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DATE: 11 January 2023

To: Members of the
CHILDREN, EDUCATION AND FAMILIES BUDGET SUB-COMMITTEE

Councillor Jonathan Andrews (Chairman)

Councillor Robert Evans (Vice-Chairman)

Councillors Felicity Bainbridge, Kira Gabbert, Ryan Thomson, Sam Webber and Rebecca Wiffen

A meeting of the Children, Education and Families Budget Sub-Committee will be held at Bromley Civic Centre on **THURSDAY 19 JANUARY 2023 AT 7.00 PM**

PLEASE NOTE: This meeting will be held in the Council Chamber at the Civic Centre, Stockwell Close, Bromley, BR1 3UH. Members of the public can attend the meeting: you can ask questions submitted in advance (see item 3 on the agenda) or just observe the meeting. There will be limited space for members of the public to attend the meeting – if you wish to attend please contact us, before the day of the meeting if possible, using our web-form:

<https://www.bromley.gov.uk/CouncilMeetingNoticeOfAttendanceForm>

Please be prepared to follow the identified social distancing guidance at the meeting, including wearing a face covering.

TASNIM SHAWKAT

Director of Corporate Services & Governance

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AGENDA

PART 1 AGENDA

Note for Members: Members are reminded that Officer contact details are shown on each report and Members are welcome to raise questions in advance of the meeting.

STANDARD ITEMS

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

2 DECLARATIONS OF INTEREST

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

In accordance with the Council's Constitution, questions that are not specific to reports on the agenda must have been received in writing 10 working days before the date of the meeting.

Questions specifically on reports on the agenda should be received within two working days of the normal publication date of the agenda. Please ensure that questions specifically on reports on the agenda are received by the Democratic Services Team by **5.00pm on Friday 13 January 2023.**

4 MINUTES OF THE MEETING HELD ON 18 JANUARY 2022 AND MATTERS OUTSTANDING (Pages 3 - 8)

HOLDING THE PORTFOLIO HOLDER TO ACCOUNT

5 PRE DECISION SCRUTINY OF DECISIONS FOR THE CHILDREN, EDUCATION & FAMILIES PORTFOLIO HOLDER

a CAPITAL PROGRAMME MONITORING - QUARTERS 2 AND 3 2022/23
(Pages 9 - 14)

b 2023/24 DEDICATED SCHOOLS GRANT (Pages 15 - 28)

6 POLICY DEVELOPMENT AND OTHER ITEMS

a CHILDREN, EDUCATION AND FAMILIES PORTFOLIO DRAFT BUDGET 2023/24 (Pages 29 - 50)

CHILDREN, EDUCATION AND FAMILIES BUDGET SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 18 January 2022

Present:

Councillor Judi Ellis (Chairman)

Councillors Nicky Dykes, Hannah Gray, Christine Harris and Simon Jeal

Also Present:

Councillor Kieran Terry, Executive Assistant to the Children, Education and Families Portfolio

1 APOLOGIES FOR ABSENCE

Apologies for lateness were received from Councillor Dykes.

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 19 JANUARY 2021 AND MATTERS OUTSTANDING

The minutes of the meeting held on 19 January 2021, excluding exempt information, were agreed and signed as a correct record.

5 CAPITAL PROGRAMME MONITORING FSD22008

On November 24th 2021, the Executive received a report summarising the current position on capital expenditure and receipts following the 2nd quarter of 2021/22 and agreed a revised Capital Programme for the four-year period 2021/22 to 2024/25. The report before the Sub-Committee highlighted the current position agreed by the Executive and the Leader in respect of the Capital Programme for the Children, Education and Families Portfolio. The latest programme for this portfolio was set out in Appendix A of the report and detailed comments on

individual schemes were shown in Appendix B.

RESOLVED: That the Portfolio Holder be recommended to note and acknowledge the current position in respect of Capital Schemes, as agreed by the Executive on 24th November 2021.

**6 CHILDREN, EDUCATION AND FAMILIES PORTFOLIO DRAFT
BUDGET 2022/23
Report CEF22008**

The report considered the Portfolio Holder's Draft 2022/23 Budget which incorporated the future cost pressures and initial draft budget saving options reported to Executive on 12th January 2022. Members were requested to consider the initial draft budget being proposed and identify any further action that might be taken to reduce cost pressures facing the Council over the next four years. Executive were requesting that each PDS Committee considered the proposed initial draft budget savings and cost pressures for their Portfolio with the views of each PDS Committee be reported back to the next meeting of the Executive, prior to the Executive making recommendations to Council on 2022/23 Council Tax levels. There were still outstanding issues and areas of uncertainty remaining. Any further updates will be included in the 2022/23 Council Tax report to the next meeting of the Executive.

In opening the discussion, the Chairman noted that at the last meeting in January 2021, the Committee had considered issues around the minimum funding guarantee, the slowing of the rate of increase of Education Care and Health Plans (EHCPs) which it now appeared had not happened, and the ending of the (Covid) redeployment of health colleagues who would be returning to their substantive posts. It was also noted that the Committee had previously considered the potential deficit in future years. Members noted that the Chairman of the PDS Committee had circulated a report which had recommended establishing a specific contingency fund for children's social care to address cost pressures arising from placements. The Chairman noted that the current position seemed similar to the previous year.

In response to a question, the Director of Children, Education and Families confirmed that no specific amount had been set aside for Covid catch up activities for children looked after, although a Government Grant was available for Covid catch-up. Evidence suggested that children looked after were doing well and continued to make progress in all areas. The progress of children looked after was kept under review, especially in terms of attainment, and these reviews were undertaken every six months. The Sub-Committee noted that the issue of Covid Catch-up had been raised by both the Living in Care Council (LinCC) and the Bromley Youth Council (BYC).

In relation to SEN Transport, the Sub-Committee noted that mitigations to address the ongoing cost pressures continued to be a work in progress and there were a number of areas that were being reviewed. A Transport Group had been established to look at a range of options, although the Sub-Committee noted that

none would have an immediate impact on the ongoing budget pressures. The Director of Children, Education and Families highlighted that pressures within SEN Transport were a national issue and as such a range of approaches were required such as travel training, personalised budgets, and options around the delivery of the in-house fleet. The Sub-Committee also noted that the Service had recently procured software to assist with route optimisation to enable the most effective routes to be planned.

The Committee received reassurance that co-production would be at the heart of any proposals and that parents would be as fully engaged as possible. The Director of Education confirmed that the proposals in the draft budget were within existing policy. Going forward there would be full and meaningful consultation on any proposals outside existing policy.

In response to a question from the Chairman, the Director of Education confirmed that typically a placement was made for a key stage or for a specific phase of education and when transport was agreed it was for that period meaning there should not be a requirement for parents to apply every year. However, there may be specific individual circumstances that necessitated additional consideration and that may be around the nature of the placement or considerations that needed to be made at the annual review.

The Sub-Committee suggested that in future it would be useful for the Sub-Committee to receive a breakdown of the number of families accepting the additional offers and travel training along with the reasons given for families declining the additional offers and travel training.

A Member noted that the report referenced the increasing costs of secure placements and questioned whether any options, from a capital funding perspective, were being considered in relation to buying property that could be commissioned and leased out for secure placements or other suitable accommodation. In response, the Director of Children, Education and Families reported that conversations were underway across London to identify suitable properties London-wide. This would enable secure accommodation placements to be available pan-London and as a contributor the London Borough of Bromley would be able to call on the resource where necessary.

In response to a question from the Chairman concerning whether there was any additional Covid Support Grant to support schools, especially smaller one form entry schools, with additional utility costs resulting from the need to have increased ventilation in classrooms during the winter months, the Head of Education and Children Social Care Finance confirmed that the Covid Support Grant contained an element for such increased costs however, schools were primarily funded through the Dedicated Schools Grant (DSG) and this funding had been increased for 2022/23.

The Chairman noted that referrals through the Multi Agency Safeguarding Hub (MASH) were increasing and sought assurances that support was being provided by the other partner agencies.

The Chairman noted that there were a number of areas of savings that may not immediately be apparent including, but not limited to:

- The Looked After Children and Care Leavers Team was fully staffed thus reducing costs on agency staff.
- There had been improvements in the stability of placements.
- A very good Foster Carer training scheme was in place which supported placement stability, and this was a growth area for which Bromley should be commended.

The Chairman expressed concerns in relation to SEND Tribunals, noting that head teachers had reported that it took an average of 30 hours to put together a report for a tribunal. It was therefore important to review the reasons why decisions made by the Local Authority were being overturned as this had financial implications. In response, the Director of Education confirmed that this was an area that was under close review. The Sub-Committee received reassurance that efforts were made to mediate with families and enhanced support was provided. Throughout the statutory assessment process, the Local Authority worked extensively with families. It was further noted that this was a national issue and the outcome of the national SEND Review was expected sometime in the Spring. This review would need to address some of the existing systemic issues.

In relation to a question concerning the shortage of Educational Psychologists, the Sub-Committee noted that additional funding had been allocated to support recruitment and the position had improved from the previous year. The Director of Children, Education and Families highlighted that the shortage in Education Psychologists was a national issue. Work was underway to improve existing terms and conditions to make the London Borough of Bromley a more attractive option for prospective staff. The Committee noted that there were many important elements to the work of Education Psychologists and their role was not limited to work on statutory assessments.

RESOLVED: That

- i) The update on the financial forecast for 2022/23 to 2025/26 be noted;**
- ii) The initial draft 2022/23 budget be noted as a basis for setting the 2022/23 budget; and**
- iii) The Executive be recommended to note the comments of the Children, Education & Families Budget Sub-Committee on the initial draft 2022/23 budget at its meeting on 12 February 2022.**

7 2022/23 DEDICATED SCHOOLS GRANT
Report CEF22009

The report provided an outline of the final DSG allocation for 2022/23 and an overview of how this would be spent.

The Head of Education and Children's Social Care Finance confirmed that no funding had been transferred between the Schools' Block and the High Needs

Block. The Local Authority followed the strict guidelines from the DfE for the distribution of funding to schools under the National Funding Formula. The Sub-Committee also noted that the Minimum Funding Guarantee was set at 1%.

In response to a question, the Director of Education confirmed that the School Admissions Team was resilient and whilst it was the Team's busiest time of year, staff were holding up well in terms of the pressures. The Sub-Committee noted that an experienced Admissions and Transport Manager had been recruited.

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

The Meeting ended at 7.46 pm

Chairman

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Report No.
FSD23007

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: PORTFOLIO HOLDER FOR CHILDREN, EDUCATION, AND FAMILIES

Date: For Pre-Decision Scrutiny by the Children, Education and Families Budget Sub-Committee on 19 January 2023

Decision Type: Non-Urgent Executive Non-Key

Title: CAPITAL PROGRAMME MONITORING - QUARTERS 2 AND 3 2022/23

Contact Officer: Sean Cosgrove, Principal Accountant
Tel: 020 8313 4792 E-mail: sean.cosgrove@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All Wards

1. Reason for report

- 1.1 On 18 January 2023, the Executive will receive a report summarising the current position on capital expenditure and receipts following the third quarter of 2022/23 and be asked to agree a revised capital programme for the period 2022/23 to 2026/27. This report highlights changes to be put to the Executive and the Leader in respect of the capital programme for the Children, Education and Families Portfolio and also includes memorandum details of changes agreed in the report, received by Executive on 30 November 2022, covering capital expenditure and receipts in the second quarter. The revised programme for this portfolio is set out in Appendix A and detailed comments on individual schemes are shown in Appendix B.
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2. RECOMMENDATION(S)

- 2.1 The Portfolio Holder is asked to note and acknowledge the changes to be put to the Executive on 18 January 2023.

Impact on Vulnerable Adults and Children:

1. Summary of Impact:

Corporate Policy

1. Policy Status: Existing Policy: capital programme monitoring is part of the planning and review process for all services. Capital schemes help to maintain and improve the quality of life in the borough. Effective asset management planning (AMP) is a crucial corporate activity if a local authority is to achieve its corporate and service aims and objectives and deliver its services. For each of our portfolios and service priorities, we review our main aims and outcomes through the AMP process and identify those that require the use of capital assets. Our primary concern is to ensure that capital investment provides value for money and matches the Council's overall priorities as set out in the Community Plan and in "Building a Better Bromley".
 2. BBB Priority: Excellent Council
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Financial

1. Ongoing costs: Not Applicable
 2. Budget head/performance centre: capital programme
 3. Total current budget for this head: £27.7m for the Children, Education and Families Portfolio over the period 2022/23 to 2026/27
 4. Source of funding: capital grants, capital receipts, s106 and earmarked revenue contributions
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Personnel

1. Number of staff (current and additional): 1 FTE
 2. If from existing staff resources, number of staff hours: 36 hours per week
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Legal

1. Legal requirement: Non-Statutory - Government Guidance
 2. Call-in: Applicable: Portfolio Holder decision.
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Procurement:

1. Summary of procurement implications:
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): N/A
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? N/A
2. Summary of Ward Councillors' comments: N/A

3 COMMENTARY

Capital monitoring - variations to be put to the Executive on 18 January 2023

3.1 A revised capital programme will be put to the Executive on 18 January 2023, following a detailed monitoring exercise carried out after the third quarter of 2022/23 (up to end November 2022). The base position is the programme approved by the Executive on 9 February 2022, as amended by variations approved at subsequent Executive meetings. All changes to schemes in the Children, Education and Families Portfolio programme are itemised in the table below and further details are included in paragraphs 3.2 to 3.5. The revised programme for the Children, Education and Families Portfolio is attached as Appendix A, whilst Appendix B shows actual spend against budget up to the end of the third quarter (November) of 2022/23, together with detailed comments on individual scheme progress.

