



NOTICE OF MEETING

SCHOOLS FORUM

WEDNESDAY, 9 OCTOBER 2024 AT 4.30PM

VIRTUAL REMOTE MEETING

Telephone enquiries to Jane Di Dino 023 9283 4060

Email: jane.didino@portsmouthcc.gov.uk

Membership

Schools Members

Dave Jones, (Chair) head teacher representative - primary phase

Vacancy, head teacher representative - primary phase

Simon Graham, head teacher representative - secondary phase

Share D'all, governor - primary phase

Vacancy, governor - secondary phase

Jo Cooper, academies representative - primary phase

Sally Hodgson, academies representative - primary phase

Jack Jones, academies representative - primary phase

Sean Preston, academies representative - primary phase

Ruth Worswick, academies representative - primary phase

Nathan Waites (Vice Chair), academies representative - secondary phase

Nys Hardingham, academies representative - secondary phase

Christian Down, academies representative - secondary phase

Nick Giles, academies representative - secondary phase

Vacancy, academies representative - secondary phase

Sharon Burt, academies representative - special schools.

Non School Members

Councillor Chris Dike, Portsmouth Independents Party

Councillor Tom Coles, Labour Party.

Vacancy, Conservative Party

Councillor Kimberly Barrett, Liberal Democrats Party.

Vacancy, 16-19 Education Providers representative

Heather Smith, Early Years Providers representative

(NB This agenda should be retained for future reference with the minutes of this meeting). Please note that the agenda, minutes and non-exempt reports are available to view online on the Portsmouth City Council website: www.portsmouth.gov.uk

A G E N D A

- 1 Apologies**
- 2 Declarations of Interest**
- 3 Local Authority Maintained Schools Balances at 31 March 2024 (Pages 3 - 12)**

Purpose

The purpose of this report is to inform Schools Forum of the level of Local Authority maintained schools' revenue and capital balances at 31 March 2024.

RECOMMENDED that the report be noted.

- 4 Dedicated Schools Grant 2024 -25 Quarter 1 Budget Monitoring and Revised Budget. (Pages 13 - 20)**

Purpose

The purpose of this report is to inform Schools Forum of the projected revenue expenditure of the Dedicated Schools Grant (DSG) for the current financial year 2024-25 as at the end of June 2024, along with proposed budget revisions.

RECOMMENDED that the Schools Forum:

- **Notes the forecast year end budget position for the Dedicated Schools Grant as at 30 June 2024, together with the associated explanations contained within this report.**
- **Endorses the revisions to the 2024-25 budget as set out in Appendix 1 and section 8.**

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THIS ITEM IS FOR INFORMATION ONLY. (Please note that 'Information Only' reports do not require Equality Impact Assessments, Legal or Finance comments as no decision is being taken.)

Title of meeting:	Schools Forum
Subject:	Local Authority Maintained School Balances at 31 March 2024
Date of meeting:	9 October 2024
Report by:	Sarah Daly, Director, Children, Families and Education
Wards affected:	All Wards

1. Requested by

Schools Forum.

2. Purpose

The purpose of this report is to inform Schools Forum of the level of Local Authority maintained schools' revenue and capital balances at 31 March 2024.

3. Information Requested

- 3.1. Each year schools are given delegated budgets which are calculated using the locally agreed national funding formula. These budgets are supplemented by specific government grants (e.g. Pupil Premium) and through the income generated by the school. Delegated revenue budgets are intended to be spent during the year on the existing cohort of pupils, although it is prudent for a school to retain a small surplus to provide for future uncertainties.
- 3.2. Schools do spend most of their funds directly on the education of their pupils. However, there are several genuine reasons why schools may accumulate a balance at year end; for example, to provide for planned building works or to provide consistency in staffing levels during funding fluctuations relating to predicted changes in numbers on roll.
- 3.3. In some cases, factors outside of the control of the school can cause increases in balances; for example, large capital building schemes may slip from one year into the next.
- 3.4. Whilst devolved formula capital allocations are ring fenced for capital purposes only, schools may use revenue balances to support capital schemes. In 2023-24, schools allocated some £1.4m of revenue funding to capital purposes (compared to £0.8m in 2022-23).

