

## SCHOOLS' FORUM

Minutes of the meeting held at 4.30 pm on 7 November 2019

### Present:

David Dilling (Chairman)	Primary Academy Governor (Charles Darwin Academy Trust)
David Bridger (Vice-Chairman)	Non-School Representative (Church of England)(Aquinas Trust)
Tracey Davies	Non-Schools Representative(14-19 Partnership)(Bromley Academy Trust)
Richard Edmunds	Primary Academy Head Teacher (Warren Road Primary School)
Izabela Lecybyl	Non-School Representative (Catholic Church)
Angela Leeves	Non-School Representative (Early Years)
Neil Miller	PRU Head Teacher/Governor Academy (Bromley Trust Academy)
Karen Raven	Secondary Academy Head Teacher (Chislehurst School for Girls)
Katie Scott	Secondary Academy Head Teacher (Langley Park Trust)
Ian Travis	Special Head Teacher/Governor Academy (Glebe School)
Gareth Walters	Primary Academy Governor (Compass Academy Trust)
David Wilcox	Secondary Academy Governor (Darrick Wood School)

### Also Present:

David Bradshaw	Head of Education and Children's Services Finance
Jared Nehra	Director of Education
Amanda Russell	Head of Schools Finance Support
Philippa Gibbs	Democratic Services Officer
Carol Arnfield	Head of Early Years, School Standards and Adult Education

### 14 APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr Andrew Rees.

### 15 MINUTES OF THE MEETING HELD ON 19 SEPTEMBER 2019

The minutes of the meeting held on 19 September 2019, were approved and signed as a correct record.

**16 REVIEW OF EARLY YEARS FUNDING FORMULA**  
**Report CEF19013**

The Schools' Forum considered a report which provided an outline of the Local Authority's (LAs) proposed review of the Early Years Funding Formula. In July 2019 Bromley received notification of an increase to the Early Years funding block within the Dedicated Schools Grant of £2.3m which consisted of £1.45m relating to 2019/20 and a retrospective adjustment of £0.87m relating to 2018/19. Unlike the other blocks, Early Years funding was adjusted in year, either upwards or downwards, based on the January pupil numbers. If pupil numbers and take up increased this would result in additional funding however if numbers/take up decreased then funding would be clawed back. This could vary across the three main elements within the Block i.e. 2 year old numbers may be decreasing but universal funding for 3 and 4 year olds and additional 15 hours numbers increasing - if this was the case the funding adjustment would be "netted off".

The current pattern in Bromley was that 2 year old numbers/take up was decreasing but 3 and 4 year old numbers/take up was increasing for both the universal entitlement and the additional 15 hours. As a result of this Bromley was seeing a net increase in overall funding.

This adjustment had prompted a full review of the current EY funding formula by LA Finance and Early Years Officers to understand why the funding was increasing and to look at possible adjustments to the Bromley EY funding formula for 2020/21 to ensure that the increased funding was passed on to the EY providers to support EY education in Bromley.

The Schools' Forum noted that at this stage the LA was proposing to increase the base rate which would mean an increase to all providers. The Head of Schools Finance Support reported that the DfE settlement had been received the previous week and as a result an additional 8p would be added to base rate funding across all three elements in 2020/21 (bring the total increase in funding to 58p). Members of the Schools' Forum also noted that the review of EY Funding had also allowed for an increase of £0.5m to the funding that was held centrally to support Early Years pupils with SEND which was currently held in the EY Block with the LA continuing to meet the DfE's required "pass-through" rate for the block.

In response to a question from the Vice-Chairman, the Head of Schools' Finance Support confirmed that the funding that had been allocated to Early Years was being directed at Early Years provision and that there was no impact on other funding blocks within the DSG. The Head of Schools' Finance Support also confirmed that income would be adjusted upwards if it became apparent that pupil numbers were increasing. The proposed review for 2021 would not be seeking significant adjustments but any changes would be presented to the Schools' Forum for review.

