



THE LONDON BOROUGH
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FAX: DATE: 11 January 2024

To: Members of the
SCHOOLS' FORUM

David Dilling (Chairman)	Primary Academy Governor (Charles Darwin Academy Trust)
Andrew Ferguson (Vice-Chairman)	Non-School Representative (Church of England)(Aquinas Trust)
Tracey Davis	Non-Schools Representative(14-19 Partnership)(Bromley Academy Trust)
Patrick Foley	Primary Maintained Head Teacher (Southborough Primary School)
Chris Hollands	Primary Academy Head Teacher (Aquinas Trust)
Neil Miller	PRU Head Teacher/Governor Academy (Bromley Trust Academy)
Andrew Rees	Secondary Maintained School Head Teacher (St Olaves Grammar School)
Brid Stenson	Non-School Representative (Early Years)
Ian Travis	Special Head Teacher/Governor Academy (Glebe School)
Steve Whittle	Secondary Academy Head Teacher (Impact Multi Academy Trust)
David Wilcox	Secondary Academy Governor (Darrick Wood School)
1 x vacancy	Secondary Academy Head Teacher
1 x vacancy	Non-School Representative (Catholic Church)
1 x vacancy	Primary Academy Head Teacher
1 x vacancy	Primary Academy Governor
1 x vacancy	Secondary Academy Governor
1 x vacancy	Special Head/Governor Maintained
1 x vacancy	Primary Academy Governor

A virtual meeting of the Schools' Forum will be held via MS Teams on **THURSDAY 18 JANUARY 2024 AT 4.30 PM** *

If you wish to view this meeting, please contact the Clerk to the Schools' Forum who will provide you with a link to the virtual meeting.

*** PLEASE NOTE STARTING TIME***

TASNIM SHAWKAT
Director of Corporate Services & Governance

A G E N D A

- 1 APOLOGIES FOR ABSENCE**
- 2 MINUTES OF THE MEETING HELD ON 30 NOVEMBER 2023 (Pages 3 - 8)**
- 3 2024/25 DEDICATED SCHOOLS GRANT (DSG) (Pages 9 - 28)**
- 4 ANY OTHER BUSINESS**
- 5 DATES OF NEXT MEETINGS**

THURSDAY 18TH JULY 2024
THURSDAY 17TH OCTOBER 2024

(Subject to change)

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SCHOOLS' FORUM

Minutes of the meeting held at 4.30 pm on 30 November 2023

Present:

David Dilling (Chairman)	Primary Academy Governor (Charles Darwin Academy Trust)
Andrew Ferguson (Vice-Chairman)	Non-School Representative (Church of England)(Aquinas Trust)
Patrick Foley	Primary Maintained Head Teacher (Southborough Primary School)
Chris Hollands	Primary Academy Head Teacher (Aquinas Trust)
Neil Miller	PRU Head Teacher/Governor Academy (Bromley Trust Academy)
Andrew Rees	Secondary Maintained School Head Teacher (St Olaves Grammar School)
Brid Stenson	Non-School Representative (Early Years)
Ian Travis	Special Head Teacher/Governor Academy (Glebe School)
Steve Whittle	Secondary Academy Head Teacher (Impact Multi Academy Trust)
David Wilcox	Secondary Academy Governor (Darrick Wood School)

Also Present:

David Bradshaw	Head of Finance (Children, Education & Families)
Julie Crew	Head of Schools' Finance Support
Robert Bollen	Head of Strategic Place Planning (Education, Care & Health Services)
Kevin Walter	Democratic Services Officer

34 APOLOGIES FOR ABSENCE

Apologies for absence were received from Jared Nehra, with Rob Bollen attending in his place. Apologies for lateness were received from Andrew Rees, who joined the meeting from 5pm.

35 MINUTES OF THE MEETING HELD ON 14TH SEPTEMBER 2023

The minutes of the meeting held on 14th September 2023 were approved and signed as a correct record.

36 DEDICATED SCHOOLS GRANT - 2024/25 UPDATE

The Head of Finance (Children, Education and Families) introduced the report on the 2024/25 provisional allocation of the Dedicated Schools Grant (DSG) and highlighted the latest figures from the DfE and the effects for Bromley. The figures were indicative at present and would be updated in December once the DfE had gone through the October census. The DSG allocation was divided into four blocks, as shown in Section 3.1 of the report.

Within the Schools Central block the grant was expected to fall by a further 2.5%, with similar decreases expected for the next 2 to 3 years until it reached the DfE's expectation of Bromley's Schools Central spend. Bromley were looking at ways in which to limit the spend in this area, with the DfE's allocation based on a National average.

The grant within the Early Years Block had been estimated using current usage and rates held by the DfE. There was an announcement from the DfE on 29th November regarding an increase in rates to £6.40 for 3-4 year-olds and £9.44 for 2 year-olds. The current report was published before the new rates were announced, but they would be factored in for January's budget information.

Regarding the Schools Block, the Schools' Forum heard that some increases had been seen within the Primary and Secondary units of funding. However, it should be noted that mainstream schools would have received the Mainstream Schools Additional Grant (MSAG) distributed in 2023/24, and this was included in the DfE's allocation.

Finally, within the High Needs Block, it was highlighted by the Head of Finance (CEF) that, as with previous years, it is the area under the most pressure. More grant had been received but Bromley's expenditure exceeds that and a deficit of £5.6m is expected for 2024/25. Bromley were looking at ways in which this could be reduced, but there were significant ongoing pressures.