- 3.5. Schools were surveyed during the spring term to ascertain future commitments against estimated closing balances in order to provide data in accordance with Consistent Financial Reporting (CFR) requirements. This data has since been updated to reflect actual, rather than estimated, closing balances.
- 3.6. In 2014 Schools Forum agreed to discontinue the "balance control mechanism" (i.e., a "clawback" system) and to implement proposals to strengthen the monitoring arrangements. An extract from the current Scheme for Financing Schools is shown at Appendix 1 that highlights the 'controls on surplus balances' together with the items that can be deemed committed within the year-end balances.

4. Revenue Balances

- 4.1. The following table illustrates the level of schools' revenue balances over the last three years:

Sector	No. of schools as at 31/3/22	Balance as at 01/04/22 £	% of 2021/22 budget allocation	No. of schools as at 31/3/23	Balance as at 01/04/23 £	% of 2022/23 budget allocation	No. of schools as at 31/3/24	Balance as at 01/04/24 £	% of 2023/24 budget allocation
Nursery & Primary schools	16	3,580,452	12.02	16	3,518,325	14.18	16	3,872,502	14.95
Secondary schools	2	847,344	6.16	2	1,550,068	10.72	2	2,524,710	16.20
Total	18	4,427,796	10.17	18	5,068,392	12.90	18	6,397,212	15.42

- 4.2. No schools converted to academy during the 2022-23 and 2023-24 financial years, so the table above provides a direct comparison between the two financial years.
- 4.3. It is important to note that the total schools' balances of £6.4m as at 1 April 2024 include £0.353m (£0.296m 2022-23) of community related balances e.g. Community Improvement Partnerships, community lettings, breakfast and after school clubs etc. leaving £6.0m (£4.8m 2022-23) of "curriculum" balances relating to core activity. Of this, a further £2.1m (£1.3m 2022-23) has been committed to specific projects or initiatives, leaving a balance of £4.3m, or 10% of the 2023-24 budget allocation, as genuinely uncommitted. This exceeds the CIPFA guideline of between 2-3% of budget for uncommitted balances.
- 4.4. Overall, 56% (10) of schools saw an increase in their balances when compared to 2022-23, this is higher than the previous year, when 33% of schools (6) saw an increase in balances.
- 4.5. Of the eight schools that saw a decrease in balances, four had balances more than 10% of their budget share and are not of concern. Two schools form part of the reducing balance review as set out in Section 5, and one school, Manor Infant School, is in deficit and the authority has agreed a

deficit recovery plan, the year-end deficit balance is less than planned. The remaining school is converting to an academy and the authority is monitoring the balance closely as part of the academisation process.

5. Review of Specific School Balances

- 5.1 The school revenue balances as at 31st March 2024 are shown by school at Appendix 2. Over the 2023-24 financial year the authority has continued to work with schools who have sought support to maintain financial stability and manage the longer term impact of the current economic climate. Additionally, some schools meet the criteria of having excessive balances. The following paragraphs set out the explanations for the level of balances and any action taken.

Reducing balances

- 5.2 During 2016-17 Schools Forum requested that the council contact the Chair of Governors for schools with reducing or low balances as at 31st March 2016. This process now forms part of the annual review of school balances.
- 5.3 As part of the year-end monitoring process of school balances, a review was undertaken to identify those schools that have shown a continued or significant reduction (defined as 25% or more) in their level of curriculum balances and whose total balances form less than 8% (primary) or 5% (secondary schools) of their budget share.

Update on schools with reducing balances on 31 March 2023

- 5.4 As at 31 March 2023 there were three schools that meet the reducing balances criteria (para.5.3), the balances have been reviewed at the end of 2023-24 and an update provided on their financial position.
- 5.5 One school, **Bramble Infant and Nursery**, have seen an improvement in their balances which have increased by 158% compared to 2022-23 and are more than 8% of the budget share.
- 5.6 Two schools saw reducing balances in 2022-23 and 2023-24, an update on their position is set out below:
- **St Paul's Catholic Primary**, balances have reduced by 17% the school has produced a management action plan and is continuing to work with the authority to develop a sustainable solution.
 - **St Jude's C of E Primary**, balances have decreased by 30% compared to 2022-23 and remain at less than 8% of the budget share. The school took up the offer to work with the local authority and has developed a recovery plan, which has been approved by the local authority. The school's financial position will be reviewed as part of the regular support visits during 2024-25.

