

**Questions to the Education, Children and Families
Budget and Performance Monitoring Sub-Committee
on Wednesday 23rd January 2019.**

Mr Matthew Apsley, Headteacher, Oak Lodge Primary School

Please can you clarify what the current local authority council reserves are?

Reply

At 31/3/2018, excluding monies held for schools, insurance fund, government grants and health, the Council has reserves of £105.5m, earmarked for specific, long term projects, and general reserves of £20m. The Council Tax report of the 16th January 2019 refers to the level of reserves required to ensure the long term stewardship of the Council's finances and sustainable finances in the medium term. The Council is currently estimating a structural deficit of £32.2m by 2022. Inflation, new burdens and increased costs combined with ongoing reductions in Government funding have created the structural budget deficit.

At the Schools Forum, it was discussed that the local authority would receive two financial years of £788,000, (2018-19 and 2019-20). Gillian Palmer's communication only refers to one tranche of £788,000. Can you clarify this and how it features within the local authority's commitment to contribute £2 million.

The £788k High Needs funding provided in 2018/19 is proposed to be applied to anticipated growth in current and future expenditure in the High Needs Block. The Council's intention to contribute £2 million towards the High Needs Block is irrespective of the additional government funding.

Supplementary question:

How does the second tranche of £788k feature in the Local Authority's commitment for the High Needs Block?

The Interim Executive Director of ECHS responded on behalf of the Chairman and explained that the additional contribution of £2m from the Council was a firm commitment in addition to the two tranches of £788k from the DfE.

Projected High Needs spending in Bromley shows if SEND reforms are not put in place the overspend in the High Needs block will increase to unmanageable proportions. Why is the local authority removing

funding from mainstream schools who can have the biggest impact on outcomes for children with additional needs?

The SEND reforms are a key priority for the Council, working in partnership with parents, schools and other agencies. One of the key areas of development is in respect of the SEN Support offer within mainstream schools, building on the SEND4Change work. Notwithstanding the work of schools and the Local Authority, there has been a significant increase in the number of children with a complexity and severity of needs which warrant an education, health and care (EHC) assessment and, in most cases, as EHC plan which determines the special educational provision the child needs. Since 2015, Bromley has seen a 15% increase in EHC assessments, nearly twice the rate of increase in the school age population.

The Council is not seeking to remove funding from mainstream schools. The disapplication request, which will be determined by the Secretary of State, will consider whether funding from the Schools Block should be redirected towards the High Needs Block. This is in recognition of the significant pressures on meeting the needs of children and young people with SEND, including within mainstream schools and Additionally Resourced Provisions within mainstream schools. The pressures are such that the Council must seek to draw on all possible sources of funding and to take every opportunity to express its concern to central government of the SEND funding gap.

Supplementary Question:

Does the Sub-Committee recognise that by removing funding from the Schools' Block the Local Authority is removing the ability of schools to support those children with additional needs placed in mainstream education, and that this in turn will place additional pressure on the High Needs Block?

It's fair to say that we all recognise the issues and understand that it is key that addressing the issues of helping schools to support children with additional needs placed in mainstream provision remains a priority. The disapplication request is part of this and is intended to place pressure on the DfE to recognise and address these key issues facing schools.

Mrs D Allis, Headteacher, Wickham Common Primary School

Primary schools have already made significant restructures where they are now operating with "bare bone" structures, on what basis is the decision being made that primary schools are able to endure further cuts and deliver a high quality of education?

Reply

Bromley has moved to the National Funding Formula, in line with government guidance and as recommended by the Schools Forum. The National Funding Formula distributes funding differently from Bromley's historic funding formula and this does have the effect of redistributing funding from primary to secondary schools. However Minimum Funding

Guarantee (MFG) does provide a level of protection to primary schools by limiting the loss of funding that any individual school will experience to a maximum of 1.25%. Bromley primary schools will receive approximately £6m MFG protection in 2019/20, with individual schools receiving up to £250k.

The Council is acutely aware of the financial pressures on primary schools. The Dedicated Schools Grant (DSG) is a finite sum the Council is seeking to achieve the best outcomes within the resources available whilst following Government guidance.

If approval is received from Secretary of State for the disapplication of £1 million from primary schools funding, is this something the local authority is still intending to pursue in spite of the overwhelming concern expressed by school leaders about the negative impact of this on Bromley children?

Reply

The Council appreciates the very real concerns that school leaders expressed in response to the consultation on the disapplication request. At the same time, it is clear that the High Needs funding is far from sufficient to meet the need for provision for children with SEND and does not cover the long term impact of the SEND reforms which extend responsibility for funding to the age of 25. To make the level of concern clear to the DfE this Council, along with a number of other areas across London, has confirmed the request to transfer funding from the Schools block to the High Needs block. It should be noted that the funding would be from the Schools block as a whole and is not targeted at primary schools.

To meet pressures on High Needs funding, the Council is seeking to draw on all possible sources of funding in 2019/20. Should the request be by the Secretary of State, the Council's intention to commit £2m towards High Needs funding is unaffected.

The Secretary of State has guaranteed this year every child will receive 0.5% increase in funding, in cash terms, yet children in Bromley primary schools are having their funding potentially cut by 1.24% per child. What is the council's rationale for ignoring this instruction from the Secretary of State?

Reply

The Secretary of State has issued statements guaranteeing that the overall Schools Block funding to local authorities will be predicated upon a 0.5% increase per pupil. In practice, individual school budgets are distributed according to the National Funding Formula and in line with government guidance.

In Bromley, allocations to individual schools are impacted by lagged funding for new schools which has the effect of reducing the Schools Block funding

available for all schools. The Council will continue to raise with the DfE our shared concerns about the impact of lagged funding across the whole school system.

Supplementary Question:

Moving forward, what reassurances are the Sub-Committee Members and the wider Council able to provide that are seeking to support primary schools?

The Chairman provided assurances to Head Teachers that they certainly always had his support, the support of the Portfolio Holder, Members of the Executive and Councillors across the Council. This commitment remained undiminished and all Councillors would continue to support Head Teachers and their schools in any way that they were able.

Written Question from Mr John Getgood, Local Committee Member, Alexandra Junior School

What Reassurances can the Council give to Primary Schools in Bromley regarding their financial position should the government approve the council's request to transfer £1 million from Schools Block funding to the High Needs Block?

Reply

Bromley, like all areas across the country, is facing increasing demand for services and provision for children with special educational needs and disabilities (SEND) which is creating pressure on the High Needs budget within the DSG. To meet these pressures, the Council is seeking to draw on all possible sources of funding in 2019/20. One of these areas is the Schools Block. If the disapplication request were successful the funding would be used to fund provision for children and young people with SEND. The Council is also proposing to add an additional £2m to High Needs funding from Council resources for 2019/20.

Schools funding is dictated by the National Funding Formula which has been formulated by the Government and adopted by Bromley. Within the formula, the Minimum Funding Guarantee (MFG) does provide a level of protection to primary schools by limiting the loss of funding that any individual school will experience to a maximum of 1.25%. Bromley primary schools will receive approximately £6m MFG protection in 2019/20, with individual schools receiving up to £250k.

Whilst the Council is required to balance the budget across all of the DSG funding streams and budget, it is acutely aware of the financial pressures that primary schools in particular are facing, with many reporting that they have already taken every opportunity to reduce costs, including through reductions in support and pastoral staff. The Council will continue to raise

with Government its concerns about the insufficiency of funding for the High Needs Block and the impact of lagged funding.