

CHILDREN, EDUCATION AND FAMILIES BUDGET SUB-COMMITTEE

Minutes of the meeting held at 7.00 pm on 19 January 2023

Present:

Councillor Jonathan Andrews (Chairman)
Councillor Robert Evans (Vice-Chairman)
Councillors Felicity Bainbridge, Graeme Casey, Kira Gabbert,
Ryan Thomson and Rebecca Wiffen

Also Present:

Councillor Jeremy Adams (observing Member)

1 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTE MEMBERS

Apologies for absence were received from Councillor Sam Webber and Councillor Graeme Casey attended as his substitute.

2 DECLARATIONS OF INTEREST

Councillor Robert Evans declared that he was the Vice-Chair of Governors of St Olave's Grammar School and a Trustee of the Impact Multi Academy Trust.

3 QUESTIONS FROM COUNCILLORS AND MEMBERS OF THE PUBLIC ATTENDING THE MEETING

No questions were received.

4 MINUTES OF THE MEETING HELD ON 18 JANUARY 2022 AND MATTERS OUTSTANDING

RESOLVED: That the minutes of the meeting held on 18 January 2022 be agreed and signed as a correct record.

5 PRE DECISION SCRUTINY OF DECISIONS FOR THE CHILDREN, EDUCATION & FAMILIES PORTFOLIO HOLDER

a CAPITAL PROGRAMME MONITORING - QUARTERS 2 AND 3 2022/23 Report FSD23007

The report presented the capital programme monitoring position for Quarters 2 and 3 of the 2022/23 financial year and the revised capital programme for the four-year period 2022/23 to 2026/27 which had been approved by the Council's Executive at its meeting on 18 January 2023.

In response to a question from the Vice-Chairman, the Head of Finance: Children, Education and Families confirmed that Section 106 funding for education purposes was held within the Basic Need budget. Regular reports were made to the Children, Education and Families PDS Committee on the allocation of Section 106 funds, with all projects taking account of any geographical or time requirements of specific funds. A Member was concerned at the out-of-date commentary for some schemes within the Approved Capital Programme and this would be flagged with the Principal Accountant following the meeting. In response to another question, the Director of Children, Education and Families reported that the refurbishment of the Saxon Family Contact Centre had been successfully completed.

RESOLVED: That the Portfolio Holder be recommended to note and acknowledge the changes put to the Council's Executive on 18 January 2023.

b 2023/24 DEDICATED SCHOOLS GRANT
Report CEF23001

The report provided an outline of the final Dedicated Schools Grant allocation for 2023/23 and an overview of how this would be spent. The report would also be presented to the meeting of the Schools' Forum on 26 January 2023 for consultation purposes.

In considering the four options for the 2023/24 Dedicated Schools Grant formula, a Member underlined the need to provide as much support as possible to disadvantaged pupils and suggested Option 2: Basic rates at National Funding Formula and Maximum Deprivation Rates be agreed. In response, the Head of Finance: Children, Education and Families advised that the four options were broadly similar but that it was recommended that Option 4: Inflating all National Funding Formula rates across the board by +0.5% be agreed. This was because Option 4 was as close as possible to the National Funding Formula and would minimise the funding disruption to schools once the National Funding Formula was rolled out. Once the funding formula for the 2023/24 financial year had been agreed, the majority of Dedicated Schools Grant would be returned to the Department for Education which distributed funds directly to the Borough's academies. The Local Authority kept a small portion of the Dedicated Schools Grant, including the allocations for the Early Years Block and Schools' Central Block. The Vice-Chairman was concerned to note an additional contribution made to the Schools' Central Block by the Local Authority totalling £510k for the 2023/24 financial year. The Head of Finance: Children, Education and Families advised that this had previously been agreed to offset to an annual reduction in funding from the Department for Education for the Schools' Central Block. Any reduction in the additional contribution was a matter for Members but there was limited scope to make savings due to a number of areas of mandatory spend, including school licenses.