- 5.7 There were no further schools that met the reducing balances criteria at the end of 2023-24 financial year.
- 5.8 It should be noted that whilst schools may not have met the criteria of reducing balances at the end of 2023-24, the authority is in contact with some schools who are seeing financial pressures in 2024-25 and is working with them to maintain financial stability.

Excessive balances

- 5.9 The Scheme for Financing Schools categorises Primary Schools who have uncommitted balances of more than 8% of budget share as having excessive balances. For Secondary Schools, the threshold is 5% of budget share.
- 5.10 As part of the year-end monitoring process of school balances, a review was undertaken to identify those schools that have shown a continued or significant increase (defined as 25% or more) in their level of curriculum balances and whose uncommitted balances form more than 20% (primary and secondary) of their budget share.
- 5.11 Of the 11 Primary schools with uncommitted balances over 8%, seven have balances between 10% and 20% and two have uncommitted balances over 20%, but only one has seen an increase in their curriculum balances of over 25% when compared to 2022-23.
- 5.12 For Secondary Schools, one had uncommitted balances of more than 5% of the budget share at 16.2% of the budget share.
- 5.13 Analysis of the reasons for the high balances are set out below.

St John's Catholic Primary

- 5.14 St John's Catholic Primary year end balances have increased by £7,317 from £347,748 at the end of March 2023 to £355,065 at the end of March 2024. The school has indicated that £4,000 of their balance is committed, with £351,065 (28.9%) being uncommitted.
- 5.15 At the end of 2023-24 the Governing Board had two projects which had been outstanding since 2019-20 which have been carried forward to future years due to the impact of the national lockdowns and the availability of building contractors. To date, the project to repair the flat roof and replace the roofing tiles has been completed as planned in summer 2023, but the refurbishment of the playground has been delayed as urgent repairs and subsequent replacement of the Trim Trail took priority. There are no other plans or commitments brought forward from previous years.
- 5.16 The school has identified that they had a small in year surplus at the end of 2023-24 due to one-off savings. They are planning to utilise their balances to support the redevelopment of an area to the side of the playground and

the refurbishment of the nursery, whilst holding a balance as a contingency. The governors have confirmed that they will continue to work closely with the Headteacher and Bursar to ensure that the planned expenditure is sustainable and stable.

Copnor Primary School

- 5.17 Between March 2023 and March 2024 Copnor Primary has seen an increase in curriculum balances of £205,516 (31%) from £665,722 to £871,238, they hold a total balance of £898,076 of which £738,076 is uncommitted.
- 5.18 In 2023-24 the school received funding following two successful Department for Education bids to upgrade the lighting and the WiFi infrastructure. Planned building upgrades funded through the 2022-23 carry forward balance totalling £0.250m were put on hold to save the requirement to redecorate twice.
- 5.19 In 2024-25 the school is planning to spend £507,918 of the 2023-24 curriculum balance by undertaking the delayed building upgrades following completion of the lighting and WiFi infrastructure work, plus the refurbishment of the toilets, admin offices and four other rooms across the school site. Following discussions, the school has confirmed that the proposed works are not putting the long term financial stability of the school at risk.
- 5.20 The authority continues to work with all schools to support the effective financial management of the available financial resources, varying the level of support in accordance to the specific needs of the school. It is hoped that the support and advice will help these schools to achieve and maintain, long term financial stability.

6. Capital Balances

- 6.1 Devolved capital allocations are ring fenced and schools are expected to spend them on priority capital needs of school buildings. These allocations will therefore be held as capital balances until they are used and may be supplemented by funding from other sources.
- 6.2 An analysis of schools' current capital balances is given at Appendix 3, together with proposed spending plans as returned in the school survey. Where spending plans exceed balances there will need to be additional funding proposals.
- 6.3 The table below illustrates the level of school capital balances for the last three years:

Sector	No. of schools as at 31/3/22	Balance as at 01/04/22 £	No. of schools as at 31/3/23	Balance as at 01/04/23 £	No. of schools as at 31/3/24	Balance as at 01/04/24 £
Nursery & Primary schools	16	464,657	16	505,705	16	302,482
Secondary schools	2	2,549,241	2	3,158,989	2	3,062,722
Total	18	3,013,898	18	3,664,694	18	3,365,204

Note: the above totals are the aggregate of surplus and deficit balances

- 6.4 As there were no academy conversions in 2022-23 and 2023-24 the Table above provides a direct comparison.
- 6.5 Overall, capital balances have remained static between 2022-23 and 2023-24, most of the secondary capital balance relates to St Edmunds RC Secondary School and the continued development of the school site. The reduction in Primary capital balances is due to works identified at the end of 2022-23 financial year being completed during 2023-24.

