

<b>Decision maker:</b>	<b>Schools Forum</b>
<b>Subject:</b>	<b>Dedicated Schools Grant and Capital Programme Budget Monitoring Report for the Second Quarter 2015/16</b>
<b>Date of decision:</b>	<b>20 January 2016</b>
<b>Report from:</b>	<b>Alison Jeffery, Director of Children's Services</b>
<b>Report by:</b>	<b>Beverley Pennekett, Finance Manager</b>
<b>Wards affected:</b>	<b>All</b>
<b>Key decision:</b>	No
<b>Budget &amp; policy framework decision:</b>	No

---

## **1 Purpose of report**

- 1.1 To inform Schools Forum of the projected revenue expenditure within the Dedicated Schools Grant (DSG) for the current financial year 2015-16. This report sets out the forecast budget position for the year-end as at the end of September 2015.

## **2 Background**

- 2.1 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.
- 2.2 The original DSG budget for the financial year 2015-16, was approved by the Cabinet Member for Children and Education and endorsed by Schools Forum in February 2015. This report provides Schools Forum with a forecast estimate of the year-end outturn based on the position as at 30 September 2015.

## **3 Recommendations**

- 3.1 It is recommended that Schools Forum notes the forecast year-end budget position as at the end of quarter 2, for the Dedicated Schools Grant, together with the associated explanations, as detailed in section 4 of the report.

#### 4 Dedicated Schools Grant forecast position as at the end of September 2015

4.1 Table 1 below sets out the forecast year-end financial position of the DSG budget as at 30 September 2015.

**Table 1**

<b>DEDICATED SCHOOLS GRANT</b>	<i>Original Estimate</i> <b>2015/16</b> <i>£000's</i>	<i>Revised Estimate</i> <b>2015/16</b> <i>£000's</i>	<i>Projected Outturn</i> <b>£'000's</b>	<i>Projected over/ (under) spend</i> <b>£'000's</b>
<b>DSG : Devolved</b>				
Nursery ISB	7,800	7,654	7,654	0
Nursery Pupil Premium	218	218	218	0
Primary ISB	47,793	46,021	46,021	0
Secondary ISB	21,144	18,641	18,641	0
High Needs ISB	4,894	4,894	4,795	-99
<b>DSG : Retained</b>				
De-Delegated Budgets & Growth Fund	927	900	900	0
High Needs	9,458	9,458	9,602	144
Other centrally retained	4,067	3,398	3,330	-68
<b>Total DSG expenditure</b>	<b>96,301</b>	<b>91,184</b>	<b>91,161</b>	<b>-23</b>
<b>Funded by:</b>				
DSG and other Specific Grants for year	-96,301	-91,104	-91,104	0
Add DSG Brought Forward	-4,585	-4,585	-4,585	0
Less DSG Carried Forward	4,585	4,505	4,528	23
<b>Total Retained DSG</b>	<b>-96,301</b>	<b>-91,184</b>	<b>-91,161</b>	<b>23</b>

*The figures in the above table are subject to rounding to the nearest £1,000 and may not calculate exactly*

4.2 The DSG monitoring report for the first quarter of the financial year was produced before adjustments to the budget had been agreed with schools forum. The agreed revisions to the current budget have now been posted and are reflected in the revised budget column in the table above.

#### **Academy conversions**

4.2.1 Primary and Secondary ISBs, together with the De-delegated budgets have been adjusted due to the conversion of 3 schools to Academy status, (Gatcombe Park Primary, Stamshaw Junior School and The City of Portsmouth Boys School). Following conversion to Academy status, the funding for these schools is paid directly to them via the Education

Funding Agency, rather than via the Council. In July 2015, the Cabinet Member approved the adjustments to the budget to reflect the conversion of these Schools to Academy status.

