

**Decision Maker:** EDUCATION, CHILDREN AND FAMILIES SELECT COMMITTEE

**Date:** 12<sup>th</sup> December 2018

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

**Title:** EDUCATION EFFICIENCY EFFECTIVENESS AND ECONOMY

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

**Ward:** (All Wards);

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1. Reason for report

1.1 This report provides information requested by the Committee at a previous meeting.

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2. RECOMMENDATION(S)

2.1 The Education, Children and Families Select Committee is asked to consider the information in this report.

### Corporate Policy

1. Policy Status: Not Applicable
  2. BBB Priority: Health and Integration
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### Financial

1. Cost of proposal: Not Applicable:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: CSC Budget
  4. Total current budget for this head: £5,775k
  5. Source of funding: ECF approved budget
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### Staff

1. Number of staff (current and additional): n/a
  2. If from existing staff resources, number of staff hours: N/A
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### Legal

1. Legal Requirement: Statutory Requirement
  2. Call-in: Applicable
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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? Not Applicable
2. Summary of Ward Councillors comments:

### 3. Background to the Budget

- 3.1 The vast majority of the Education budget is covered by Dedicated Schools Grant (DSG) which amounts to £277m (estimated in 2019/20) before any recoupment. The controllable budget funded by the Council amounts to £5,775k mainly SEN Transport, a contribution from the Council of £1m to costs in the High Needs DSG block and some statutory functions/staffing. The table below shows the last few years of budgets/outturn.

<u>Education</u>			
	<b><u>Budget</u></b>	<b><u>Outturn</u></b>	<b><u>Difference</u></b>
	<b><u>£'000</u></b>	<b><u>£'000</u></b>	<b><u>£'000</u></b>
<u>2015/16</u>			
Adult Education	-219	-233	-14
Alternative Education and Welfare Service	266	231	-35
Schools and Early Years Commissioning & QA	402	249	-153
SEN & Inclusion	4,835	4,978	143
Strategic Place Planning	229	207	-22
Education Services Grant	-1,650	-1,650	0
Schools Budgets	-1,509	-1,395	114
Other Strategic Functions	133	94	-39
	<b>2,487</b>	<b>2,481</b>	<b>-6</b>
<u>2016/17</u>			
Adult Education	-288	-141	147
Alternative Education and Welfare Service	254	258	4
Schools and Early Years Commissioning & QA	420	458	38
SEN & Inclusion	5,090	5,481	391
Strategic Place Planning	253	211	-42
Education Services Grant	-1,274	-1,274	0
Schools Budgets	-1,222	-1,135	87
Bromley Youth Support Programme	1,536	1,516	-20
Other Strategic Functions	261	246	-15
	<b>5,030</b>	<b>5,620</b>	<b>590</b>

2017/18			
Adult Education	-501	-360	141
Schools and Early Years Commissioning & QA	386	418	32
SEN & Inclusion	5,878	5,583	-295
Strategic Place Planning	98	101	3
Education Services Grant	-166	-166	0
Access and Inclusion	177	185	8
Schools Budgets	-1,282	-1,312	-30
Other Strategic Functions	-94	102	196
	<b>4,496</b>	<b>4,551</b>	<b>55</b>

- 3.2 Over the last few years there has been increased pressure on the DSG, especially the High Needs Block. The introduction of the National Funding Formula (NFF) has further restricted the Council's flexibility in what it can do with DSG funding.
- 3.3 In 2017/18 the Local Authority recognised the increasing demand for provision for children with special educational needs and the consequent cost pressures on the High Needs Block, and put £1m of growth into that budget from Council resources. The paper will discuss in more detail the direction of travel of this funding and if further injections of funding will be required.
- 3.4 This should be seen in the context of the overall financial strategy. Ongoing austerity and reductions in government funding mean that the Council needs to fund efficiencies and savings across the organisation. Education is a small part of the overall budget. It has in the past contributed to the overall position either by making savings or by limiting growth as far as possible thereby offsetting the need for reductions elsewhere in the Department/Council. The Council is projecting a £40m+ deficit in the next five years.

#### **4.0 Current 2018/19 forecast**

- 4.1 The total Council budget for Education is £5,775k; with a projected overspend for 2018/19 of £34k. This is partially offset by underspends in other areas of the division mainly to do with staffing, vacancy levels and additional collection of transport income from other authorities. Details are contained in the table below.
- 4.2 The overspend in Adult Education results from a failure to achieve income targets since the service was reorganised. Most of the provision is funded by government grant and is focused on work related training. A small number of personal development courses are funded entirely through fees.
- 4.3 The provision has been judged to require improvement at both of the last two inspections, the most recent in February 2017. Investment of £80k in 2017/18 has marked a step change in the drive to tackle the improvements, enabling the purchase of basic learning resources and, critically, curriculum leader capacity to improve the quality of teaching and learning. The impact is evident in the marked improvement in educational outcomes in 2018 and an up-turn in learner numbers and retention rates.

