



THE LONDON BOROUGH
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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
Lee Mason-Ellis	Primary Academy Head Teacher
Neil Miller	Secondary Academy 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 Regester	Non-School Representative (Early Years)
Keith Seed	Special Head Teacher/Governor
David Wilcox	Secondary Academy Governor
1 x vacancy	Pupil Referral Unit Head Teacher/Governor
1 x vacancy	Non-School Representative (Catholic Church)

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 25 JUNE 2015** **AT 4.30 PM** *

*** PLEASE NOTE STARTING TIME AND VENUE**

MARK BOWEN
Director of Corporate Services

A G E N D A

- 1 APOLOGIES FOR ABSENCE**
- 2 DECLARATIONS OF INTEREST**
- 3 MINUTES OF THE MEETINGS HELD ON 15 JANUARY AND 12 FEBRUARY 2015**
(Pages 3 - 8)

- 4 **EDUCATION PORTFOLIO OUTTURN REPORT 2014/15** (Pages 9 - 22)
- 5 **SPENDING BY PRIMARY, SECONDARY AND SPECIAL MAINTAINED SCHOOLS IN 2014/15** (Pages 23 - 34)
- 6 **REVIEW OF GROWTH AND INFANT CLASS SIZE FUNDING** (Pages 35 - 44)
- 7 **CONSULTATION ON CONVERSION FROM MATRIX TO TOP UP FUNDING LEVELS FROM SEPTEMBER 2015** (Pages 45 - 52)
- 8 **ANY OTHER BUSINESS**
- 9 **DATE OF NEXT MEETING**

Dates for the remainder of the Council year are -

24th September 2015
26th November 2015
14th January 2016

All meetings are at Bromley College starting at 4.30pm unless stated otherwise.

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SCHOOLS' FORUM

Minutes of the meeting held at 4.30 pm on 15 January 2015

Present:

Geoff Boyd (Chairman)	Primary Maintained Governor
Colin Ashford	Primary Academy Governor
Leah Crawley	Primary Maintained Head Teacher
David Dilling	Primary Academy Governor
Patrick Foley	Primary Maintained Head Teacher
Lee Mason-Ellis	Primary Academy Head Teacher
Sam Parrett	Non-School Representative (14-19 Partnership)
Neil Proudfoot	Non-School Representative (Joint Teacher Liaison Committee)
Alison Regester	Non-School Representative (Early Years)
Keith Seed	Special Head Teacher/Governor

Also Present:

Councillor Stephen Wells	Portfolio Holder for Education
Jane Bailey	Assistant Director: Education
David Bradshaw	Head of Education and Care Services Finance
James Mullender	Head of Education Finance
Amanda Russell	Head of Schools Finance Support
Graham Walton	Democratic Services Manager

25 APOLOGIES FOR ABSENCE

Apologies for absence were received from Andrew Downes, David Bridger, Neil Miller and Karen Raven. Lee Mason-Ellis had replaced Cheryl Sutton. (Apologies had also been received from Aydin Önaç.)

In the absence of the Chairman and Vice-Chairman, Geoff Boyd took the chair. He welcomed David Dilling to his first meeting as a member of the Forum.

26 DECLARATIONS OF INTEREST

Alison Regester declared an interest in relation to the item on the Early Years Funding Formula as a nursery provider.

27 MINUTES OF THE MEETING HELD ON 20TH NOVEMBER 2014

It was noted in relation to minute 23 that the Council's Property Division was considering how to take forward the health and safety issues, but this no longer formed part of the proposals for unspent DSG.

RESOLVED that the minutes of the meeting held on 20th November 2014 be confirmed.

28 2015-16 DEDICATED SCHOOLS GRANT
Report ED15033

The report provided updated information on the 2015/16 Dedicated Schools Grant (DSG) and how it would be allocated. Two elements were not yet finalised – final details of the High Needs Block were expected later in the month, while funding for two year olds was not expected to be known until June. The overall figure for DSG, including estimates for these two areas, was £251,733,734.

A small change was proposed to the amount de-delegated from maintained primary schools for staff supply costs, which included cover for maternity leave, jury service, suspension and union duties. The amount per pupil had increased from £17.38 to £18.50 as a direct result of increased expenditure. The amount de-delegated for free school meal eligibility remained at £8.65 per pupil. It was suggested that the exact amounts for each element – i.e. for maternity cover, union duties etc, should be established, and that as maintained primary schools had not had an opportunity to discuss the proposals and come to a view the status quo should prevail.

RESOLVED that

- (1) The revised DSG allocation is noted.**
- (2) The proposed allocation, including changes to the Early Years Funding Formula and the additional £500k added for Growth Funding, is agreed in principle.**
- (3) The status quo on de-delegation should be maintained.**

29 EARLY YEARS FUNDING FORMULA 2015/16
Report ED15035

The Forum was asked to consider proposed changes to the Early Years Funding Formula (EYFF). The EYFF had remained unchanged since its introduction in 2009, but with a number of changes to Early Years Funding it was proposed that Bromley's formula be reviewed. The following changes were proposed 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.

Officers reported that modelling had shown that only a small number of settings would lose money, and these would be small amounts – the vast majority of settings would gain from the proposals. However, the proposals had been discussed at the Providers Forum earlier in the week and there had been concern at the impact of the removal of the flexibility supplement and the changes to the quality supplement, especially as they faced extra costs for employer pension contributions and administration.

In view of the concerns it was decided that further consideration was needed, and a special meeting would need to be held before the end of March.

RESOLVED that consideration of the proposed Early Years Funding Formula be deferred to a special meeting.

30 USE OF UNSPENT DEDICATED SCHOOLS GRANT Report ED15034

The Council had carried forward a total of £8.946m of Dedicated Schools Grant (DSG) from underspends of £1.697m, £2.984m and £4.265m in the 2011/12, 2012/13 and 2013/14 financial years respectively. As part of the ongoing discussions regarding this unspent DSG, the Schools Forum was asked to consider proposals for the use of the funds.

The proposals were to distribute £3.5m to schools as a one-off payment, to fund two growth bids of £500k each for two years for early years providers and bulge classes, the purchase of Beacon House for £1.79m and to contribute £3m to the refurbishment costs of Beacon House. This would leave an unallocated surplus of £656k to be carried forward into 2015/16.

A letter had been received from Karen Raven on behalf of secondary head teachers stating that they were broadly in agreement with the proposed expenditure on Beacon House. She reiterated concerns that they had not been consulted on the decision to purchase Beacon House and sought an undertaking that they would be consulted sooner on any future projects. She also made the recommendation that the opportunity be taken to liaise more effectively with primary head teachers about the transition of year 5 and 6 pupils into Beacon House in year 7.

The Education Portfolio Holder apologised that it had not been possible to consult with the Forum about the purchase of Beacon House, but he explained that it had been necessary to move very quickly and confidentially to realise the opportunity to provide what was potentially a facility of national excellence.

The Authority was in discussion with Bromley College about the development of the Midfield campus for KS3 provision. Comments were made that, just like Burwood, the Midfield site was not ideal, being towards the edge of the borough, but it was also accepted that in other ways it was a more welcoming site than Burwood.

The Forum also discussed how schools would be notified of the additional funding – both the £3.5m from unspent DSG and the £19.5m additional funding in the Schools Block. Officers confirmed that they would give explicit guidance to maintained schools on the figures; however, the Authority did not provide information for academies.

RESOLVED that the proposals for the use of unspent DSG be supported.

31 DATE OF NEXT MEETING

A special meeting would be needed before the end of March on the early Years Funding Formula.

Dates would be circulated for ordinary meetings at the ends of June, September and November 2015, and mid-January 2016.

The Meeting ended at 5.44 pm

Chairman

SCHOOLS' FORUM

Minutes of the meeting held at 4.30 pm on 12 February 2015

Present:

Andrew Downes (Chairman)	Secondary Academy Governor
David Bridger (Vice-Chairman)	Non-School Representative (Church of England)
Geoff Boyd	Primary Maintained Governor
Neil Proudfoot	Non-School Representative (Joint Teacher Liaison Committee)
Alison Register	Non-School Representative (Early Years)

Also Present:

James Mullender	Head of Education Finance
Nina Newell	Education, Care & Health Services
Amanda Russell	Head of Schools Finance Support
Graham Walton	Chief Executive's Department

32 APOLOGIES FOR ABSENCE

Apologies for absence were received from Colin Ashford, Leah Crawley, David Dilling, Patrick Foley, Lee Mason-Ellis, Aydin Onac, Sam Parrett, Karen Raven, Keith Seed and David Wilcox.

It was noted that the meeting was not quorate, but those present decided to proceed.

33 DECLARATIONS OF INTEREST

Geoff Boyd declared an interest in that his daughter ran a pre-school.

34 MINUTES OF THE MEETING HELD ON 15TH JANUARY 2015

The minutes from the meeting held on 15th January 2015 would be considered at the next ordinary meeting.

35 UPDATE ON EARLY YEARS FUNDING FORMULA FOR 2015/16 Report ED 15059

At its previous meeting on 15th January 2015 the Forum had considered proposed changes to the Early Years Funding Formula (EYFF) for 2015/16. Following concerns expressed at the Providers Forum the proposals had been deferred to this special meeting. The changes needed to be agreed by the Schools Forum or the 2015/16 in time for budget allocations to be sent out in line with DfE timescales, or the old formula would have to be used, and this would not include any funding for inclusion (around £600k in 2014/15.)

The report set out additional information on the proposed changes, including more detailed modelling (in appendix 1.) The modelling showed that the hourly rate received would increase for most settings, and there were only a small number of settings where the hourly rate would decrease. No settings would be destabilised by the changes.

A significant part of the proposals was that the flexibility supplement would be removed as this was no longer required by the DfE; the funding would be used to supplement the base rate and the quality supplement. There was concern from some members at the loss of this supplement, as there were additional costs for settings to be flexible, but it was also accepted that there were costs for the authority in checking that settings were indeed flexible and using the funding appropriately. Officers were satisfied that there was a range of providers offering flexible provision across the borough, driven by parent demand, and if lack of flexibility became an issue then the matter could be re-addressed.

