

SCHOOLS' FORUM

Minutes of the meeting held at 4.30 pm on 11 July 2024

Present:

David Dilling (Chairman)	Secondary Academy Governor (Charles Darwin School)
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)
David Wilcox	Secondary Academy Governor (Darrick Wood School)

Also Present:

David Bradshaw	Children, Education and Families Service Finance
Jared Nehra	Director of Education
Julie Crew	Head of Schools' Finance Support

46 APOLOGIES FOR ABSENCE

Apologies for absence were received from Andrew Ferguson and Steve Whittle.

Apologies for lateness were received from Chris Hollands.

47 MINUTES OF THE MEETING HELD ON 18TH JANUARY 2024 AND MATTERS ARISING

The minutes of the meeting held on 18th January 2024 were approved.

There were no matters arising for discussion from the previous meeting.

48 DSG DEFICIT RECOVERY MANAGEMENT PLAN

CEF23098

The Director of Education presented the Draft DSG Deficit Recovery Management Plan for 2025/26. The Forum was asked to comment and scrutinise the Plan.

The first section of the report outlined what was already being done to maintain the current medium term financial strategy. If the current mitigation workstreams were maintained, this would mean that there would be an in year deficit in 2025/26 of £5.4m.

The second part of the report proposed three new possible mitigation measures for consideration. The first one of these was to establish a new Secondary Special School. This would be delivered locally by the LBB Capital Projects Team. Previously, the team did not have sufficient capacity to undertake the project, but now the team's capacity had been bolstered considerably. The new proposed school would be established using the Free School Presumption Route. This route was still available under previous government policy and so it was hoped that this route would be maintained by the new government. It was anticipated that the new school could be up and running in 2027/28 and that it could be initiated in temporary accommodation by September 2026. If this could be established, then it would provide increasing levels of financial mitigation, albeit offset by the capital borrowing cost.

The Director stated that there were no easy options. If radical measures were not taken, then the Council would end up with a DSG deficit of £45m in 2029 which was not sustainable. He explained that there currently existed something termed 'financial disregard'. This meant that local authorities were not required to put money aside for DSG funding within reserves. The Director stated that the reality was that this did not work, and that unless the government decided to write off the deficit, then at some point the money would need to be paid. There would be a reckoning. It was the case that the government had inherited various financial problems, and added to pressures on the NHS, it was (in his view) very unlikely that the government would write off the current national DSG deficit of three billion pounds. It was important that all concerned understood that the Council was required to set a balanced budget. It was not unfeasible that Bromley Council could end up in a 'Section 114' scenario like some other councils. At the same time, the Director acknowledged the financial pressures that were affecting schools.

The second proposal for consideration was to review/reduce AP (Alternative Provision) top up rates against market forces, with a view to ensuring that Bromley's commissioning reflected the best possible value for money. It was acknowledged by all that AP was under considerable pressure and at the same time had never been needed more.

The third proposal was to consider a 'disapplication request' to 'top slice' the 'Schools Block' by 0.5%, or roughly £1.35m. If this was implemented, it would have the effect of (for the average secondary school) of reducing the delegated schools budget by approximately £20k, and for a primary school by about £5k. If all three of the proposed mitigation measures were applied, there would be a reduction in the deficit of £4.5m by 2028/29. This would mean that the DSG deficit would still continue to grow, but at a slower rate.

A Forum member expressed concern that schools had already been impacted by the need to provide balanced budgets. He felt that the proposals to 'top slice'

0.5% of the Schools Block, would result in potential staff reductions and was very challenging for schools. The potential loss of £20k in funding would likely result in cuts to staff and resources. He said that when 'top slicing' was undertaken in 2018-2019, the circumstances were different and the process would not be so simple to apply now; he felt that head teachers would struggle and opposed the proposal.

Mr Neil Miller (Executive Head Teacher of Bromley Beacon Academy) asked that his comments and concerns be minuted. He said that he appreciated the prior conversation regarding these matters that he had had with the Director of Education. He said that this was a national central funding issue impacting every school across the country. Mr. Miller reminded the Forum of the increasing number of children presenting with complex needs and he expressed his concerns about reducing the AP budget. He informed the Forum that the current funding levels were now lower than in 2014 to 2015. There had been no increase in funding across the AP system. Mr. Miller felt that despite various obstacles and financial challenges there had been a good strategic partnership with the local authority and that AP provision in Bromley was still of a very high standard. He expressed concern around rising costs and the difficulty in ensuring adequate AP provision in Bromley. He mentioned that the Hayes Campus was already full for September.

It was a matter of concern that if the AP budget was reduced, then this would have a knock on effect of reducing outreach and reducing the numbers of children benefiting from AP provision; it would also have a negative effect on staffing and resources. He was very concerned that at a time when AP demand was growing, there was a proposal to reduce the funding. He referred to the 14 to 16 college in Bromley which was closed for September; this had resulted in 80 young people not attending and at risk of permanent exclusion. In his view a reduction in the AP provision could result in more children being permanently excluded from schools because the schools would not be able to cope. There would be an adverse effect on children and young people.