In response to a question from the Vice-Chairman, the Head of Education and Children's Services Finance explained that the increase of £0.5m for Early Years Pupils with SEND had been based on "pass-through" rates and a judgement by

the LA. It was proposed that the funding would be used for elements within the Phoenix Centre.

The Head of Early Years, Schools Standards and Adult Education reported that a recent meeting with Early Years providers had been positive. There had been relief amongst providers that the LA was looking to increase rates. It was acknowledged that the rates currently provided by the DfE did not cover the costs of delivery to the provider, and whilst the proposed increases would mitigate this to some extent the new rates would still not cover the full cost of delivery. The Schools' Forum noted that some providers had asked whether the new base rate of universal funding for 3 and 4 year olds could be increased by a further 2p to £5 per hour. However, the Head of Schools' Finance Support explained to the Forum that when multiplied by the number of hours and the number of children the 2p increase had a significant budgetary impact. It was felt that it was prudent to keep to the proposed level and undertake a further review at a later stage.

The Head of Early Years, Schools Standards and Adult Education also explained to the Forum that the new system that was being implemented would enable the LA to pay providers monthly on an actual child basis. This would ensure that the LA was paying the right rates for the allocated budget and would therefore have a positive impact on future reviews.

Noting the higher rates for 2 year old funding, the Early Years Representative on the Schools' Forum explained that the funding was directed at the most vulnerable 2 year olds across the Borough. Children were able to enter pre-school settings the term after their second birthday which meant that some of the children were still very young when they entered settings and this had an impact on the staff ratios and went some way to explain the higher rates.

The Head of Early Years, Schools Standards and Adult Education reported that a benchmarking exercise had been undertaken with neighbouring boroughs and statistical neighbours and this had confirmed that providers in Bromley were receiving a fair deal.

Members of the Schools' Forum noted the good progress that had been made and expressed their support for the review.

**RESOLVED: That the report be noted.**

**17            2020/21 DEDICATED SCHOOLS GRANT**  
**Report ED18085**

The Schools' Forum considered an outline of the estimated Dedicated Schools Grant (DSG) allowance for 2020/21 and an overview of how it would be spent. The indicative Dedicated Schools Grant (DSG) funding for 2020/21 had been provided to all Local Authorities – this was based on October 2018 pupil numbers so would be uplifted in December to reflect the October 2019 census data. The DSG for 2020/21 was divided into four blocks – High Needs, Early Years, Schools and Schools Central. The expected income set out below

2020/21 Dedicated Schools Grant					
	High Needs Block	Early Years Block	Schools Block	Schools Central Block	Total
Gross Grant Funding	£53,335,526	£23,032,667	£212,694,788	£1,889,999	£290,952,980
Recoupment adjustment	-£8,786,000				-£8,786,000
Net Grant Allocation	£44,549,526	£23,032,667	£212,694,788	£1,889,999	£282,166,980

The LA had looked at each of the blocks and had forecast the related expenditure for 2020/21 based on information that was currently available.

#### Schools Central Block

The Schools Central Block was showing an overspend of £360k which was proposed would be met by a contribution of £360k from the Council to offset the deficit. The Head of Schools' Finance Support noted that there had been a reduction in the funding received and suggested that this was indicative of the direction being taken by the Government in this respect.

The Schools' Forum noted that the proposed additional contribution from the LA would need to be considered and agreed as part of the overall Council budget setting process.

#### Early Years Block

The Early Years Block income had been estimated as part of the separate review carried out by the LA. Income had been estimated as the DfE had not yet released any funding information relating to 2020/21. Although this block was showing a small overspend this would be accounted for as an accrual at the end of the financial year based on the estimated retrospective adjustment expected in July 2021. The funding calculation also allowed for £500k to be transferred from the EY block to the HN Block to support EY pupils with SEND.

#### Schools' Block

The Schools Block funding had been calculated using the October 2018 census pupil numbers and the per pupil units of funding which had been calculated for 2020/21. Based on the published figures the Primary unit of funding had increased from £4,200 to £4,282 which was an increase of around 1.95% and the Secondary unit of funding had increased from £5,183 to £5,408 which was an increase of around 4.34%.