2018/19			
	<b>Budget</b>	<b>Outturn</b>	<b>Difference</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Adult Education	-525	-373	152
Schools and Early Years Commissioning & QA	529	496	-33
SEN & Inclusion	6,555	6,439	-116
Strategic Place Planning	96	96	0
Access and Inclusion	130	161	31
Schools Budgets	-1,348	-1,348	0
Other Strategic Functions	338	338	0
	<b>5,775</b>	<b>5,809</b>	<b>34</b>

- 4.4 The DSG is currently predicted to overspend by £354k. Details of the overspend are highlighted in the table below.

Bulge Classes	-128
Classroom Hire	224
Early Year Support	-8
Primary Support Team	-43
Home & Hospital	112
Alternative Provision	-205
Education Welfare Officers	18
Late Adjustment to DSG Recoupment	83
Other Small Balances	-10
SEN Provision	311
<b>Total</b>	<b>354</b>

- 4.5 The Council currently has £1,180k of unspent DSG carried forward into 2018/19. The Grant conditions allow that the grant can be carried forward to support future years expenditure. Of the £1,180k available, £188k has been allocated to support the central DSG services in year. Additionally £166k of the carry forward amount has been set aside for a claw back of the early years funding. This, together with the £354k in year overspend gives an estimated DSG balance at the end of the financial year of £472k.

## 5. How good is forecasting

- 5.1 Forecasting is robust. Using data sources and knowledge from the service at the time of budget preparation an accurate figure can be ascertained. Finance meet with the service on a regular basis and this feeds into the monitoring process each quarter which is then reported to Members. However for the most part, the service is responding to the special educational and other additional needs of the cohort of children and is demand led, making precise projections challenging although it is possible to analyse trends and to predict on that basis.

## 6. Population Growth

- 6.1 In Bromley, the population is set to grow by around 10% in the next ten years from 333,017 in 2017 to 364,600 in 2027. Children and young people (0-25 years) make up more than one in

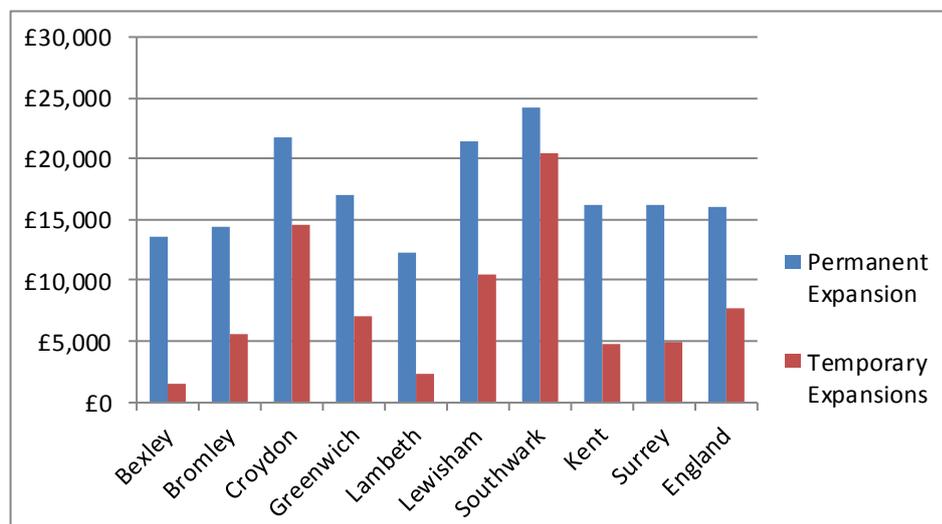
four of the population (96,400, 28.9%) and this is projected to continue through to 2027 (106,200, 29.1%).

- 6.2 The population of school aged children grew by 8.45% between 2010 and 2018 (56,189-60,939). It is predicted to grow by a further 8.45% by 2025 (66,089).
- 6.3 The Council has received £77.8m in Basic Need funding since 2011 to enable it to meet its statutory duty for providing sufficient school places.
- 6.4 As of July 2018 projects with a value of £60.8m had been completed through the Council's Basic Need programme. £47.9m of this funding came from Basic Need Capital Grant and £12.9m from other sources. Between 2009/10 and 2018/19 this has delivered 3,015 new permanent and 1,635 temporary places. The table below summarises the key scheme completed.