Concerning the pressures within this area, The Head of Strategic Place Planning (Education, Care and Health Services) then explained to the Forum that it appeared that Bromley's rate of new EHCPs (Education, Health and Care Plans) had slowed, but looking at the census for 2022 and 2023, numbers were roughly the same. Whilst there had been some slowing in the EHCPs, numbers were still significantly higher than pre-2020.

Appendix 1 of the report (pages 11-12) showed an indication of the allocation of Bromley's funding, and this would change once the DfE announced funding towards the end of December, and also taking into account the DfE's announcement on 29th November. Appendix 2 (pages 13-16) showed provisional funding calculations, but again these figures would change in due course.

In response to a question, the Head of Finance (CEF) confirmed that budgets were not being set at present, but in January 2024 there would be more

information available for a clearer picture of Bromley's position and what the proposals were. Comparisons could then be made with previous years etc and the Schools' Forum would be able to discuss the position further.

A Forum Member raised a question regarding any impact the opening of the Borough's Free School would have on funding within the High Needs Block. In response, the Head of Finance (CEF) confirmed that funding within this block is based on formula such as pupil numbers, deprivation etc. The Free School would have pupils who would have entered school elsewhere, and the Borough would actually be paying less per pupil in the free school than in an independent setting, and in theory this would help the funding position.

Regarding increased costs within the High Needs Block, the Forum noted that Bromley was trying to increase the amount of in-house provision as it was cheaper than independent, but it was a slow process. However, sometimes there was no alternative when children needed to be placed in the appropriate setting. The Head of Finance (CEF) confirmed that the Borough was trying to do as much as possible to bring the deficit down - £5.6m predicted for 2024/25 and £4m for 2023/24. High Needs funding was not only a Bromley issue, but also a National one, but Bromley still remained in a better position than a lot of other LAs.

The Head of Strategic Place Planning (Education, Care and Health Services) informed the Forum that once a child had gone out to an independent placement, it was hard to bring them back to in-house provision. It was a process of trying to reduce long-term out of borough placements, and the Free School will be key in this but will need time to grow in terms of pupil numbers.

The Forum heard that Bromley was currently meeting with over 30 schools/sites looking at the potential to expand capacity to create more in-borough provision. Funding was available for some proposals, but the Borough would also need to wait for future capital allocations from the DfE to support the plans. A major frustration for Bromley was that the DfE would not currently allow the Free School to open, even in temporary accommodation, until planning concerns had been resolved. The Head of Finance (CEF) view was supported in that it was the LA's policy to keep children supported locally rather than out of borough and into independent settings.

In response to a question regarding the deficit within the DSG, and primarily the High Needs Block, the Head of Finance (CEF) informed members that there had been deficits for the last few years. Entering the current financial year there was a cumulative deficit of £12m, with an additional £4m forecast and £5m for 2024/25. Due to the high level of their DSG deficit some LAs had entered special arrangements with the Government to manage the position. Bromley were not currently near this position with the DfE and have asked the DfE if there was anything further that could be done, but the DfE's response had not been helpful. However, the DSG deficits remained an ongoing issue.

It was again highlighted to the Forum that the figures were illustrative at the moment and would change with more up-to-date information, pupil numbers etc and actual figures would be produced at the Schools' Forum meeting in January.

However it was not felt that there would be a significant change to the deficit figures, with the report showing where the pressures were and the issues Bromley was facing.

The Head of Finance (CEF) explained that Bromley reported to the DfE what the deficits were so they were aware of the position, and the deficits were also shown in Bromley's accounts. Discussions had taken place regarding a Deficit Recovery Plan, but the LA was not currently in a position where any special action was required. The LA was still looking at what measures might be possible to recover the deficit position, with the Forum recognising the difficulty and challenge in seeing where savings or cuts could be made.

RESOLVED: That the provisional DSG income and forecast expenditure for 2024/25 be noted.

37 FALLING ROLLS

The Head of Finance (CEF) introduced the report on Falling Rolls Funding and Future Proposals and Forum members were informed that the DfE had produced new guidance. For the first time in 2024/25 an element of the Schools Block funding would be allocated based on falling rolls. Members heard that although Bromley has had a Falling Rolls Fund for the past few years it had not really been used. There were very strong criteria for schools to qualify and only one school had received funding in the last three years.

It was proposed that the DfE's new criteria would be merged with Bromley's and it was noted that the LA already closely followed the DfE guidance. If the Forum agreed to continue with the Falling Rolls Fund it would be paid in the usual way using the current criteria, with agreement required from the Schools' Forum.

The Forum's attention was drawn to the question of deciding whether to continue with the Falling Rolls Fund. It was confirmed that if the decision was made to discontinue then the money would instead be included within the schools' overall funding. If it was decided to continue then the Forum would need to discuss an amount to be set aside for this purpose, probably at the January 2024 Schools' Forum meeting. The DfE had stated that the LA wasn't actually required to have a Falling Rolls Fund, as long as the money was used elsewhere within the Schools Block.

A Forum member commented that although it was a good idea to have the Falling Rolls Fund, it was impractical to apply due to the criteria, especially with schools unlikely to have falling numbers over a medium-term period of 3 to 5 years. In response, the Head of Finance (CEF) explained that in such cases the LA would need to look at population projections to determine if funding was required. The Fund was seen as helping schools through a 'bump' until demand for places increased.

The Head of Strategic Place Planning (Education, Care and Health Services) informed the Forum that within Primary, as the key area of concern, the LA had the highest pupil numbers in 2020/21. There had been a fall since and a projected

fall in Primary numbers of 8% until the end of the decade. Although numbers were then projected to increase, it was hard to see whether the Falling Rolls Fund would be useful to help through a longer period of time. A suggestion was made to keep the matter under review on an annual basis, taking into account changing projections and needs.