As it was anticipated that the meeting might not be quorate, members who were not able to attend had been asked to submit their views on the proposal. The following Forum members had written indicating their support for the recommendations –

Leah Crawley, David Dilling, Patrick Foley, David Wilcox

RESOLVED that the proposed changes to the Early Years Funding Formula for 2015/16 be approved.

As this was Nina Newell's last meeting before leaving the Authority, the Forum thanked her for her work and wished her all the best in her new role.

36 DATE OF NEXT MEETING

The following dates were proposed –

25th June 2015
24th September 2015
26th November 2015
14th January 2016

The Meeting ended at 5.35 pm

Chairman

Report No.
ED15089

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **SCHOOLS FORUM**

Date: **Thursday 25 June 2015**

Decision Maker: **EDUCATION PORTFOLIO HOLDER**

Date: **For pre-decision scrutiny by the Education PDS Budget Sub-Committee on Tuesday 30 June 2015**

Decision Type: Non-Urgent Executive Non-Key

Title: **EDUCATION PORTFOLIO OUTTURN REPORT 2014/15**

Contact Officer: James Mullender, Finance Manager
Tel: 020 8313 4292 E-mail: James.Mullender@bromley.gov.uk

Chief Officer: Doug Patterson, Chief Executive

Ward: All Wards

1. Reason for report

- 1.1 This report provides details of the final outturn position for 2014/15 for the Education Portfolio. There was an overall underspend of £246k for the Non-Schools Budget, and an underspend of £940k for the Schools' Budget.
- 1.2 The report also considers the full year effect impact for 2015/16 and requests the creation of an earmarked reserve for DSG redundancy costs.
-

2. **RECOMMENDATION(S)**

2.1 **The Schools Forum is requested to:**

- (i) Note the report for information; and,
- (ii) Agree the creation of a DSG Redundancy Reserve of £300k as detailed in paras 3.12 - 3.14.

2.2 **The Education PDS Budget Sub-Committee is requested to:**

- (i) Consider the 2014/15 outturn position for the Education Portfolio; and,
- (ii) Refer the report to the Portfolio Holder for approval.

2.3 The Portfolio Holder for Education is requested to:

- (i) Endorse the final 2014/15 outturn for the Education Portfolio; and
- (ii) Subject to the approval of Schools Forum, recommend to Executive the creation of a DSG Redundancy Reserve of £300k as detailed in paras 3.12 - 3.14.

Corporate Policy

1. Policy Status: Existing Policy: Sound financial management
 2. BBB Priority: Children and Young People Excellent Council
-

Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Not Applicable
 3. Budget head/performance centre: Education portfolio budgets
 4. Total current budget for this head: £13.79m
 5. Source of funding: Existing revenue budgets 2014/15
-

Staff

1. Number of staff (current and additional):
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory Requirement: The statutory duties relating to financial reporting are covered within the Local Government Act 1972; the Local Government Finance Act 1998; the Accounts and Audit Regulations 1996; the Local Government Act 2000 and the Local Government Act 2002 Further Details
 2. Call-in: Applicable:
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected):
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

3.1 The 2014/15 final outturn for the Education Portfolio is detailed in Appendix 1, broken down over each service area. Appendix 2 gives explanatory notes on the variations in each service area.

The Schools' Budget

- 3.2 An element of the Education budget within Education Care and Health Services (ECHS) department is classed as Schools' Budget and is funded by the Dedicated Schools Grant (DSG). Grant conditions requires that any over- or under- spend should be carried forward to the next financial year.
- 3.3 The Schools' Budget has underspent by £940k during 2014/15, which will be added to the £8.95m DSG carried forward from previous years, resulting in a total of £9.89m to carry forward to 2015/16. Much of this carry forward will be spent in 2015/16, with £3m agreed for the refurbishment of Beacon House, £3.5m as a one-off distribution to schools, and £2m used to contain growth over two years. These were agreed by the Portfolio Holder for Education and Schools Forum in January 2015 and the Secretary of State in March 2015 (for Beacon House). A further £300k is requested in paras 3.12 - 3.14 below for the creation of a DSG Redundancy Reserve.
- 3.4 A summary of the main variations is provided in the table below, and further details of the variations can be found within Appendices 2 and 3.

	£'000
One-off expenditure inc. Beacon House	2,845
Bulge classes	680
Schools budget share adjustments/variations	114
Free Early Education	-1,682
SEN Placements	-878
Bad debt provision	-678
DSG allocation adjustments	-650
SEN pre-school/sensory support	-565
SEN Transport	-120
Other net variations	-6
	<u>-940</u>

The Non-Schools' Budget

3.5 The rest of the Education budget within ECHS is classed as Non Schools' Budget, and this has underspent by £246k. A summary of the main variations is provided in the table below, and further details are contained within Appendices 1 and 2.

	£'000
Adult Education	246
Secondary outreach trading account	116
Blenheim & Community Vision	-179
Children's centres	-141
SEN assessment & monitoring	-87
Early Years	-59
School Standards	-31
SEN Transport	-26
Other net variations	-85
	<u>-246</u>

3.6 Costs attributable to individual services have been classified as "controllable" and "non-controllable" in Appendices 1 and 3. Budget holders have full responsibility for those budgets

classified as “controllable” as any variations relate to those factors over which the budget holder has influence and control. “Non-controllable” budgets are those which are managed outside of individual budget holder’s service and, as such, cannot be directly influenced by the budget holder in the shorter term. These include for example cross departmental recharges and capital financing costs. This ensures clear accountability by identifying variations within the service that controls financial performance. Members should specifically refer to the “controllable” budget variations in considering financial performance.

Full Year Effect for 2015/16

- 3.7 The full year effect pressure of the outturn variations is £424k. This is in part due to the impact of the Education Services Grant (ESG), formerly known as LA LACSEG. As Schools convert to Academy status, DfE reduce the grant given to authorities to reflect a transfer of duties and responsibilities from the Authority to the Academy.
- 3.8 There are also full year effects of pressures arising from the Adult Education Service. There have been changes to the funding regime by central government in which courses that were previously chargeable are now free to the user. This has resulted in an increase in the number of students claiming full fee remission as they are unemployed. This should in part be mitigated by a reduction in staffing costs and running expenses, and the service has made some efficiency savings; however this has not achieved the same level that income has reduced by. The service is currently investigating the potential for further service streamlining/reduction.
- 3.9 These are partly offset by surpluses on the Community Vision and Blenheim nursery trading accounts. The trading accounts aren’t on a full cost recovery basis, so this only covers some of the recharges allocated.
- 3.10 A summary of the full year effects is provided in the table below.

	£'000
Adult Education	246
Education Services Grant	357
Blenheim & Community Vision	-179
	<u>424</u>

Carry forwards to 2015/16

- 3.11 At its meeting on 10th June 2015, Executive approved the carry forward of various underspends from 2014/15 to 2015/16 to be allocated to Central Contingency and drawn down on the approval of the relevant Portfolio Holder. Two grants and two general carry forwards of unspent budget have been carried forward relating to Education Portfolio, and are requested for drawdown in the budget monitoring report elsewhere on the agenda. A summary is provided in the table below.

	£	£
Grants with no explicit right of repayment		
Early Years Grant	18,808	
SEN Preparing for Employment	<u>45,941</u>	
		64,749
Contribution from Government Grants Reserves		-64,749
Other carry forwards		
Review of Place Planning	11,000	
YOT Service Strategic Review	<u>76,500</u>	
		87,500
Total carry forward to 2015/16		<u>87,500</u>

DSG Redundancy Reserve

- 3.12 Members are asked to agree that a provision of £300k be set aside in a new DSG redundancy reserve to meet some of the potential costs that may arise as a result of future reorganisations within DSG funded Education services. This will allow the department to make the most efficient use of DSG funding, which is expected to come under increased pressure in the coming years.
- 3.13 The reserve is to be funded from a contribution from the DSG underspend carried forward from previous years (ref para 3.3), and any amount that remains unspent will be returned to the Schools' Budget.
- 3.14 The reserve will be earmarked for redundancy costs from DSG services only, where the ongoing annual savings exceed the redundancy costs. Use of the reserve will be on the approval of the Assistant Director of Education in consultation with the Portfolio Holder. Any redundancy costs relating to staff part funded by DSG will be split in the same proportion between the DSG redundancy reserve and the council's 'main' (RSG) redundancy reserve.

Assistant Director's Comments

- 3.15 Managers in Education have continued to control their budgets effectively, and in very challenging circumstances. The appendices give further detail of how costs have been contained across the year. Schools continue to benefit from funding changes which will see more money in schools' budgets in the coming year than ever before.
- 3.16 Grant condition changes within Adult Education make it increasingly difficult to manage cost pressures in such a way as to fulfil the grant conditions. A review remains in place to look at the best way forward for this very high quality service, but the nature of our provision may need to change in the coming year to better reflect our local priorities. Market testing did not find any particular solution and officers will need to return to the PDS later in the year with further options for the Portfolio Holder.
- 3.17 The implementation of the SEND reforms continues to go well. However, it is the case that we have high numbers of students with statements and we should see this number decline through the review process as schools accept greater responsibility for meeting individual needs. We also continue to look across to our partners at the CCG to ensure health needs are fully addressed in all new plans and have had some very good support. Nonetheless, Members will want to be aware that several very high cost placements have been required in the latter half of the year, increasing pressures of budgets resulting in a small projected overspend. Management continue to monitor these provisions.

4. POLICY IMPLICATIONS

- 4.1 The Resources Portfolio Plan includes the aim of effective monitoring and control of expenditure within budget and includes the target that each service department will spend within its own budget.
- 4.2 Bromley's Best Value Performance Plan "Making a Difference" refers to the Council's intention to remain amongst the lowest Council Tax levels in Outer London and the importance of greater focus on priorities.
- 4.3 The four year financial forecast report highlights the financial pressures facing the Council. It remains imperative that strict budgetary control continues to be exercised to minimise the risk of compounding financial pressures in future years.
- 4.4 Chief Officers and Departmental Heads of Finance are continuing to place emphasis on the need for strict compliance with the Council's budgetary control and monitoring arrangements.

5. FINANCIAL IMPLICATIONS

- 5.1 These are contained within the body of the report with a detailed breakdown of the final outturn by service shown in Appendix 1 including an analysis of the final budget, and explanatory notes in Appendix 2. Appendix 3 shows the split between Schools' Budget and Non-Schools'/Local Authority Budget.