Bromley Beacon Academy	New vocational school for KS4 & KS5	80
Castlecombe Primary School	Expansion from 1 to 2FE in KS2 to create admissions link with Dorset Road Infant School	120
Churchfields Primary School	Expansion of School from 1 to 2 FE	210
Clare House Primary School	Expansion of School from 1 to 2 FE	210
Edgebury Primary School	Expansion of School from 1 to 2 FE	210
Glebe	Expansion by 2 FE specialist ASD provision	104
Harris Primary Academy Beckenham	Re-organisation of school from 3FE infant to 1FE primary School	-
Harris Primary Academy Crystal Palace	Expansion of School from 1 to 2 FE	210
Leesons Primary School	Expansion of School from 1 to 2 FE	210
Midfield Primary School	Expansion of School from 1 to 2 FE	210
Parish CE Primary School	Expansion of School from 2 to 3 FE	210
Poverest Primary School	Expansion of School from 1 to 2 FE	210
Riverside School	Expansion of 1 FE specialist ASD provision	52
St George's Bickley CE Primary School	Expansion of school from 1.5FE to 2FE	105
St Paul's Cray CE Primary	Expansion of School from 1 to 2 FE	210
Worsley Bridge Primary School	Expansion of School from 2 to 3 FE	210

## Comparative cost per place of permanent and temporary school expansions during 2015/16

- 6.5 The table below provides comparison of the cost per place between Bromley, its neighbouring authorities and all England. Based on most recent data the cost of creating a permanent school place in Bromley is £14,376 compared to a national average of £16,088 and a temporary place £5,334 compared with £7,751.



Source: DFE 2017 Basic Need Scorecard

- 6.6 However, it should be noted that as Bromley has moved through the delivery of its Basic Need programme, the projects have become more complex with the need to increasingly infill and build above existing premises as opposed to making use of surplus capacity and providing new discreet blocks.

### Accuracy of Bromley School Place Planning Forecasting

- 6.7 A key feature of the effectiveness of Bromley's programme is the ability to forecast demand effectively. As part of their monitoring of school capacity data (SCAP) the DfE provides a measure of the accuracy of Council's forecasting the need for new school places through its basic need scorecard.

#### Primary

- 6.8 Bromley short and medium term forecasts for school places are both accurate within 1.5%, with both showing a small over forecast. As can be seen this margin of error compares favourably with other authorities.

	2013/14 to 2014/15	2014/15 to 2015/16	2015/16 to 2016/17		
			Bromley	England	
				Largest underforecast	Largest over forecast
<b>1 Year Ahead</b>	+0.4%	+0.3%	+1.4%	-6.2%	+8.5%
<b>3 Years Ahead</b>	-0.9%	+2.5%	+0.7%	-4.9%	+12.5%

6.9 Comparative data on the growth and demand for primary school places and the accuracy of forecasting.

	Growth in Primary Pupil Numbers 2009/10 to 2019/20	Estimated Spare Places in 2019/20	Forecast Accuracy 1 year Ahead	Forecast Accuracy 3 years Ahead
Bexley	25%	4.4%	+1.4%	+0.8%
<b>Bromley</b>	<b>19%</b>	<b>8.1%</b>	<b>+1.4%</b>	<b>+0.7%</b>
Croydon	25%	16.2%	+1.6%	n/a
Greenwich	36%	8.7%	+0.8%	+6.7%
Lambeth	23%	14.1%	+8.5%	+4.1%
Lewisham	30%	11.8%	+1.8%	+5%
Southwark	23%	13.7%	+1.7%	+7.7%
Kent	21%	8.4%	-0.1%	+1.7%
Surrey	23%	6.8%	+2.1%	+2%

#### Secondary

6.10 The table below sets provides data on the growth and demand for primary school places and the accuracy of forecasting.

6.11 Whilst the short term forecast is in-line with other authorities the DfE have identified and over forecast in future growth. This has been reflected in recent data from the GLA that whilst still projecting significant increase in need is below the projections provided in 2015 and 2019.

	Growth in Secondary Pupil Numbers 2009/10 to 2019/20	Estimated Spare Places in 2019/20	Forecast Accuracy 1 year Ahead	Forecast Accuracy 3 years Ahead
Bexley	15.0%	10.3%	+2.4%	+2.9%
<b>Bromley</b>	<b>7.0%</b>	<b>4.2%</b>	<b>+2.4%</b>	<b>+6.9%</b>
Croydon	44.0%	14.5%	-0.2%	+2.8%
Greenwich	39%	8.1%	+0.4%	+1.8%
Lambeth	69.0%	6.6%	+0.1%	+16.6%
Lewisham	40.0%	9.9%	+3.6%	+8.8%
Southwark	176.0%	11.6%	+0.5%	-0.2%
Kent	18.0%	7.4%	+0.7%	+0.5%
Surrey	7.5%	10.0%	+1.4%	+3.9%

#### Places created in good and outstanding schools

6.12 Government policy is that wherever possible new places should be created in good or outstanding schools. It is not always possible to achieve this aim and in the past Bromley has expanded schools that have subsequently been categorised as RI. In the most recent period all new places created were in good or outstanding schools.