	Budget 2022/23	Budget 2023/24	Budget 2024/25	Budget 2025/26	Budget 2026/27	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Programme approved by Executive 09/02/22	8,994	10	10			9,014
Net underspend 21/22 rephased to 22/23	9,203					9,203
Net of changes approved in Q1 monitoring	5,018	4,308	0	0	0	9,326
Approved programme prior to Q2 monitoring	23,215	4,318	10	0	0	27,543
<i>Changes agreed as part of Q2 monitoring</i>						
Previously approved s106 funding reflected in s106 unallocated	-2,538	0	0	0	0	-2,538
Previously approved s106 funding reflected in Basic Need	2,538	0	0	0	0	2,538
Approved programme prior to Q3 monitoring	23,215	4,318	10	0	0	27,543
<i>Variations requiring the approval of Executive:</i>						
Addition to DFC for energy efficiency grant	121					121
<i>Variations not requiring the approval of Executive:</i>						
Non-material adjustment to DFC	1					1
Changes to be put to the Executive 18/01/23	122	0	0	0	0	122
Revised Children Education and Families programme	23,338	4,318	10	0	0	27,665

3.2 Changes agreed as part of Q2 monitoring

The only change specifically relating to the Children, Education and Families portfolio that was taken to Executive in the second quarter was an updating of budgets, to reflect £2,538k of unallocated s106 funding for education moving to the Basic Need budget line. This change had been agreed at previous meetings of the Executive, but not reflected in the monitoring sheet.

3.3 Variations requiring approval by the Executive (£121k total net increase)

3.3.1 New grant funding for energy efficiency in schools (£121k)

The government has recently announced a total of £447m additional capital funding in schools for 2022/23 to improve energy efficiency. This funding is to be added to the Devolved Formula Capital allocation and Bromley will receive £121k (schools in Bromley will receive a total of £2,425k, but the majority of this money is passported directly to academies and so will not increase Bromley's capital programme.)

3.4 Schemes re-phased between 2022/23 and future years

As part of the Q2 and Q3 monitoring exercises, no budgets have been re-phased between 2022/23 and future years to reflect revised estimates of when expenditure is likely to be incurred. This has no overall impact on the total approved estimate for the capital programme. Comments on scheme progress are provided in Appendix B.

3.5 Post-completion reports

Under approved capital programme procedures, capital schemes should be subject to a post-completion review within one year of completion. After major slippage of expenditure in prior years, Members confirmed the importance of these as part of the overall capital monitoring framework. These reviews should compare actual expenditure against budget and evaluate the achievement of the scheme's non-financial objectives. Post-completion reports on the following schemes are due to be submitted to the CEF PDS committee and the relevant budget holders have been notified directly:

- Early Education for Two-Year-Olds
- 30 Hour Funded Childcare IT Solution
- Performance Management/Children's Services IT scheme

4 POLICY IMPLICATIONS

4.1 Capital programme monitoring and review is part of the planning and review process for all services. The capital review process requires Chief Officers to ensure that bids for capital investment provide value for money and match Council plans and priorities.

5 FINANCIAL IMPLICATIONS

5.1 These will be reported in full to the Executive on 18 January 2023. Changes to be put to the Executive for the Children Education and Families, Portfolio capital programme are set out in the table in paragraph 3.1.

Non-applicable sections:	Legal, Personnel and Procurement Implications, Impact on Vulnerable Adults and Children
Background documents: (Access via Contact Officer)	Capital programme monitoring Q3 2022/23 (Executive 18/01/2023) Capital programme monitoring Q3 2021/22 (Executive 09/02/22)

CHILDREN, EDUCATION & FAMILIES PORTFOLIO - APPROVED CAPITAL PROGRAMME Q3 2223

Scheme	Total approved estimate	Spend up till 31.03.22	Estimate 2022/23	Estimate 2023/24	Estimate 2024/25	Estimate 2025/26	Estimate 2026/27	Responsible officer	Remarks
	£'000	£'000	£'000	£'000	£'000	£'000	£'000		
Glebe School expansion	4,880	4,506	374	0	0	0	0	Bollen, Rob	Approved by Full Council 14/04/14
Sub-total - special schools	4,880	4,506	374	0	0	0	0		
Healthy Pupil Capital Fund	29	29	0	0	0	0	0	Bollen, Rob	Healthy Pupil Capital Fund received from ESFA
Formula Devolved Capital	5,616	5,437	179	0	0	0	0	Bradshaw, David	100% government grant. In and out to schools. Funding is covered by grant received.
Seed Challenge Fund	2,464	2,050	414	0	0	0	0	Bollen, Rob	
Schools Access Initiative	1,390	1,375	16	0	0	0	0	Bollen, Rob	Programme now closed. Accessibility works and any remaining needs now funded via Basic Need.
Security Works	1,170	1,097	73	0	0	0	0	Bollen, Rob	
Children and Family Centres	6,662	6,613	49	0	0	0	0	Dunley, Rachel	100% DfES grant.
Transforming Children's & Family Centres	1,420	162	1,258	0	0	0	0	Dunley, Rachel	Resources set aside by Executive 12/02/20 - subject to a further Executive report.
Refurbishment of Saxon Family Contact Centre	160	14	146	0	0	0	0	Dunley, Rachel	Resources set aside by Executive 12/02/20 - subject to a further Executive report.
Capital maintenance in schools	13,802	10,451	3,351	0	0	0	0	Bollen, Rob	100% government grant.
Basic Need	102,513	80,801	17,404	4,308	0	0	0	Bollen, Rob	100% government grant.
Mobile technology to support children's social workers	71	53	18	0	0	0	0	Dare, David	100% government grant.
Youth centres - Capital improvements	72	69	3	0	0	0	0	King, Linda	Youth Capital Fund grant £72k
S106 - Education (unallocated)	2	0	2	0	0	0	0	Bollen, Rob	S106 receipts - now transferred to Basic Need budget as per main report
Feasibility Studies	70	0	50	10	10	0	0	Bollen, Rob	
Sub-total - other education schemes	135,441	108,149	22,964	4,318	10	0	0		
Total - Children, Education and Families portfolio	140,321	112,655	23,338	4,318	10	0	0		

CHILDREN, EDUCATION & FAMILIES PORTFOLIO - APPROVED CAPITAL PROGRAMME Q3 2223				
Scheme	Estimate 2022/23 as at Feb 2022	Actual up to end Q3 (Nov) 2022/23	Estimate 2022/23 as at end Q3 2223	Commentary
		£'000	£'000	
Glebe School expansion	0	84	374	final account agreed. Final invoices being paid. Remaining monies to be move to Basic Need. C90702
Sub-total - special schools	0	84	374	
Healthy Pupil Capital Fund	0	0	0	Approved by Executive in July 2018. ESFA have allocated the Council £29k from Healthy Pupils Capital Fund. The HPCF is Intended to improve children's and young people's physical and mental health by improving and increasing availability to facilities for physical activity, healthy eating, mental health and wellbeing and medical conditions. Currently reviewing how best to spend this money in 2020/21.
Formula Devolved Capital	0	0	179	In and out to Schools. Funding is covered by grant received. Budget to be reduced by £177k as this was utilised last financial year.
Seed Challenge Fund	0	0	414	Scheme closed. Remaing monies to be transferred to capital maintenance C90604
Schools Access Initiative	0	19	16	Programme now closed. Accessibility works now funded via Basic Need. Any remaining needs to be transferred to Basic Need
Security Works	0	52	73	There was an agreed budget of £140k for 2019/20. Notification of works from schools is currently being awaited.
Children and Family Centres	0	0	49	Works are managed by Operational Property (now Amey). £50k Budget for any unforeseen premises issues and planned improvements. Current priority for the budget has been agreed for works to be carried out at outside play areas. These funds are likely to be used for that.
Transforming Children's & Family Centres	180	889	1,258	Resources set aside by Executive 12/02/20 - subject to a further Executive report. £250k added at EXEC 01/04/20
Refurbishment of Saxon Family Contact Centre	0	0	146	Resources set aside by Executive 12/02/20 - subject to a further Executive report.
Capital maintenance in schools	667	25	3,351	Most works are managed by Operational Property (Amey). Budget for 2020-21 is £450k. The EXEC has agreed to allocate £909k to Marjorie McClure School (EXEC April 2020)
Basic Need	8,137	520	17,404	A full detailed report on the various projects within the Basic Need Programme was reported to Executive on 11 Jul 18. Works at Bishop Justus and Oaklands completed (Autumn '18), works at Pickhurst also completed. Phase 2 works at Stewart Fleming under way following collapse of contractor and retendering. Phase 2 works at Bromley Beacon (Orpington) complete and phase 3 started. Trinity (old EDC) refurbishment works are now underway. Covid 19 will impact on the timely delivery of the three remaining projects, and may impact on final outturn costs.
Mobile technology to support children's social workers	0	0	18	This spend will afford the ASYEs and 'frontline' staff as part of the recruitment and retention of 'Grow Your Own Staff' to improve the permanency figures to 90%. The remaining budget of £18k budget had been re-phased to 2020/21. Continued roll out of mobile phones to these staff is required to enhance day to day practice -staff expect up to date equipment which assists in recruitment and retention
Youth centres - Capital improvements	0	0	3	Commitments to be removed. The remaining budget of £3k had been re-phased to 2020/21. This will be used for the disabled toilets at Mason's Hill in order to comply with DDA. Youth Centres are re opening with Public Health advice and measures in place . Funds needed for minor improvement work/ repairs on buildings.
S106 - Education (unallocated)	0	0	2	UPDATE Q2 - £4,128k allocated/drawn down by March 2021 Exec and £981k by March 2022 Exec to projects in Basic Need Programme.
Feasibility Studies	10	0	50	This budget will be used for feasibility works.
Sub-total - other education schemes	8,994	1,505	22,964	
Total - Children, Education and Families portfolio	8,994	1,589	23,338	

Report No.
CEF23001

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker:	PORTFOLIO HOLDER FOR CHILDREN, EDUCATION AND FAMILIES		
Date:	For Pre-Decision Scrutiny by the Children, Education and Families Budget Sub-Committee on 19 January 2023 and Schools Forum on 26 January 2023		
Decision Type:	Non-Urgent	Executive	Non-Key
Title:	2023/24 DEDICATED SCHOOLS GRANT (DSG)		
Contact Officer:	David Bradshaw, Head of Finance, Children, Education and Families Tel: 020 8313 4807 E-mail: David.Bradshaw@bromley.gov.uk		
Chief Officer:	Director of Finance		
Ward:	All Wards		

1. Reason for report

- 1.1. This report provides an outline of the final DSG allocation for 2023/24 and an overview of how this will be spent.
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2. **RECOMMENDATIONS**

2.1 **The Children, Education and Families Budget Sub-Committee is requested to:**

- i) **Note the DSG Allocation for 2023/24;**
- ii) **Provide any comments for consideration to the Portfolio Holder.**

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

- i) **Review the DSG income and forecast expenditure for 2023/24.**

2.3 **Subject to the views of the Children, Education and Families Budget Sub-Committee and those of the Schools Forum, the Portfolio Holder is asked to approve the Dedicated Schools Grant allocation for 2023/24 and the methodology of its distribution.**

Impact on Vulnerable Adults and Children

1. Summary of Impact: Children, Education and Families Portfolio budget setting supports the provision of services to vulnerable young people
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Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council
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Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Recurring Cost
 3. Budget head/performance centre: Children, Education and Families portfolio budgets
 4. Total current budget for this head: £355,535k (DSG 2023/24)
 5. Source of funding: Dedicated Schools Grant (DSG)
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Personnel

1. Number of staff (current and additional): Full details will be available with the Council's 2023/24 Financial Control Budget to be published in March 2023
 2. If from existing staff resources, number of staff hours: Not Applicable
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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 Local Government Act 2000; the Local Government Act 2002 and the Accounts and Audit Regulations 2015.
 2. Call-in: Applicable: Portfolio Holder decision.
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Procurement

1. Summary of Procurement Implications: Not Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Not Applicable.
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Ward Councillor Views

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

3. COMMENTARY

3.1. The final Dedicated Schools Grant (DSG) funding for 2023/24 has now been provided to all LAs to reflect the October 2022 census data.

3.2. The final DSG for 2023/24 is divided into four blocks – High Needs, Early Years, Schools and Schools Central. The expected income is detailed below

2023/24 Dedicated Schools Grant					
	High Needs Block	Early Years Block	Schools Block	Schools Central Block	Total
Gross Grant Funding	£74,086,148	£22,251,398	£257,152,187	£2,045,579	£355,535,312
Recoupment adjustment	-£10,978,001		-£1,692,560		-£12,670,561
Net Grant Allocation	£63,108,147	£22,251,398	£255,459,627	£2,045,579	£342,864,751

3.3. The LA has looked at each of these blocks and has forecast the related expenditure for 2023/24 based on information that is currently available at this time. Full details of the projected grant income and expenditure can be seen at Appendix 1 with detailed information regarding each block provided below.