### **3 and 4 year old January 2015 census.**

- 4.2.2 The DfE have recovered £83,515 in relation to reduced 3 and 4 year old numbers for the period September 2014 to March 2015, in addition to £146,000 in relation to reduced 3 and 4 year old pupil numbers for the 2015-16 funding period. The adjustment in 2015-16 reflects the reduction in pupil numbers between the January 2014 and 2015 censuses. This is expected to be reflected in the expenditure for 3 and 4 year old places in maintained nursery units as reduced numbers on Roll. The adjustment for £83,515 has been reflected in the carry forward because it is in relation to a prior year.
- 4.2.3 The funding the Council receives for its 2 year old provision was reduced by £701,000 and has been reflected in the budget above. As previously reported the DfE has changed the way it allocates funding for two year olds, the allocation is now based on participation and, as a result of the January 2015 census the Authority has seen a reduction in funding that equates to 145 full time equivalent 2 year olds. We are expecting a further adjustment later in the year due to a voluntary autumn census.
- 4.2.4 At this stage in the financial year it is difficult to forecast the final outturn position because only the census data for the summer term is available, therefore the forecast is as per the budget. When the data for the autumn term becomes available the forecast will be adjusted.
- 4.3 The High Needs budgets are the most volatile area of the DSG budget, due to a significant proportion of the funding being linked to pupil needs and movements. At the time of writing this report we have only had the information for the summer term payments and as such it is not possible to determine accurately the forecast outturn position on the Element 3 top-up funding budgets and therefore the forecast has been reported at budgeted levels. Following receipt of the autumn term class lists in November 2015, it will be possible to more accurately predict the outturn position for the financial year.
- 4.4 The over spend showing in the high needs area is due to out of city placements.

## **5 Equality impact assessment (EIA)**

- 5.1 No impact assessment has been carried out as the proposals do not have any impact upon a particular equalities group.

## 6 Legal comments

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

## 7 Director of Finance comments

- 7.1 Financial comments are contained within the body of the report.

.....  
**Alison Jeffery, Director of Children and Education**

### **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:

<b>Title of document</b>	<b>Location</b>
DSG Budget Monitoring	Education Finance Team
School & Early Years Finance (England) Regulations 2014	<a href="http://www.legislation.gov.uk">www.legislation.gov.uk</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by Schools Forum on 20 January 2016.

.....  
Signed by:  
Schools Forum



**Appendix 1 - Children & Education capital programme 2015-16**  
**Forecast position as at 30 September 15**

	<b>Original Scheme Budget Full Year £</b>	<b>Revised Scheme Budget to Sep 15 £</b>	<b>Actual spend to Sep 15 £</b>	<b>Manager Forecast Spend £</b>	<b>Forecast Variance £</b>
Ark Ayrton Primary School (Somers Park)	2,375,900	2,305,500	2,306,200	2,306,200	700
Flying Bull Primary School	3,505,800	3,505,800	3,473,700	3,473,700	-32,100
Milton Park Primary School	4,054,700	4,054,700	3,800,500	3,905,000	-149,700
St George's C of E Primary School	2,603,000	2,603,000	2,621,700	2,703,100	100,100
St Jude's C of E Primary School	1,001,100	1,018,600	1,009,500	1,018,600	0
Goldsmith Infant & Brambles Nursery	1,962,000	2,085,000	514,200	2,342,200	257,200
Cottage Grove Primary School (Belmont Building) 1.5 to 2 FE	530,000	530,000	534,800	534,800	4,800
Portsmouth Primary School 1.5 to 2 FE	66,900	66,900	70,000	70,000	3,100
Ark Ayrton Primary School 1.5 to 2 FE	639,500	639,500	565,600	618,000	-21,500
Highbury Primary School 1.5 to 2 FE	995,000	995,000	928,800	963,300	-31,700
Stamshaw Junior School 2 to 3 FE	259,600	259,600	263,600	263,600	4,000
Westover Primary School 1.5 to 2 FE	490,500	490,500	428,000	566,000	75,500
Mayfield School - establishment of 2 FE primary provision	1,976,000	3,275,300	1,700,900	3,333,200	57,900
Harbour School Feasibility Study	30,100	30,100	30,100	30,100	0
Moorings Way Infant School (single unit to alleviate pressure)	122,300	122,300	120,700	120,700	-1,600
Craneswater Junior School	0	1,500,000	12,800	1,500,000	0
Langstone Infant and Junior School (Refurb of Year 3 and temporary unit only)	0	3,984,000	102,200	675,000	-3,309,000
Schemes awaiting Approval			0	3,330,500	3,330,500
Northern Parade Nursery Infant and Junior Schools	0	3,466,000	115,500	3,466,000	0
City of Portsmouth Boys' School - changes to support co-ed status	0	500,000	446,600	500,000	0
Secondary Places Feasibility Study	150,000	150,000	9,900	150,000	0
Projected overspend of Phase 1	550,000	0	0	0	0
Temporary accommodation	300,000	300,000	235,700	319,700	19,700
Primary School Expansion 2-3% Surplus	10,706,000	111,000	27,600	111,000	0
Portsmouth College	240,000	240,000	103,500	245,000	5,000
Newbridge Sufficiency	0	495,000	2,000	495,000	0
Schools Condition Modernisation Projects	354,400	93,700	0	93,665	0
Copnor Primary School -Remove chimneys and re-build roof	40,700	87,900	50,200	53,000	-34,900
Penhale Infant School -Roof, windows, doors, walls	259,700	280,000	277,400	283,000	3,000
Southsea Infant School-External fire staircase	13,900	68,900	5,600	25,000	-43,900
Fernhurst Junior School-Roof : Phase 1 of 3	90,500	125,900	110,000	125,000	-900
Craneswater Junior School -Windows and masonry - part SW elevations	80,000	123,000	62,000	123,000	0
Meon Junior School-Emergency lighting to remaining areas of the school	42,400	102,400	35,800	61,000	-41,400
Medina Primary School -Emergency lighting to various areas	36,700	43,000	4,000	43,000	0
Meredith Infant School -Annex - Electrical works Electrical distribution & emergency lighting upgrades (Ground Floor Annex)	63,100	102,700	16,100	126,000	23,300
Remove & replace heaters (1st Floor Annex)					
Wimborne Infant School -Window replacement	28,700	50,000	39,500	49,500	-500
Solent Infant School -Roof to staff room	17,000	66,000	31,100	69,000	3,000
Craneswater Annex -Window replacement	65,000	65,000	25,900	65,000	0
Penhale Infant School -Emergency lighting	47,200	60,800	0	59,000	-1,800
Penhale Infant School-Replace Boilers	82,500	99,400	94,000	96,000	-3,400