	<b>2011/12 to 2012/13</b>	<b>2012/13 to 2013/14</b>	<b>2013/14 to 2014/15</b>	<b>2014/15 to 2015/16</b>	<b>2015/16 to 2016/17</b>
<b>New Places Created</b>	1,201	1871	485	780	300
<b>Bromley</b>	87%	65%	88%	77%	100%
<b>England</b>	79%	80%	85%	92%	91%

## **7. Children with special educational needs and/or disabilities**

7.1 In the same period (2010-2018), the number of children with special educational needs requiring an Education, Health and Care Plan (EHCP) has increased by 12%, above the rate of population growth, with a steeper increase (15%) since 2014. At the same time, the age range for EHCPs has been extended from 0-19 to 0-25 years (hence 111 young adults with EHCPs in table below). Although, the increase in Bromley has been lower than national (40%) the rate nationally is slowing while in Bromley it continues to rise.

<b>July 2018</b>	<b>EHCP or statement</b>
Under 5	47
5 – 10	675
11 - 15	786
16 - 19	535
20 - 25	111
<b>Total</b>	<b>2,154</b>

- 7.2 There were 422 requests for statutory assessment during 2017, a 56% increase on the previous year. Of these 105 (25%) were refused (23% nationally) but 31 of these decisions were subsequently challenged successfully at the SEN/D Tribunal. The number of assessments undertaken increased from 202 in 2016 to 271 during 2017 and 99% resulted in an EHCP (national and London averages are 93%).
- 7.3 Speech, language and communication are identified as the primary need for 41% of children in Bromley who have an ECHP and two thirds of the children with an EHCP require speech and language therapy. This is a much higher proportion than nationally and is in marked contrast with the outcomes of developmental checks at age 2 and educational assessments of children at age 5. A further 26% of children with EHCPs have an Autistic Spectrum Disorder (ASD) identified as their primary need.
- 7.4 This group of children is more likely to be placed in non-maintained and independent special schools.
- 7.5 Responding to the needs of children, Bromley has increased places in its good and outstanding special schools (236 more places since 2010) but this provision is full, resulting in more children being placed outside the borough and, frequently in non-maintained and independent schools because provision in other LA schools is also full. Bromley places more children with EHCPs in the non-maintained and independent sector than nationally (6% of Bromley children in 2017 compared with 3.8% nationally). The cost of these placements has increased by 20% since 2014 and accounts for 26% of Bromley's spend on SEN placements for 11% of the children with EHCPs.

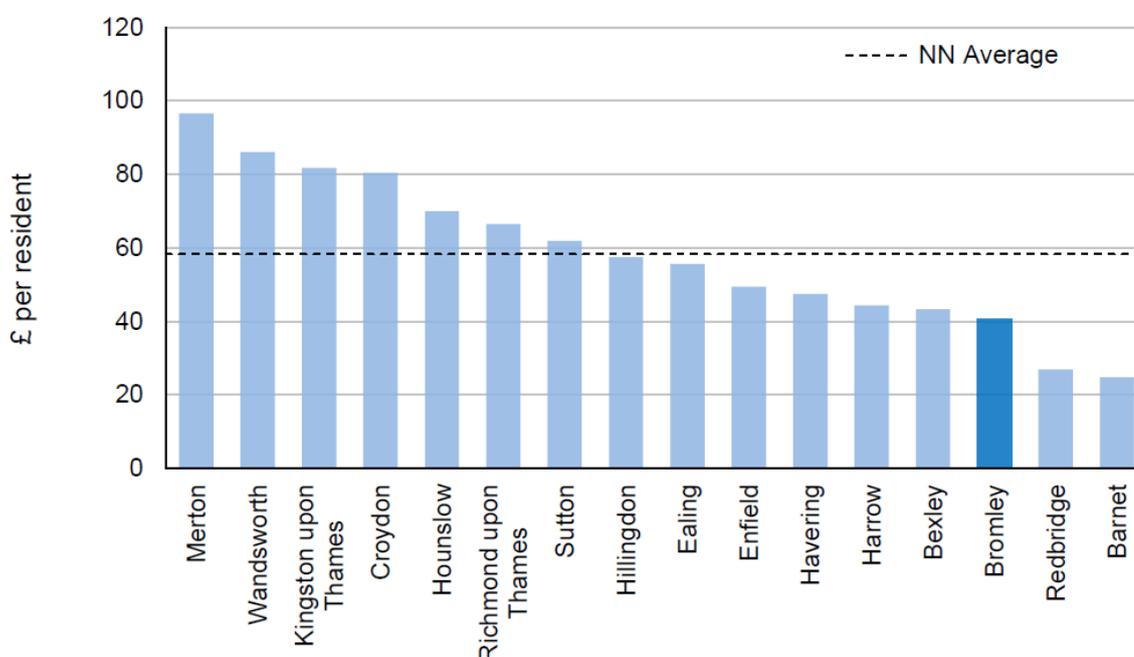
7.6 During the 2016/17 school year, 17 children under the age of 11 were excluded permanently from school. This is a much higher rate than nationally and led to challenge by the DfE. In 2017/18, 2 children were excluded permanently (plus one carried over from 2016/17). The challenge now is for schools and the Local Authority to sustain the progress in primary schools with support from Primary Outreach Service (funded by the Local Authority for two years). Permanent exclusions from secondary schools, having reduced to below London and national rates, are increasing and similar intervention through alternative provision is being considered.

