr/> <b>656</b> <hr/>

5.2 A mixture of carried forward DSG and current in year underspends have been used to fully utilise the available DSG.

5.3 The remaining amount of DSG left as surplus is considered to be prudent in terms of an amount left to contain any unforeseen eventualities should they arise.