In response to a question, the Head of Schools' Finance Support confirmed that unit funding was the total funding that was received by the LA and was therefore different to AWPU.

In response to a question concerning growth funding, the Director of Education explained that there was a forecast increase in demand for places within the secondary sector which may in future necessitate further growth with proposals for two new Free Schools – one in Central Bromley and one in North West Bromley.

A Secondary Representative on the Schools' Forum sought further information around recent media releases concerning certain caps being lifted, questioning whether this included the cap on deprivation funding. The Head of Schools' Finance Support explained that this was not something of which the LA was aware, therefore further investigations would be undertaken and reported back to the Schools' Forum.

The Schools' Forum noted that the issue of lagged funding for new Free Schools continued to be a source of frustration for both the LA and schools across the Borough. Bromley was uniquely affected by this issue as a result of its comparatively low level of funding and higher proportion of Free Schools. Representations had been made to the previous Minister prior to his resignation. Government was now in a period of 'purdah' in the run up to the General Election however, this issue would remain on the LA's agenda and would be raised again once a new government was in place.

The Schools' Forum expressed its support for the action being taken by the LA in respect of lagged funding for new Free Schools.

### High Needs Block

There continued to be significant pressures on the High Needs Block. Estimated expenditure was 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 Schools' Forum noted that a small surplus was showing at the beginning of the year however, this was a volatile block and whilst assumptions could be made there were many variables that could impact on funding during the year.

The Head of Education and Children's Services Finance explained that whilst a small surplus of £738k was showing for 2020/21, there were considerable pressures going forward and Officers were seeking to address the ever increasing expenditure requirements and continued pressures. The Director of Education noted that ECHPs were growing at a rate of 7% each year. This was the first time that there had been any real recognition of the growing pressures in terms of the funding received from Government. An assumption had been made that the LA would continue to receive funding to meet the demand but it was important to recognise that demand would continue to grow.

A Member of the Schools' Forum expressed concern that spending on out-of-borough placements had increased when one of the recommendations from the

SEND4Change review had been to reduce spending on out-of-borough placements. In response, the Director of Education emphasised that the LA sought to place children in the most suitable provision. Once a child had been placed in an out-of-borough provision it was unrealistic to change the provision in order to bring a child back in-borough. It was also important to recognise that there was also an increase in demand for specialist services so whilst the cost of out-of-borough placements may have increased, as a proportion of overall spending the increase had declined. The Director of Education also highlighted that some of the out-of-borough placements were just over the border in neighbouring boroughs. The use of out-of-borough placements would remain a priority for the LA and there would be a continuing drive to build internal capacity to meet future demand.

The Vice-Chairman noted that overall funding had increased and there were no proposals for any additional contribution from the Council. However, there were no proposals to allocate top up increases to Alternative Provision and specialist units within schools. The Vice-Chairman suggested that it felt wrong to be suggesting a favourable variance without proposing increases for top up funding. The Head of Education and Children's Services Finance reported that an increase of 0.84% (the same increase as that allocated to schools) would cost approximately £120k. However, the Head of Education and Children's Services Finance emphasised that the LA had proposed the favourable variance in order to mitigate against some of the known funding pressures in future years. Officers had felt that it was more prudent to give schools more stability in terms of funding rather than allocate additional money which may need to be withdrawn at a later date.

The Vice-Chairman, David Bridger, proposed that top up funding should have an inflationary increase of 0.84% to reduce the proposed budget surplus to some extent. The motion was seconded by Neil Miller.

The motion was put to a vote. It was noted that only school representatives on the Schools' Forum were eligible to vote on the motion – a total of 8 Members present.

In favour: 8  
Against: 0  
Abstain: 0

The motion was therefore CARRIED.

**RESOLVED: that**

- 1. The report be noted, and**
- 2. Top up funding have an inflationary increase of 0.84% to reduce, to some extent, the proposed budget surplus.**

**18            DATE OF NEXT MEETING**

It was noted that the next meeting would be held on 16<sup>th</sup> January 2020.

The Meeting ended at 5.50 pm

Chairman