3.4. Appendix 2 shows the allocation from DfE

Schools Central Block

Grant 2023/24	£2,045,579
Expenditure 2023/24	£2,555,579
Contribution from Council	-£510,000
Expected (Over)/ Underspend	(£0)

3.5. The Central Block has decreased by £45k. The per pupil rate fell by 2.5% (the equivalent of a loss of £52k). £7k of additional grant was received due to the increase in pupil numbers. There continues to be pressures in the Central Schools DSG due to funding shortfalls. Last year the Council used £460k of core LBB funding to underpin this expenditure. A further £50k is being proposed for 2023/24 bringing the total Council core funding to £510k.

Early Years Block

Grant 2023/24	£22,251,398
Expenditure 2023/24	£22,251,398
Expected (Over)/ Underspend	(£0)

- 3.6.** Early Years funding has increased by £1.241m. DfE have increased the part time equivalent (PTE) rates by 60 pence per hour for 2 year old funding and 29p per hour for 3 and four year old funding for 2023/24. This has increased the grant by £1.227m. The assumption for volumes of hours (PTE's) remains the same for 2023/24 as the latest volumes for the 2022/23 DSG as DfE use January 2022 data. However this will change once the January 2023 census is published which will affect the figures. The remaining £14k increase is due to increases in Early Years Pupil Premium (EYPP) and Disability Access Funding (DAF).
- 3.7.** There has been a recovery in estimated numbers since the COVID pandemic although numbers have not reached pre COVID levels. There is still risk and uncertainty about the figures in the Early Years sector and take up of places and therefore the underlying pupil counts should be considered with a degree of caution.
- 3.8.** As referred to above this block is volatile due to the change in numbers being experienced. Amendments to the 2023/24 Early Years DSG block will be made in July 2023 based on the January 2023 census and in July 2024 based on the January 2024 census. It is possible that the Council will not be funded for all the hours if there is a significant increase in take up post January 2023 due to the lag in funding.
- 3.9.** Some modelling has been carried out to mitigate against this, based on previous years grant levels and actual payments. Moreover comparisons of other London Local authorities and their payment structures have been undertaken. The Early Years block has to be contained and remain cost neutral overall, which has not happened in the last few years during the pandemic. Following the modelling exercise, the proposal is to increase the 2 year old funding rate by 6 pence and the 3 and 4 year old funding rate by 10 pence. The table below shows the proposed and previous funding levels of DfE and Bromley.

	2022/23		2023/24	
	2 yr olds	3&4 yr olds	2 yr olds	3&4 yr olds
	£	£	£	£
DfE Funding	6.03	5.22	6.63	5.51
LBB Payment	6.64	5.10	6.70	5.20

- 3.10.** This prudent approach will help to prevent a deficit being incurred from future volatility in the Early Years sector. The 2 year old funding in Bromley remains higher than the rate the Council is paid and will continue to exceed the funded rate after this proposed increase. Early Years DSG is adjusted in year to take account of take up during the year, so the figure will change as the year progresses. However, the projected expenditure has been adjusted to reflect the increase and ensure the block remains balanced.
- 3.11.** The funding calculation also allows for supplements paid to providers for SEN and £500k to be transferred from the Early Years block to the High Needs Block to support Early Years children

with SEND centrally. This proposal meets DfE requirements for a ‘pass through’ rate of at least 95%. These proposals give a Bromley pass through rate of 98%. The rates also bring us more in line with authorities in London where Bromley was previously an outlier on both measures, but in particular the 2 year old rate.

3.12. The rate and methodology of deprivation payments has also been undertaken. Bromley currently pays a setting level deprivation supplement (SLDS), to group settings where a high proportion of the children live in postcodes in deprived areas. This is currently funded at £0.30 per hour for both Universal hours and Extended hours for three- and four-year-olds. Data taken from the Income Deprivation Affecting Children Index (IDACI) website is used to help identify which settings have the highest proportion of children from postcodes in deprived areas. The proposal is to remove the SLDS and increase the Child Level Deprivation Supplement (CLDS) for eligible three and four year olds. This ensures that this element of funding is targeted at the most vulnerable children regardless of which setting they attend. This is factored into the overall calculations

Schools Block

Grant 2023/24 – Pupil Led	£254,247,647
Premises related funding (rates)	£1,757,846
Growth Funding	£1,146,694
Recoupment	-£1,692,560
Expenditure 2023/24	£255,459,627
Expected (Over)/ Underspend	(£0)

3.13. The Schools Block funding has been calculated using the October 2022 Census pupil numbers and the per pupil units of funding which have been calculated for 2023/24.

3.14. The Schools Block has risen by £12m. This is due to an increase in the per pupil unit of funding and increases in the population figures. The majority of this funding will be top sliced and returned to DfE to fund Academy Schools. Moreover, DfE has introduced a central payment mechanism for Schools Business Rates and therefore a further deduction will be made for this.

3.15. This figure includes the previous year’s supplementary grant of £7.1m which was paid as a separate grant in 2022/23. This has now been amalgamated into the Schools Block funding. Allowing for the £7.1m grant the funding increase is £4.9m (circa a 2% increase). The majority of this funding will be top sliced and returned to DfE to fund Academy Schools.

3.16. There has also been an announcement of additional supplementary grant of £8.754m for 2023/24 for schools. This is to provide support for costs not anticipated when the DSG figures were initially budgeted for by Government. This will be distributed as a separate grant in 2023/24 only as the intention is to integrate this into the DSG from 2024/25 onwards.

3.17. Using a like for like comparison, and including both years DSG and both supplementary grants the schools block has risen by 5.4% in cash terms, 5.3% per pupil

- 3.18.** Based on the published figures the Primary unit of funding has increased from £4,678 to £4,846 which is an increase of around 3.6% and the Secondary unit of funding has increased from £6,048 to £6,410 which is an increase of around 6.0%. Overall this is a 4.8% increase per pupil.
- 3.19.** The funding that the LA is allocated for the Schools Block is calculated by running the National Funding Formula (NFF) for every school to give a total figure, which is then divided by the number of pupils in each sector to give a per pupil figure. Additional funding is added for premises (i.e. rates) and growth funding. The final growth funding has been calculated at £1.146m which includes retrospective funding for free school pupils.
- 3.20.** In terms of the NFF, the main changes to the NFF for 2023/24 are as follows-
- a) Funding through the schools NFF is increasing by 1.9% overall in 2023-24, and 1.9% per pupil, compared to 2022-23
 - b) Additional support directed to disadvantaged pupils, by increasing the FSM6 and IDAC1 factors in the schools NFF by a greater amount than other factors. These factors will increase by 4.3%, compared to 2022/23. The core factors in the schools NFF (such as the basic entitlement, and the lump sum that all schools attract) will increase by 2.4%.
 - c) Minimum per pupil funding levels have been set at £4,405 for primary schools and £5,715 for secondary schools.
 - d) The Minimum Funding Guarantee (MFG) level is required to be between 0.0% and 0.5%
- 3.21.** Local Authorities are required to follow the National Funding Formula more closely than in previous years and guidelines have been put in place by DfE to limit the amount of flexibility with the funding arrangements for 2023/24.
- 3.22.** This will not create too much turbulence as Bromley has been broadly following the NFF guidelines for a number of years now and this new arrangement will have a minor impact.
- 3.23.** Four scenarios have been modelled following the NFF guidance and then making adjustments to the Basic rates, Deprivation factors and the contingency to balance. These scenarios are detailed in Appendix 3. It is recommended that option 4 is used as it follows the NFF more closely (DfE NFF levels plus 0.5% including appropriate funding in contingency) has fewer schools in MFG and will avoid future turbulence.
- 3.24.** Each scenario contains an element of funding for Falling Rolls schools. A fixed amount of £250k has been allocated. In theory this amount should be increasing as there are more schools falling into this category that could receive the funding. However Schools Forum has agreed stringent guidelines as to its allocation and very few schools have qualified for this funding over the past few years. Therefore, to be prudent, a fixed sum has been allocated.
- 3.25.** A contingency figure is also set aside to cover bulge classes, rates increases and other eventualities such as APT amendments from DfE. This has decreased for last year's allocation.
- 3.26.** The MFG protection across all schools is £885k. There are 21 schools that are in receipt of MFG protection, all of which are primary schools. The lowest MFG is £142, the highest £165,975 with an average of £42,177.
- 3.27.** The MFG level that has been used by Bromley is 0.5% which sits at the top of the government's parameters. The four scenarios all assume 0.5% and it is not proposed to lower this.

- 3.28.** There are a number of schools that become eligible for minimum per pupil funding protection as follows:
- a) 11 Primary schools to receive around £513k collectively.
 - b) 0 Secondary schools.
- 3.29.** There has also been an announcement of additional supplementary grant of £8.754m for 2023/24 for schools. This is to provide support for costs not anticipated when the DSG figures were initially budgeted for by Government. This will be distributed as a separate grant in 2023/24 only as the intention is to integrate this into the DSG from 2024/25 onwards.
- 3.30.** The funding rates consist of the following 3 elements, which are based on factors already in the schools national funding formula:
- a basic per-pupil rate (with different rates for primary, key stage 3 and key stage 4)
 - a lump sum paid to all schools, regardless of pupil numbers
 - a per-pupil rate for pupils who are recorded as having been eligible for free school meals at any point in the last six years (FSM6), with different rates for primary and secondary pupils
- 3.31.** DfE will publish school level allocations in May 2023. Academy schools will receive the funding direct from DfE. The remaining Maintained Schools will have the funding passported to them once received by the Local Authority
- 3.32.** The Schools Block funding allocations go through a validation check with the ESFA so they are subject to review and possible amendment.

High Needs Block

Grant 2023/24	£74,086,148
Recoupment	-£10,978,001
LA Expenditure 2023/24	£67,108,147
Expected (Over)/ Underspend	(£4,000,000)

- 3.33.** The High Needs Block continues to be impacted by significant pressures arising from increased volume and complexity of needs. Nationally the Government has seen some authorities building up high levels of deficit reserves. This particular funding issue has been acknowledged, and further funding committed for 2023/24.
- 3.34.** The DSG allocation has resulted in an increase in High Needs block funding of £6.5m for Bromley. £2.9m of this amount was announced in the Autumn spending review as an additional supplementary grant in recognition of increases in costs above and beyond the previous spending review and is intended to reflect likely cost increases local authorities and special schools will face in the provision for children and young people with high needs.
- 3.35.** DfE has stipulated how this funding can be distributed to maintained special schools, special academies, pupil referral units and AP academies and therefore there are some restrictions on

the use of this additional grant. The previous year's supplementary grant of £2.4m has been merged into the 2022/23 baseline figure.

- 3.36.** The remaining £3.6m is due to increases in per pupil funding and the increase in pupils themselves.
- 3.37.** For 2023/24 DfE have introduced a 3% MFG for Maintained Special Schools and Special Academies. Instead of a year on year comparison the comparison will be with schools 2021/22 funding baselines. This recognises that some local authorities have already passed on additional funding for pressures in 2022/23. This has been factored into the funding figures for the Special schools.
- 3.38.** As mentioned in paragraph 3.33 an additional £2.9m has been allocated to Bromley as part of an additional supplementary grant. DfE has stipulated that Authorities must allocate 3.4% based on the place funding of £10k plus the average top up funding they pay in the 2022/23 financial year to special schools and Academies. This has been factored into the figures.
- 3.39.** Similarly authorities must allocate 3.4% to Pupil Referral Units and AP Academies based on place and top up funding these schools receive. DfE is due to publish data for each setting to enable most up to date calculations. However, an estimation has been factored into the budgets for this.
- 3.40.** Although there are increases in funding, predictions for expenditure are rising at a faster rate. This is due to growth in children and young people with SEND and those requiring Alternative Provision and increased complexity of need, Government extending the scope of the High Needs Block from ages 5 to 19 to 0 to 25 and historical baseline funding adjustments. Moreover, future funding levels have not yet been announced and so there is uncertainty as to what funding levels will be from 2024/25.
- 3.41.** To mitigate against the predicted growth, mitigations have also been assumed as part of the Medium Term Financial Strategy. These are predicated on slowing the rate of increase in EHCPs and to incrementally placing more children in local schools. This carries significant risks because provision for children is determined by their presenting needs according to the legal tests set out within the SEND Code of Practice. With sustained exponential increases in demand for EHCPs and increasing numbers of cases being overturned by SEND Tribunals, this will remain a challenge across the MTFS period.
- 3.42.** There continues to be significant pressures on the High Needs Block. The expenditure is based on the pattern of new EHCPs (Education, Health and Care Plans) seen over recent years and on the average cost of a placement. The demand for placements of children and young people with SEN continues to increase. Increased numbers of children and young people have been placed at mainstream schools, special schools and resourced provisions. Nevertheless, the sustained increase in demand results in the continued reliance on independent settings, which are generally more expensive than in borough placements.
- 3.43.** There is currently an estimated cumulative deficit on the DSG of just over £11.3m for the end of the 2022/23 financial year. This is expected to rise during the 2023/24 financial year (current estimate £4m deficit). The Authority has been in discussions with DfE and will be meeting them in the new financial year. At the last meeting of the CEF PDS details regarding the deficit recovery plan were presented and it is hoped that in year improvement of the forecast can be made. This will be reported back to the PDS committee in due course.