RESOLVED: That the Falling Rolls Fund should not be maintained for 2024/25 and that the position would be reviewed on an annual basis.

38 GROWTH FUNDING AND FUTURE UPDATE PROPOSALS

Forum members noted that the report provided an update on Growth Funding with the guidance issued alongside the Falling Rolls guidance. The report was mainly for information only and no decisions were required at present.

The Growth Funding contained within the Schools Block included an amount per new primary and secondary pupil, subject to an area cost adjustment. The DfE Growth fund was an element of the overall DSG allocation, and although the funding stayed within the Schools Block it was not necessarily used just for growth, but also bulge classes.

The Head of Finance (CEF) informed members that the guidance contained within the current report did not really have an impact at present as the Growth Funding would still be received as usual, although the rates have changed. Members would be advised in January as to which schools would qualify for Growth and Bulge Class funding. The allocation of Bulge Class funding may also need to be discussed by the Schools' Forum at the January meeting.

RESOLVED: That the guidance from the DfE on the Growth Grant Funding element of the DSG be noted.

39 ANY OTHER BUSINESS

There were no additional items to discuss.

40 DATE OF NEXT MEETING

It was noted that the next meeting of the Schools' Forum would take place on Thursday 18th January 2024 via MS Teams (subject to change).

The Meeting ended at 5.24 pm

Chairman

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Agenda Item 3

Report No.
CEF23067

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker:	PORTFOLIO HOLDER FOR CHILDREN, EDUCATION AND FAMILIES
Date:	Schools Forum on the 18 January 2024 and for Pre-Decision Scrutiny by the Children, Education and Families Policy, Development and Scrutiny Committee on 1 February 2024
Decision Type:	Non-Urgent Executive Non-Key
Title:	2024/25 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 2024/25 and an overview of how this will be spent.
-

2. RECOMMENDATIONS

- 2.1 The Children, Education and Families Policy, Development and Scrutiny Committee is requested to:**

- i) Note the DSG Allocation for 2024/25;**
- 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 2024/25.**

- 2.3 Subject to the views of the Children, Education and Families Policy, Development and Scrutiny Committee and those of the Schools Forum, the Portfolio Holder is asked to approve the Dedicated Schools Grant allocation for 2024/25 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
-

Corporate Policy

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

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: £385,741k (DSG 2024/25)
 5. Source of funding: Dedicated Schools Grant (DSG)
-

Personnel

1. Number of staff (current and additional): Full details will be available with the Council's 2024/25 Financial Control Budget to be published in March 2024
 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: Applicable: Portfolio Holder decision.
-

Procurement

1. Summary of Procurement Implications: Not Applicable
-

Customer Impact

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

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 2024/25 has now been provided to all LAs to reflect the October 2023 census data.

3.2. The final DSG for 2024/25 is divided into four blocks – High Needs, Early Years, Schools and Schools Central. The expected income is detailed below

2024/25 Dedicated Schools Grant					
	High Needs Block	Early Years Block	Schools Block	Schools Central Block	Total
Gross Grant Funding	£76,856,935	£38,034,418	£268,835,709	£2,013,547	£385,740,607
Recoupment adjustment	-£11,588,001		-£1,948,222		-£13,536,223
Net Grant Allocation	£65,268,934	£38,034,418	£266,887,487	£2,013,547	£372,204,386

3.3. The LA has looked at each of these blocks and has forecast the related expenditure for 2024/25 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 2024/25	£2,013,547
Expenditure 2024/25	£2,573,547
Contribution from Council	-£560,000
Expected (Over)/ Underspend	(£0)

3.5. The Central Block has decreased by £32k. The per pupil rate fell by 1.25% (the equivalent of a loss of £25k). There was also a £7k reduction of grant received due to a decrease in pupil numbers. There continues to be pressures in the Central Schools DSG due to funding shortfalls. Last year the Council used £510k of core LBB funding to underpin this expenditure. A further £50k is being proposed for 2024/25 bringing the total Council core funding to £560k.

Early Years Block

Grant 2024/25	£38,034,418
Expenditure 2024/25	£38,034,418
Expected (Over)/ Underspend	(£0)

- 3.6.** Early Years funding has increased substantially by £14.7m in 2024/25. Following a government review and consultation on funding and supply the government have introduced the following changes as follows:-
- a) Introduced new funding for under twos of £12.83 per part time equivalent (PTE) hour.
 - b) Introduced new funding for two year old working parents at £9.44 per PTE hour.
 - c) Increased the PTE rate for disadvantaged two year olds from £6.63 per PTE to £9.44.
 - d) Increased the PTE rate for 3 and 4 year olds from £5.51 per PTE to £6.40.
 - e) Increased Early Years Pupil Premium (EYPP) rates and number of hours across the new funding streams.
 - f) Increased the Disability Access Fund (DAF) rates and numbers of hours across the new funding streams.
- 3.7.** During 2023/24 DfE announced a supplementary grant which increased the 2023/24 rates in year but was dealt with outside the Dedicated Schools Grant (DSG). These have been reflected in the new 2024/25 rates.
- 3.8.** The assumption for volumes of hours (PTE's) remains the same for 2024/25 as the latest volumes for the 2023/24 DSG as DfE use January 2024 data. However this will change once the January 2024 census is published which will affect the figures.
- 3.9.** The Council are allowed to top slice this funding to support staffing and other early years support, although the 'pass through' rate (the amount that is being spent on settings) needs to be at least 95%. Government may increase this to 97% in future years but this is still being debated. The top slice is carried out by reducing the hourly rate offered to settings.
- 3.10.** Some modelling has been carried out using the rates and take up of hours assumed by DfE. Two scenarios have been suggested, one with an additional contingency and one scenario without it. This is summarised in the table below.