7. Reasons for recommendations

This report is for information only and Schools Forum are requested to note the contents of the report.

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Signed by Sarah Daly, Director, Children, Families and Education.

Appendices:

Appendix 1: extracts from the current Scheme for Financing Schools

Appendix 2: schools' revenue balances at 31 March 2024

Appendix 3: schools' capital balances and commitments at 31 March 2024

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
School Balances Files and Spreadsheets	Education Finance
Scheme For Financing Schools	PCC website

APPENDIX 1

Extracts from the current Scheme for Financing Schools

4.2 Controls on surplus balances

As schools are moving towards greater autonomy and should not be constrained from making early efficiencies and to support medium term budgeting in a tighter financial climate, the balance control (clawback) mechanism for excessive balances continues to be withdrawn.

Schools will be deemed to have excessive balances, when Primary and Special Schools have uncommitted balances in excess of 8% and Secondary Schools 5% of their budget shares.

The control framework for monitoring school balances and their intended use requires that:

- a. Schools will continue to be asked to provide a breakdown of their year-end balances between committed and uncommitted, as well as an analysis of the intended use of any committed balances. The Education and Children's Finance team will continue to co-ordinate the process.
- b. A School Balances report will be presented to both the Cabinet member for Children's and Education and Schools Forum, following the completion of the year-end closedown process. This report will provide an analysis of the balances by school and schools with significant balances may be highlighted specifically within the report.
- c. Those schools identified as potentially breaching the balance thresholds, will be asked to provide further evidence of the planned use of their balances. The information will be reported back to Elected Members, the Schools Forum, and the Education Department.
- d. The Education Department will consider this information as part of its school performance and improvement service provision, school challenge and specific reviews.

In determining whether school balances are committed, schools are only permitted to assign as committed, items listed in Annex 6.

School Forum may revisit the balance control (clawback) mechanism and the above control framework from time to time and where they believe significant and excessive balances have accumulated.

Annex 6 –PERMITTED SPECIFIC PURPOSES FOR THE USE OF SURPLUS FUNDS

- Valid orders placed through the financial system, but for which the goods have not been received.
- Funds held on behalf of other schools by fund holder schools (e.g. cluster funding).
- Balances held for specific community projects e.g. nursery provision, children's centres, extended services.
- Contribution towards capital works with the school (where alternative capital resources have been exhausted). A clear statement of intent signed by the Chair of Governors (subject to clawback if not delivered in stated timescales - maximum 3 years).
- Providing consistency in staffing levels where numbers on roll are predicted to fluctuate within the next year (note that a reasonable commitment would be £3,000 per pupil and forecast variations in pupil numbers should be given).
- Unexpected funds received by the school near the year-end which will be utilised for a specific purpose in the following financial year.



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**APPENDIX 2
SCHOOLS REVENUE BALANCES AS AT 31 MARCH 2024**

The figures in the table above may not sum exactly due to rounding.