4. SCHOOL FORUM COMMENTS

- 4.1 The Schools Forum meet on the 26th January 2023. Any comments from the Forum will be fed back to the Portfolio Holder after the meeting so that a decision on the funding can be made.

5. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 5.1 The draft 2023/24 Budget reflects the Council's key priorities which includes, for example, supporting vulnerable adults with children and being ambitious for all our children and young people.

6. POLICY IMPLICATIONS

- 6.1 The DSG 2023/24 Budget enables the Council to continue to deliver on its key priorities and the financial forecast enables medium term financial planning allowing for early decisions to be made which impact on the medium term financial plan. The Council continues to deliver key services and lives within its means.

7. FINANCIAL IMPLICATIONS

- 7.1 Financial implications are contained within the overall body of the report.

Non-Applicable Sections:	Procurement, Personnel Implications, Legal
Background Documents: (Access via Contact Officer)	Held within the Finance Section

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2023/2024 DSG Provisional											
High Needs Block	2022/23	2023/24	Early Year Block	2022/23	2023/24	Schools Block	2022/23	2023/24	Central Schools Services Block	2022/23	2023/24
Income											
Baseline	57,213,597	62,915,446	EY Pupil numbers	4,773	4,773	Primary Pupil Numbers	27,268	27,212	Pupil Numbers	46,139	46,301
HN Pupil numbers			Baseline £ Per Pupil	5.22	5.51	Baseline £ Per Pupil	4,678	4,846	Baseline £ Per Pupil	45.31	44.18
Baseline £ Per Pupil	5,426,256	5,693,262	hours (15 x 38)	570	570	Total Primary Funding	127,561,728	131,877,270	Central Schools Services Funding	2,090,559	2,045,579
import/export	1,521,000	1,521,000	3 & 4 Years Old Funding	14,202,239	14,991,253						
Hospital & TPG/TPECG	1,005,244	1,049,775				Secondary pupil numbers	18,872	19,090			
Additional funding for Special Free Schools	18,000	18,000	EY Pupil numbers	1,672	1,672	Baseline £ Per Pupil	6,048	6,410			
Supplementary allocation	2,359,818	2,888,666	Baseline £ Per Pupil	5.22	5.51						
High Needs Block Restated	67,543,913	74,086,148	hours (15 x 38)	570	570	Premises	1,742,295	1,757,846			
Academy Units@£6k	-2,010,000	-2,010,000	3 & 4 Years Old Additional 15 Hrs	4,975,108	5,251,502	Growth	1,705,238	1,146,694			
Academy Units@£10k	-75,834	-80,000									
Academy Post-16 Units	-324,000	-318,000	EY Pupil numbers	472	472						
PRU Places Recoupmnt	-1,150,000	-1,150,000	Baseline £ Per Pupil	6.03	6.63						
BBA & Glebe	-3,680,000	-3,780,000	hours (15 x 38)	570	570						
Special post 16	-500,000	-500,000	2 Year Old Funding	1,622,930	1,784,416						
Hospital	-140,001	-140,001				NNDR recoupmnt	-1,742,295	-1,692,560			
Post 16 Transfer	-2,842,000	-3,000,000	EY Pupil Premium	124,044	128,179						
Total recoupmnt	-10,721,835	-10,978,001	EY Disability Access Fund	86,400	96,048						
DSG Grant Amount	56,822,078	63,108,147		21,010,720	22,251,398		243,399,723	255,459,627		2,090,559	2,045,579
										342,864,751	
Expenditure											
Delegated budgets			Universal	13,272,308	14,026,171	Academy Recoupmnt	231,983,901	244,190,835	Access and Admissions	501,960	527,820
Maintained Special Schools	3,360,000	4,130,000				Primary SBS	6,080,277	6,171,977	Licences	257,010	284,590
Maintained Special Schools top up	6,369,450	6,355,418	Additional 3 & 4 Year Old Hours	4,439,580	4,892,000	Secondary SBS	3,569,185	3,765,655	Capital	64,290	67,920
Academy Special School top up	3,774,040	5,654,130							Schools Forum	1,040	1,100
AP Top Up	1,341,840	2,051,981	2 Year Old Cost	1,808,138	1,829,000				Pupil Support Advisory Team	212,690	224,200
Units - Maintained Places	108,000	120,000							Support to Schools	48,500	51,410
- LA Funded Academy Places (vacant)	90,000	40,000							Business Support	139,310	140,930
- LA Funded Academy Places	70,000	150,000	EY Pupil Premium	124,044	128,179				Workforce Development	24,430	22,400
- Maintained Top Up	77,994	86,660							Schools standard	134,350	134,350
- Academy Top Up	1,682,342	1,774,580							Access to Education Management	87,680	50,000
Hospital	140,000	89,079							Education Welfare Service	514,769	545,690
TPG/TPECG	799,270	960,696	Central Costs						Asset Management	86,630	89,520
Supplementary Grant to settings 2023/24	0	783,825							Statutory/Regulatory Duties	277,900	215,649
Free School	18,000	18,000									
LA Centrally Managed			EY Admin Team	210,390	210,000	Contingency	1,502,150	1,081,160			
Darrick Wood HIU	1,177,870	1,126,920	SEN Support in Pre Schools	569,860	570,000	Falling rolls	264,210	250,000	To High Needs re centrally employed teachers	200,000	200,000
Darrick wood Deaf centre	1,065,890	1,235,170	Additional HN exp	500,000	500,000				Council Statutory duties	-460,000	-510,000
AP Recoupmnt	-99,780	-105,770									
Progression Courses	1,411,720	474,270									
Home and Alternative Provision	1,035,530	1,293,460									
SEN Support in Mainstream	381,110	403,690	EY Disability Access Fund	86,400	96,048						
SEN funding in Schools	5,514,110	5,693,410									
Outreach and Inclusion	889,230	1,113,550									
Specialist Support and Disability	241,530	256,030									
Complex Needs Team	712,720	755,060									
Phoenix Pre School Service	734,390	792,390									
SEN Transport	230,000	230,000									
Special Central	1,033,170	1,073,460									
Other Statemented	753,830	1,176,290									
SEN Out of Borough Fees	16,449,552	24,022,048									
SEN in Further Education Colleges	5,790,250	6,043,200									
Special Capital	10,200	10,600									
Supplementary allocation 2022/23	2,359,820	0									
Funded by EY Block	-500,000	-500,000									
Funded by CSS Block	-200,000	-200,000									
Total	56,822,078	67,108,147		21,010,720	22,251,398		243,399,723	255,459,627		2,090,559	2,045,579
In year deficit estimate		-4,000,000									
Variance	0	0		0	0		0	0		0	0

Dedicated schools grant (DSG): 2023 to 2024 allocations local authority summary	2023 to 2024 DSG allocations, before recoupment and deductions for national non-domestic rates, and for direct funding of high needs places by Education and Skills Funding Agency (ESFA)					2023 to 2024 DSG allocations, after deductions for national non-domestic rates, and direct funding of high needs places by ESFA				
	Schools block (£s)	Central school services block (£s)	High needs block (£s)	Early years block (£s)	Total DSG allocation (£s)	Schools block (£s)	Central school services block allocation (£s)	High needs block allocation (£s)	Early years block (£s)	Total DSG allocation (£s)
	[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	[J]
	= [A] + [B] + [C] + [D]					= [F] + [G] + [H] + [I]				
305 Bromley	257,152,187	2,045,579	74,086,148	22,251,398	355,535,312	255,459,627	2,045,579	63,108,147	22,251,398	342,864,751

National funding Formula Options

Option 1 - Following the NFF rates exactly, balance going into the contingency

Option 2 - Basic rates at NFF and maximum deprivation rates

Option 3 - Lowest rates for deprivation, high as possible for the basic rate

Option 4 - Inflating all NFF rates across the board by +0.5%

Schools in MFG

	Option 1	Option 2	Option 3	Option 4	MFG Option 4
Southborough Primary School	1,995,349	2,007,244	1,998,596	2,004,518	0
Edgebury Primary School	1,941,343	1,951,202	1,947,288	1,950,233	0
Poverest Primary School	2,235,699	2,251,481	2,236,651	2,245,902	0
St Olave's and St Saviour's Grammar School	3,804,358	3,811,307	3,839,211	3,822,177	0
Alexandra Junior School	1,137,209	1,144,172	1,136,484	1,142,432	0
Alexandra Infant School	983,055	985,847	983,250	983,336	0
Balgowan Primary School	2,733,265	2,733,265	2,733,265	2,733,265	0
Harris Primary Academy Beckenham Green	1,070,482	1,070,391	1,070,723	1,070,464	84,844
Churchfields Primary School	2,153,104	2,153,154	2,152,972	2,153,114	84,813
Hawes Down Primary School	2,080,140	2,080,175	2,080,045	2,080,147	44,880
Marian Vian Primary School	2,772,010	2,785,081	2,784,568	2,784,637	0
Gray's Farm Primary Academy	2,128,316	2,144,593	2,117,084	2,138,025	0
Oak Lodge Primary School	2,532,422	2,542,772	2,545,890	2,544,011	0
Stewart Fleming Primary School	2,321,976	2,333,844	2,325,538	2,332,589	0
Wickham Common Primary School	1,868,421	1,868,421	1,868,421	1,868,421	0
Burnt Ash Primary School	2,231,660	2,231,700	2,231,555	2,231,668	9,672
Harris Primary Academy Kent House	2,034,308	2,034,243	2,034,481	2,034,295	165,975
Pickhurst Infant Academy	1,597,418	1,597,350	1,597,596	1,597,404	6,078
Pickhurst Academy	2,191,401	2,191,426	2,191,337	2,191,406	2,189
Harris Primary Academy Crystal Palace	1,919,545	1,919,594	1,919,416	1,919,555	31,143
Valley Primary School	2,120,846	2,120,772	2,121,042	2,120,831	60,037
Red Hill Primary School	3,168,087	3,183,252	3,182,472	3,182,573	0
St John's Church of England Primary School	933,920	942,911	927,185	938,227	0
Ravenworth Primary School	1,575,998	1,586,578	1,575,762	1,581,106	0
Elmstead Wood Primary School	1,614,033	1,613,906	1,614,368	1,614,007	9,183
Harris Primary Academy Beckenham	1,809,057	1,816,935	1,814,923	1,817,358	0
Chelsfield Primary School	584,705	590,359	578,173	587,394	0
Harris Primary Academy Shortlands	1,640,984	1,649,709	1,638,198	1,648,492	0
La Fontaine Academy	1,905,704	1,914,454	1,912,913	1,914,435	0
Crofton Infant School	2,444,945	2,444,945	2,444,945	2,444,945	0
Darrick Wood Junior School	1,714,531	1,722,318	1,720,635	1,722,406	0
Darrick Wood Infant & Nursery School	1,319,693	1,327,483	1,320,261	1,325,790	0
Farnborough Primary School	1,156,756	1,163,258	1,157,112	1,162,107	0
Pratts Bottom Primary School	482,478	482,719	481,840	482,526	21,024
The Highway Primary School	1,101,739	1,108,927	1,099,960	1,106,745	0
Warren Road Primary School	3,689,019	3,689,019	3,689,019	3,689,019	0
St. Mary Cray Primary Academy	1,341,854	1,341,619	1,342,474	1,341,807	78,463
Trinity Church of England Primary School	1,839,813	1,839,795	1,839,858	1,839,809	10,116
James Dixon Primary School	2,135,815	2,135,875	2,135,654	2,135,827	39,767
Leasons Primary School	1,881,492	1,897,402	1,868,725	1,890,132	0
Mead Road Infant School	530,606	530,835	530,001	530,652	36,460
Midfield Primary School	2,244,686	2,244,685	2,244,689	2,244,686	85,935
Worsley Bridge Primary School	1,849,881	1,860,078	1,850,049	1,856,779	0
Langley Park Primary School	1,785,045	1,792,687	1,792,328	1,793,216	0
Harris Primary Academy Orpington	1,685,963	1,686,139	1,685,498	1,685,998	18,794
Scotts Park Primary School	1,870,510	1,880,263	1,875,576	1,879,090	0
Oaklands Primary Academy	2,151,372	2,162,177	2,158,504	2,161,173	0
Clare House Primary School	1,857,409	1,857,425	1,857,368	1,857,412	625
Green Street Green Primary School	1,888,788	1,898,457	1,891,985	1,897,437	0
Perry Hall Primary School	1,985,811	1,994,957	1,993,503	1,994,880	0
Bickley Primary School	1,836,096	1,836,096	1,836,096	1,836,096	0
Manor Oak Primary School	976,711	986,289	969,646	981,194	0
Keston Church of England Primary School	895,172	901,614	891,812	899,284	0
Parish Church of England Primary School	2,737,300	2,750,312	2,749,554	2,749,817	0
St George's, Bickley, Church of England Primary School	1,863,761	1,863,769	1,863,737	1,863,762	93,781
Unicorn Primary School	1,875,489	1,875,480	1,875,513	1,875,487	142
Cudham Church of England Primary School	464,164	468,928	455,942	466,304	0
St Paul's Cray Church of England Primary School	1,265,374	1,277,546	1,255,268	1,271,186	0
St Mark's Church of England Primary School	1,898,323	1,908,667	1,896,148	1,907,085	0
St Nicholas Church of England Primary	992,412	997,492	992,639	996,976	0
St Joseph's Catholic Primary School	974,239	980,434	972,471	978,738	0
St Vincent's Catholic Primary School	1,102,301	1,110,122	1,099,787	1,107,405	0
St Philomena's Primary School	1,058,569	1,066,022	1,056,010	1,063,435	0
St Anthony's Roman Catholic Primary School	864,996	869,411	864,176	865,350	0