## 8. **Benchmarking**

8.1 Another tool that is used is benchmarking against other authorities

8.2 The findings of the LGFutures Financial Intelligence Toolkit<sup>1</sup> using Revenue Account (RA) data for 2018/19 show that LBB spends on Education (excluding schools) £41 per 0-19 resident 30% lower when compared to our nearest neighbours.

**Chart 4 - Unit Costs for Education, Excluding Schools (NN Group)**



8.3 Levels of expenditure can also be derived from S251 data, which looks at all expenditure including all schools (Academies as well). The detail is in Appendix 1. This shows that whilst Bromley has low spend (one of the lowest in London) there are pockets of expenditure where we spend above the average for London. For example, expenditure on non-maintained and Independent provision is £174 per head (based on the 0-19 aged population) compared with the lowest at £32 (Newham) and the highest at £213 (Merton). Bromley's spend is 4th highest in London. This is contained within the High Needs Block of the DSG.

8.4 Average costs of independent placements are:-

<b><u>Independent Provision</u></b>		
	<b><u>Number</u></b>	
Independent Day	185	6
Independent boarding	26	2

8.5 This compares to an average cost of a place in a special school of £27k. It is worth noting that the quality of Bromley special schools (all judged good and outstanding by Ofsted) is frequently better than the quality of provision in non-maintained and independent schools.

## **9. Dedicated Schools Block - Risks**

9.1 It can be seen from the above that there are growth issues. These are in the main contained within the DSG, and in particular the High Needs Block.

9.2 The Dedicated Schools Grant (DSG) is estimated to be £278m in 2019/20.

9.3 It is split into four distinct blocks:-

i) Schools Block                      £207m - (goes to all mainstream schools including academies)

ii) High Needs Block                £48m - (goes to SEN schools/settings but also pays for independent provision and other SEN services)

iii) Early Years Block              £21m - (pays for early years provision across the borough)

iv) Central Block                    £2m - (pays for residual central LA services, statutory/regulatory duties)

9.4 The funding blocks are now very rigid in terms of the flexibility available to move funding between blocks to assist with funding issues. Prior to 2018/19 there was the ability to do this. However with the introduction of the National Funding Formula (NFF), this is now more difficult to achieve.

9.5 In 2018/19 the Department for Education (DfE) agreed that Bromley could transfer (a disapplication request) £1m from the Schools Block to the High Needs Block in order to balance the budget and meet ongoing pressures. This was a one year agreement only. In 2019/20 the pressures remain and although we are expecting £1m of additional DSG funding, Bromley are expecting further demand challenges to be filtering through. Therefore a request to continue the transfer will be made in 2019/20.

9.6 Legislation allows that 0.5% of the schools block funding can be transferred to the high needs block with the Schools Forum approval ( $£207m \times 0.5\% = £1.035m$ ). If the Schools Forum does not approve the transfer then the Council can apply for a disapplication request from DfE. Councils can apply for more than 0.5% but the Schools Forum cannot make the decision on this and these applications can only be agreed by the DfE.

9.7 In the 2018/19 financial year the Schools Forum turned down the Councils application, but the Council successfully applied to DfE for a disapplication. This in effect moved the funding from one block to another (it does not have any effect on the Council bottom line and is not Council tax funded). However, because of mounting pressures in the High Needs Block the Council contributed £1m of Council funds to the budget in addition to the £1m transferred from the Schools Block.

9.8 There continues to be additional pressures across DSG due to increasing demand, pupil growth and additional in borough placements, etc. The service has identified some mitigation (see paragraph 11) to this growth but this does not cover all of the growth issues.