DFE No.	Balance as @ 31/03/2023	% of 2022/23 Budget Share Allocation	School Name	2023/24 Budget Share	Analysis of Balance		Balance as @ 31/03/2024	% of 2023/24 Budget Share Allocation	Uncommitted as % of Budget Share Allocation	Committed as % of Budget Share Allocation
					Uncommitted	Committed				
PRIMARY & NURSERY SCHOOLS										
2008	717,074	25.33%	Copnor Primary	2,945,174	738,076	160,000	898,076	30.49%	25.06%	5.43%
2716	276,908	13.71%	Craneswater Junior	2,053,949	245,192		245,192	11.94%	11.94%	
2665	122,350	14.81%	Cumberland Infant	854,511	112,857	6,000	118,857	13.91%	13.21%	0.70%
2648	116,940	11.63%	Devonshire Infant	1,033,299	9,872	120,621	130,493	12.63%	0.96%	11.67%
2714	341,176	21.43%	Fernhurst Junior	1,678,496	192,304	105,950	298,254	17.77%	11.46%	6.31%
2637	62,720	5.47%	Bramble Infant & Nursery	1,282,685	106,930	54,794	161,724	12.61%	8.34%	4.27%
2719	(64,316)	(5.62%)	Manor Infant	1,150,884	(84,616)	4,821	(79,795)	(6.93%)	(7.35%)	0.42%
2673	119,385	11.12%	Medina Primary	1,090,497	158,262	15,800	174,062	15.96%	14.51%	1.45%
2765	441,276	19.73%	Portsdown Primary	2,362,248	407,596	69,000	476,596	20.18%	17.25%	2.92%
2680	96,488	10.34%	Southsea Infant	955,756	93,987	36,000	129,987	13.60%	9.83%	3.77%
3214	108,250	6.17%	St George's Beneficial C of E Primary	1,905,581	142,909	60,000	202,909	10.65%	7.50%	3.15%
3422	347,748	29.78%	St John's Catholic Primary	1,214,900	351,065	4,000	355,065	29.23%	28.90%	0.33%
3212	56,341	3.04%	St Jude's C of E Primary	1,947,248	32,495	6,979	39,474	2.03%	1.67%	0.36%
5207	103,729	6.63%	St Paul's Catholic Primary	1,538,730	26,193	59,565	85,758	5.57%	1.70%	3.87%
3423	89,154	6.58%	St Swithun's Catholic Primary	1,407,268	155,223		155,223	11.03%	11.03%	
2013	583,102	25.25%	Wimborne Primary	2,475,500	418,407	62,219	480,626	19.42%	16.90%	2.51%
	3,518,325		Total Primary & Nursery	25,896,727	3,106,753	765,749	3,872,502	14.95%	12.00%	2.96%
SECONDARY SCHOOLS										
4303	56,358	0.72%	Mayfield Secondary	8,391,617	1,076	50,119	51,195	0.61%	0.01%	0.60%
5413	1,493,710	22.46%	St Edmund's Catholic Secondary	7,192,037	1,161,515	1,312,000	2,473,515	34.39%	16.15%	18.24%
	1,550,068		Total Secondary	15,583,654	1,162,591	1,362,119	2,524,710	16.20%	7.46%	8.74%
	3,518,325		Primary	25,896,727	3,106,753	765,749	3,872,502	14.95%	12.00%	2.96%
	1,550,068		Secondary	15,583,654	1,162,591	1,362,119	2,524,710	16.20%	7.46%	8.74%
	5,068,392			41,480,381	4,269,344	2,127,868	6,397,212	15.42%	10.29%	5.13%

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**APPENDIX 3
SCHOOLS CAPITAL BALANCES AS AT 31 MARCH 2024**

Balance at 31.03.2023	PRIMARY & NURSERY SCHOOLS	Balance at 31.03.2024	Spending Plan	Description of Plan	Projected Balance
41,535	Copnor Primary	0	30,000 150,000 180,000	Automation of front car park gate Decorating	(180,000)
1,292	Craneswater Junior	10,545	0		10,545
15,465	Cumberland Infant	15,460	0		15,460
24,543	Devonshire Infant	8,121	8,120 8,120	IT hardware	1
20,244	Fernhurst Junior	9,845	0		9,845
17,922	Bramble Infant & Nursery	18,067	20,593 20,593		(2,526)
24,768	Manor Infant	11,081	20,649 20,649	IT hardware	(9,568)
23,528	Medina Primary	23,561	0 0		23,561
46,527	Portsdown Primary	2,444	0		2,444
(927)	Southsea Infant	(927)	0 0		(927)
29,127	St Georges Beneficial Primary	32,795	0		32,795

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Balance at 31.03.2023	PRIMARY & NURSERY SCHOOLS cont.	Balance at 31.03.2024	Spending Plan	Description of Plan	Projected Balance
193,157	St Johns RC Primary		42,325 3,226 60,000 10,000 4,607 3,000	Playground trim trail installation LED lighting to school entrance and carpark Playground refurbishment Program to update school IT Refurbishment upgrade to boiler New furniture to Art Room	
		146,746	123,158		23,588
27,516	St Jude's CE Primary	19,986	4,459	Energy efficiency grant replacement windows	15,527
(949)	St Paul's Catholic Primary	3,319	0		3,319
0	St Swithun's RC Primary	67	0		67
41,957	Wimborne Primary	1,372	0		1,372
505,705	Total Primary	302,482	356,979		(54,497)