Non-Applicable Sections:	Legal Implications Personnel Implications
Background Documents: (Access via Contact Officer)	2014/15 Budget Monitoring files in ECHS Finance Section

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2013/14 Actuals	Division Service Areas	2014/15 Original Budget £'000	2014/15 Latest Approved £'000	2014/15 Provisional Outturn £'000	Variation £'000	Notes	Variation Last Reported £'000	Full Year Effect £'000
EDUCATION CARE & HEALTH SERVICES DEPARTMENT								
Education Division								
Cr 401	Adult Education Centres	Cr 602	Cr 601	Cr 355	246	1	269	246
275	Alternative Education and Welfare Service	104	104	202	98	2	122	0
412	Schools and Early Years Commissioning & QA	565	565	296	269	3	Cr 164	Cr 179
4,451	SEN and Inclusion	4,772	4,777	4,633	Cr 144	4	45	0
213	Strategic Place Planning	255	265	218	Cr 47	5	Cr 41	0
11	Workforce Development & Governor Services	11	11	36	25	6	5	0
Cr 2,957	Education Services Grant	Cr 2,732	Cr 2,419	Cr 2,419	0	7	0	357
Cr 1,415	Schools Budgets	Cr 1,493	Cr 1,493	Cr 1,493	0	8	0	0
160	Other Strategic Functions	158	158	139	Cr 19	9	0	0
0	Early Years	0	0	0	0		0	0
0	Primary Schools	0	0	0	0		0	0
0	Secondary schools	0	0	0	0		0	0
0	Special Schools & Alternative Provision	0	0	0	0		0	0
0	Post-16 Provision	0	0	0	0		0	0
749		1,038	1,367	1,257	Cr 110		236	424
Children's Social Care								
1,790	Bromley Youth Support Programme - (Youth Svce)	1,468	1,472	1,477	5	10	0	0
1,889	Referral and Assessment Children's Centres	2,143	2,444	2,303	Cr 141	11	Cr 137	0
3,679		3,611	3,916	3,780	Cr 136		Cr 137	0
4,428	TOTAL CONTROLLABLE FOR EDUCATION - ECHS	4,649	5,283	5,037	Cr 246		99	424
9,221	Total Non-Controllable	5,096	11,852	11,852	0		0	0
3,802	Total Excluded Recharges	3,386	3,493	3,493	0		0	0
17,451	TOTAL EDUCATION PORTFOLIO - ECHS	13,131	20,628	20,382	Cr 246		99	424
Memorandum Item								
Sold Services								
	Education Psychology Service (RSG Funded)	Cr 23	Cr 23	Cr 16	7	} 12	35	0
	Education Welfare Service (RSG Funded)	Cr 39	Cr 39	Cr 41	Cr 2		0	0
	Behaviour Support (Secondary) (RSG Funded)	Cr 61	Cr 67	50	117		117	0
	Workforce Development (DSG/RSG Funded)	Cr 8	Cr 8	Cr 11	Cr 3		0	0
	Governor Services (DSG/RSG Funded)	Cr 7	Cr 7	17	24		0	0
	Community Vision Nursery (RSG Funded)	0	0	Cr 98	Cr 98		Cr 35	0
	Blenheim Nursery (RSG Funded)	0	0	Cr 81	Cr 81		Cr 59	0
	Business Partnerships (RSG Funded)	0	0	0	0		0	0
	Total Sold Services	Cr 138	Cr 144	Cr 180	Cr 36		58	0

Reconciliation of Latest Approved Budget**£'000****Original Budget 2014/15****13,131**

SEN Reform Grant Income	Cr 382
SEN Reform Grant Expenditure	382
Children's Centres carry forward	297
Non-controllable carry forward re Adult Education property	21
SEND Pathfinder Champion Grant Income	Cr 71
SEND Pathfinder Champion Grant Expenditure	71
SEND Implementation Grant Income	Cr 152
SEND Implementation Grant Expenditure	152
Increase in insurance premiums	7
Allocation of Merit Awards	14
Transfer from Strategy for Data Cleansing	10
Shortfall in Education Services Grant	313

Latest Approved Budget for 2014/15**13,793****Memorandum Items**

Capital Charges	5,748
Insurance	Cr 11
Repairs and Maintenance	7
IAS19 (FRS17) Adjustments	984
Excluded Recharges	107

Reported Latest Approved Budget for 2014/15**20,628**

REASONS FOR VARIATIONS**1. Adult Education - Dr £246k**

As previously reported, a continuation of the significant overspend in 2013/14 has occurred in the Adult Education Service. A reduction in grant, tuition fee and other income totalling £339k has not been matched by the same level of reductions in the running costs of the service.

The full year effect of this is a continued overspend at around the same level. In addition further grant reductions were announced in March, broadly in line with expectations, resulting in a expected shortfall in 2015/16 of around £600k.

The service was market tested as a separate 'lot' with Education services, but no solution was found. Officers are currently investigating other options to help contain this overspend going forward which may need to be consulted on in due course.

	Variations	
	£'000	
Skills Funding Agency grant		133
Tuition fee income		225
Lettings and other fees and charges	Cr	19
Business rates and other premises costs		17
Recharge to WD&GS	Cr	23
Supplies and services	Cr	45
Staffing	Cr	42
		<u>246</u>

2. Alternative Education and Welfare - Dr £98k

From 2013/14, funding for Behaviour Services was delegated to schools. As a result, the Secondary Outreach team became a traded service selling to schools. At the end of July 2014, the service was closed and the staff assimilated into vacant posts within the Pupil Referral Unit's establishment, with the expectation that Bromley Trust Academy will continue the service now that the PRU has converted to academy status.

The final outturn position for the trading account is £116k overspent, slightly higher than anticipated as the service was unable to take in any additional pupils running up to the closure.

This is partly offset by a £16k underspend in the Education Welfare Service, and a £2k surplus on the trading account.

	Variations	
	£'000	
Secondary Outreach		116
Education Welfare Service	Cr	16
- Trading account	Cr	2
		<u>98</u>

3. Schools and Early Years Commissioning and Quality Assurance - Cr £269k

The two in-house nurseries have generated a total surplus of £179k. The trading accounts, set up in April 2013, are not on a full cost recovery basis, so this surplus doesn't quite cover the £185k recharges allocated. The service is currently undergoing a market testing exercise which might, depending on the level of rental income and concession fee agreed, result in a reduction of net income if delivered by an external provider.

There is also an underspend of £59k in the Early Years service due to staff vacancies which were held in anticipation of the now agreed £130k savings for 2015/16. Additionally a £19k grant from DfE to help implement Early Years Pupil Premium was announced on 17th February. Due to the late announcement of the grant, this could not be spent in the financial year, and the service is requesting a carry forward of this funding to enable them to implement the changes required.

A final underspend in School Standards of £31k is the result of the vacant Senior Advisor post, which is being covered more efficiently by the use of consultants/agency staff.

	Variations	
	£'000	
Blenheim Nursery	Cr	81
Community Vision Nursery	Cr	98
Early Years support services	Cr	59
School Standards	Cr	31
	Cr	<u>269</u>

4. SEN and Inclusion - Cr £144k

To help authorities with the amount of work required to convert existing Statements of SEN to the new Education Health and Care (EHC) plans, and to implement the changes to working practices required, the Department for Education has created the SEN Reform Grant. LBB's allocation of this grant for 2014/15 is £382k, draw-down of which was approved by Executive on 2nd April 2014. DfE later announced the SEND Implementation (New Burdens) Grant, with £259k allocated to LBB. At it's meeting on 15th October 2014, Executive approved drawdown of £152k for 2014/15, with the remaining £107k ring-fenced for drawdown in 2015/16. At the same meeting Executive also approved drawdown of the third year £71k allocation of the ring-fenced SEND Pathfinder Champion Grant.

Due to changes to the statutory guidance around the reforms, the service has not been able to put in place the structure to implement the reforms as early as originally intended, and as a result, a substantial amount of the funding could not be spent. In March 2015 Executive approved the carry forward of £200k of the Reform/Implementation grants underspend along with the drawdown of the 2015/16 grant funding.

The head of service post is now being covered part time, and at a lower grade whilst the previous post holder is working solely on the reforms. This, plus temporary vacancies, and staff working reduced hours has resulted in an £87k underspend in the SEN assessment and monitoring team.

The final outturn for the Education Psychology trading account is an overspend of £7k, a significant improvement over the £41k overspend in 2013/14, and which is offset by an underspend of £10k in the statutory element of the service.

Although the travel training programme is progressing well, increasing number of pupils in general, and of those with complex needs has resulted in only a minor underspend of £26k for SEN Transport.

	Variations	
	£'000	
SEN assessment & monitoring team	Cr	87
SEN Reform/Implementation grants	Cr	23
Education Psychologists	Cr	10
- Trading account		7
SEN Transport	Cr	26
Business Support	Cr	5
	Cr	144

5. Strategic Place Planning - Cr £47k

An underspend of £16k has resulted for the RSG funded element of the Admissions team salaries. There is also a £9k underspend on pupil assessment expenses, and a £22k underspend on non-SEN transport.

	Variations	
	£'000	
Admissions	Cr	16
Pupil Assessments	Cr	9
Transport	Cr	22
	Cr	47

6. Workforce Development & Governor Services - Dr £25k

An overspend of £4k on the statutory element of the service is due to an overspend on training expenses partly offset by a reduction in staffing costs.

On the trading accounts, there is shortfall of income relating to governor services, and a small surplus on the workforce development side, which has also required less resources to deliver.

	Variations	
	£'000	
Workforce Development & Governor Services		4
Governor Services Trading Account		24
Workforce Development Trading Account	Cr	3
		25

7. Education Services Grant - Dr £0k

The final position on the Education Services Grant (ESG) allocation is £313k less than budget. The ESG allocation is re-calculated on a quarterly basis, so the grant reduces in-year as schools convert to academies. The final outturn is based on the 15 in-year conversions including the PRU. The full year effect of these 15 conversions is £961k. It is requested that funding be drawn-down from contingency to cover this shortfall.