	Scenario 1 - with a contingency				
	<u>3&4 yr olds</u>	<u>2 yr olds</u>	<u>2 yr olds</u>	<u>under 2's</u>	<u>Total</u>
		<u>Vuln</u>	<u>Working</u>		
DfE Rates	£6.40	£9.44	£9.44	£12.83	
LBB Rates	£5.96	£9.00	£8.85	£11.95	
<u>Part of Pass through rate</u>					
Assumed hours	3,897,455	238,260	649,846	329,249	5,114,810
DfE Grant	24,943,711	2,249,174	6,134,542	4,224,266	37,551,694
Assumed LBB spend £	23,228,831	2,144,340	5,751,134	3,934,527	35,058,831
Additional supplements	500,000	50,000	50,000	50,000	650,000
Contingency	150,000	50,000	50,000	50,000	300,000
SENIF	388,602	23,754	64,786	32,858	510,000
Pass through rate	97.3%	100.8%	96.4%	96.3%	
<u>Not part of pass through rate</u>					
Centrally retained funding					1,032,863
EYPP					310,731
DAF					171,990

	Scenario 2 - without a contingency				
	<u>3&4 yr olds</u>	<u>2 yr olds</u>	<u>2 yr olds</u>	<u>under 2's</u>	<u>Total</u>
		<u>Vuln</u>	<u>Working</u>		
DfE Rates	£6.40	£9.44	£9.44	£12.83	
LBB Rates	£6.01	£9.10	£8.90	£12.10	
<u>Part of Pass through rate</u>					
Assumed hours	3,897,455	238,260	649,846	329,249	5,114,810
DfE Grant	24,943,711	2,249,174	6,134,542	4,224,266	37,551,694
Assumed LBB spend £	23,423,703	2,168,166	5,783,626	3,983,914	35,359,409
					0
Additional supplements	500,000	50,000	50,000	50,000	650,000
Contingency	0	0	0	0	0
SENIF	388,602	23,754	64,786	32,858	510,000
Pass through rate	97.5%	99.7%	96.2%	96.3%	
<u>Not part of pass through rate</u>					
Centrally retained funding					1,032,284
EYPP					310,731
DAF					171,990

3.11. It can be seen that for both scenarios the pass through rate is easily met. The preferred model is scenario 2 without the contingency as this directs the maximum funding to settings. The rates, budget, impact, etc will be reviewed at least annually to adjust for any impact. As this is the first year for some of the funding streams there is an element of risk with this and the aim is to utilise the spend with the Early Years block as far as possible without creating any excessive

under/overspends. This prudent approach will help to prevent a deficit being incurred from future volatility in the Early Years sector.

3.12. The funding calculation also allows for supplements paid to eligible providers of £650k, £510k for the Special Education Needs Inclusion Fund (SENIF) and funding to be held centrally of £1m, mainly to support staffing costs. There is also £310k of Early Years Pupil Premium (EYPP) and £172k of Disability Access Fund which is assumed to be ‘in and out’ and will have a cost neutral effect overall.

3.13.

Schools Block

Grant 2024/25 – Pupil Led	£266,097,622
Premises related funding	£2,054,720
Growth Funding	£683,367
Recoupment	-£1,948,222
Expenditure 2024/25	£266,835,487
Expected (Over)/ Underspend	(£0)

3.14. The Schools Block funding has been calculated using the October 2023 Census pupil numbers and the per pupil units of funding which have been calculated for 2024/25.

3.15. The Schools Block has risen by £11.7m. This is due to an increase in the per pupil unit of funding and increases in the population figures. This includes the previous year Mainstream Schools Additional Grant (MSAG) of £8.7m which was paid as a separate grant in 2023/24. Allowing for the £8.7m grant the funding increase is £3.0m. The majority of this funding will be top sliced and returned to DfE to fund Academy Schools.

3.16. Using a like for like comparison, and including both years DSG and taking the supplementary grant into consideration the schools block has risen by 1.2% in cash terms, 1.5% per pupil.

3.17. Based on the published figures the Primary unit of funding (PUF) has increased from £4,846 to £5,064 which is an increase of around 4.5% and the Secondary unit of funding (SUF) has increased from £6,410 to £6,757 which is an increase of around 5.4%. These published rates do not include the MSAG being added into the baseline, so the figures are more in line with paragraph 3.16 above.

3.18. The funding that the LA is allocated for the Schools Block is calculated by running the Local Authority Level 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 £683k. which is based on pupil numbers in middle layer super output areas (MSOAs). This year there was the introduction of Falling rolls funding via the DSG. Bromley did not qualify for any of this funding.