Balance at 31.03.2023	SECONDARY SCHOOLS	Balance at 31.03.2024	Spending Plan	Description of Plan	Projected Balance
48,129	Mayfield	(4,257)	4,000 4,000	New World Sports 11 a side goals for new field	(8,257)
3,110,860	St Edmunds RC	3,066,979	3,600,000 69,179	New Art Block (EAB004) Capital works general/Contingency (EAB008)	(602,200)
3,158,989	Total Secondary	3,062,722	3,673,179		(610,457)

SUMMARY

505,705	Primary Schools	302,482	356,979	(54,497)
3,158,989	Secondary Schools	3,062,722	3,673,179	(610,457)
3,664,694		3,365,204	4,030,158	(664,954)

Agenda Item 4



Portsmouth
CITY COUNCIL

Title of meeting: Schools Forum

Date of meeting: 9 October 2024

Subject: Dedicated Schools Grant 2024-25 Quarter 1 Budget
Monitoring and Revised Budget

Report by: Chris Ward Director of Finance

Wards affected: All

Key decision: Yes/No

Full Council decision: Yes/No

1 Purpose of report

1.1 The purpose of this report is to inform Schools Forum of the projected revenue expenditure of the Dedicated Schools Grant (DSG) for the current financial year 2024-25 as at the end of June 2024, along with proposed budget revisions.

2 Recommendations

2.1 It is recommended that Schools Forum:

2.1.1 Notes the forecast year end budget position for the Dedicated Schools Grant as at 30 June 2024, together with the associated explanations contained within this report.

2.1.2 Endorses the revisions to the 2024-25 budget as set out in Appendix 1 and section 8.

3 Background

3.1 The DSG is a ring-fenced grant for Education and can only be used for the purposes of the Schools Budget as defined in the School and Early Years Finance (England) Regulations.

3.2 In February 2024, the Cabinet Member for Children, Families and Education approved, and Schools Forum endorsed, the Original DSG budget for the 2024-25 financial year. This report provides Schools Forum with the latest forecast of the year end outturn as at 30 June 2024, which is set out in the table below.

Table 1 - Dedicated Schools Grant			
	Original budget 2024-25 £000's	Projected outturn 2024-25 £000's	Projected over / (under) spend £000's
Income			
DSG Brought forward 2023-24	(11,480)	(11,480)	0
DSG and other specific grants	<u>(96,964)</u>	<u>(96,964)</u>	<u>0</u>
Total Income	(108,444)	(108,444)	0
Expenditure			
Schools block			
Primary ISB	26,135	26,135	0
Secondary ISB	16,421	16,421	0
De-delegated and growth fund	<u>2,198</u>	<u>2,198</u>	<u>0</u>
Total Schools block	44,754	44,754	0
Central School Service	1,102	1,102	0
Early Years block			
Nursery ISB	22,874	22,874	0
Other Early Years	1,895	1,895	0
High Needs block			
High Needs ISB	389	389	0
Other High Needs cost	29,222	29,253	31
Total Expenditure	100,236	100,267	31
DSG Carried forward	(8,208)	(8,177)	(31)

3.3 Overall, the budget is forecast to overspend by £30,500, the details of which are set out in the sections below.

4 **Schools Block**

This is currently on budget. At the end of the first quarter, all notified Growth Fund allocations for 2024-25 have been paid. If no further payments are required due to bulge classes in autumn 2024, this will release £1.0m of funding to be carried forward to 2025-26 to support agreed commitments with schools.

5 **Early Years Block**

5.1 As in previous years the class lists for the summer term are not received until after the end of the first quarter. Therefore, the Early years budget is forecast on budget.

6 High Needs Block

- 6.1 The High Needs block is forecast to overspend by £30,500, the overspend relates to increased levels of need at the Harbour School in the first half of the summer term. It has been assumed that these costs will continue to the end of the financial year.
- 6.2 The remaining class lists for the summer term are due to be received at the end of the summer term and are therefore forecast on budget for the first quarter.