St Peter and St Paul Catholic Primary School	1,148,031	1,156,686	1,144,837	1,153,310	0
St James' Roman Catholic Primary School	1,003,845	1,008,716	1,004,539	1,008,460	0
Blenheim Primary School	1,138,658	1,148,325	1,138,101	1,143,842	0
Biggin Hill Primary School	1,945,915	1,955,001	1,952,427	1,954,539	0
Crofton Junior School	3,178,111	3,178,104	3,178,131	3,178,110	739
Holy Innocents Catholic Primary School	1,145,138	1,152,625	1,140,906	1,150,153	0
St Mary's Catholic Primary School	1,840,801	1,849,122	1,847,611	1,849,166	0
Highfield Infants' School	1,243,367	1,249,541	1,245,342	1,249,088	0
Highfield Junior School	1,692,650	1,693,717	1,694,082	1,694,664	0
Hayes Primary School	2,825,703	2,825,703	2,825,703	2,825,703	0
Raglan Primary School	1,958,430	1,967,381	1,966,160	1,967,438	0
Tubbenden Primary School	2,940,007	2,940,007	2,940,007	2,940,007	0
Harris Academy Beckenham	6,488,662	6,515,435	6,530,265	6,519,501	0
Harris Girls Academy Bromley	6,409,144	6,440,445	6,442,625	6,439,561	0
Harris Academy Orpington	3,778,461	3,805,124	3,782,959	3,796,351	0
Eden Park High School	7,358,974	7,390,899	7,404,479	7,393,997	0
Bullers Wood School for Boys	5,847,114	5,870,458	5,885,105	5,874,886	0
Bishop Justus CofE School	7,937,263	7,977,361	7,977,419	7,974,783	0
Bullers Wood School	7,119,410	7,138,863	7,180,160	7,152,987	0
Coopers School	7,869,225	7,901,507	7,919,982	7,906,148	0
Langley Park School for Boys	6,653,199	6,667,497	6,715,621	6,684,609	0
Ravens Wood School	7,258,843	7,279,784	7,319,295	7,293,141	0
Newstead Wood School	4,833,254	4,841,710	4,879,943	4,855,980	0
Kemnal Technology College	4,653,826	4,687,359	4,641,575	4,675,727	0
Hayes School	7,541,076	7,557,130	7,613,043	7,576,747	0
Chislehurst School for Girls	6,163,380	6,191,481	6,197,766	6,192,404	0
Charles Darwin School	7,257,545	7,288,355	7,302,738	7,291,844	0
Langley Park School for Girls	7,268,065	7,284,681	7,335,278	7,302,387	0
The Ravensbourne School	7,377,531	7,413,178	7,416,624	7,412,343	0
Darrick Wood School	8,082,007	8,104,432	8,152,229	8,120,537	0
Downe Primary School	459,513	464,774	454,423	461,645	0
	255,265,074	256,154,782	256,147,567	256,176,640	884,661
MFG £	1,024,171	833,007	1,093,493	884,661	
MFG number	25	21	26	21	

Does not include supplementary grant for 2023/24, details of which will come from DfE in May 2023 (estimated total £8.754m)

Report No.
CEF23002

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: CHILDREN, EDUCATION AND FAMILIES BUDGET SUB-COMMITTEE

Date: 19 January 2023

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

Title: CHILDREN, EDUCATION AND FAMILIES PORTFOLIO DRAFT BUDGET 2023/24

Contact Officer: David Bradshaw, Head of Finance, Children, Education and Families
Tel: 020 8313 4807 E-mail: David.Bradshaw@bromley.gov.uk

Chief Officer: Director of Finance

Ward: All Wards

1. Reason for report

- 1.1. The prime purpose of this report is to consider the Portfolio Holder's Draft 2023/24 Budget which incorporates future cost pressures and initial draft budget saving options which have been reported to Executive on 18th January 2023. Members are 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.
 - 1.2. Executive are requesting that each PDS Committee consider the proposed initial draft budget savings and cost pressures for their Portfolio and the views of each PDS Committee be reported back to the next meeting of the Executive, prior to the Executive making recommendations to Council on 2023/24 Council Tax levels.
 - 1.3. There are still outstanding issues and areas of uncertainty remaining. Any further updates will be included in the 2023/24 Council Tax report to the next meeting of the Executive.
-

2. RECOMMENDATIONS

2.1 The Children, Education and Families Budget Sub-Committee is requested to:

- i) Consider the update on the financial forecast for 2023/24 to 2026/27;
- ii) Consider the initial draft 2023/24 budget as a basis for setting the 2023/24 budget; and
- iii) Provide comments on the initial draft 2023/24 budget for the February meeting of the Council's Executive.

Impact on Vulnerable Adults and Children

1. Summary of Impact: Children, Education and Families Portfolio budget setting supports the provision of services to vulnerable young people
-

Corporate Policy

1. Policy Status: Existing Policy
 2. BBB Priority: Excellent Council
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Financial

1. Cost of proposal: Not Applicable
 2. Ongoing costs: Recurring Cost
 3. Budget head/performance centre: Children, Education and Families portfolio budgets
 4. Total current budget for this head: £66,980k (draft 2023/24 budget)
 5. Source of funding: Draft revenue budget for 2023/24
-

Personnel

1. Number of staff (current and additional): Full details will be available with the Council's 2023/24 Financial Control Budget to be published in March 2023
 2. If from existing staff resources, number of staff hours: Not Applicable
-

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 Local Government Act 2000; the Local Government Act 2002 and the Accounts and Audit Regulations 2015.
 2. Call-in: Not Applicable
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): The 2023/24 budget reflects the financial impact of the Council's strategies, service plans etc. which impact on all of the Council's customers (including council tax payers) and users of the services.
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Ward Councillor Views

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

3. COMMENTARY

3.1. APPROACH TO BUDGETING, FINANCIAL CONTEXT AND ECONOMIC SITUATION WHICH CAN IMPACT ON PUBLIC FINANCES

- 3.1.1. The Draft 2023/24 Budget enables the Council to continue to deliver on its key priorities and the financial forecast enables medium term financial planning. Early decisions should be considered which impact on the medium-term financial plan within the context of meeting 'Making Bromley Even Better'.
- 3.1.2. The Council continues to deliver key services and 'live within its means'. Forward financial planning and financial management is a key strength at Bromley. This report continues to forecast the financial prospects for the next four years and includes the outcome of the Provisional Local Government Finance Settlement 2023/24. It is important to note that some caution is required in considering any projections for 2024/25 to 2026/27 as this depends on the outcome of the Government's next Spending Review as well as the impact of the Fair Funding Review (likely to be from 2026/27).
- 3.1.3. A strong economy with growth increases revenues which supports the Government's ability to reduce public sector debt as the gap between finances raised and spend on public services is reduced. The slowing down of the global economy and many sources of uncertainty has previously resulted in a downgrading of the level of economic growth in the UK economy. It is important to consider the key national issues that could impact on public finances over the next four years. The Covid situation had a dramatic impact on public finances. Not since the second world war has a national emergency affected every business and household in the UK. The economic shock has had no comparisons for over 300 years. As part of the Office for Budget Responsibility report, published with the Autumn Statement, government overall debt is projected to represent 89.9% of Gross Domestic Product (GDP). This is expected to continue to increase and peak at 97.6% in 2026/27, maintaining a level not seen since the early 1960s. The next few years remain uncertain economically and fiscally, given that GDP is expected to fall in 2023/24 but deliver an overall increase of 2.6% per annum by 2026/27. These economic factors could impact on the funding available for local government. The Spending Review provided a one-year settlement which leaves considerable uncertainties over future years, with some limited assurances for 2024/25. However local government funding is currently expected to fall from 2025/26.
- 3.1.4. Local Government has borne the brunt of austerity and savings compared with other areas of Government expenditure from 2009/10 till 2019/20 (10 years) and had a 'rollover plus' one-year financial settlement for 2020/21, 2021/22 and 2022/23. For 2023/24 the Council has received a more generous settlement which includes additional funding for social care, including the repurpose of Adult Social Care Reform monies and a new Adult Social Care Grant. However, this needs to be considered in the context of the 'new normal' (post Covid), significant increases in inflation since 2022/23 and the considerable cost pressures across service areas facing local government. Austerity measures for future years, from 2025/26, will be a consideration but this will depend on the need for a sustainable economic recovery. It is currently predicted that it could take more than a decade to return UK public finances to full health. Therefore 'flat' real terms funding for councils may be the best-case scenario from 2025/26. The Government will need to address the impact of the public finances from the Covid situation. Although, the Government did give positive recognition of the need for funding for local government, as part of the 2023/24 Provisional Local Government Finance Settlement, funding may remain 'unprotected' and the impact of additional funding for NHS and other 'protected' services results could lead to future real term funding reductions remaining for local government. Even if funding levels are maintained the ongoing demographic and other costs pressures are unlikely to be matched by corresponding increases in government funding.

- 3.1.5. The Provisional Local Government Finance Settlement 2023/24 mainly provides funding proposals for one year only and the financial forecast assumes that various elements of the additional funding will continue in future years.
- 3.1.6. The Budget Strategy has to be set within the context of ongoing cost and demographic pressures not being matched by Government or other external funding with potential Government funding reductions in the medium and longer term. There is an on-going need to transform the size and shape of the organisation to secure priority outcomes within the resources available. There is also a need to build in flexibility in identifying options to bridge the medium-term budget gap as the gap could increase further.
- 3.1.7. Bromley has the second lowest settlement funding per head of population in 2023/24 for the whole of London, giving us £118 per head of population compared with the average in London of £314 – the highest is £533. Despite this, Bromley has retained the third lowest council tax in outer London (other low grant funded authorities tend to have higher council tax levels). If the council tax was the average of the four other low grant funded boroughs, our income would increase by £30.2m. The lower council tax level has been achieved by having a below average cost per head of population in outer London. The Council continues to express concerns with the current and previous governments about the fairness of the funding system and to lobby for a fairer deal for our residents. Despite being a low-cost authority, Bromley has achieved general savings of over £120m since 2011/12 but it becomes more challenging to achieve further savings with a low-cost base.

3.2. SUMMARY OF FINANCIAL FORECAST

- 3.2.1. Details of the financial forecast are provided in the Draft 2023/24 Budget and Update on the Council's Financial Strategy 2023/24 to 2026/27 report to the Executive on 18th January 2023.
- 3.2.2. Even though the draft budget would be broadly balanced next year, the future year's budget gap is projected to increase to £29.6m per annum by 2026/27. Without any action to address the budget gap in future years additional reserves will need to be used with the risk of the budget gap increasing in future years and becoming unsustainable.
- 3.2.3. In the financial forecast, after allowing for inflation, council tax income and other changes there is an unfunded budget gap from 2026/27 partly due to net service growth/cost pressures. This highlights the importance of scrutinising growth and recognition that corresponding savings will need to be found to achieve a statutory balanced budget. It is timely as we all have to consider what level of growth the council can afford and the need for significant mitigation or alternative transformation options.

3.3. CHANGES SINCE THE 2022/23 BUDGET THAT IMPACT ON THE DRAFT 2023/24 BUDGET AND FINANCIAL FORECAST

- 3.3.1. The 2022/23 Council Tax report reported to Executive in February 2022 identified a significant "budget gap" over the four-year financial planning period. Some key changes are summarised below.
- 3.3.2. The Local Government Finance Settlement 2023/24, which covers 2023/24 continues to provide a significant improvement in funding for local government and combined with 2021/22 and 2022/23 represented the most positive funding proposal for local government since austerity began 12 years ago. The latest 2023/24 settlement provides a continuation of real increases in funding although this is retaining reliance on the utilisation of the ASC precept (2% increase) to support cost pressures in social care. It has also provided retention of One-Off Services Grant (reduced from £2.652m in 2022/23 to £1.494m in 2023/24, repurposed Adult Social Care Reforms funding (£5.9m (net) in 2023/24 rising to £8.4m (net) per annum from 2024/25),

additional funding towards social care costs (£3.9m in 2023/24 rising to £6.6m in 2024/25) and inflation cover for the Council's business rate share (£4.1m).