3.19. In terms of the NFF funding streams that drive schools funding, the main changes to the NFF for 2024/25 are as follows-

- a) rolling the 2023 to 2024 mainstream schools additional grant (MSAG) into the NFF
- b) increasing NFF factor values (on top of the amounts we have added for the MSAG) by:
 - 1.4% to basic entitlement, low prior attainment (LPA), FSM6, income deprivation affecting children index (IDACI), English as an additional language (EAL), mobility, sparsity and the lump sum.
 - 1.4% to the minimum per pupil levels (MPPL)
 - 0.5% to the funding floor
 - 1.6% to the free school meals (FSM) factor value
- c) introducing, for the first time, a methodology for calculating and allocating funding for falling rolls.
- d) Minimum per pupil funding levels have been set at £4,610 for primary schools and £5,995 for secondary schools.
- e) The Minimum Funding Guarantee (MFG) level is required to be between 0.0% and 0.5%

3.20. 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 2024/25. Local authorities must move their local formula factor values at least a further 10% closer to the NFF (building on the movement towards the NFF made in 2023 to 2024), except where local formulae are already mirroring the NFF.

3.21. 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.

3.22. 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 (All DfE factors kept to exactly apart from the AWPU factor which is increased by 0.25%).

3.23. This scenario gives the maximum MFG protection, more funding going to schools, and as Bromley are following the DfE NFF levels exactly (apart from one area), there is less future turbulence.

3.24. For 2024/25 the Schools Forum agreed to remove the Falling rolls funding, thus enabling more funding to go directly to schools. This will be revisited next year to gauge any impact. The Schools Forum had agreed stringent guidelines as to its allocation and very few schools have qualified for this funding over the past few years. Moreover, no funding for falling rolls was forthcoming under the new DfE funding arrangements.

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 £834k. There are 19 schools that are in receipt of MFG protection, most of which are primary schools. The lowest MFG is £2,977, the highest £137,049 with an average of £43,878.

3.27. The MFG level that has been used by Bromley is 0.5% which sits at the top of the government's parameters. One scenario assumes 0.0% but it is not proposed to use this option.

3.28. There are a number of schools that become eligible for minimum per pupil funding protection as follows:

- a) 9 Primary schools to receive around £465k collectively.
- b) 0 Secondary schools.

3.29. DfE will publish school level allocations in May 2024. 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

3.30. 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 2024/25	£76,856,933
Recoupment	-£11,588,001
LA Expenditure 2024/25	£70,899,932
Expected (Over)/ Underspend	(£5,631,000)

3.31. 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.

3.32. The DSG allocation has resulted in an increase in high needs block funding of £2.5m for Bromley. Bromley received £2.8m of additional supplementary grant in 2023/24 that was rolled into the baseline for 2024/25, so the increase would be £5.3m if this were excluded.

3.33. The £2.5m increase is due to increases in per pupil funding and the increase in pupils themselves.

3.34. For 2024/25 DfE have introduced a 0% MFG for Maintained Special Schools and Special Academies. Last year this was 3%. This has been factored into the funding figures for the Special schools. The 2023/24 supplementary grant that was paid to settings will continue to be paid as per DfE guidance.

3.35. 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. It is predicted that without further management intervention, there will be a deficit of c£5m per annum over the next four years.

3.36. There is an estimated DSG deficit at the end of the 2023/24 financial year of £16,149k.

3.37. Although additional grant been given by DfE, demand continues to outstrip funding. Bromley was one of the last authorities in London to fall into a deficit position regarding its DSG. The overspends are in the main in the high needs block area and are related to the cost of placements in all types of education settings.

3.38. The unsustainability of the SEN system is a national issue and there are high expectations being set for the DfE's SEND Review. Nevertheless, officers are seeking to further reduce costs, within the tight constraints of the legal framework. Officers are working with DfE and are in discussion with them regarding recovery plans and actions that can be taken to reduce the deficit position.

- 3.39.** Section 25 of the Local Government Act 2003 requires the Section 151 Officer to report on the robustness of the budget calculations and adequacy of reserves. The 151 Officer within that commentary is now required to consider the Councils DSG deficit position, despite the statutory override being in place.
- 3.40.** The statutory override effectively means that any DSG deficits are not included in the Councils main revenue budgets. However, funding will ultimately need to be identified
- 3.41.** In effect the Council has to still set aside resources to meet the DSG deficit and where no ongoing funding is identified such funding will need to come from the Councils reserves. On that basis the budget monitoring report identifies a deficit of £4,043k which has to ultimately be funded from the Councils reserve.
- 3.42.** Although DSG is effectively ring fenced the ongoing increase through funding by reserves (general and earmarked) creates a financially unsustainable position in the medium to longer term.
- 3.43.** The External Auditor as part of the annual accounts, are required to comment on the Councils Value for money arrangements and will be required to consider any DSG deficit and the impact on the Councils finances.
- 3.44.** In terms of presentation of the estimated DSG deficit of £16,149k up to 31/3/2024, there will need to be adequate funding from the Councils reserves unless alternative savings can be found. The use of reserves have been assumed in this report, although the specific reserves to use have not been identified at this stage.
- 3.45.** 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 increasing numbers of cases being overturned by SEND Tribunals, this will remain a challenge across the MTFS period.
- 3.46.** 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, exacerbated by a lack of local specialist provision. 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.

4. SCHOOL FORUM COMMENTS

- 4.1 The Schools Forum will meet on the 18th January 2024. Any comments from the Forum will be fed back to the Committee after the meeting so that a decision on the funding can be made.