8. Schools Budgets (no impact on General Fund)

Expenditure on Schools is funded through the Dedicated Schools Grant (DSG) provided by the Department for Education (DfE). DSG is ring fenced and can only be applied to meet expenditure properly included in the Schools Budget. Any overspend or underspend must be carried forward to the following years Schools Budget. The final outturn is an underspend of £940k on DSG funded services as outlined below, which in addition to the £8.9m carried forward from previous years, gives a total carried forward to 2015/16 of £9.9m.

SEN placements underspent by a total of £631k, in addition to an underspend of £114k relating to SEN equipment.

SEN support costs for students in further education establishments, for which funding and responsibility transferred to the authority for the first time in September 2013, has underspent by £247k.

There is an underspend of £187k in the Sensory Support Service, mainly due to vacant posts to support pupils who have a sensory impairment, as there were no pupils requiring this support during 2014/15. There is also a budget of £200k for Pupil Resource Agreements which remained unspent due to changes to the funding regulations, plus a £35k underspend due to vacant posts. These budgets have been deleted from 2015/16 to help fund the Early Years inclusion funding.

The Early Years SEN service (Phoenix) has underspent by a total of £141k, mainly on staffing costs. This budget will be reduced in 2015/16 to help contain anticipated pressures in other areas of the Schools Budget.

The DSG funded element of SEN Transport has underspent by £120k. The funding regulations do not permit this budget to be increased from the previous year, so it is kept at the current level in anticipation of increased take up of lower cost in-borough placements in future years.

There is £20k overspend in the Early Intervention service, and £11k on the Head of Service post due redundancy costs, £45k overspend on Progression Courses, offset by £33k underspend in the Home & Alternative Provision service as a result of staffing vacancies and the reduction in recharges from the termination of the outreach service and £152k underspend on the Fair Access Protocol.

The 2014/15 budget included a sum of £600k to be allocated to early years providers. It had previously been anticipated that this would be unspent, as the funding regulations no longer permit in-year changes to the early years funding formula. DfE has since confirmed that this can in fact be distributed in-year as top-up funding, and only £84k of this remained unspent.

An increase of £314k to the DSG allocation was made in July accounting for the increase in pupil numbers on the January 2014 Early Years Census, and there has been a subsequent increase of £224k made in November as the original figure had incorrectly been pro-rata'd. There was also an adjustment to the previous academy recoupment figure of £112k to account for bulge classes.

A major pressure area in 2013/14 was Free Early Education (FEE) provision for 3 and 4 year olds, with an outturn of £529k overspend. To offset this, and to manage the anticipated continued growth in take-up, £1.3m budget growth was added for 2014/15. An underspend of £362k has occurred on the £11.4m total budget, and there is also £231k of 2013/14 creditor provision which remained unused.

Continued growth in uptake for FEE for 2 year olds took place in 2014/15, although there was still a total underspend of £1.3m on this budget. From 2015/16 onwards DfE will fund this provision on a participation basis, resulting in an anticipated reduction to the DSG allocation of £1.3m, so this underspend will not continue. As approved by Executive on 26th November 2014, a contribution of £150k from this underspend has been made to the capital scheme to help build capacity for these extra places.

The underspends above are partly offset by a continued increase in the requirement for bulge classes, resulting in an overspend of £680k on the £1m budget. An additional £500k has been agreed to be added to the 15/16 budget for two years, funded from the DSG carry forward.

Finally there is a total of £2.2m on-off costs funded by the overall underspend above for HR support for academy conversions, consultancy costs for the Pupil Referral Unit IEB, temporary classroom rentals, initial costs relating to the purchase and refurbishment of Beacon House, costs relating to the vacant Kingswood House, and a release of £678k in bad debt provision.

	Variations		
		£'000	
Home and Alternative Provision	Cr	33	
Early Intervention Service		20	
Progression Courses		45	
Fair Access Protocol	Cr	152	
Head of Alternative Education and Welfare		11	
Admissions	Cr	39	
School Standards	Cr	43	
Workforce Development & Governor Services	Cr	21	
Bulge classes		680	
Nursery classes		84	
Carbon Reduction Commitments re 2013/14	Cr	13	
Special Units Funding		29	
Recoupment adjustments (rates/dedelegation)	Cr	75	
6th form grant income		214	
Schools budget share adjustments/variations		114	
UIFSM		114	
Schools Forum	Cr	24	
PSAG		99	
Non-controllable costs		9	
SEN:			
- Placements	Cr	631	
- Equipment	Cr	114	
- Support in FE colleges	Cr	247	
- Sensory support service	Cr	187	
- Support in mainstream	Cr	235	
- Specialist Support & Disability Service	Cr	2	
- Pre-school service	Cr	141	
- Business Support	Cr	5	
- Transport	Cr	120	Cr 1,682
FEE:			
- 3 & 4 year olds provision	Cr	362	
- Inclusion support	Cr	84	
- 2 year olds provision	Cr	1,267	
- Contribution to capital		150	
- Prior year provisions	Cr	231	Cr 1,794
DSG allocation adjustments:			
- Additional Early Years allocation re 13/14	Cr	314	
- Additional Early Years allocation re 14/15	Cr	224	
- Bulge class recoupment adjustment	Cr	112	Cr 650
One-off expenditure:			
- Support for academy conversions/IEB consultancy		72	
- Temporary classroom rentals		233	
- Purchase of Beacon House		1,790	
- Refurbishment of Beacon House		102	
- Release of bad debt provision	Cr	678	
- Langley Park BSF		400	
- PRU maintenance/carry forward		238	
- Kingswood House costs		10	2,167
	Cr	940	

9. Other Strategic Functions - Cr £19k

An total underspend of £19k is a result of various minor underspends on the Assistant Director's post, consultancy costs and voluntary sector SLA's. These budgets have been reduced for 2015/16 to meet savings agreed as part of the 2014/15 budget process, and further Management Savings in 2015/16.

10. Youth Service - Dr £6k

This service had a small overspend of £6k after achieving savings in 2014-15 of £360k. Previously in Budget Monitoring, after the completion of the reorganisation in the summer, and a budget realignment to match the restructured universal and targeted provisions, there was no overall variance expected.

11. Referral & Assessment Children's Centres - Cr £141k

Bromley Children's Project underspent by £142k, from £138k previously reported in January due to resignations and delays in appointing to vacant posts, plus an underspend on the Commissioning budget. This is partially offset by premises maintenance and NNDR liability for two former unoccupied Children's Centres.

	Variations	
		£'000
Salaries	Cr	200
Premises costs		22
Commissioning budget	Cr	40
Other (Suppliers & Services/income)	Cr	27
Parent Partnerships vacancies	Cr	26
Revenue contribution to Capital		130
	Cr	141

12. Sold Services (net budgets)

Services sold to schools are separately identified in this report to provide clarity in terms of what is being provided. These accounts are shown as memorandum items as the figures are included in the appropriate Service Area in the main report.

Waiver of Financial Regulations:

The Council's Contract Procedure Rules state that where the value of a contract exceeds £50k and is to be exempted from the normal requirement to obtain competitive quotations, the Chief Officer has to obtain the agreement of the Director of Resources and Finance Director and (where over £100k) approval of the Portfolio Holder, and report use of this exemption to Audit Sub committee bi-annually. Since the last report to the Executive, three waivers have been approved:

A waiver for Project Management, Architectural and Employer's Agent Services for expansion at a Primary School with a value of £168k

A waiver schools management system with a value of £56k. This is fully recharged to schools

A waiver for inclusion support (SIPS) in multiple pre-schools with a total value of £226k

Virements Approved to date under Director's Delegated Powers

Details of virements actioned by Chief Officers under delegated authority under the Financial Regulations "Scheme of Virement" will be included in financial monitoring reports to the Portfolio Holder. No virements have been approved since the last report to Executive.

EDUCATION PORTFOLIO OUTTURN SUMMARY

APPENDIX 3

Division Service Areas		Non-Schools' Budget (RSG)						Schools' Budget (DSG)									
		Original Budget	Revised Budget	Projection	Variation	Last Reported Variation	FYE	Original Budget	Revised Budget	Projection	Variation	Last Reported Variation	FYE				
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000				
Education Division																	
Adult Education Centres	1	Cr 602	Cr 601	Cr 355	246	269	246	0	0	0	0	0	0	0	0	0	0
Alternative Education and Welfare Service	2	104	104	202	98	122	0	1,402	1,402	1,293	Cr 109	Cr 72	0	0	0	0	0
Schools and Early Years Commissioning & QA	3	565	565	296	Cr 269	Cr 164	Cr 179	15,919	16,141	14,304	Cr 1,837	Cr 1,839	0	0	0	0	0
SEN and Inclusion	4	4,772	4,777	4,633	Cr 144	45	0	23,740	22,747	21,065	Cr 1,682	Cr 909	0	0	0	0	0
Strategic Place Planning		255	265	218	Cr 47	Cr 41	0	276	276	237	Cr 39	Cr 30	0	0	0	0	0
Workforce Development & Governor Services		11	11	36	25	5	0	106	106	85	Cr 21	6	0	0	0	0	0
Education Services Grant	5	Cr 2,732	Cr 2,419	Cr 2,419	0	0	357	0	0	0	0	0	0	0	0	0	0
Schools Budgets	6	Cr 1,493	Cr 1,493	Cr 1,493	0	0	0	Cr 118,896	Cr 108,771	Cr 109,069	Cr 298	0	0	0	0	0	0
Other Strategic Functions		158	158	139	Cr 19	0	0	0	0	0	0	0	0	0	0	0	0
Early Years		0	0	0	0	0	0	1,085	0	0	0	0	0	0	0	0	0
Primary Schools		0	0	0	0	0	0	55,100	51,748	52,655	907	1,311	0	0	0	0	0
Secondary schools		0	0	0	0	0	0	2,751	3,201	3,201	0	0	0	0	0	0	0
Special Schools & Alternative Provision		0	0	0	0	0	0	16,354	10,987	13,117	2,130	1,790	0	0	0	0	0
Post-16 Provision		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
		1,038	1,367	1,257	Cr 110	236	424	Cr 2,163	Cr 2,163	Cr 3,112	Cr 949	257	0	0	0	0	0
Children's Social Care																	
Bromley Youth Support Programme - (Youth Services)	7	1,468	1,471	1,476	5	0	0	0	0	0	0	0	0	0	0	0	0
Referral and Assessment Childrens Centres	8	2,143	2,442	2,301	Cr 141	Cr 137	0	0	0	0	0	0	0	0	0	0	0
		3,611	3,913	3,777	Cr 136	Cr 137	0	0	0	0	0	0	0	0	0	0	0
TOTAL CONTROLLABLE		4,649	5,280	5,034	Cr 246	99	424	Cr 2,163	Cr 2,163	Cr 3,112	Cr 949	257	0	0	0	0	0
TOTAL NON CONTROLLABLE		5,096	11,852	11,852	0	0	0	90	90	99	9	0	0	0	0	0	0
TOTAL EXCLUDED RECHARGES		3,386	3,493	3,493	0	0	0	1,402	1,402	1,402	0	0	0	0	0	0	0
PORTFOLIO TOTAL		13,131	20,625	20,379	Cr 246	99	424	Cr 671	Cr 671	Cr 1,611	Cr 940	257	0	0	0	0	0