- 3.3.3. The additional funding is welcomed but this has to be considered against the highest inflation levels for 41 years and ongoing cost/service pressures. Uncertainty remains on the level of funding beyond 2024/25. The forecast assumes that the level of core grant funding will not reduce from 2025/26.
- 3.3.4. Historically, the main measure of inflation for annual price increases for the Council's contracted out services was Retail Price Index (excluding mortgage interest rates) i.e., RPIX. However, more recent contracts use Consumer Price Index (CPI). The RPIX is normally at least 1% above the Consumer Price Index (CPI) level. The Draft 2023/24 Budget assumes contract price increases of 8.0%, in 2023/24 reducing to 4.0% in 2024/25 and 2% per annum from 2025/26, which compares with the existing CPI of 10.7% (13.9% for RPIX) - inflation is at its highest level for 41 years. The Bank of England reported that CPI inflation remains elevated at over 10% in the near term'. They also state that 'CPI inflation is expected to remain close to 11% through the remainder of Q4. It then eases towards 10% in 2023 Q1, before falling further in subsequent quarters'. However the Monetary Policy Committee (MPC) views 'that the risks to the inflation projection are skewed to the upside'.
- 3.3.5. The Draft 2023/24 Budget and financial forecast includes significant growth/cost pressures, with the net impact reduced to reflect mitigation assumed of £14.1m in 2023/24 rising to £26.8m per annum from 2026/27. Any reduction in the delivery of the mitigation savings could have a significant detrimental impact on the Council's budget gap and the contingency sum provides some funding support towards delivering a balanced budget in the medium term. Given the scale of savings identified and any inherent risks, the need for longer term financial planning, the uncertainty on future year cost pressures, significant changes that may follow relating to future new burdens, effect of ongoing population changes and the potential impact of other public agencies identifying savings or new cost burdens which impact on the Council's costs it is essential to retain an adequate sum to partly mitigate such cost risks. The uncertainty of future arrangements for Adult Social Care reforms adds to that risk. If the monies remaining are not required during the year the policy of using these resources, in general, for investment, generate income/savings and provide a more sustainable financial position should continue.
- 3.3.6. With a remaining uncertainty on Government funding available in the future and the ongoing requirement for local authorities to be more self-sufficient, there is a need to consider what significant changes are required to manage within this new environment. The required changes relate to opportunities for partnership working, collaboration, reviewing the approach to managing risks, using technology to enable transformation of our services, helping people help themselves (friends' groups) and exploring opportunities around community-based place shaping led by the Council as a community leader. Even with the additional income identified in this report the Council will need to plan for significant changes including the impact of a recession and the 'new normal'. As pressures in statutory services such as adult social care, children's social care and high needs as well as homelessness are growing, the scope to invest in local priorities and services that benefit the widest range of people is reducing. The Council has delivered savings of over £120m per annum since 2009/10 and the ability to make savings in lower priority areas becomes more problematic. The need for savings in areas that support the Council's key priorities becomes more critical to meet the legal requirements for a balanced budget. The Council will continue to look for ways to operate more efficiently and generate more income, but this alone will not be enough to meet the future years' budget gap. The key consideration is how the Council can balance the budget over the next four years. Considering the core statutory minimum service requirements, Chief Officers continue to undertake the transformational review across all services, focusing on higher spend services first with options being presented to future meetings. The ongoing transformation review will be a key consideration in addressing the budget gap over the next four years.

3.3.7. The current Children, Education and Families Portfolio Draft 2023/24 Budget includes the full year effect of Phase 2 and the current Phase 3 Transformation Savings, totalling £424k in 2023/24 increasing to £890k per annum from 2026/27. A summary of the savings is provided below with more details within Appendix 1.

Transformation Savings

	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000
Full year effect of previous years transformation				
Emergency Foster Placements	-79	-158	-158	-158
SEND Transport	-50	-50	-50	-50
Adult Education income generation	13	16	16	16
New Transformation for 2023/24				
Youth Services review	-125	-250	-250	-250
0-25 Transitions Service	-100	-200	-300	-300
Maintained Nurseries to work under a commercial model	-68	-133	-133	-133
Fees and charges	-15	-15	-15	-15
Total	-424	-790	-890	-890

3.3.8. This key work continues, and further proposals will be reported to Members in the future as part of addressing the four-year financial forecast and meeting the 'budget gap' whilst ensuring key priorities are met.

3.3.9. There remain significant cost/growth pressures impacting on education, High Needs Transport, housing, adults and children's social care as well as opportunities for the mitigation of costs. For this Portfolio, there are additional costs relating to SEN Transport, placements and children social care staffing. The financial forecast elements for CEF are summarised below.

	2023/24	2024/25	2025/26	2026/27
	£'000	£'000	£'000	£'000
Growth/cost pressures	28,737	36,411	43,133	49,021
Mitigation	-483	-794	-1,141	-1,241
Offset by DSG grant/deficit reserve	-20,802	-28,100	-34,062	-39,400
Net additional costs	7,452	7,517	7,930	8,380

3.3.10. It remains essential that there is the ongoing scrutiny and review of growth/cost pressures, which are mainly unfunded beyond 2024/25 with options to help achieve a balanced budget, including any mitigation over the financial forecast period.

3.4. DETAILED DRAFT 2023/24 BUDGET

3.4.1. Detailed draft 2023/24 Budgets are attached in Appendix 1 and will form the basis for the overall final Portfolio/Departmental budgets after any further adjustments to deal with service pressures and any other additional spending. Under the budget process previously agreed, these initial detailed budgets have been forwarded to PDS committees for scrutiny and comment prior to the next Executive meeting in February.

3.4.2. Appendix 1 sets out:

- A summary of the Draft 2023/24 Revenue Budget for the Portfolio showing actual 2022/23 expenditure, 2022/23 budget, 2023/24 budget and overall variations in planned spending between 2022/23 and 2023/24;
- A summary of the main reasons for variations per Portfolio in planned spending between 2022/23 and 2023/24 together with supporting notes;
- A high level subjective summary for the Portfolio showing expenditure on employees, premises etc.

3.5. REVIEW OF FEES AND CHARGES

- 3.5.1. There will need to be an ongoing review identifying opportunities as the medium term 'budget gap' remains significant. The 2023/24 Budget includes significant additional income from the review of fees and charges and Chief Officers will continue to review fees and charges for 2024/25 and beyond to identify opportunities to reduce the future years 'budget gap'.

3.6. IDENTIFYING FURTHER SAVINGS/MITIGATION

- 3.6.1. The scale of savings required in future years cannot be met by efficiency alone – there may need to be a reduction in the scope and level of services. The council will need to continue to review its core priorities and how it works with partners and key stakeholders and the overall provision of services. A significant challenge is to consider discretionary services which, if reduced, could result in higher cost statutory obligations. Therefore, it is important to consider the risk of 'unintended consequence' of reducing discretionary services adversely impacting on the cost of statutory services. The Draft 2023/24 Budget represents the fourth year of savings from the Transformation Programme (see section 6.6). This key work continues, and further proposals will be reported to Members as part of addressing the four- year financial forecast and meeting the 'budget gap' whilst ensuring key priorities are met.

3.7. HOMES FOR UKRAINE

- 3.7.1. The Government announced in mid-December 2022 additional funding in 2023/24, following the first year of funding which includes an increase in the monthly support provided to host families from £350 per month to £500 per month as well reducing the one off 'council tariff' for new arrivals after 1st January 2023 (revised to £5,900) and retain the existing Education tariffs for new arrivals.

3.8. SCHOOLS BUDGET

- 3.8.1. Since 2003/04, the Council has received funding for the 'Schools Budget' element of Education services through a ring fenced grant, more recently through the Dedicated Schools Grant (DSG).
- 3.8.2. The implementation of the National Funding Formula (NFF) began in 2018/19. Funding has been split into four blocks, Schools, High Needs, Early Years and Central Spend DSG. The funding splits are detailed in the table below:-

PROVISIONAL DSG FUNDING					
	Schools	High Needs	Early Years	Central	Total
	£'000	£'000	£'000	£'000	£'000
2022/23	245,142	67,544	21,011	2,091	335,788
2023/24 (provisional)	257,152	74,086	22,252	2,046	355,536
Variation	12,010	6,542	1,241	-45	19,748

- 3.8.3. The figures in the table above are provisional and subject to change once DfE issue any updates in due course.
- 3.8.4. The Schools Block has risen by £12m. This is due to an increase in the per pupil unit of funding and increases in the population figures. This includes the previous year supplementary grant of £7.1m which was paid as a separate grant in 2022/23. Allowing for the £7.1m grant the funding increase is £4.9m. The majority of this funding will be top sliced and returned to DfE to fund Academy Schools.
- 3.8.5. There has also been an announcement of additional supplementary grant of £8.754m for 2023/24 for schools. This was originally to provide support for the costs of the Health and Social Care Levy and wider costs. This will be distributed as a separate grant in 2023/24 only as the intention is to integrate this into the DSG from 2024/25 onwards.
- 3.8.6. The High Needs Block is seeing pressures coming through the system. Nationally the Government were seeing some authorities building up high levels of deficit reserves. This particular funding issue has been acknowledged, and further funding committed for 2023/24.
- 3.8.7. The DSG allocation has resulted in an increase in high needs block funding of £6.5m for Bromley. £2.9m of this amount was announced in the Autumn spending review in recognition of increases in costs above and beyond the previous spending review and is intended to reflect likely cost increases local authorities and special schools will face in the provision for children and young people with high needs.
- 3.8.8. DfE has stipulated how this funding can be distributed to maintained special schools, special academies, pupil referral units and AP academies and therefore there are some restrictions on the use of this additional grant. The previous year's supplementary grant of £2.4m has been merged into the 2022/23 baseline figure
- 3.8.9. The remaining £3.6m is due to increases in per pupil funding and the increase in pupils themselves.
- 3.8.10. Although there are increases in funding, predictions for expenditure are rising at a faster rate. This is due to growth in pupil numbers in this area, Government extending the scope of the High Needs Block from ages 5 to 19 to 0 to 25 and historical baseline funding adjustments. Moreover, future funding levels have not yet been announced and so there is uncertainty as to what funding levels will be from 2024/25.
- 3.8.11. Early Years funding has increased by £1.241m. DfE have increased the part time equivalent (PTE) rates by 60p per hour for two-year-old funding and 29p per hour for three- and four-year-old funding for 2023/24. This has increased the grant by £1.227m. The assumption for volumes of hours (PTE's) remains the same for 2023/24 as the latest volumes for the 2022/23 DSG as DfE use January 2022 data. However this will change once the January 2023 census is

published which will affect the figures. The remaining £14k increase is due to increases in Early Years Pupil Premium (EYPP) and Disability Access Funding (DAF).

3.8.12. The Central Block has decreased by £45k. The per pupil rate fell by 2.5% (the equivalent of a loss of £52k). £7k of additional grant was received due to the increase in pupil numbers. There continues to be pressures in the Central Schools DSG due to funding shortfalls. Last year the Council used £460k of core LBB funding to underpin this expenditure. A further £50k is being proposed for 2023/24 bringing the total Council core funding to £510k.

3.9. POSITION BY DEPARTMENT – KEY ISSUES/RISKS

Overall Demand Pressures

3.9.1. Although the impact of Covid on the practical aspects of delivering services to young people have now largely receded we continue to experience a range of challenges in terms of safeguarding for our most vulnerable children these are as follows.

- Continued pressures on the number of children needing to come into care due to issues of either their own emotional health or their parenting being adversely impacted by the mental health problems of their parents.
- We continue to experience pressures in identifying some specialist placements for complex needs children where their home situation is unable to be sustained due to the complexity or severity of their needs and these placements costs are at the high end.
- We are also experiencing additional pressure in relation to the cost of residential placements. The past year has seen the significant rise in the cost of all placements, but this is most pronounced in specialist residential accommodation. We have seen a 15-17% rise in costs in the past year. This is driven by both the increases in inflation and the cost of living, but is also driven by the market position of increased demand and a fixed number of specialist beds in the system.
- Over the past year we have also experienced significant pressures in relation to the recruitment and retention of staff. This has led to an increased reliance on agency staffing. The cost-of-living pressures particularly in the London area are driving staff out of London. This is compounded by many out of London LA's offering increased wages.

Children's Social Care

Volume in referrals and workload:

3.9.2. The Bromley Children Project has continued to be flexible and extend further its reach to support families who are on the cusp of universal and targeted support. The service has continued to be innovative in supporting families through a myriad of online opportunities and face to face through the cost-of-living pressures.

3.9.3. We continue with the challenge to reach out to the older age group in being able to support them before they enter statutory social care including work on disproportionality and how we can support our BAME community.

3.9.4. As previously highlighted, the number and complexity of referrals have increased. Many of the referrals are linked to emotional and mental health concerns.

Recruitment of permanent staff

- 3.9.5. As highlighted earlier, this continues to be a significant challenge. Currently 81% of staff are permanent. Whilst this remains higher than many other London authorities, it is below the figure we have budgeted for, and hence presents a continuing pressure on the staffing budget. Recent exit feedback from staff that have left indicate that the cost of living and working in London is proving to be a factor in decisions to leave. This is particularly the case for many of our younger staff. We also know that some Authorities outside of London and across the south-east are also offering higher salaries or “golden hello” deals.
- 3.9.6. These challenges are most pronounced in our MASH, RAS and Safeguarding services.
- 3.9.7. We have a full contingent of permanent staff in our Looked After Children and Care Leaving service, fostering, SGO and CWD. It is the safeguarding front line services that are the most challenging and this is in line with other London Local Authorities.
- 3.9.8. We continue to seek to promote from within and encourage career progression as a major element of our staff retention approach. We are also in the process of recruiting to 20 staff from South Africa and Zimbabwe.