- 9.9 Early indications suggest that LBB will get an additional £1m of DSG High Needs Block grant in 2019/20. This is assumed in the budget. It is assumed in the budget that the £1m funding from 2018/19 from the Council continues for the High Needs Block. It is also assumed that the £1m from the Schools (via the schools Block) that was utilised in 2018/19 also continues in the High Needs Block. Even with these assumptions, there is still a shortfall of around £856k (after mitigation identified so far) in the High Needs Block which the Council will have to fund as growth in 2019/20.
- 9.10 There is a shortfall of £250k in the Central DSG block. There is also growth of £335k in Core funded activities in 2019/20. The expenditure across the DSG Blocks is detailed in Appendix 2. If DfE refuse our disapplication request then the Councils contribution will rise to £3.441m in 2019/20. It is therefore not unreasonable for the Council to ask for a continuation of the funding considering the amount that the Council is adding as growth.
- 9.11 It should be noted that the ability to transfer £1m from the Schools Block to the High Needs Block may cease after 2019/20. This depends on whether the government move towards a 'hard NFF' which means that the movement of funding is not permitted. However this may need primary legislation to enact.
- 9.12 Prior to 2018/19 all DSG related activities were funded from the DSG grant.

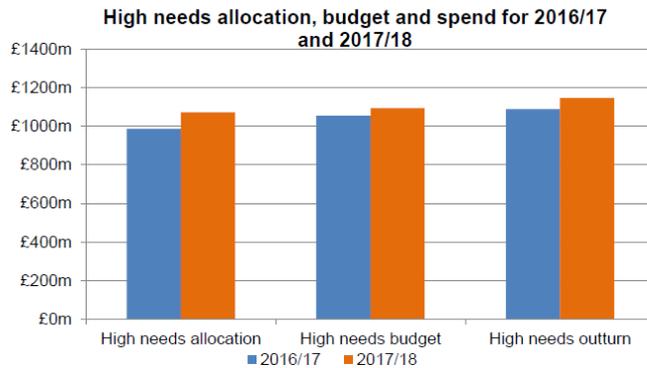
## **10. High Needs Block – A national issue**

- 10.1 The issue of a funding shortfall in the High Needs Block is not just a Bromley issue. Nationally there are problems with High Needs expenditure due to increasing demands, greater need and grant funding not aligning with expenditure.
- 10.2 London Councils have recently carried out some work in this area which shows that, in London at least, this is a major cause for concern amongst the Boroughs. In the tables below it shows that across London there was a £74.4m shortfall. The Bromley figure was a deficit of £1.3m (or 3.5% of the allocation)

## High needs block – 2017/18 shortfall

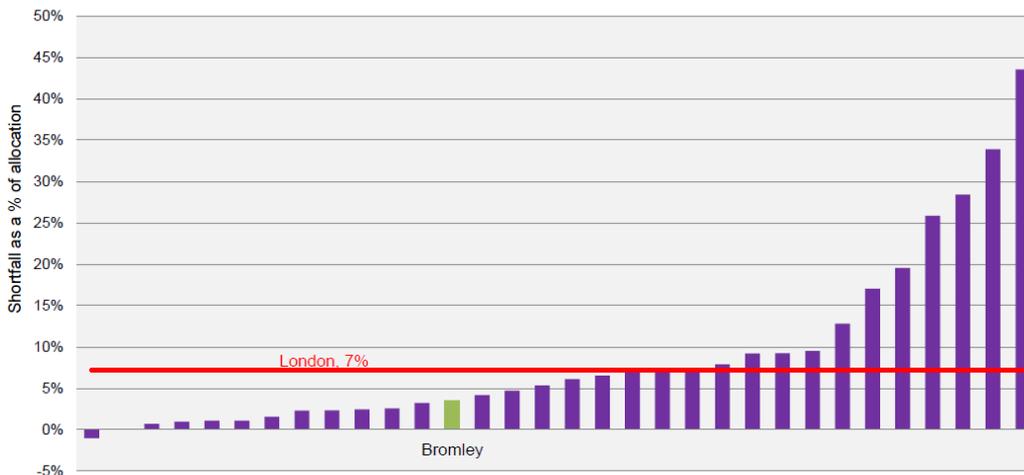
	Allocation shortfall	Budget overspend
Total shortfall/overspend (of boroughs overspending)	£74.4m	£55.7m
Overspend as a % of allocation/budget	7%	6%
Number of boroughs overspending	31	27

Sample: 32 boroughs



- All but one LBs reported an overspend vs allocations in 2017/18 (an increase of five since 2016/17)
- The aggregate funding shortfall is **£74.4m** (down by 36% since 2016/17 across those 30 LBs)
- Allocations increased by 8.6% and outturn spend by 5.2% from 2016/17 to 2017/18
- This year (2018-19) allocations have only increased by 3.7%

## High needs block – 2017/18 outturn v allocation by borough



- Borough ranged from a surplus of 1% of allocation to a shortfall of 44% of allocation.
- Seven boroughs have a shortfall of over 10%