5. IMPACT ON VULNERABLE ADULTS AND CHILDREN

- 5.1 The draft 2024/25 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 2024/25 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

2024/2025 DSG Provisional

High Needs Block	2023/24	2024/25 Provisional
Income		
Baseline	62,915,446	68,089,264
HN Pupil numbers		
Baseline £ Per Pupil	5,693,262	5,889,840
import/export	1,794,000	1,794,000
Hospital & TPG/TPECG	1,049,775	1,077,830
Additional funding for Special Free Schools	24,000	6,000
Supplementary allocation	2,888,666	0
High Needs Block Restated	74,365,148	76,856,933
Academy Units@£6k	-2,033,500	-2,016,000
Academy Units@£10k	-52,500	-90,000
Academy Post-16 Units	-354,000	-372,000
PRU Places Recoupment	-1,155,834	-1,160,000
BBA & Glebe	-3,855,834	-3,910,000
Special post 16	-566,667	-600,000
Hospital	-140,001	-140,001
Post 16 Transfer	-3,200,000	-3,300,000
Total recoupment	-11,358,336	-11,588,001
DSG Grant Amount	63,006,812	65,268,932
Expenditure		
Delegated budgets		
Maintained Special Schools	4,130,000	4,290,000
Maintained Special Schools top up	6,355,418	6,860,095
Academy Special School top up	5,654,130	5,826,956
AP Top Up	2,051,981	1,252,761
Units - Maintained Places	120,000	120,000
- LA Funded Academy Places (vacant)	40,000	60,000
- LA Funded Academy Places	150,000	89,667
- Maintained Top Up	86,660	89,188
- Academy Top Up	1,774,580	1,832,548
Hospital	89,079	89,079
TPG/TPECG	960,696	713,240
Supplementary Grant to settings 2023/24	861,655	849,154
Free School	18,000	6,000
LA Centrally Managed		
Darrick Wood HIU	1,126,920	1,169,710
Darrick wood Deaf centre	1,235,170	1,276,660
AP Recoupment	-105,770	-109,470
Progression Courses	474,270	732,070
Home and Alternative Provision	1,293,460	1,324,860
SEN Support in Mainstream	403,690	417,490
SEN funding in Schools	5,693,410	5,892,690
Outreach and Inclusion	1,113,550	1,193,650
Specialist Support and Disability	256,030	264,990
Complex Needs Team	755,060	794,430
Phoenix Pre School Service	792,390	823,030
SEN Transport	230,000	230,000
Special Central	1,073,460	1,286,294
Other Statemented	1,176,290	1,215,760
SEN Out of Borough Fees	24,022,048	25,085,930
SEN in Further Education Colleges	6,043,200	6,699,610

Special Capital	10,600	10,600
Alternative Programme (AP) non delegated	0	1,012,940
Funded by EY Block	-500,000	-500,000
Funded by CSS Block	-200,000	0
Total	67,185,977	70,899,932
In year deficit estimate	-4,179,165	-5,631,000
Variance	0	-0

2024/2025 DSG Provisional

Early Years Block	2023/24	2024/25 Provisional
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EY Pupil numbers	4,971	4,971
Baseline £ Per Pupil	5.51	6.40
hours (15 x 38)	570	570
3 & 4 Years Old Funding	15,611,855	18,133,551
EY Pupil numbers	1,867	1,867
Baseline £ Per Pupil	5.51	6.40
hours (15 x 38)	570	570
3 & 4 Years Old Additional 15 Hrs	5,863,122	6,810,160
EY Pupil numbers	418	418
Baseline £ Per Pupil	6.63	9.44
hours (15 x 38)	570	570
2 Year Old Funding Disadvantaged	1,579,664	2,249,175
EY Pupil numbers		1,140
Baseline £ Per Pupil		9.44
hours (15 x 38)		570
2 Year Old Funding Working Parents		6,134,543
EY Pupil numbers		578
Baseline £ Per Pupil		12.83
hours (15 x 38)		570
Under 2 Year Olds		4,224,266
EY Pupil Premium	177,556	310,731
EY Disability Access Fund	96,048	171,990
	23,328,245	38,034,418

Universal	14,218,642	17,028,538
Additional 3 & 4 Year Old Hours	5,299,460	6,395,165
2 Year Old Cost	1,709,539	2,168,166
2 year old working cost		5,783,626
Under 2 Year Olds cost		3,983,914
Supplements	547,000	650,000
EY Pupil Premium	177,556	310,731
Central Costs		
EY Central costs	370,000	532,288
SENIF	410,000	510,000
Additional HN exp	500,000	500,000

EY Disability Access Fund 96,048 171,990

23,328,245 38,034,418

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2024/2025 DSG Provisional

Schools Block	2023/24	2024/25 Provisional
Primary Pupil Numbers	27,212	27,011
Baseline £ Per Pupil	4,846	5,064
Total Primary Funding	131,877,270	136,777,762
Secondary pupil numbers	19,090	19,140
Baseline £ Per Pupil	6,410	6,757
	122,370,377	129,319,861
Premises	1,757,846	2,054,720
Growth	1,146,694	683,367
	257,152,187	268,835,709
NNDR recoupment (academies)	-1,948,221	-1,948,222
	255,203,966	266,887,487
Academy SBS (ex NNDR)	244,099,710	255,751,175
Primary SBS (ex NNDR)	6,187,028	6,536,141
Secondary SBS (Ex NNDR)	3,819,013	3,981,517
Primary NNDR		31,709
Secondary NNDR		62,500
Bulge Class funding	0	255,241
Contingency	848,215	269,204
Falling rolls	250,000	0
	255,203,966	266,887,487
	-0	0