Keeping our caseload promise

- 3.9.9. Because of the continued rise in demand it has been difficult to maintain our caseload promise at the anticipated levels. Our caseload promise is between 12–15 children and this continues to be challenging with the high number of cases coming through the front door. In order to mitigate this we have secured funding for additional numbers of Social Workers in the MASH, RAS and Safeguarding services. Although the recruitment market remains challenging for all of the reasons outlined above, we are exploring a number of avenues (such as overseas recruitment) as well as regularly reviewing caseloads to move cases to closure/transfer as another way of reducing workloads.
- 3.9.10. Caseloads continued to be monitored closely at a weekly meeting with the DCS and Assistant Director. These meetings focus on how cases can be reviewed, moved and closed to ensure all SW’s retain safe levels of cases.

Placement of Children in Care

- 3.9.11. The DCS and Assistant Director of Children Social Care monitors all requests for children to be accommodated. Agreement on any reception into care NOW sits with the DCS.
- 3.9.12. All children in care are regularly reviewed through the Placement Panel which continues to take place every Friday. We continue to seek and obtain financial contribution from our ICB partners and ensure that the financial split is proportionate. We review our ICB contribution yearly to ensure that ICB financially plan and contribute going forward. We have just completed this exercise and now have a provisional agreement for 2.35 million, plus an additional 500k.
- 3.9.13. Post Covid, the increasing complexity of young people coming into care is testing the suitability of placements and again we have recently been in a position where two young people reached the secure threshold and no placements were available, leaving the LA with not only the risk to bear but finding a high dependency of support workers causing the cost to be above that of a secure placement. – this current cost of such placements is around 10 – 12K per week
- 3.9.14. Bromley continues to be part of the Commissioning Alliance, along with 11 other boroughs. We are currently looking at how membership of this organisation might provide further

efficiencies in our commissioning. Currently the stability of our placements is very good despite the challenging circumstances.

- 3.9.15. Our 4 step down foster carers have now been caring for 5 young people who were high profile, complex and in residential. This resource has ensured good outcomes for young people as well as significant financial savings.
- 3.9.16. We also have a cohort of foster carers who take children in an emergency during the night or at weekends (sometimes from custody), which is when children are often placed with external providers, sometimes miles away and high cost. We have now recruited a 5 foster carers to this cohort.
- 3.9.17. Our Staying Together team has continued to work across the service areas preventing children 11- 18 entering care and to date this has been very successful. They have worked with 180 children and only 6 of those came into care. They are currently supporting some young people within the YOS preventing those young people not only becoming looked after but preventing them entering the judicial system. This approach has been so successful that we are currently looking to strengthen this team so that we can prevent a wider cohort of children from needing to enter care.

Unaccompanied Asylum-Seeking Children

- 3.9.18. We are now part of the mandatory National Placement System, and because of the record numbers of refugees coming into the country, this has meant that our overall numbers have increased. We are currently supporting 83 young people (79 last year) 9 under the age of 18 and the rest as care leavers. These young people continue to be vulnerable with trauma's that require specific and skilled work and with C19 has had a more profound impact and effect on their mental health.

Education

- 3.9.19. Over the past year the Adult Education service has seen a significant increase in the numbers of learner wanting to access its services and has bounced back strongly from Covid-19. In particular we have seen a number of Ukrainian refugee residents taking up English and maths courses.
- 3.9.20. Our overall population continues to increase with a particularly increase in the school age population (this was 61,343 in 2018, was 62,108 in March 2021.) Over the period since 2010 this equates to a 9.62% increase. These increases are creating pressure for universal services such as school admissions and school attendance where services are dealing with more children within the same resources. The pressure on funding for alternative provision has been mitigated by the move to a five year commissioning approach, following the Review of Alternative Provision. Nevertheless, the numbers of pupils with complex behaviours that challenge continues to increase, placing a pressure on services. We aim to mitigate this with increased focus on earlier intervention and outreach. Secondary permanent exclusions have reduced significantly, however this will need to be monitored closely.

SEN/D (Special Educational Needs and Disability) pressure

- 3.9.21. The greatest pressure is in the area of SEN/D with an overspend in the DSG (Dedicated Schools Grant) High Needs Block arising from exponential increase in the need for specialist placements. These pressures are in line with other Boroughs across London and England. Between 2016 and 2022, the number of children with special educational needs requiring an EHCP (Education, Health and Care Plan) has increased by 33%, significantly higher than the overall increase in the school age population. In November there were 3,539 Bromley resident children with an EHCP. This is an increase of 216 children in the past 12 months. In 2017,

there were 422 requests for statutory assessment, the which increased to 823 by the end of 2019/20.

- During 2022, the education service has taken a number of actions to seek to manage down these demands. These have included SEND Transport Route optimisation review, to reduce costs and routes and make more effective use of resources
- Expand the Travel Training scheme to ensure more young people travel on public transport
- Review the eligibility for SEND Transport
- Review the eligibility for EHCP assessments.
- Commission 16 additional Special school places within the Borough to reduce reliance on out of borough travel arrangements.

3.9.22. In addition to these measures we continue to use existing resources more effectively to support placements in mainstream schools, as far as possible. Action taken includes:

- Free school bid approved for a new special school for children with ASD (Autistic Spectrum Disorder) to enable Bromley to place more children locally in Bromley schools so reducing spend in more costly places in the non-maintained and independent sector. This new school is likely to open in 2024
- Service Level Agreements developed for all Additionally Resourced Provision in mainstream schools to ensure that places are used efficiently.
- SEND Training Collaborative has developed comprehensive training offer for schools and providers, supported by the SEN Advisory teams to strengthen support for children in mainstream schools.

3.9.23. The Education MTFs (Medium Term Financial Strategy) mitigations are predicated on placing more children and young people within mainstream and local specialist provision and over time reducing the number of out of Borough and independent placements. This carries significant risks because provision for children is determined by their presenting needs according to the legal tests set out within the SEND Code of Practice and there is a shortfall of local specialist provision, which the free school will help to address, but not until at least September 2023. With sustained exponential increases in demand for EHCPs and increasing numbers of cases being overturned by SEND Tribunals, this will remain a challenge across the MTFs period.

4. IMPACT ON VULNERABLE ADULTS AND CHILDREN

4.1 The draft 2023/24 Budget reflects the Council's key priorities which includes, for example, supporting vulnerable adults with children and being ambitious for all our children and young people.

5. POLICY IMPLICATIONS

5.1 The Draft 2023/24 Budget enables the Council to continue to deliver on its 'Making Bromley Even Better' key priorities and the financial forecast enables medium term financial planning allowing for early decisions to be made which impact on the medium-term financial plan. The Council continues to deliver key services and lives within its means.

6. FINANCIAL IMPLICATIONS

6.1 Financial implications are contained within the overall body of the report.

7. PERSONNEL IMPLICATIONS

7.1 Staff, departmental and trade union representatives will be consulted individually and collectively on any adverse staffing implications arising from the Draft 2023/24 Budget. Managers have also been asked to encourage and facilitate staff involvement in budget and service planning.

8. LEGAL IMPLICATIONS

8.1 The adoption of the budget and the setting of the council tax are matters reserved for the Council upon recommendation from the Executive. In coming to decisions in relation to the revenue budget (and the Council Tax), the Council and its officers have various statutory duties. In general terms, the Council is required by the Local Government Finance Act 1992 to make estimates of gross Revenue expenditure and anticipated income, leading to a calculation of a budget requirement and the setting of an overall budget (and Council Tax). The amount of the budget requirement must be sufficient to meet the Council's legal and financial obligations, ensure the proper discharge of its statutory duties, and lead to a balanced budget.

8.2 Schedule 72 to the Localism Act 2011 inserted a new section IVZA in the Local Government Finance 1992 Act which sets out the duty on billing authorities, and precepting authorities to each determine whether their relevant basic amount of council tax for a financial year is excessive. If an authority's relevant basic amount of council tax is excessive, the provisions in relation to the duty to hold a referendum will apply.

8.3 The Education Act 2005 introduced the concept of a funding period, which allows for the introduction of multiple year budgets rather than the setting of financial year budgets.

8.4 Executive is being requested to delegate the setting of the schools' budget funded through the Dedicated Schools Grant to the Education, Children and Families Portfolio Holder.

8.5 The making of these budget decisions at full Council is a statutory responsibility for all Members. The Council should be satisfied that the proposals put forward are a reasonably prudent use of resources in both the short and long term, and that the interests of both Council Taxpayers and ratepayers on the one hand and the users of Council services on the other are both taken into account. The Council has a number of statutory duties which it must fulfil by law. Although there can be an element of discretion on level of service provision. The Council also discharges a range of discretionary services. The Council is not bound to carry out such activities in the same way as it is for statutory duties, however, it may be bound contractually to do so. A decision to cease or reduce provision of a discretionary service must be taken in accordance with sound public /administrative law decision making principles. The Council must also comply with the Public Sector Equality Duties in section 149 of the Equality Act 2010. In doing so, the Council must have due regard to elimination of discrimination, harassment and victimisation, advance equality of opportunity and foster good relations with persons who share a protected characteristic.

8.6 This report sets the budget for the forthcoming financial year and, in some cases where budgets are recommended to be reduced, further decisions may be required (or have already been taken) to implement the initiative achieving the budget reduction. These decisions will be subject to any applicable consultation requirements and analysis of equalities impacts together with consideration of other specific legal requirements. This will be undertaken as part the decision-making process as required to implement the proposed budget.

- 8.7 Further a significant number of these decisions are by law for the Executive or delegated officers. Such considerations, which will be fully assessed by the decision makers in due course, are therefore not set out in this report. It therefore follows that the outcome of these decisions may lead to further amendments and/or changes to the proposed savings. Members will be aware that decisions on the budget do not amount to detailed decisions on the precise delivery of services, those decisions, in any event, for most services, being by law a matter for the Executive. Decision makers (usually Executive, Portfolio Holders or Chief Officers) are aware and will be reminded of their flexibility for example, around possible budget virements and adjustments and the use of reserves when they consider it appropriate to make alternative decisions, which may not accord with a particular budget line. The overall requirement to balance the budget remains, however.
- 8.8 The Local Government Act 2003 included new requirements to be followed by local authorities, which includes the CIPFA Prudential Code. This includes obligations, which includes ensuring adequacy of future years reserves in making budget decisions and section 25 of that Act requires the Director of Finance to report on the robustness of the estimates made for the purposes of calculating the Council Tax and the adequacy of the reserves. Further details to support these obligations will be reflected in the 2023/24 Council Tax report to be reported to the February meeting of the Executive. The adoption of the budget and the setting of the council tax are matters reserved for the Council upon recommendation from the Executive. The Local Government Finance Act 1992 (as amended) requires the Council to set an amount of Council Tax for each financial year and provides that it must be set before 11th March in the financial year preceding that for which it is set. Sections 73-79 of the Localism Act 2011 amended the calculations billing and precepting authorities need to make in determining the basic amount of Council Tax. The changes included new sections 31 A and 31 B to the Local Government Finance Act 1992 which has modified the way in which a billing authority calculates its budget requirement and basic amount of Council Tax.

Non-Applicable Sections:	Procurement Implications
Background Documents: (Access via Contact Officer)	Draft 2023/24 Budget and Update on the Council's Financial Strategy 2024/25 to 2026/27, Executive 18th January 2023. Finance monitoring, Estimate Documents, etc all held in Finance Section

CHILDREN, EDUCATION AND FAMILIES PORTFOLIO**DRAFT REVENUE BUDGET 2023/24 - SUMMARY**

2021/22 Actual	Service Area	2022/23 Budget	Increased costs	Other Changes	2023/24 Draft Budget
£		£	£	£	£
	Childrens Social Care				
1,775,557	Bromley Youth Support Programme	1,778,320	110,810	Cr 125,000	1,764,130
8,149,915	CLA and Care Leavers	8,280,450	496,370	2,593,890	11,370,710
676,052	Early Intervention and Family Support	1,341,650	189,800	Cr 69,850	1,461,600
21,406,286	Fostering, Adoption and Resources	19,025,320	1,381,510	3,442,390	23,849,220
4,357,719	Referral and Assessment Service	4,202,500	253,500	22,590	4,478,590
3,907,957	Safeguarding and Care Planning East	3,012,010	180,740	917,840	4,110,590
2,778,625	Safeguarding and Care Planning West	5,991,440	383,640	101,120	6,476,200
Cr 980,148	Safeguarding and Quality Improvement	(2,146,650)	169,320	Cr 4,431,640	(6,408,970)
42,071,963		41,485,040	3,165,690	2,451,340	47,102,070
	Education Division				
49,157	Workforce Development & Governor Services	(4,600)	1,700	0	(2,900)
99,173	Strategic Place Planning	132,310	20,250	0	152,560
0	Special Schools & Alternative Provision	15,674,480	940,470	5,320	16,620,270
2,612,226	SEN and Inclusion	41,383,250	2,553,610	9,145,000	53,081,860
Cr 1,455,746	Schools Budgets	(79,001,430)	(4,497,390)	(8,326,140)	(91,824,960)
694,308	Schools & Early Years Commissioning and QA	21,633,340	1,302,930	(71,000)	22,865,270
25,327	Other Strategic Functions	3,063,130	178,630	10,320	3,252,080
Cr 460,574	Adult Education Centres	(437,900)	(0)	10,000	(427,900)
6,974,439	Access and Inclusion	3,575,130	227,310	13,500	3,815,940
6,017,710		6,017,710	727,510	787,000	7,532,220
48,089,673	TOTAL CONTROLLABLE	47,502,750	3,893,200	3,238,340	54,634,290
6,321,290	TOTAL NON CONTROLLABLE	1,593,870	18,900	(108,220)	1,504,550
9,679,039	TOTAL EXCLUDED RECHARGES	10,852,210	0	(10,810)	10,841,400
64,090,002	PORTFOLIO TOTAL	59,948,830	3,912,100	3,119,310	66,980,240