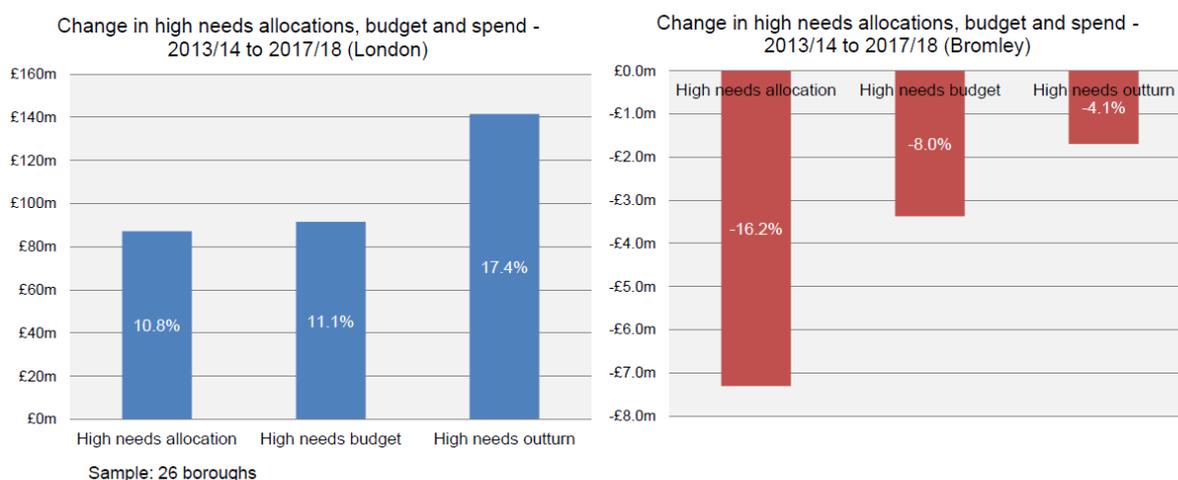
10.3 The London Council's work shows how funding for the High Needs Block has moved over the last five years and the adverse impact for Bromley compared to other London Boroughs. In

2016/17 effectively the High Needs Block was supporting an overspend in the Schools Block – the DSG was set with an overall overspend in that year as it was agreed with the Schools Forum and Members in order to redistribute some of the DSG underspend from previous years to schools. However in March 2017 the DFE undertook a re-baselining exercise which resulted in too much funding moving from the High Needs Block to the Schools Block as it did not take account of the reserves that were being used to support the overspend in the Schools Block. This in effect froze allocations across the different DSG blocks. As a result of this there were insufficient funds in the High Needs Block to cover the expenditure for 2017/18 which required a movement of approximately £1m from the Schools Block to cover this.

10.4 The table below outlines this and shows the reduction in grant, budget and outturn that Bromley have had to manage compared to other London Boroughs.

10.5 Further analysis from London Councils is detailed in Appendix 3

## High needs block – trend since 2013/14



- Across 26 boroughs providing high needs data for 2013/14 and 2017/18, high needs allocations have increased by £87.2m (11%), budgets by £91.5m (11%) and outturn by £141.6m (17%)

## 11. Growth and Mitigation

11.1 Current growth and mitigation assumptions are listed below for Education. These are draft at this stage and will need further development:-

<b>EDUCATION</b>				
<u>GROWTH</u>	<u>2019/20</u>	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
FULL YEAR EFFECT	130	130	130	130
PLACEMENTS, ETC	2,217	3,594	4,971	6,348
DSG CONTRIBUTION LOSS	0	1,000	1,000	1,000
ALTERNATIVE PROVISION	250	250	0	0
ACCESS INCLUSION	120	120	120	120
SEN TRANSPORT RETENDER COST PRESSURES	205	320	378	405
CENTRAL SERVICES BLOCK SHORTFALL (DSG)	250	250	250	250
	3,172	5,664	6,849	8,253
<u>MITIGATION</u>				
REDUCTION IN PLACEMENTS	0	-51	-476	-1,075
REDUCTION IN EHCP GROWTH	-731	-1,462	-2,193	-2,924
ADDITIONAL IN BOROUGH SEN PROVISION	0	0	0	-500
ADDITIONAL HNB FUNDING FROM DFE (2019/20 CONFIRMED)	-1,000	-1,000	-1,000	-1,000
	-1,731	-2,513	-3,669	-5,499
<u>NET GROWTH</u>	<b>1,441</b>	<b>3,151</b>	<b>3,180</b>	<b>2,754</b>

11.2 Discussions are held with the service and debated. The service is challenged on growth and mitigation through Officer challenge sessions. This is then debated by Members before being finally agreed through the Committee process. It can be seen that there is significant growth being predicted even after mitigating actions. It is assumed at this stage there will be no further increases in DSG grant and therefore any financial burden will rest with the Council who will have to fund this from Council funds.

- 11.3 An external review of arrangements for special educational needs which resulted in the Bromley SEN/D Vision and Priorities highlighted the need to:
- match the pattern local provision to the pattern of need so that children can grow up and go to school within their community.
  - use existing resources more effectively to support placements in mainstream schools, as far possible.