Another Member asked a question about deprivation payments and the Head of Finance: Children, Education and Families clarified that as part of the Early Years' Formula, both a child-level and setting-level deprivation supplement was currently paid but that in future, an increased focus would be placed on the child-level deprivation supplement (determined by the Income Deprivation Affecting Child Index), so that funding followed individual children identified as being affected by deprivation. Another Member queried a recoupment cost of -£10,978,001 within the High Needs Block and it was explained that this related to the way High Needs providers were paid, with the Department for Education covering the first £10k of a High Needs place from recouped funds and the Local Authority paying any outstanding balance. There was a significant deficit in the High Needs Block which reflected the experience of other local authorities across the country; however, the Government had put a Financial Disregard in place which meant that the deficit did not have to be counted within the Local Authority's reserves. The Local Authority had developed a Dedicated Schools Grant Recovery Management Plan in consultation with the Department for Education to address this and it was anticipated that the Local Authority would reduce the deficit position over time.

RESOLVED: That the Portfolio Holder be recommended to approve the Dedicated School Grant allocation for 2023/24 and the methodology of its distribution, taking into account the views of the Children, Education and Families Budget Sub-Committee and the Schools' Forum.

6 POLICY DEVELOPMENT AND OTHER ITEMS

a CHILDREN, EDUCATION AND FAMILIES PORTFOLIO DRAFT BUDGET 2023/24 Report CEF23002

The report considered the Portfolio Holder's draft 2023/24 Budget which incorporated the future cost pressures and initial draft budget saving options reported to the Council's Executive on 18 January 2023. Members were requested to consider the initial draft budget being proposed and to identify any further action that might be taken to reduce cost pressures facing the Council over the next four years with a view to the Council's Executive making recommendations to Council on the 2023/24 Council Tax levels. There were still outstanding issues and areas of uncertainty remaining and any further updates would be included in the 2022/23 Council Tax report to the meeting of the Council's Executive on 8 February 2023.

In reviewing the report, a Member highlighted a reference to the need to make further savings within the Portfolio in future years. The Head of Finance: Children, Education and Families confirmed that consideration might need to be given to reducing the scope or level of some services in future years, depending on service demand and funding levels. Service transformation would be a key mechanism to deliver such savings via more efficient and cost-effective services, and the recent transformation of SEND transport provided a good example of a service being delivered more efficiently whilst supporting approximately ten young people to build life skills and

independence via travel training. Work was also ongoing to establish a new Special Free School in the Borough which was anticipated to provide a much needed in-borough offer to Bromley children whilst reducing the number of costly out-of-borough placements and associated costs such as SEND transport.

With regard to future cost savings, the Local Authority's first priority would always be to its statutory responsibilities; however, it was important to understand the dynamic with discretionary services as these were often key to reducing the pressure on statutory services, such as through early intervention. Recruitment and retention of in-house social workers would remain an area of primary focus including via recruitment fairs and international recruitment, and 8-10 international social workers were due to start at the Local Authority in Spring 2023. A Member suggested that offering a clear career path in the Local Authority would help attract and retain in-house social workers and the Director of Children, Education and Families confirmed that this was one of the options being considered. In response to a question from a Member, the Director of Children, Education and Families advised that work was underway to explore the potential transformation of Youth Services into a Community Interest Company that would enable the Service to generate an element of commercial income alongside its Local Authority funding stream. Another Member queried the significant budget set aside for Total Excluded Recharges and the Head of Finance: Children, Education and Families explained that these related to services provided by other Local Authority Departments, such as HR or Legal services and that further details would be circulated to Members following the meeting.

RESOLVED: That:

- **The update on the financial forecast for 2023/24 to 2026/27 be noted;**
- **The initial draft 2023/24 budget be noted as a basis for setting the 2023/24 budget; and,**
- **The Council's Executive be recommended to note the comments of the Children, Education and Families Budget Sub-Committee on the initial draft 2023/24 budget at its meeting on 8 February 2023.**

The Meeting ended at 8.16 pm

Chairman