CHILDREN, EDUCATION AND FAMILIES PORTFOLIO

SUMMARY OF BUDGET VARIATIONS 2023/24

Ref	VARIATION IN 2023/24		ORIGINAL
	£'000	£'000	BUDGET 2022/23 £'000
1 2022/23 BUDGET		59,949	
2 Increased Costs		3,912	
Full Year Effect of Allocation of Central Contingency			
3 Agency saving in 2022/23 Budget	Cr 121		
4 NI Adjustment 2022/23	<u>Cr 163</u>	Cr 284	
Movements Between Portfolios/Departments			
5 Transfer of funding to the Chief Executives department	Cr 200		
6 Violence Against Women and Girls (VAWG) budget	<u>Cr 64</u>	Cr 264	
Real Changes			
<i>Other Real Changes</i>			
7 Drawdown of Reserves for Additional Social Worker Posts	870		
8 Removal of COVID Funding	200		Cr 3,000
9 Repurposed ASC Reform Monies	<u>Cr 4,300</u>	Cr 3,230	0
<i>Growth</i>			
10 FYE effect of 2022/23 Children's Placements	6,600		20,937
11 Cost pressures SEN Transport	700		7,771
12 SEN Transport additional demand	575		7,771
13 Decrease in Central DSG allocation	50		
14 Ed Psychologists	<u>10</u>	7,935	1,016
<i>Mitigation</i>			
15 Additional CCG Contribution	Cr 100		Cr 2,350
16 SEN Transport route optimisation, etc	<u>Cr 383</u>	Cr 483	7,771
<i>Transformation Programme Savings</i>			
17 Adult Education	13		Cr 438
18 Fees and Charges	Cr 15		
19 Transport Services Policy	Cr 50		7,771
20 Maintained Nursery's to work under a commercial model	Cr 68		162
21 Emergency Foster Placement	Cr 79		5,361
22 0-25 Transitions Service (Inc. Short Breaks)	Cr 100		
23 Youth Services Review	<u>Cr 125</u>	Cr 424	732
24 Variations in Capital Charges		Cr 209	
25 Variations in Insurances		78	
26 2023/24 DRAFT BUDGET		<u>66,980</u>	

CHILDREN, EDUCATION AND FAMILIES PORTFOLIO

Notes on Budget Variations in 2023/24

Ref Comments

Full Year Effect of Allocation of Central Contingency

- 3 Agency saving in 2022/23 Budget (Cr £121k)
The full year effect of agency worker savings expected as a result of the most recent contract award.
- 4 NI Adjustment 2022/23 (Cr £163k)
The adjustment for the 1.25% National Insurance contributions increase included in the 2022/23 budget has been reversed, following the Government's announcement in September 2022.

Movements Between Portfolios/Departments

- 5 Violence Against Women and Girls (VAWG) (Cr £64k)
It was agreed that the VAWG service would move from Children Service to the PPE portfolio where the MOPAC funding is allocated.
- 6 Transfer of Funding to the Chief Executives Department (Cr£200k)
Movement of temporary funding allocated to CEF in 2022/23 back to Chief Executives Department for 2023/24

Real Changes

Other Real Changes

- 7 Drawdown of Reserves for additional Social Worker posts (Dr £870k)
This adjustment relates to the 'Additional Staffing Capacity for Children's Social Care' paper that has been approved by the Executive.
- 8 Removal of COVID Funding (Dr £200k)
Part reversal of the COVID funding provided as part of the 2022/23 Budget to support the on-going impact of COVID-19 on the CEF portfolio.
- 9 Repurposed ASC Reform Monies (Cr £4,300k)
The government had previously announced funding for the Adult Social Care Reforms which were due to take effect from October 2023. The reforms have subsequently been delayed for two years, however the funding has been repurposed and will be distributed through the Social Care Grant for adult and children's social care. This helps offset growth pressures detailed below.

Growth

- 10 FYE effect of 2022/23 Children's Placements (Dr £6,600k)
The full year effect of 2022/23 pressures on Children Social Care placements is £6,600k. This covers all of the different placements within the Children Social Care area. Within this figure are some assumed management actions.
- 11 Cost pressures SEN Transport (Dr £700k)
On top of the on-going increase in client numbers and costs, there is the additional pressure in relation to increased costs above inflation in 2022/23 that feed through into 2023/24.
- 12 SEN Transport additional demand (Dr £575k)
Additional funding is required to support the increase in the numbers of clients using the service. Increases in pupils are the start of the academic year of 18% over the last 2 years . Costs have also increased as due to the impact of COVID, there is a shortage of workers to drive the clients.
- 13 Decrease in Central DSG allocation (Dr £50k)
There is an expected reduction in the Central Services Block of the Dedicated Schools Grant (DSG) funding. The growth covers the loss of grant and maintains the current service levels.
- 14 Ed Psychologists (Dr £10k)
This is a continuation of the recruitment and retention policy in order to retain staff and avoid costly temporary / agency staff. The pay structure will be more in line with the market and will therefore attract slightly higher costs.

Mitigation

- 15 Additional CCG Contribution (Dr £100k)
Additional funding has been secured above and beyond current budgeted levels.
- 16 SEN Transport route optimisation, etc (Cr £383k)
To help off-set the pressures in SEN Transport Growth, the service has undertaken various reviews to optimise the routes they are being delivered in order to help alleviate pressures.

Transformation Programme Savings

- 17 Adult Education (Dr £13k)
A continuation of the slight reduction in the transformation savings due to one off savings in previous years.
- 18 Fees and Charges (Cr £15k)
Savings from an increase to fees and charges across the Council of 3% above budgeted inflation for 2023/24.
- 19 Transport Services Policy (Cr £50k)

Changes to service provision including Personal Budgets and Independent Travel training initiatives as reported previously to committee.

- 20 Maintained Nursery's to work under a commercial model (Cr £68k)
The in-house nurseries are currently being reviewed and options are being considered to move them to a more commercial model, as previously reported to committee.
- 21 Emergency Foster Placement (Cr £79k)
Assuming a steady stream of placements across the financial year being able to be diverted from IFA's and offsetting the costs of retaining three emergency carers.
- 22 0-25 Transitions Service (Inc. Short Breaks) (Cr £100k)
The combined 0-25 service will use a more efficient model of working which will enable savings to be made across the whole service.
- 23 Youth Services Review (Cr £125k)
There is an ongoing review of the Youth Service with the expectation that there will be efficiencies moving forward.
- 24 Variations in Capital Charges (Cr £209k)
The variation in capital charges is due to a combination of the following:
(i) Revenue Expenditure Funded by Capital Under Statute (REFCUS) – these are schemes in the capital programme that do not add value to the Council's fixed asset base. It is the nature of the capital programme that the projects covered will change from year to year. The amounts shown are for our current best understanding of the relevant schemes for 2023/24.
(ii) Government grants – mainly due to variations in credits for capital grants receivable in respect of 2023/24 capital programme schemes.
These charges are required to be made to service revenue accounts, but an adjustment is made below the line to avoid a charge on Council Tax.
- 25 Variations in Insurances (Dr £78k)
Insurance recharges to individual portfolios also have changed between years, in some cases significantly, partly due to the changing profile of actual claims in the recent past. Inflation has also had an impact, both on the projected policy costs, and the costs of delivering the service.

CHILDREN, EDUCATION AND FAMILIES PORTFOLIO
DRAFT REVENUE BUDGET 2023/24 - SUBJECTIVE SUMMARY

Service area	Employees £	Premises £	Transport £	Supplies and Services £	Third Party Payments £	Transfer Payments £	Government Grants	Other Grants Reimbursements and Contributions	Customer and Client Receipts	Controllable Recharges £	Below Cost of Services on CIES	Movement between Reserves	Total Controllable £
Childrens Social Care													
Bromley Youth Support Programme	2,059,260	196,970	34,020	203,830	99,770	0	Cr 352,230	Cr 173,630	Cr 235,510	Cr 68,350		0	1,764,130
CLA and Care Leavers	3,627,412	0	35,380	1,649,770	1,553,570	7,417,690	Cr 2,229,202	0	Cr 692,340	8,430		0	11,370,710
Early Intervention and Family Support	2,834,420	312,620	27,300	162,720	190,950	0	0	Cr 26,230	Cr 178,980	Cr 1,861,200		0	1,461,600
Fostering, Adoption and Resources	2,519,900	0	229,600	1,843,900	22,700,840	772,500	Cr 317,520	Cr 2,550,000	0	Cr 50,000		0	25,149,220
Referral and Assessment Service	4,271,500	0	6,760	14,180	8,820	177,330	0	0	0	0		Cr 1,300,000	3,178,590
Safeguarding and Care Planning East	2,837,410	0	8,580	720,550	505,730	38,320	0	0	0	0		0	4,110,590
Safeguarding and Care Planning West	4,199,220	0	147,820	8,600	1,999,630	1,227,050	0	Cr 649,720	0	Cr 456,400		0	6,476,200
Safeguarding and Quality Improvement	3,023,960	0	11,040	1,185,300	0	0	Cr 9,957,960	Cr 193,600	0	Cr 477,710		0	6,408,970
	25,373,082	509,590	500,500	5,788,850	27,059,310	9,632,890	Cr 12,856,912	Cr 3,593,180	Cr 1,106,830	Cr 2,905,230		Cr 1,300,000	47,102,070
Education Division													
Workforce Development & Governor Services	35,400		170	17,690	20,360				Cr 43,360	Cr 33,160		0	Cr 2,900
Strategic Place Planning	314,240			43,420						Cr 205,100		0	152,560
Special Schools & Alternative Provision		24,410				16,706,315	Cr 59,455		Cr 51,000	0		0	16,620,270
SEN and Inclusion	7,680,690	310,800	9,359,490	752,640	30,710,540	6,263,910	Cr 85,190	Cr 125,090	Cr 518,660	232,730		Cr 1,500,000	53,081,860
Schools Budgets		700		273,530		17,911,344	Cr 106,073,014		Cr 105,770	Cr 33,750		Cr 3,798,000	91,824,960
Schools & Early Years Commissioning and QA	1,846,330	86,440	6,570	987,320	15,910	21,005,630	Cr 41,130		Cr 959,750	Cr 82,050		0	22,865,270
Other Strategic Functions	193,000	110	890	528,920	3,436,520		Cr 947,980		Cr 542,070	40,620		0	3,252,080
Adult Education Centres	1,488,450	165,470	1,510	355,930		1,230	Cr 1,909,440		Cr 306,250	11,020		0	427,900
Access and Inclusion	2,607,830	0	85,950	448,460	1,179,510				Cr 306,250	Cr 199,560		0	3,815,940
	14,165,940	587,930	9,454,580	3,407,910	35,362,840	61,888,429	Cr 109,116,209	Cr 125,090	Cr 2,526,860	Cr 269,250		Cr 5,298,000	7,532,220
	39,539,022	1,097,520	9,955,080	9,196,760	62,422,150	71,521,319	Cr 121,973,121	Cr 3,718,270	Cr 3,633,690	Cr 3,174,480		Cr 6,598,000	54,634,290

Service area	Capital Charges/ Financing	Repairs, Maintenance & Insurance	Rents and Other Property Based Charges	Not Directly Controllable	Net Recharges	Total Net Budget
	£				£	£
Childrens Social Care						
Bromley Youth Support Programme	102,000	55,840	Cr 72,980	84,860	325,260	2,174,250
CLA and Care Leavers		1,510		1,510	540,920	11,913,140
Early Intervention and Family Support	123,000	10,690		133,690	538,880	2,134,170
Fostering, Adoption and Resources		670		670	1,535,250	26,685,140
Referral and Assessment Service		1,610		1,610	397,690	3,577,890
Safeguarding and Care Planning East		740		740	314,370	4,425,700
Safeguarding and Care Planning West		71,800	Cr 7,940	63,860	617,030	7,157,090
Safeguarding and Quality Improvement		190,270		190,270	1,104,010	Cr 5,114,690
	225,000	333,130	Cr 80,920	477,210	5,373,410	52,952,690
Education Division						
Workforce Development & Governor Services		20		20	Cr 8,010	Cr 10,890
Strategic Place Planning		60		60	Cr 43,830	108,790
Special Schools & Alternative Provision	389,000	7,160		396,160	Cr 16,653,970	362,460
SEN and Inclusion	11,000	3,540		14,540	Cr 41,824,990	11,271,410
Schools Budgets	295,000	64,220		359,220	91,727,690	261,950
Schools & Early Years Commissioning and QA		28,720		28,720	Cr 21,711,030	1,182,960
Other Strategic Functions		20		20	Cr 2,934,640	317,460
Adult Education Centres	150,000	77,910		227,910	365,520	165,530
Access and Inclusion		690		690	Cr 3,448,750	367,880
	845,000	182,340	0	1,027,340	5,467,990	14,027,550
	1,070,000	515,470	Cr 80,920	1,504,550	10,841,400	66,980,240

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