Report No.
ED15087

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **Schools' Forum**

Date: **25 June 2015**

Decision Maker: **Education Budget Sub-Committee**

Date: **30 June 2015**

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

TITLE: SPENDING BY PRIMARY, SECONDARY AND SPECIAL MAINTAINED SCHOOLS IN 2014/15

Contact Officer: Mandy Russell, Head of Schools' Finance Team
Tel: 020 8 603 3572 E-mail: amanda.russell@liberata.com

Chief Officer: Jane Bailey, Assistant Director (Education)

Ward: Boroughwide

1. Reason for report

- 1.1 This report provides information on all revenue and capital balances held by Primary, Secondary and Special Maintained Schools as at 31 March 2015, and also provides a comparison to the balances held at the same time in the previous year.

2. **RECOMMENDATION(S)**

- 2.1 **The Committee is invited to consider the financial position of Primary, Secondary and Special Maintained Schools at the end of the 2014/15 financial year and to identify any matters for specific comment and referral to the Portfolio Holder.**
- 2.2 **The Schools' Forum is asked to note the balances for information.**

Corporate Policy

1. Policy Status: N/A
 2. BBB Priority: Children and Young People
-

Financial

1. Cost of proposal: N/A
 2. Ongoing costs: N/A
 3. Budget head/performance centre: Dedicated Schools Grant 2014/15
 4. Total current budget for this head:
 5. Source of funding:
-

Staff

1. Number of staff (current and additional) – N/A
 2. If from existing staff resources, number of staff hours – N/A
-

Legal

1. Legal Requirement: Non-statutory - Government guidance:
 2. Call in: Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected) - N/A
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 This report highlights the financial position of Primary, Secondary and Special Maintained Schools as at 31 March 2015 the end of the 2014/15 financial year.
- 3.2 Balances are reported in accordance with the DfE Consistent Financial Reporting (CFR) Regulations. This is a framework for reporting income and expenditure and balances. It provides schools with a benchmarking facility for comparison between similar schools to promote self-management and value for money. A CFR return is produced for all schools maintained by the Local Authority as at 31 March 2015.
- 3.3 The CFR framework consists of six balances, which provide an overall picture of a school's resources available from one year to the next, and gives information on balances carried forward. The balances are categorised as follows:
- BO1 Committed Revenue Balances
 - BO2 Uncommitted Revenue Balances
 - BO3 Devolved Formula Capital Balances
 - BO5 Other Capital Balances
 - BO6 Community Focused Extended Schools Balances
- Nb BO4 Other Standard Fund Capital Balances has been deleted as standards funds no longer exist.
- 3.4 The average level of revenue balances (BO1 and BO2) both committed and uncommitted for Maintained Primary School stands at 6.98% of School Budget Shares compared to 8.45% at the end of 2013/14 (based on a comparable number of schools), which is a decrease of 1.47%. Secondary school balances are 9% compared to 18% at the end of 2013/14; a decrease of 9%. Special School balances have also decreased to 5.18% compared to 8.27% the previous year; a decrease of 3.09%.
- 3.5 A comparison of the levels of school balances as at 31 March 2014 to the previous year is shown in the table below.

	Primary Schools £000	Secondary Schools £000	Special Schools £000
Revenue balances only as at: 31.03.15			
Committed Revenue Balances (BO1)	723 (1.58%)	0 (0%)	58 (0.53%)
Uncommitted Revenue Balances (BO2)	2,455 (5.4 %)	451 (9%)	510 (4.65%)
	3,178 (6.98 %)	451 (9%)	568 (5.18%)
Revenue balances only as at: 31.03.14			
Committed Revenue Balances (BO1)	681(1.83%)	0 (0%)	209 (1.99%)
Uncommitted Revenue Balances (BO2)	2,465 (6.62%)	838 (18%)	657 (6.28%)
	3,146 (8.45%)	838 (18%)	866 (8.27%)

- 3.6 Full details of schools balances can be seen at **Appendix 1**

- 3.7 In accordance with DfE guidelines the Bromley Scheme for Financing Schools was updated in 2011 to remove the balance control mechanism. Previously this allowed local authorities to deduct any balances in BO2 (uncommitted revenue balances) in excess of 5% for secondary schools and 8% for primary and special schools from the following year's school budget share. All schools with balances in excess of 8% have been asked to complete a proforma detailing the reason for holding a high balance and their plans for reducing the balance in year.
- 3.7 The DFE now require further analysis to be undertaken in relation to this data. LAs are required to provide information on how they are proposing to address the issue if an:
- A:** LA has overspent its Dedicated Schools Grant by 2% or more (ie it is 2% or more in deficit)
 - B:** LA has underspent its Dedicated Schools Grant by 5% or more (ie it is 5% or more in surplus)
 - C:** LA has 2.5% of its schools that have been in deficit of 2.5% or more for the last 4 years and their individual deficit must have been at least £10,000 each year. We will only ask LAs for more information where at least three schools in the LA meet the criteria
 - D:** LA has 5% of schools that have had a surplus of 15% or more for the last 5 years and their individual surplus must have been at least £10,000 each year. LAs will only be asked for more information where at least three schools in the LA meet the criteria.

Schools that would fall into these categories have been highlighted on the table at **Appendix 2**.

- 3.8 This report also provides information on those schools with a deficit revenue balance. As at 31 March 2015, there are no schools with deficits.
- 3.9 In accordance with DfE requirements the SFST will also work with schools with schools with high balances to ensure that they are being used effectively. Schools are advised that revenue funding is allocated on an annual basis to support the cost of education for their current pupils and therefore it is not acceptable for schools to retain high levels of revenue funding to protect against possible funding reductions in future years.
- 3.10 **Appendix 3** shows a statement from each of the schools with large uncommitted surplus balances outlining the reasons for this and the management action to be taken to reduce the balances to a reasonable level.
- 3.11 The overall decrease in balances as a proportion of budget share is indicative of the increasing financial pressures being faced by schools, and highlights the issue that should Bromley schools not have received the additional Fairer Funding settlement for 2015/16 a number of schools could have been facing financial difficulties.

4. FINANCIAL IMPLICATIONS

- 4.1 Whilst this report provides details of school balances, there are no financial implications to be considered.

Non-Applicable Sections:	Policy, Legal and Personnel Implications
Background Documents: (Access via Contact Officer)	