7 DSG Grant funding and carry forward balance

- 7.1 At the end of June, the DSG income reflects the original allocations approved in February 2024. Section 8 sets out the revisions relating to the March 2024 and July 2024 allocations relating to Early Years and, High Needs Block Import / Export adjustment and DSG recouplement.
- 7.2 As at the end of June 2024, the carry forward balance is projected to be £8.2m. The table below provides a breakdown of the movement on the carry forward balance from 1 April and future commitments against the balance.

Table 2 - Forecast carry forward balance	£000
Brought forward balance as at 1 April 2024	(11,480)
Schools specific contingency	124
Growth fund	503
Relational Practice 2024-25	179
Shortfall in High Needs funding for 2024-25	2,467
Carry forward balance	(8,207)
Projected 2024-25 outturn	31
Forecast carry forward	(8,176)
Future commitments	
Growth Fund budgeted carry forward to 2025-26	886
Relational Practice Project 2025-26 and beyond	247
Contingency to manage in-year pressures	2,179 ¹
Uncommitted DSG carry forward	(4,864)

8 Budget Revision 2024-25

- 8.1 In March 2024 and July 2024, the authority received adjustments to the DSG Allocations, which are summarised in the tables below.

¹ £2.210m approved by Cabinet Member for Children, Families and Education in February 2024, less £0.031m forecast overspend for the first quarter.

Funding Blocks	December 2023 Allocation (including academies)	Revised March 2024 DSG variation (including academies)	Revised July 2024 DSG variation (including academies)	July 2024 Allocation (including academies)
	£000	£000	£000	£000
Schools Block	158,319	0	0	158,319
Central School Services Block	1,102	0	0	1,102
Early Years Block	24,769	507	(292)	24,983
High Needs Block	37,393	0	366	37,760
Total DSG	221,583	507	74	222,164

- 8.2 The Early Years funding was adjusted in March 2024 to reflect an increase of four weeks funding to 26 weeks for the period September 2024 to March 2025, for both pupil premium and the basic entitlement. The further reduction in July reflects the hours on the January 2024 census. The corresponding Early Years expenditure budgets have been adjusted to reflect the movement in hours and are detailed in Appendix 1.
- 8.3 The High Needs Block increase relates to the annual import/export adjustment of £372,000 minus £6,000 for the anticipated further adjustment expected in November.
- 8.4 The Table below sets out the DSG funding that the authority expects to receive for 2024-25.

	July 2024 allocation (excluding academies)	November import export adjustment	Revised DSG allocation (excluding academies)
	£000	£000	£000
Schools Block	44,127	0	44,127
Central School Services Block	1,102	0	1,102
Early Years Block	24,983	0	24,983
High Needs Block	27,374	(6)	27,329
Total DSG	97,587	(6)	97,582

High Needs

- 8.5 The Element 3 Top-up budgets have been adjusted to reflect the net increase in funding to reflect the import/export adjustment in July 2024. Appendix 1 sets out the changes to the Post-16 and Independent and specialist providers budgets.
- 8.6 Since setting the budget in February 2024, the authority has received confirmation of the recoupment of Special School and Inclusion Centre place funding for the 2024-25 financial year and there is a variation of £41,300 less than anticipated. The movements are set out in Appendix 1.

9 Core Schools Budget Grant 2024-25

- 9.1 In July 2024 the government announced £1.1bn of funding via a new grant (Core Schools Budget Grants 2024-25) to support mainstream and special schools with their overall costs in the 2024-25 financial year in particular the 2024 teacher pay award. The total grant that will come to Portsmouth Schools won't be confirmed until November 2024.
- 9.2 The DfE has issued a calculator to enable mainstream schools to estimate the funding they will receive. The authority will pass the funding on to schools at the published rates. At the time of writing this report a consultation regarding the proposed options for payment of the grant to Special Schools is being developed. The grant is expected to be incorporated into the Schools Block and High Needs Block in 2025-26.
- 9.3 Specific new grants will be provided for Early Years and Post-16 settings, and this is expected to be announced in the operational guidance when it is published.

10 Reasons for recommendations

- 10.1 It is recommended that Schools Forum notes the contents of the report in respect of the financial forecast for 2024-25 as at the end of the first quarter and endorses the amendments to the budget for 2024-25 for the reasons set out in section 8 and Appendix 1.

11 Integrated impact assessment

- 11.1 An integrated impact assessment is not required as the recommendations do not have a positive or negative impact on communities and safety, regeneration and culture, environment and public space or equality and diversity.

