

CHILDREN, EDUCATION AND FAMILIES BUDGET SUB-COMMITTEE

Minutes of the meeting held at 6.30 pm on 19 January 2021

Present:

Councillor Judi Ellis (Chairman)
Councillors Nicky Dykes, Christine Harris and Neil Reddin FCCA

Also Present:

Councillor Kieran Terry, Executive Assistant for Children,
Education and Families

1 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Marina Ahmad and Councillor Will Rowlands, Councillor Christine Harris attended as substitute for Councillor Rowland.

2 DECLARATIONS OF INTEREST

There were no declarations of interest.

3 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

There were no questions

4 MINUTES OF THE MEETING HELD ON 10 APRIL 2019

The minutes of the meeting held on 10 April 2019, excluding exempt information, were agreed and signed as a correct record.

5 CHILDREN, EDUCATION AND FAMILIES PORTFOLIO PRE-DECISION SCRUTINY

The Committee considered the following reports where the Children, Education and Families Portfolio Holder was recommended to take a decision:

a CAPITAL PROGRAMME MONITORING - 2ND QUARTER 2020/21 Report FSD20095

On 18th November 2020, the Leader received a report summarising the current position on capital expenditure and receipts following the 2nd quarter of

2020/21 and agreed a revised Capital Programme for the four-year period 2020/21 to 2023/24. This report highlighted changes agreed by the Leader in respect of the Capital Programme for the Children, Education & Families (CEF) Portfolio. The revised programme for this portfolio was set out in Appendix A and detailed comments on individual schemes were shown in Appendix B.

The Sub-Committee noted that an update on all of the capital projects (including the post completion reports) was scheduled to be presented to a future meeting of the Children, Education and Families PDS Committee.

In response to a question concerning early education for two-year olds, the Director of Education explained that it had been a one-off pot of funding with very distinct criteria attached around enhancing the free entitlement offer for early education for two year olds. The Sub-Committee noted that the funding had been committed in line with the report that had been presented to the Executive in 2014.

RESOLVED: That the Portfolio Holder be recommended to note and acknowledge the changes agreed by the Leader on 18th November 2020.

b 2021/22 DEDICATED SCHOOLS GRANT
Report CEF20044

The report provided an outline of the final DSG allocation for 2021/22 and an overview of how this would be spent.

The Sub-Committee noted that there had previously been concerns in terms of the sufficiency of the funding received for the High Needs Block which had been part of past lobbying activity. It was pleasing that over the past two years there had been considerable uplift in the funding received which was very much needed however there remained ongoing pressures on the High Needs Block and lobbying would continue until this was recognised and appropriate funding allocated to meet the ongoing pressures.

The Head of Children's Services Finance provided an overview of the report explaining that adjusting for the recoupment for High Needs, overall DSG funding amounted to just over £312m. The Central Block mostly covered the Local Authority central services and continued to receive a contribution from the Council as year-on-year funding continued to be cut. This year, although funding for the Central Block had increased, £240,000 of this had been the result of an additional grant put into the Block as a result of this, in real terms funding had decreased. Funding for the Early Years Block had remained static with some additional funding due to increases in the hourly rates payable via the grant. Funding from the Schools Block was nearly all distributed to schools with a small amount retained for growth funding. The Sub-Committee noted that the Teacher's Pay and Pension Grants had been amalgamated into the DSG and this accounted for the majority of the increase in funding. The National Funding Formula was used to allocate funding to

schools. The Committee noted that at this point there were no particular issues with the funding to schools with some schools still having a minimum funding guarantee. In relation to the High Needs Block, there were a number of pressures on this block with significant increases in the number of Education Care and Health Plans (ECHP) and these significant pressures would continue. Challenges in the High Needs Block would continue in the coming years with one key issue being the lack of clarity in terms of funding beyond 2021/22 and whether there would be sufficient funding to meet demand coming through.

In response to a question, the Head of Children's Services Finance confirmed that in previous years the Local Authority had contributed £1m to the School Central Block as a contribution to the High Needs Block in addition to the £1m that was transferred from the Schools Block to the High Needs Block. The current contribution of £450,000 was in recognition of the decreases in the Central Schools Block that would be implemented over time.

The Head of Children's Services Finance confirmed that £500,000 would be transferred from the Early Years Block to the High Needs Block as some of the costs covered by the High Needs Block were related to early years high needs services that were being delivered.

In response to a question from the Chairman, the Director of Education confirmed that the Local Authority would always seek to implement appropriate early intervention and provision for all children and young people requiring such support. The exponential increase in the rate of ECHPs was leading to pressures on the High Needs Block but it was also recognised that not every child required an ECHP and the provision available needed to be appropriate to the specific needs of the child. The Director of Children's Services confirmed that future reports would be predicated on the fact that the Local Authority was managing its offer of early help very well and consequently predicting the slowing of the rate of the increase in ECHPs.

The Sub-Committee noted that the issue of the engagement of medical professionals in the statutory ECHP assessment process had been specific to the first national lockdown in response to Covid-19 when the impact of the pandemic had been unknown and as a result a number of medical professionals across the Country had, quite rightly, been diverted to support the response to the pandemic. This led to an element of delay with the completion of the statutory assessment process. However, the situation had been well managed and the Local Authority had worked with families to mitigate and minimise the impact. Health colleagues had now returned to working in their substantive roles and the Local Authority had been provided with assurances that there would be no further redeployment of staff.