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2013-14

2014-15

Appendix 1

	BO1 Committed Revenue Balances	BO2 Uncommitted Revenue Bal 31/03/14	B02 Rev Bal as % of 2014/15 SBS	BO1 & B02 Rev Bal as % of 2014/15 SBS	BO1 Committed Revenue Balances	BO2 Uncommitted Revenue Bal 31/03/15	B02 Rev Bal as % of 2015/16 SBS	BO1 & B02 Rev Bal as % of 2015/16 SBS	School Budget Share 2015-16	BO3 Devolved Formula Cap Balances	BO5 Other Capital Balances	BO6 Community Focussed Ext Schools	Balance C/fwd as at 31-Mar-15
Primary Schools													
Bickley Primary	33,218	115,791	9%	11%	17,434	48,004	3%	4%	1,713,831	0	100,000	0	165,439
Blenheim Primary	0	12,947	1%	1%	0	61,576	5%	5%	1,174,272	0	0	0	61,576
Bromley Road Primary	8,725	76,587	8%	8%	12,081	152,668	14%	15%	1,107,023	16,210	0	0	180,959
Burnt Ash Primary	0	144,181	7%	7%	0	138,250	6%	6%	2,295,485	0	100	0	138,350
Chelsfield Primary	4,428	112,385	23%	24%	0	54,794	10%	10%	540,073	0.00	0	0	54,794
Churchfields Primary	27,351	98,444	6%	8%	0	133,433	7%	7%	1,994,819	0	0	0	133,433
Clare House Primary	0	-65,038	-7%	-7%	0	25,658	2%	2%	1,302,619	17,236	0	0	42,895
Cudham CE	5,050	41,659	8%	9%	0	58,543	11%	11%	529,884	0	0	0	58,543
Darrick Wood Junior	33,194	53,553	4%	7%	41,572	53,094	3%	6%	1,528,689	0	0	0	94,666
Dorset Road Primary	33,677	22,788	6%	14%	19,072	43,091	9%	14%	460,075	8,024	0.00	0	70,187
Downe Primary	8,359	34,542	8%	10%	0	29,438	6%	6%	490,243	0	2,450	0	31,888
Edgebury Primary	3,450	73,105	9%	10%	5,000	87,659	9%	10%	951,158	3,249	0	0	95,908
Hawes Down Infants	6,024	112,007	12%	13%	0	132,517	14%	14%	960,691	3,115	0	0	135,632
Hawes Down Juniors	2,100	-11,062	-1%	-1%	0	36,170	3%	3%	1,038,930	0	0	0	36,170
Holy Innocents RC Primary	41,792	10,874	1%	7%	0	15,782	2%	2%	891,334	0	1,381	0	17,163
James Dixon Primary	107,555	47,344	2%	8%	9,345	3,837	0%	1%	2,406,617	0	0	0	13,182
Marian Vian Primary	16,218	139,159	7%	8%	22,283	118,197	5%	6%	2,445,296	0	0	4,878	145,358
Mead Road Infant	33,834	34,658	8%	15%	11,520	32,015	6%	8%	529,252	0	0	0	43,535
Mottingham Primary	50,496	34,950	2%	6%	72,049	116,125	6%	9%	2,016,300	0	0	2,129	190,302
Oak Lodge Primary	0	55,804	3%	3%	126,933	41,061	2%	7%	2,451,336	2,175	24,360	0	194,528
Oakland Primary	2,124	31,987	2%	2%	0	69,922	3%	3%	2,138,427	0	0	0	69,922
Poverest Primary	18,109	154,752	14%	15%	8,232	113,511	8%	8%	1,481,704	0	0	12,752	134,495
Pratts Bottom Primary	63,980	3,163	1%	15%	137,308	6,468	1%	31%	462,966	6,896	0	0	150,672
Red Hill Primary	88,430	301,194	12%	16%	76,008	292,833	10%	13%	2,917,038	0	71,610	0	440,451
Southborough Primary	35,713	217,093	13%	15%	19,498	92,084	5%	6%	1,912,192	0	0	0	111,581
St Anthony's RC Primary	2,296.50	108,470	15%	15%	12,480	53,351	5%	7%	980,084	0.00	2,497.19	0	68,328
St George's CE (Bickley) Primary	3,022	165,617	14%	15%	32,822	121,778	8%	11%	1,435,710	0	0	0	154,600
St Pauls Cray Primary	14,703	89,343	8%	10%	18,877	49,698	4%	5%	1,355,523	0	0	0	68,575
The Highway Primary	8,833	30,078	4%	5%	21,781	24,356	2%	5%	1,012,997	6,545	0	0	52,681
Unicorn	4,713	50,514	4%	4%	23,964	53,446	3%	5%	1,699,432	10,646	0	0	88,056
Wickham Common Primary	20,151	113,984	8%	10%	32,194	84,658	5%	7%	1,656,111	0	0	0	116,852
Worsley Bridge Primary	3,468	53,815	5%	5%	2,647	111,039	7%	7%	1,622,045	17,380	0	0	131,066
Sub-total	681,012	2,464,693	6.62%	8.45%	723,099	2,455,056	5.40%	6.98%	45,502,156	91,476	202,398	19,759	3,491,788
Secondary Schools													
St. Olaves	0	837,518	18%	18%	0	450,875	9%	9%	4,855,976	0	0	0	450,875
Sub-total	0	837,518	18%	18%	0	450,875	9%	9%	4,855,976	0	0	0	450,875
Special Schools													
Burwood School	38,635	80,572	7%	11%	29,250	23,038	3%	6%	899,498	8,670	0	0	60,958
Glebe	100,074	155,805	6%	10%	0	212,447	8%	8%	2,656,917	0	0	24,408	236,854
Marjorie Mcclure	53,143	37,371	2%	4%	28,741	26,784	1%	2%	2,302,026	0	0	0	55,525
Riverside	16,775	383,517	8%	8%	0	247,885	5%	5%	5,116,178	0	0	0	247,885
Sub-total	208,627	657,263	6.28%	8.27%	57,991	510,154	4.65%	5.18%	10,974,619	8,670	0	24,408	601,223
TOTAL	889,639	3,959,474	8%	9.3%	781,090	3,416,084	6%	6.8%	61,332,751	100,146	202,398	44,167	4,543,885

	2014/15		2013-14		2012-13		2011-12		2010-11		Appendix 2
	BO1 & B02 Combined Rev Bal	BO1 & B02 Rev Bal as % of 2015/16 SBS	BO1 & B02 Combined Rev Bal	BO1 & B02 Rev Bal as % of 2014/15 SBS	BO1 & B02 Combined Rev Bal	BO1 & B02 Rev Bal as % of 2013/14 SBS	BO1 & B02 Combined Rev Bal	BO1 & B02 Rev Bal as % of 2012/13 SBS	BO1 & B02 Combined Rev Bal	BO1 & B02 Rev Bal as % of 2011/12 SBS	
Primary Schools											
Bickley Primary	£65,439	4%	£149,009	11%	£118,210	10%	£87,800	8%	£41,030	4%	
Blenheim Primary	£61,576	5%	£12,947	1%	£-27,664	-3%	£-28,659	-3%	£40,611	5%	
Bromley Road Primary	£164,749	15%	£85,312	8%	£94,962	10%	£93,202	11%	£79,525	9%	
Burnt Ash Primary	£138,250	6%	£144,181	7%	£198,338	10%	£137,222	7%	£161,319	9%	
Chelsfield Primary	£54,794	10%	£116,813	24%	£139,621	28%	£102,904	20%	£51,755	10%	
Churchfields Primary	£133,433	7%	£125,795	8%	£121,452	8%	£81,007	6%	£109,166	8%	
Clare House Primary	£25,658	2%	£-65,038	-7%	£-117,043	-13%	£-126,722	-16%	£-78,309	-11%	
Cudham CE	£58,543	11%	£46,709	9%	£52,387	10%	£38,487	8%	£23,604	5%	
Darrick Wood Junior	£94,666	6%	£86,747	7%	£43,637	4%	£18,469	1%	£26,660	8%	
Dorset Road Primary	£62,163	14%	£56,466	14%	£17,879	4%	£14,779	4%	£39,672	11%	
Downe Primary	£29,438	6%	£42,901	10%	£39,013	9%	£27,541	7%	£647	0%	
Edgebury Primary	£92,659	10%	£76,555	10%	£83,968	10%	£63,442	8%	£86,650	11%	
Hawes Down Infants	£132,517	14%	£118,031	13%	£113,877	13%	£71,786	9%	£46,418	6%	
Hawes Down Juniors	£36,170	3%	£-8,962	-1%	£-14,252	-1%	£-19,069	-2%	£-5,033	-1%	
Holy Innocents RC Primary	£15,782	2%	£52,666	7%	£15,228	2%	£22,936	3%	£27,231	4%	
James Dixon Primary	£13,182	1%	£154,899	8%	£109,888	6%	£35,085	2%	£38,007	2%	
Marian Vian Primary	£140,480	6%	£155,377	8%	£140,475	7%	£133,710	7%	£90,442	5%	
Mead Road Infant	£43,535	8%	£68,492	15%	£21,741	5%	£27,576	7%	£29,328	8%	
Mottingham Primary	£188,173	9%	£85,446	6%	£96,855	7%	£68,849	6%	£114,600	10%	
Oak Lodge Primary	£167,993	7%	£55,804	3%	£45,769	2%	£43,778	2%	£44,436	2%	
Oakland Primary	£69,922	3%	£34,111	2%	£48,844	3%	£95,641	7%	£52,362	4%	
Poverest Primary	£121,743	8%	£172,861	15%	£116,315	10%	£138,870	13%	£188,209	18%	
Pratts Bottom Primary	£143,776	31%	£67,143	15%	£73,695	17%	£93,878	22%	£102,934	25%	
Red Hill Primary	£368,841	13%	£389,624	16%	£295,651	12%	£176,388	8%	£156,182	8%	
Southborough Primary	£111,581	6%	£252,806	15%	£255,465	15%	£118,943	8%	£86,590	6%	
St Anthony's RC Primary	£65,831	7%	£110,767	15%	£84,603	11%	£61,472	8%	£1,913	0%	
St George's CE (Bickley) Primar	£154,600	11%	£168,639	15%	£7,759	1%	£-48,174	-5%	£-31,637	-3%	
St Pauls Cray Primary	£68,575	5%	£104,046	10%	£82,720	8%	£68,555	6%	£52,328	5%	
The Highway Primary	£46,137	5%	£38,911	5%	£38,703	5%	£-1,025	0%	£1,037	0%	
Unicorn	£77,410	5%	£55,227	4%	£69,221	6%	£79,437	8%	£63,271	6%	
Wickham Common Primary	£116,852	7%	£134,135	10%	£52,097	4%	£9,275	1%	£72,256	5%	
Worsley Bridge Primary	£113,686	7%	£57,283	5%	£34,382	5%	£75,908	11%	£97,457	14%	
Secondary Schools											
St. Olaves	£450,875	9%	£837,518	18%	£563,678	13%	£283,643	10%	£128,777	5%	
Special Schools											
Burwood School	£52,288	6%	£119,207	7%	£80,725	7%	£99,441	9%	£131,234	12%	
Glebe	£212,447	8%	£255,879	6%	£177,518	7%	£173,893	7%	£22,678	1%	
Marjorie McClure	£55,525	2%	£90,514	2%	£90,706	5%	£117,698	6%	£90,177	5%	
Riverside	£247,885	5%	£400,292	8%	£331,569	7%	£253,999	8%	£118,463	3%	

* includes Academy conversion grant previously allocated across three schools

Schools with Uncommitted Revenue Balances of 8% or More**Primary Schools****Bromley Road Primary School Uncommitted Revenue Surplus £152,668 15%**Reason for high balances

Autumn 2014 LA confirmed delay in building refurbishment until March – September 2015. Original budget assumptions based on original timescale.

School roll will fall over next three years due to restructuring to 1fe Primary. Larger surplus necessary to prepare before roll steadies at 1fe.

Future plans include possible pre-school group, which will require new furniture, resources and outdoor work.

Management Action to reduce balances with detailed costings

Additional security – windows	£20,000
- fencing	£15,000
Additional playground equipment works	£10,000
Furniture and resources	£15,000
Technology equipment, ICT software	£5,000
New library bookcases and seating	£3,000

LA Comments

The school has been advised to take a prudent approach to budgeting during the transition period until the 1fe school is fully established.

Chelsfield Primary School Uncommitted Revenue Surplus £54,794 10%Reasons for High Balances

Planning permission for building work delayed

Management Action to reduce balances with detailed costings

Build new teaching room onto the back of huts	£56,000
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LA Comments

The school has reduced balances significantly from last year and will need to monitor the budget very carefully moving forwards.

Dorset Road Infant School Uncommitted Revenue Surplus £43,091 9%Reasons for High Balances

Headteacher retired December 2014 –no new Headteacher appointed so no salary costs for 3 months

Management Action to reduce balances with detailed costings

3 x Smart TVs to replace old interactive whiteboards in each class	£13,000
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6 more ipads per class plus storage/charging unit £8,340

LA Comments

School due to convert to academy status in 2015/16

Edgebury Primary School

Uncommitted Revenue Surplus £87,659 9%

Reasons for High Balances

Health and Safety requirements to be updated. Additional teaching support due to current vacancies.