2024/2025 DSG Provisional

Central Schools Services Block	2023/24	2024/25 Provisional
Pupil Numbers	46,301	46,151
Baseline £ Per Pupil	44.18	43.63
Central Schools Services Funding	<u>2,045,579</u>	<u>2,013,547</u>
	<u>2,045,579</u>	<u>2,013,547</u>
Access and Admissions	527,820	548,540
Licences	284,590	294,550
Capital	67,920	67,920
Schools Forum	1,100	1,000
Pupil Support Advisory Team	224,200	231,860
Support to Schools	51,410	53,210
Business Support	140,930	140,930
Workforce Development	22,400	22,400
Schools standard	134,350	134,350
Access to Education Management	50,000	77,177
Education Welfare Service	545,690	563,100
Asset Management	89,520	121,680
Statutory/Regulatory Duties	215,649	316,830
To High Needs re centrally employed teachers	200,000	0
Council Statutory duties	-510,000	-560,000
	<u>2,045,579</u>	<u>2,013,547</u>
	<u>0</u>	<u>0</u>

Dedicated schools grant (DSG): 2024 to 2025 allocations local authority summary		2024 to 2025 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)				
		Schools block (£s)	Central school services block (£s)	High needs block (£s)	Early years block (£s)	Total DSG allocation (£s)
		[A]	[B]	[C]	[D]	[E]
		= [A] + [B] + [C] + [D]				
305	Bromley	268,835,709	2,013,547	76,856,935	38,034,418	385,740,609

Dedicated schools grant (DSG): 2024 to 2025 allocations local authority summary		2024 to 2025 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 allocation (£s)	High needs block allocation (£s)	Early years block (£s)	Total DSG allocation (£s)
		[F]	[G]	[H]	[I]	[J]
		= [F] + [G] + [H] + [I]				
305	Bromley	266,887,487	2,013,547	65,268,934	38,034,418	372,204,386

National funding Formula Options

Option 1 - Following the NFF rates exactly, balance going into the contingency. +0.5% MFG

Option 2 - All rates inflated by 0.25% MFG 0%

Option 3 - Inflating all NFF rates across the board by +0.2%. MFG +0.5%

Option 4 - Inflating AWPU by +0.25%. MFG +0.5%

Schools in MFG

	OPTION 1	OPTION 2	OPTION 3	OPTION 4	MFG
Southborough Primary School	2,148,460	2,138,540	2,148,450	2,148,460	25,957
Edgebury Primary School	2,053,091	2,050,873	2,053,087	2,053,091	3,298
Poverest Primary School	2,362,166	2,368,039	2,366,865	2,366,299	0
St Olave's and St Saviour's Grammar School	4,044,017	4,031,703	4,044,015	4,044,017	13,124
Alexandra Junior School	1,189,178	1,192,130	1,191,540	1,191,382	0
Alexandra Infant School	1,078,553	1,081,238	1,080,701	1,080,434	0
Balgowan Primary School	2,856,506	2,856,506	2,856,506	2,856,506	0
Harris Primary Academy Beckenham Green	1,125,574	1,120,718	1,125,568	1,125,574	76,011
Churchfields Primary School	2,240,464	2,230,104	2,240,462	2,240,464	76,491
Hawes Down Primary School	2,100,918	2,091,272	2,100,925	2,100,918	53,245
Marian Vian Primary School	2,914,775	2,922,017	2,920,568	2,920,494	0
Gray's Farm Primary Academy	2,242,260	2,247,836	2,246,721	2,246,070	0
Oak Lodge Primary School	2,567,745	2,574,124	2,572,849	2,572,923	0
Stewart Fleming Primary School	2,588,457	2,594,894	2,593,606	2,593,511	0
Wickham Common Primary School	1,937,401	1,942,206	1,941,245	1,941,324	0
Burnt Ash Primary School	2,306,807	2,296,105	2,306,807	2,306,807	19,931
Harris Primary Academy Kent House	2,170,221	2,160,206	2,170,211	2,170,221	137,049
Pickhurst Infant Academy	1,638,367	1,642,440	1,641,626	1,641,645	0
Pickhurst Academy	2,356,418	2,356,418	2,356,418	2,356,418	0
Harris Primary Academy Crystal Palace	2,034,693	2,029,783	2,034,685	2,034,693	6,440
Valley Primary School	2,229,075	2,218,767	2,229,070	2,229,075	66,042
Red Hill Primary School	3,240,122	3,248,179	3,246,568	3,246,468	0
St John's Church of England Primary School	992,319	994,781	994,288	993,810	0
Ravensworth Primary School	1,682,292	1,686,468	1,685,633	1,685,056	0
Elmstead Wood Primary School	1,647,607	1,651,700	1,650,881	1,650,372	0
Harris Primary Academy Beckenham	1,917,709	1,922,460	1,921,510	1,921,595	0
Chelsfield Primary School	606,772	608,284	607,982	607,674	0
Harris Primary Academy Shortlands	1,748,575	1,752,923	1,752,054	1,751,891	0
La Fontaine Academy	1,882,397	1,887,066	1,886,133	1,886,083	0
Crofton Infant School	2,576,400	2,576,400	2,576,400	2,576,400	0
Darrick Wood Junior School	1,808,034	1,812,530	1,811,631	1,811,635	0
Darrick Wood Infant & Nursery School	1,298,417	1,301,644	1,300,999	1,300,839	0
Downe Primary School	467,833	468,998	468,765	468,431	0
Farnborough Primary School	1,066,877	1,069,528	1,068,998	1,068,872	0
Pratts Bottom Primary School	468,729	467,154	468,747	468,729	12,045
The Highway Primary School	1,157,211	1,160,077	1,159,504	1,159,225	0
Warren Road Primary School	3,882,972	3,882,972	3,882,972	3,882,972	0
St. Mary Cray Primary Academy	1,369,968	1,363,915	1,369,969	1,369,968	83,221
Trinity Church of England Primary School	1,892,983	1,897,670	1,896,733	1,896,127	0
James Dixon Primary School	2,193,553	2,199,007	2,197,917	2,197,249	0
Leesons Primary School	1,930,338	1,935,128	1,934,170	1,933,397	0
Mead Road Infant School	523,445	521,603	523,459	523,445	47,836
Midfield Primary School	2,290,272	2,279,656	2,290,276	2,290,272	56,595
Worsley Bridge Primary School	2,013,847	2,018,852	2,017,852	2,017,457	0
Langley Park Primary School	1,858,545	1,863,147	1,862,227	1,862,278	0
Harris Primary Academy Orpington	1,732,636	1,736,942	1,736,081	1,735,495	0
Scotts Park Primary School	1,920,190	1,924,961	1,924,007	1,923,867	0
Oaklands Primary Academy	2,289,855	2,295,551	2,294,412	2,294,168	0
Clare House Primary School	1,941,191	1,941,191	1,941,191	1,941,191	0
Green Street Green Primary School	1,999,874	2,004,843	2,003,850	2,003,750	0
Perry Hall Primary School	2,053,339	2,058,445	2,057,424	2,057,395	0
Bickley Primary School	1,965,661	1,970,538	1,969,563	1,969,613	0
Manor Oak Primary School	1,145,730	1,148,572	1,148,004	1,147,402	0
Keston Church of England Primary School	943,059	945,395	944,928	944,703	0
Parish Church of England Primary School	2,868,978	2,876,120	2,874,692	2,874,640	0
St George's, Bickley, Church of England Primary School	1,937,602	1,928,739	1,937,599	1,937,602	83,515
Unicorn Primary School	1,993,785	1,993,785	1,993,785	1,993,785	0
Cudham Church of England Primary School	404,703	405,706	405,505	405,216	0
St Paul's Cray Church of England Primary School	1,279,439	1,282,614	1,281,979	1,281,329	0
St Mark's Church of England Primary School	1,938,168	1,942,989	1,942,025	1,941,844	0