12 Legal implications

- 12.1 There are no legal implications arising directly from the recommendations in this report.

13 Director of Finance's comments

- 13.1 Financial comments and implications are included in the body of this report.

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Signed by: Chris Ward, Director of Finance and Resources

Appendices:

Appendix 1: Dedicated Schools Grant Revised Budget 2024-25



Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
School and Early Years Finance and Childcare (Provision of information about young people) (Amendment) (England) Regulations 2024	The School and Early Years Finance and Childcare (Provision of Information About Young Children) (Amendment) (England) Regulations 2024 (legislation.gov.uk)
Budget monitoring working papers 2024-25	Children, Families and Education Finance Team.

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by:

Appendix 1 Dedicated Schools Grant Revised Budget 2024-25

	Approved 2024-25 Budget - Feb 2024 (inc. Academies)	Proposed Budget Revisions	2024-25 Schools Budget Revised 2024 (Including Academies)	2024-25 Schools Budget Revised 2024 (Excluding Academies)
	£000	£000	£000	£000
Schools Block				
Individual Schools Budgets (ISB)				
Primary	79,638	0	79,638	26,135
Secondary	76,496	0	76,496	16,421
Total ISB	156,134	0	156,134	42,556
De-Delegated and Central Budgets				
Growth Fund	1,994	0	1,994	1,994
De-delegated Budgets	205	0	205	205
Other Schools Block Sub Total	2,198	0	2,198	2,198
Total Schools Block	158,332	0	158,332	44,754
Central School Services Block				
Schools Forum	17	0	17	17
Admissions	362	0	362	362
Licences (negotiated by DfE)	162	0	162	162
ESG retained duties	510	0	510	510
Central Teachers Pay /pensions grant	51	0	51	51
Central School Services Block Total	1,102	0	1,102	1,102
Early Years Block				
3 & 4 Year Old Provision ¹	14,427	232	14,659	14,659
2 Year Old Provision	6,500	(512)	5,988	5,988
Under 2s	2,644	481	3,124	3,124
Central Expenditure on under 5's	1,198	14	1,212	1,212
Early Years Block Total	24,769	215	24,983	24,983
High Needs Block				
Individual Schools Budgets				
Special School Place Funding	7,308	(67)	7,242	67
Resource Unit Place Funding	952	25	977	226
Alternative Provision Place Funding	1,370	0	1,370	97
Total ISB	9,630	(42)	9,588	389
Element 3 Top-up funding	19,519	78	19,597	19,597
Out of City Placements	3,965	(18)	3,947	3,947
SEN Support Service	1,259	0	1,259	1,259
Medical Education	681	0	681	681
Outreach Services	320	0	320	320
Turnaround Project	100	0	100	100
Fair Access Protocol	60	0	60	60

	Approved 2024-25 Budget - Feb 2024 (inc. Academies)	Proposed Budget Revisions	2024-25 Schools Budget Revised 2024 (Including Academies)	2024-25 Schools Budget Revised 2024 (Excluding Academies)
	£000	£000	£000	£000
Early Years Complex Needs Inclusion fund	1,609	0	1,609	1,609
Post-16 high needs places	1,186	0	1,186	0
Teachers Pay/Pension grants High Needs	650	0	650	650
Relational Practice	179	0	179	179
Special Schools Additional Grant 2023/2024	685	0	685	685
High Needs supplementary funding	194	0	194	194
Other High Needs block sub total	30,408	60	30,468	29,282
Total High Needs block	40,038	18	40,056	29,672
Total Expenditure	224,241	233	224,474	100,511
Income				
Schools Block	(157,705)	0	(157,705)	(44,127)
Central Schools Services Block	(1,102)	0	(1,102)	(1,102)
Early Years Block	(24,769)	(215)	(24,983)	(24,983)
High Needs Block	(37,393)	(60)	(37,453)	(27,068)
DSG Income ^{2,3}	(220,968)	(275)	(221,243)	(97,280)
One-off use of Carry Forward	(3,273)	42	(3,231)	(3,231)
Total Income	(224,241)	(233)	(224,474)	(100,511)

¹Includes early years pupil premium

² 2024-25 per ESFA allocations July 2024

³ Includes reimbursement of Growth funding for Academy schools