Management Action to reduce balances with detailed costings

Health and Safety	£5,000
Teaching support	£10,000

LA Comments

The information provided above does not match with the budget set by the school which actually shows balances increasing by the end of 14/15 – school asked to provide further information.

Hawes Down Infant School

Uncommitted Revenue Surplus £132,517 14%

LA Comments

School converted to academy status on 1st April 2015

Red Hill Primary School

Uncommitted Revenue Surplus £292,833 10%

Reasons for High Balances

School not able to recruit a Phase Leader which had been budgeted for

Tenders for office extension significantly higher than originally anticipated – work originally planned for spring term

Management Action to reduce balances with detailed costings

Main school hall has been on LA planned programme for some time – as this is not planned this year, the school has decided to fund the refurbishment

Cost of extending office space to improve administration facilities	£75,000
Replacement of hall windows	£118,000
Additional toilet block added onto hall	£150,000

LA Comments

As planned expenditure is all capital related this will help to reduce the balances with one off expenditure but there is still risks that the timescales might slip.

St George's Primary School**Uncommitted Revenue Surplus £121,778 8%**Reasons for High Balances

Deferred capital projects due to expansion

Management Action to reduce balances with detailed costings

Whiteboard replacements	£37,000
Front car park remodelling	£3,400
Replacement fire doors in corridors	£10,000
SEEd challenge contribution to be held for 2016/17	£30,000

LA Comment

As planned expenditure is all capital related this will help to reduce the balances with one off expenditure but there is still risks that the timescales might slip.

Secondary Schools**St Olave's Grammar School****Uncommitted Revenue Surplus £450,875 9%**Reasons for High Balances

The school has been managing its cost base and building reserves with great prudence in anticipation of cuts in government funding

Management Action to reduce balances with detailed costings

Replacement of main heating boilers (May/June 2015)	£106,000
Replacement of/repairs to Gym roof (August 2015)	£138,000
Replacement of core IT switch (August 2015)	£12,000
Replacement of internet filtering hardware	£13,000
Repairs to school organ (August 2015)	£10,000
Other priority repairs to building fabric and infrastructure	£50,000

LA Comment

As planned expenditure is all capital related this will help to reduce the balances with one off expenditure but there is still risks that the timescales might slip.

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Report No.
ED15086

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **SCHOOLS' FORUM**

Date: **Thursday 25 June 2015**

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

Title: **REVIEW OF GROWTH AND INFANT CLASS SIZE FUNDING**

Contact Officer: Amanda Russell, Head of Schools Finance Support
Tel: 020 8603 3572 E-mail: Amanda.Russell@liberata.com

Chief Officer: Chief Executive

Ward: (All Wards);

1. Reason for report

This report provides an update to the criteria agreed by the Schools Forum in December 2012 to include all points of admission ie Reception, Years 3 and Year 7

2. **RECOMMENDATION(S)**

The Schools Forum is asked to agree the proposed amendments and to agree the framework for a full review to be carried out during the summer.

3. COMMENTARY

3.1 In December 2012 the Schools Forum was asked to agree a set of criteria for funding pupil growth and infant class size funding. This funding has been used to allocate funding to schools since then but a number of issues have since arisen which means that it is timely to review this funding. A copy of the original report is attached at appendix 1

3.2 The main issues for review are as follows:

- The budget for this area has increased significantly from £970k in 2012/13 to £1.5m in 2015/16. Despite this increase, the Schools Forum is advised that this budget is likely to overspend in year, with an expected outturn of around £2.3m
- To review the funding allocation methodology
- There is a need to formalise the LA responsibility for this budget to ensure that there is a clear link to policy and to any decisions made.
- There is a need to review the current criteria with regard to pupil numbers and to include additional pupils admitted in years 3 and 7.
- To discuss the proposal that the rental costs of modular buildings required to support additional classes be met from this budget.
- To agree that framework for a full review of this area to be carried out during the summer, to include consultation with schools and input from Schools Forum members as appropriate.

3.3 In January 2015 the Schools Forum agreed to increase the growth fund that is held within the DSG from £1m to £1.5m. It was anticipated that increase would be sufficient to cover the increasing costs due to the changes in the funding formula and the expected number of additional classes. Since January, the LA has identified further shortfalls in pupil places and has been working with schools to open additional classes for September, to include two extra reception classes and three year 7 classes. It is now expected that the actual expenditure will be around £2.1m, plus around £0.2m on rental costs, with the shortfall further reducing the DSG carried forward from 2014/15.

3.4 It is anticipated that this level of expenditure will increase in future years although the exact figures are not known at this point in time. It is possible that any further increased costs may not be able to be met from savings within the centrally retained DSG and may result in movements of funds from either the Early Years block or the Schools Block. It is therefore important that the Schools Forum, and ultimately all schools are in support of this process. It is therefore proposed that a working party be established over the summer to review the funding in preparation for any consultation process which may be required in the Autumn term as part of the budget setting process.

3.5 In preparation for this process appendix 2 provides an update of the current funding formula which has been updated to show current funding levels and to include year 7 funding figures, with exemplar calculations.

3.6 The current criteria details different levels of funding for schools taking in between 1 and 6 pupils, and 7 or more pupils. There is a possibility that at one of the school that is currently expanding from 1fe to 2 fe will not have more than 30 pupils in September. Whilst this does not necessarily meet with the current criteria it is proposed that the LA will provide the additional funding originally included in the Schools Budget Share allocation on the basis that the school will have already recruited additional staff. This will allow the LA scope to direct additional pupils to the school in year. This issue will be revisited as part of the review.

3.7 The Schools Forum is asked to discuss this issue and to agree the scope for the full review.

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Decision Maker: Schools Forum

Date : 13th December 2012

Title: Criteria for Growth and Infant Class Size Funding

Contact Officer: Mandy Russell, Head of Schools Finance Team

Tel: 0208 313 4806 Email : amanda.russell@bromley.gov.uk

Chief Officer: Executive Director, Education and Care Services

Ward: Boroughwide

1. Reason for report

1.1 This report provides details of the proposed criteria for funding pupil growth and infant class size funding.

2. Recommendations

2.1 The Schools Forum are asked to agree the criteria for funding pupil growth and class size funding and to agree in principle the estimated amount of funding required to support this.

3. Commentary

3.1 For a number of years, Bromley along with a number of other local authorities, has faced enormous pressures to find reception places for the increasing number of pupils. This has been achieved in the following ways:

- Permanent expansion of primary schools
- Bulge classes eg additional forms of entry for one or two years only
- Schools being asked to take a number of pupil over and above their standard admission number.

3.2 In order for primary schools to be able to comply with these requests, additional revenue funding has been allocated to schools through a specific factor in the funding formula. In 2012/13 this funding was around £970,000.

Following the review of the funding formula, local authorities are not longer allowed to have a separate factor in their funding formula to provide this funding to schools. However, funding for significant pupil growth can be retained centrally before the formula is calculated, and that funding for additional classes needed as a consequence of infant class size regulations can be funded as part of this. The requirements are that:

- a. the growth fund can be used only for the purposes of supporting growth in pre-16 pupil numbers to meet basic need and to support additional classes needed to meet the infant class size regulation;

b. the fund must be used on the same basis for the benefit of both maintained schools and recoupment Academies;

c. any funds remaining at the end of the financial year must be added to the following year's DSG and reallocated to maintained schools and Academies through the local formula;

3.3 Local authorities are required to produce criteria on which any growth funding is to be allocated. These should provide a transparent and consistent basis (with differences permitted between phases) for the allocation of all growth funding. The criteria should both set out the circumstances in which a payment could be made and provide a basis for calculating the sum to be paid. Local authorities need to propose the criteria to the Schools Forum and gain its agreement before growth funding is allocated. The local authority will also need to consult the Schools Forum on the total sum to be top-sliced from each phase and must regularly update the Schools Forum on the use of the funding.

3.4 In recent years the additional funding for expanding schools and bulge classes has been calculated based on additional AWPU funding for the period Sept to March (ie from the date when the additional class opens) plus additional proportional funding to cover other factors in the formula such as SEN, deprivation etc based on the percentage of pupils in the school attracting this funding. This would normally generate funding of around £40 -£50,000. Funding is only paid for the period Sept to March as from the following April funding will be provided through the funding formula as these pupils will now be included in the pupil count.

3.5 Funding for infant class size regulations is allocated where a school is asked to take a small number of pupils above their standard admission number but not sufficient to warrant opening an additional class. In these cases the costs to the school are much less, and funding is based on the approximate cost of proving an additional teacher in order for the school to comply with infant class size legislation. This would normally generate funding of around £33,000 for a full year and £19,250 for the period Sept to March.

3.6 For 2013/14 onwards it is recommended that the following criteria and funding principles should be approved by the Schools Forum.

i. Where schools are required to take in between 1 and 6 additional reception pupils for each form of entry, class size legislation funding to be paid for the relevant period only (ie Sept to March) and that the amount of funding should increase to £35,000 for a full year.

- ii. Where schools are required to take in 7 or more pupils, they will be expected to open an additional class and funding will be calculated as follows:

AWPU x 30 x 7/12ths

SEN per pupil funding x 30 x school % x 7/12ths

Deprivation per pupil funding x 30 x school % x 7/12ths

EAL per pupil funding x 30 x school % x 7/12ths

For example, based on the funding levels in the current modelling, a school taking in 30 pupils and with 10% SEN, 15% deprivation and 3% EAL would receive the following funding

AWPU = £2185 x 30 x 7/12ths = £38,237

SEN = £2500 x 3 x 7/12ths = £4,375

Dep = £1500 x 4.5 x 7/12ths = £3,937

EAL = £1000 x 0.9 x 7/12ths = £525

Total Funding = £47,074

- iii. Funding will be allocated to all primary schools ie maintained primary schools and academy primaries and will be paid directly by the LA in 7 monthly instalments from Sept to March.
- iii This policy will be reviewed in future years to be extended to secondary schools as and when the increase in pupil numbers reaches that sector.