St Nicholas Church of England Primary	1,027,282	1,024,347	1,027,282	1,027,282	3,466
St Joseph's Catholic Primary School	973,297	975,717	975,233	975,026	0
St Vincent's Catholic Primary School	1,073,848	1,071,651	1,073,867	1,073,848	2,977
St Philomena's Primary School	1,123,595	1,125,721	1,125,163	1,124,922	0
St Anthony's Roman Catholic Primary School	882,127	883,049	882,612	882,211	0
St Peter and St Paul Catholic Primary School	1,153,654	1,156,524	1,155,950	1,155,620	0
St James' Roman Catholic Primary School	1,058,317	1,060,946	1,060,420	1,060,388	0
Blenheim Primary School	1,145,090	1,147,936	1,147,367	1,146,914	0
Biggin Hill Primary School	2,001,892	2,006,865	2,005,870	2,005,825	0
Crofton Junior School	3,372,150	3,372,150	3,372,150	3,372,150	0
Holy Innocents Catholic Primary School	1,252,650	1,255,114	1,254,531	1,254,304	0
St Mary's Catholic Primary School	1,983,937	1,988,719	1,987,762	1,987,804	0
Highfield Infants' School	1,326,692	1,329,944	1,329,294	1,329,257	0
Highfield Junior School	1,697,190	1,697,190	1,697,190	1,697,190	0
Hayes Primary School	2,876,933	2,876,933	2,876,933	2,876,933	0
Raglan Primary School	2,072,524	2,077,663	2,076,636	2,076,638	0
Tubbenden Primary School	3,098,907	3,100,993	3,099,449	3,099,648	0
Harris Academy Beckenham	6,904,233	6,921,460	6,918,012	6,918,545	0
Harris Girls Academy Bromley	6,655,318	6,671,935	6,668,609	6,668,563	0
Harris Academy Orpington	3,786,869	3,796,315	3,794,424	3,793,467	0
Eden Park High School	8,283,158	8,303,815	8,299,680	8,299,981	0
Bullers Wood School for Boys	6,103,146	6,073,547	6,103,144	6,103,146	46,197
Bishop Justus CofE School	8,407,161	8,428,128	8,423,931	8,423,449	0
Bullers Wood School	7,485,242	7,503,800	7,500,085	7,501,592	0
Coopers School	8,108,102	8,128,183	8,124,163	8,124,500	0
Langley Park School for Boys	7,285,839	7,303,779	7,300,188	7,302,026	0
Ravens Wood School	7,492,057	7,510,614	7,506,900	7,508,386	0
Newstead Wood School	5,128,445	5,141,094	5,138,563	5,140,111	0
Kemnal Technology College	4,603,610	4,614,978	4,612,702	4,611,546	0
Hayes School	7,990,510	8,010,328	8,006,361	8,008,404	0
Chislehurst School for Girls	6,575,009	6,557,752	6,575,001	6,575,009	20,234
Charles Darwin School	7,768,274	7,787,529	7,783,674	7,783,923	0
Langley Park School for Girls	7,767,463	7,786,722	7,782,867	7,784,864	0
The Ravensbourne School	7,816,162	7,835,520	7,831,645	7,831,478	0
Darrick Wood School	8,525,347	8,546,448	8,542,224	8,543,845	0
	267,922,602	268,245,860	268,312,512	268,311,364	
Plus contingency held centrally	913,106	589,848	523,196	524,344	
Total DSG allocated	268,835,708	268,835,708	268,835,708	268,835,708	833,676
MFG £	920,008	644,885	832,385	833,676	
MFG number	22	13	19	19	

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