Another Forum member said that the current AP provision was excellent and had a profound impact on young people. The outreach was excellent, it gave young people better life chances and in some cases kept them out of prison. He expressed the view that the current AP provision should be maintained. Regarding the Dis-application proposal, he pointed out that the current financial position of Academies was not known to the Forum, and some of them could be in a worse financial position. He stated that he would oppose the proposals to cut AP provision and also the dis-application (top slicing) proposal. He expressed the view that some 'positive signs' were emanating from the DfE under the new government and hoped that going forward it may be possible to have a better conversation with them.

The Director of Education commented that he did not disagree with any of the comments made by the Forum members and that there were no easy solutions. He was encouraged that there was no opposition to the proposed new secondary school. He mentioned that in the past, bailout programmes had been implemented via the 'Delivering Better Value' scheme. However, this had required cuts and

savings to be made; more recently councils could borrow against the money that was provided for DSG funding via the scheme. The Director expressed the view that this was 'kicking the can down the road' for future generations and he thought it was not appropriate that future generations should be paying the interest and capital back on a loan for the next 30 or 40 years.

The Director agreed that no one knew what the new Government would propose. He said that the Council was not formally proposing any action just now--what was taking place was just an early discussion ahead of the summer. The budget process for 2025/26 would kick in around approximately September to October 2024. A formal view and a final report would be presented to Schools Forum during the autumn and nothing would progress until then. The only thing that would take place, would be a feasibility study with respect to the proposed new special school, but no decision regarding this would be made until the feasibility study had been concluded and members were presented with formal financial data.

The Director for Education was of the view that the Council had a good relationship with schools and other settings and he had no desire to impair that relationship, but wanted to continue to work openly and collaboratively. If no changes were forthcoming with respect to the system of provision or central government funding, then the Forum should work jointly to lobby the government. Everyone was in agreement that the system was broken, not sustainable and something had to change.

The Chairman concluded by saying that the formal decision would need to be taken in the autumn, and that in the meantime the Forum should seek as many views as possible from colleagues. He remarked that it was quite a responsibility for the Forum to make a decision which would affect approximately 80 schools. He said that if there were no changes in the interim, that the forum should note in its next minutes, its views and the need for change.

RESOLVED that the Draft DSG Deficit Recovery Management Plan 2025/26 be noted.

49 SPENDING BY PRIMARY, SECONDARY AND SPECIAL MAINTAINED SCHOOLS IN 2023-24

CEF23096

Members of the Schools Forum were presented with sight of a report that was intended for scrutiny at the Children, Education and Families Policy Development and Scrutiny Committee on 17th September 2024. The report was regarding spending by primary, secondary and special maintained schools in 2023-24.

It was a statutory requirement that this annual report be produced to report on the revenue balances of the six remaining maintained schools. The revenue balances for special schools and secondary schools had reduced, while there was a slight increase in the revenue balance of primary schools.

No particular matters were identified for consideration or referral to the Portfolio Holder.

RESOLVED that the report (and the balances detailed therein) be noted.

50 CEF PROVISIONAL OUTTURN REPORT 2023/24

CEF23097

The Head of Finance, Children, Education and Families presented the CEF Provisional Outturn Report 2023/24. He explained that this report was noted by the Executive on the 22nd of May and was being presented to Schools Forum for information only. The report contained extracts from the main report and comments from the Executive Director with respect to the overall financial position for the CEF Portfolio. It was noted that there was a £6.9m overspend in the core Bromley funded elements of the budget. This was mainly for children's social care, and in particular children's social care placements. With respect to RSG funding under the educational division, this was also overspent; the main expenditure being SEN transport.

It was noted that the overall DSG deficit was now in the region of about £16m and the deficit would be carried forward into the next financial year. Meetings were planned with the Department for Education to discuss this. A member referred to the overspend in children's social care and enquired what the key reasons for this were. The Head of Finance responded and said this was largely due to the Council having to deal with children with increasing complexity of needs and the fact that the cost of placements had risen far beyond inflation. It was noted that there had been a problem with the recruitment of permanent social workers and an attempted overseas recruitment process had been undertaken in an attempt to resolve this. Consideration was being applied as to how overspends could be limited. Unfortunately, this was a national issue and it was a suppliers' market, and so the Council was to some extent at the mercy of market forces.

RESOLVED that the projected position of the CEF Portfolio be noted.

51 ANY OTHER BUSINESS

The Chairman and the Director of Education noted that this was the last meeting that Patrick Foley would be attending. Both the Chairman and the Director expressed their thanks to Mr Foley for his hard work and dedication to the work of the Schools Forum over many years.

52 DATE OF NEXT MEETING

The next meeting of the Schools Forum would take place at 4.30pm on 17th October 2024.

Schools' Forum
11 July 2024

Chairman