Actions already underway to achieve this change include:

11.3.1 Service Level Agreements have been put in place for all Additionally Resource Provision in the mainstream schools to ensure places are utilised efficiently and that the provision better matches the needs of Bromley children.

11.3.2 Recognising the gap in local provision for children with ASD and associated needs (including high levels of anxiety and behaviours that challenge), the LA has bid for DfE funding to establish a new junior special school providing 54 places. If the bid is successful, the new school is planned to open for the 2020/21 academic year. Financial modelling indicates that the new school could contribute to the planned overall reduction in expenditure by more

children being placed within the borough's provision rather than non-maintained independent schools). These estimates (£500k saving by 2022/23) are included in the table at paragraph 11.2.

- 11.3.3 Speech and language therapy is being re-commissioned, with an interim arrangement in place now, to support children better in mainstream and special schools in borough. In re-organising the SEN Advisory Service (see below) we will create a post of SEN advisory teacher specialising in speech, language and communication.
- 11.3.4 SEN support teams are being unified in a single SEN Advisory Service to provide strategic and practical support to mainstream early years settings, schools and colleges. The service will provide advice and support for children from birth to 25 years, their parents and their children.
- 11.3.5 Following successful investment in a Primary (school) Outreach Service planning is underway for a similar short term investment to develop, in collaboration with secondary schools an alternative provision offer for 14-16 year olds to reduce the use of permanent exclusion and the need for subsequent specialist provision.
- 11.3.6 In partnership with Bromley CCG, LBB made a CAMHS Trailblazer application for DoH grant to develop school based CAMHS support. One of the expected outcomes is to help sustain the placements of children with social, emotional and mental health needs in their local mainstream school.
- 11.3.7 Despite increase demand for statutory assessment of special educational needs since 2014, the structure of the SEN Service has not been reviewed with the result that the service is overstretched, with high caseloads and inefficient processes reliant on paper records. We have re-aligned existing resources to create a new post of Casework Manager post to oversee and improve quality of assessments, decision making and plans. This will provide a more robust basis from which to challenge the rate of conversion of assessments to plans
- 11.4 There are two further areas where mitigation action is required to improve the efficiency and effectiveness of arrangements for special educational needs and to ensure that children are placed in the provision they need to support their progress and development.
- 11.4.1 Appeals to the SEN/D Tribunal are increasing in Bromley and nationally and the financial risk from each challenge can be significant. The average additional cost incurred from failing to defend a Tribunal case in 2017/18 was £24k per year. When considering that many of the cases lead to a change in placement for 10 or more years, the cost can be very substantial. Bromley Legal Services are seeking to recruit a suitably experienced lawyer (filling a vacant post). A dedicated lawyer for education would allow work to begin as soon as appeals are lodged and should reduce the cost of counsel.
- 11.4.2 Parents say that one of the attractions of independent settings is well-integrated and consistent therapy provision. The LA is working with the CCG to re-commission speech and language therapy (see above) but a comprehensive review of the therapy offer for children with special educational needs and / or disability is required.
- 11.5 Bromley's SEN/D Vision and Priorities states:

*"Our vision in Bromley is to have a well-planned continuum of provision that meets the needs of children who have SEN/D, from birth to age 25, and their families. We believe that Bromley children should have their needs met as far as possible within their local community."*

Many parents tell us that they would prefer their children to attend a local school, in their local community. Our intention is to develop local provision to meet the changing needs of our population. This means not just educational provision but health services, particularly integrated therapies and wrap around activities out of school hours and respite care (i.e., short breaks) which improves the quality of life for some of our most vulnerable children and their families.

**12. Are Baseline Budgets realistic?**

- 12.1 Baseline budgets are realistic, but are taken at a point in time and it is assumed that the appropriate agreed management actions take place. This needs to be monitored closely.
- 12.2 If management action is not achieved or there is a slight deviation from plans then there is likely to be budgetary issues. Challenging management action/savings/efficiencies are set by the Council across all divisions in order to balance the budget
- 12.3 The Education budget is a small proportion of the overall budget of the Council in net terms. However with continued demand, especially in the High Needs area of the budget and the fact that DSG grant appears to be insufficient to meet expenditure requirements, Education is a risk area with growth emerging in the following few years. This needs to be looked at this as part of the MTFS.
- 12.4 The Council needs to find £40m+ in the next five years and in order to balance budget savings and efficiencies will need to be found. Difficult choices are ahead. These are being worked through at Officer level at the moment.

<b>Non-Applicable Sections:</b>	Impact on Vulnerable Adults and Children, and Policy, Financial, Personnel, Legal and Procurement Implications
Background Documents: (Access via Contact Officer)	Not Applicable