3.7 The Schools Forum is asked to agree that £1million be allocated to be held centrally to cover this funding. This would allow for around 16 bulge classes and 8 class size limitation payments based on the assumption that the number of additional reception pupils will be similar to the number in the current year.

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Primary			
AWPU	£3,017	30 x 7/12ths	£52,797
Attainment	£1,858	3 x 7/12ths	£3,251.50
Deprivation	£1,500	4.5 x 7/12ths	£3,937.50
EAL	£1,000	0.9 x 7/12ths	£525
Total			£60,511

This is based on a primary school taking in 30 pupils with 10% attainment, 15% deprivation and 3% EAL

Secondary			
AWPU	£4,247	30 x 7/12ths	£74,322
Attainment	£1,000	3 x 7/12ths	£1,750
Deprivation	£1,500	4.5 x 7/12ths	£3,937
EAL	£1,129	0.9 x 7/12ths	£593
Total			£80,602

This is based on a secondary school taking in 30 pupils with 10% attainment, 15% deprivation and 3% EAL

All costs are based on September to March period only – for maintained schools funding for the following year would be included in the School budget Share allocation and for academies the April to August costs are paid by the LA but recouped from the DfE.

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Report No.
ED15059

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: **SCHOOLS' FORUM**

Date: **Thursday 25th June 2015**

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

Title: **Consultation on Conversion from Matrix to Top up Funding Levels**

Contact Officer: Jennifer Stanley, SEN Data and Finance Manager
0208 313 4161 E-mail: jennifer.stanley@bromley.gov.uk

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

Ward: (All Wards);

1. Reason for report

This report provides information on the consultation feedback from schools regarding the proposed alignment of the matrix style funding levels for pupils with SEN to new top up rates. The proposed changes affect the high needs funding block only.

2. **RECOMMENDATION(S)**

The Schools Forum is asked to agree the proposed changes.

3. COMMENTARY

3.1. Following the Education Funding Reform changes introduced by the Department for Education (DfE) to the schools national funding formula in 2013, Bromley Council has been working hard to bring greater transparency into the funding process and had introduced a banding system of £2,000 increments in 2013 to support pupils with high level needs above the delegated budgets already given to schools.

3.2 . Following detailed modelling, and a consultation exercise with schools in March 2015, (Circular Number 009/15) attached, we are now seeking approval from the schools forum to align the old matrix funding levels for SEN with new top up rates for a small minority of pupils who will remain on old style matrix funding levels. This would only affect pupils who remain on the old style matrix funding levels in the autumn 2015.

3.3. The data was based on the snapshot of matrix funding at 20 February 2015 and modelled forward for the 2015-16 financial year. The model did not show any significant winners or losers as the overall difference in funding across all schools is £5,833 in total.

3.4. Schools were asked if they supported the move to amend those pupils who still attract matrix levels. There were 8 responses received, with 75% in favour, see table below:

School	Yes	No	
Darrick Wood Infants		X	
Blenheim Primary School		X	
Edgebury School	X		
St Philomena's School	X		
Charles Darwin School	X		
Bishop Justus CE School	X		
The Priory School	X		
Hillside Primary School	X		

Total Responses Received		8	
Supporting		6	75%
Against		2	25%

3.5. If the schools forum agrees, the top up funding levels would replace the old style matrix levels from September 2015.

Top Up Levels Consultation Feedback

Deadline for return of consultation was 13.03.2015

Question: Do you support the move to amend those pupils who still attract matrix levels to new top up rates from Sept 2015?

School	Yes	No	
Darrick Wood Infants		X	
Blenheim Primary School		X	
Edgebury School	X		
St Philomena's School	X		
Charles Darwin School	X		
Bishop Justus CE School	X		
The Priory School	X		
Hillside Primary School	X		

Total Responses Received		8	
Supporting		6	75%
Against		2	25%

Comments:

We agree that the banding system is easier to process

The rounding of the figures means that in the vast majority of cases schools will be worse off

The conversion seems fair in respect of our school profile for pupils with a Bromley Statement.

We require clarification on the arrangements for claiming funding for pupils from other Local Authorities - particularly Croydon where statements are awarded for a combination of TA hours and specialist teacher hours. - * See Notes:

Notes * The school has provided details of what they anticipate their conversions would look like, Jennifer Stanley has responded.

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Action Required

- Response to consultation on conversion from matrix to top up funding levels from September 2015 to be returned by **13 March 2015**

Consultation on Conversion from Matrix to Top up Funding Levels from September 2015

I am writing to you to ask for your views regarding a proposal to amend the statements of pupils who remain on the old matrix levels to new 'top up bands' from September 2015.

Following the Education Funding Reform changes introduced by the Department for Education (DfE) to the schools national funding formula in 2013, Bromley Council has been working hard to bring greater transparency into the funding process and had introduced a banding system of £2,000 increments in 2013 to support pupils with high level needs above the delegated budgets already given to schools.

The majority of pupils with statements have already moved onto the new 'top up' bands following the annual review process however some pupils do currently remain on the old matrix levels. The volume of pupils still funded by Bromley in this way in mainstream schools and academies has steadily reduced and is now 230 compared with an overall volume of statements of 1,719. This proposal does not affect pupils with an EHC Plan as these pupils are already on the new 'top up' funding rates as are pupils placed in special schools and units.

For these pupils only, we have reviewed the funding levels awarded under the matrix banded system and plan to adjust these from 1 September 2015 to align them with the top up rates in the table below. The matrix levels will be converted to the closest top up band. By moving to a single resource mechanism we hope this will be clearer and simpler to operate for schools supporting pupils with high needs.

It is worth noting that the annual review process which schools are already operating for pupils with statements of special educational needs will continue and that this change will only affect those pupils in mainstream schools and academies with matrix levels at 1 September 2015. It will not affect any pupils who already have agreed 'top up' band levels in their statements. The table below sets out the converted rate for each matrix level from 1 September 2015.

Current annual primary matrix level after delegation	Top up annual rate from September 2015 after delegation
5A £714 per year	No Top Up funding as this should be met from delegated budgets
5B £1,676 per year	£2,000 Top Up Band 2 per year
5C £2,763 per year	£2,000 Top Up Band 2 per year
6 £3,981 per year	£4,000 Top Up Band 3 per year
6A £4,812 per year	£4,000 Top Up Band 3 per year
6B £5,911 per year	£6,000 Top Up Band 4 per year
7 £6,864 per year	£6,000 Top Up Band 4 per year
8 £8,678 per year	£8,000 Top Up Band 5 per year
8A £9,285 per year	£10,000 Top Up Band 6 per year
9 £10,087 per year	£10,000 Top Up Band 6 per year
10 £12,862 per year	£12,000 Top Up Band 7 per year

Current annual secondary matrix level after delegation	Top up annual rate from September 2015 after delegation
5A £399 per year	No Top Up funding as this should be met from delegated budgets
5B £1,293 per year	£2,000 Top Up Band 2 per year
5C £2,235 per year	£2,000 Top Up Band 2 per year
6 £3,502 per year	£4,000 Top Up Band 3 per year
6A £4,271 per year	£4,000 Top Up Band 3 per year
6B £5,315 per year	£6,000 Top Up Band 4 per year
7 £6,220 per year	£6,000 Top Up Band 4 per year
8 £7,944 per year	£8,000 Top Up Band 5 per year
8A £8,521 per year	£8,000 Top Up Band 5 per year
9 £9,304 per year	£10,000 Top Up Band 6 per year
10 £11,920 per year	£12,000 Top Up Band 7 per year

For the purposes of the model, and to see the effect on Bromley's local authority schools finance budgets, I have removed all pupils where other local authorities are funding the matrix levels.

This exercise shows that based on current figures the overall effect will be a saving to the High Needs Funding Block of £5,833. However, the intention is not to make savings but to move to a more transparent system of financing support in the schools budgets. At present, there is disparity as a minority of pupils are funded against the old matrix levels with the majority having already moved onto the new top up bands following their annual reviews.

The model is only a snap shot in time and therefore indicative only. There will always be movement, and significant churn in year against the 'top up' budgets as new pupils start and older pupils leave. In addition, the Additional Resources Panel meets weekly to review existing cases and to look at new placements which also affects the 'top up' support funding distributed to schools.

The attached table shows a breakdown by school:



Model for Consultation.pdf

This was based on the snapshot of matrix funding at 20 February 2015 and modelled forward for the 2015-16 financial year.

The table appears to favour secondary schools over primary, and the reason for this is because the old matrix funding levels in secondary are slightly less than those awarded to primary, so by moving to universal top up rates, the majority of secondary schools appear to have a slight gain in their budgets.

In addition, secondary schools also have a larger volume of pupils with statements who still attract matrix funding compared to primary.

The model does not show any significant winners or losers as the overall difference in funding for all schools is £5,833. Should you have any queries about how this will affect particular pupils at your school, please contact me via e mail to jennifer.stanley@bromley.gov.uk in the first instance giving details of the pupils that you are enquiring about and your contact information and I will respond.

I would be grateful if you could consider the above and tick one of the boxes on the attached consultation form and **return to me via e mail by 13 March 2015**:



Top up consultation
template.doc

For further information, please contact:

- **Jennifer Stanley, SEN Data and Finance Manager**
- **E-mail:** jennifer.stanley@bromley.gov.uk
- **Telephone:** 020 8313 4161

Audience for this Circular

To:	For information (cc):
<ul style="list-style-type: none"> • Head Teachers of all Bromley Maintained Schools and Academies 	<ul style="list-style-type: none"> • Secretaries of Staff Associations • Councillor Stephen Wells, Executive Member for the Education Portfolio • Councillor Nicholas Bennett, Chairman of the Education Policy Development and Scrutiny Committee • Councillor Robert Evans, Executive Member for the Care Services Portfolio • Councillor Stephen Carr, Leader of the Council • Terry Parkin, Executive Director of Education, Care and Health Services • Kay Weiss, Assistant Director (Children's Social Care) (ECHS) • Jane Bailey, Assistant Director (Education) (ECHS) • Anne Watts, Assistant Director (Strategic and Business Support Services) (ECHS) • Lorna Blackwood, Assistant Director (Commissioning) (ECHS) • David Bradshaw, Head of Education, Care and Health Services Finance (ECHS) • Angela Huggett, Human Resources Manager (CEX)

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