In respect of the impact of the closure of Hollybank, the Chairman noted the impact of the current lockdown with many special schools currently operating at almost 100% capacity as the guidance indicated that education provision should continue for children with special needs. The Director of Education confirmed that special schools and specialist provisions had done a wonderful

job in supporting some of the most vulnerable children throughout the pandemic, as had other settings. The Local Authority had been working closely with all settings and schools to support them in responding to the Government guidance and advice. The Local Authority had issued a Collaborative Risk Assessment Framework that supported any setting to consider the individual needs of a child and whether they could safely attend schools or other settings. As such, attendance of the most vulnerable children and young people was managed on a risk based approach appropriate to the needs of children and young people.

RESOLVED: That the Portfolio Holder be recommended to approve the Dedicated Schools Grant allocation and the methodology of its distribution.

**6 CHILDREN, EDUCATION AND FAMILIES PORTFOLIO DRAFT
BUDGET 2021/22
Report CEF20043**

The report considered the Portfolio Holder's Draft 2021/22 Budget which incorporated future cost pressures and initial draft budget saving options which had previously been reported to Executive on 13th January 2021. Members were requested to consider the initial draft budget being proposed and also identify any further action that might be taken to reduce cost pressures facing the Council over the next four years.

The views of each PDS Committee would be reported back to the next meeting of the Executive, prior to the Executive making recommendations to Council on 2021/22 Council Tax levels. There were still outstanding issues and areas of uncertainty remaining. Any further updates would be included in the 2021/22 Council Tax report to the next meeting of the Executive.

The Head of Children's Services Finance provided an overview of the report explaining that the overall Council budget was balanced for 2021/22 but that there was a deficit increasing into future years. The report set out the growth and mitigation that would be put in place. Transformation savings that were being undertaken by the Children, Education and Families Portfolio were also outlined in the report. The Sub-Committee noted that there was a challenging financial backdrop and as a Local Authority Bromley was as economical and efficient as possible.

The Sub-Committee noted that prior to the meeting benchmarking data for Children's Social Care Services across London had been circulated to Members of the Sub-Committee. It was also noted that the Budget Task and Finish Group had carefully reviewed the benchmarking data.

A Member highlighted that the benchmarking data had been discussed at length at the Task and Finish Group. Having considered the additional benchmarking data that had been provided, and the transformational savings identified by the Department, and the historic overspends on the Portfolio budget, the Task and

Finish Group had felt that it would be appropriate to make a recommendation that there was a case to be made for a specific contingency for the Children, Education and Families Portfolio budget. The purpose of the contingency would be to recognise that there could be unforeseen cases that could cost a lot of money and significantly impact on the budget.

The Chairman highlighted that the report needed to be considered in the context of the services being provided to children and families. A budget report did not and could not reflect many of the additional services provided by Bromley that may not be provided by other boroughs, such as Staying Put and the support put in place for Care Leavers. Not all Boroughs provided the services being provided by Bromley which enabled children and young people to have better lives and come out of the care system self-motivated. In Bromley it was not simply a matter of looking at the bottom line, there was always a balance of quality against cost and this was something Bromley did very well. Members discussed the benefits of the Caseload Promise which had delivered stability within the Children's Social Care workforce and reduce the Local Authority's dependence on costly agency staff.

The Head of Children's Services Finance explained that there was sufficient money in the 2021/22 budget to fund the predicted demands that would be placed on the Service in 2021/22. The key issue was that it was a volatile budget and there could be unplanned costly demands that would result of overspends. Central contingencies were available that could be drawn down, but this would require an Executive decision. Evidence as to why a draw down from the central contingency was required would have to be provided and the Department would have to demonstrate that the drawn down was the result of unforeseen circumstances rather than not achieving savings.

The Director of Children's Services highlighted that there had been a number of invest to save initiatives around early intervention and prevention. The Sub-Committee noted that there had been a great deal of work around demand management and there was a good understanding of the future demands that could be placed on the Service. However, there would always be costly cases that would significantly impact the budget and it was likely that the Covid pandemic would worsen the situation in the future.

The Sub-Committee stressed the importance of all Members of the Council understanding the demand-led nature of the Service and the volatility of the budget. The Chairman suggested that it would be helpful to highlight the considerable savings that had been made from the move away from agency staff. The result of this was that more money was spent on children and young people rather than recruitment and had delivered significant savings for the Local Authority.

Members noted that as a result of its improvement journey, Bromley had a flat staffing structure which provided line of sight for managers but might offer limited opportunities for promotion. However, in terms of staff recruitment and retention Bromley offered excellent training and an attractive recruitment package. Issues could arise when Local Authorities in improvement offered increased fees and agencies contacted workers direct. As an example one local authority outside

London offered a significant financial “golden hello” to staff and this made it almost impossible to compete. There was a Memorandum of Understanding across London of which Bromley was part and there was currently work underway across London to ensure a level playing field in terms of recruitment. A question was asked that a neighbouring authority was losing staff and could we pick up staff. The Director of Children’s Services stressed the importance of having the right people in place to maintain the high standards that had now been achieved. Members of the Sub-Committee also recognised the importance of open dialogue with staff, ensuring that staff felt valued and had a positive working environment.

The Sub-Committee agreed that it would be helpful for the benchmarking data to be shared with Members across the Council. This data demonstrated that Bromley’s costs in relation to Children’s Social Care were in line with the London average. Members recognised however that the benchmarking data did not provide the Bromley context whereby a number of excellent value additional services were provided for the benefit of children and young people, services which ultimately reduced the costs to the Council. It was therefore suggested that a covering report should be provided. This report would need to highlight the volatility of the Children, Education and Families Portfolio budget and that fact that there were a number of costs that were not controllable. This could then be the start of developing the evidence base that would be needed in the event that a drawdown from the central contingency was required.

RESOLVED: That the Chairman of the PDS Committee may submit a report outlining the volatility of the Children, Education and Families Portfolio Budget and the transformation savings to PDS and the option of a further Children Families and Education Sub-Committee for 2021/22.

The Meeting ended at 7.42 pm

Chairman