	Original Scheme Budget Full Year £	Revised Scheme Budget to Sep 15 £	Actual spend to Sep 15 £	Manager Forecast Spend £	Forecast Variance £
Meon Junior School -Design only for heating	25,000	25,000	0	25,000	0
Craneswater Junior School -Design only for boiler/pipework replacement	30,000	30,000	0	30,000	0
Meon Infant School -Design only for boiler/emitter replacements	25,000	25,000	0	0	-25,000
Meon Infant School-Replacement of defective boiler	48,000	98,600	84,400	110,000	11,400
Solent Junior School -Design only for new distribution system	30,000	30,000	0	30,000	0
Vanguard Centre	2,500,000	2,500,000	18,800	2,500,000	0
Mayfield East Playing Field -Condition / Contamination Works	100,000	800	11,800	800	0
Springfield School - Legionella clarifier's	0	30,000	0	0	-30,000
Contingency for emergency condition schemes	329,100	21,100	0	21,100	0
Meredith Annexe - First floor window replacement	70,000	70,000	63,400	90,000	20,000
Various Fire alarm upgrades - Fire Alarm Upgrade	56,000	56,000	7,200	56,000	0
Arundel Court Federation - Legionella	75,000	75,000	1,800	1,800	-73,200
Harbour School Fratton - Installation of Emergency lighting	15,500	15,500	100	15,500	0
St Edmunds - Sensory Impairment Provision	537,000	537,000	469,000	537,000	0
Various Schools x 9 Remove friable asbestos - Remove friable asbestos	90,000	90,000	29,100	64,100	-25,900
Westover School - Roof Repairs	85,000	81,200	71,800	79,400	-1,800
Mary Rose - Works to Cranewater Annexe	0	92,000	90,100	90,100	-1,900
Westover School - Water ingress	11,000	11,000	11,300	11,300	300
Meredith Infants - Gable Repairs	0	63,500	19,300	119,700	56,200
Springfield School - Gas Works	0	83,700	98,900	94,000	10,300
Manor Infants - Protective guards to heating controls	0	6,800	0	0	-6,800
Court Lane Junior - Modernisation - Boiler, Asbestos, Misc.	0	68,000	3,200	34,000	-34,000
Copnor Primary School - Remodelling new scheme	0	372,400	45,000	372,200	-200
Langstone Infant - Emergency Lighting - install alongside Salix	0	11,000	0	11,600	600
Langstone works to reception	0	79,000	3,600	107,000	28,000
Springfield - Fire Safety & Asbestos issues. Legionella design	195,000	195,000	159,000	195,000	0
Harbour School Fratton - Air Conditioning unit	0	0	6,800	28,100	28,100
Craneswater & Mary Rose - Ball court	0	0	300	300	300
Miscellaneous (DDA)	239,500	239,500	228,000	277,400	37,900
Salix Redwood Park	0	47,400	0	47,400	0
Salix Langstone Infant School	0	28,900	0	28,900	0
Salix Mayfield School	0	32,500	0	32,500	0
Salix Corpus Christie	0	7,500	0	7,500	0
College Park Infant School - Top up kitchen	0	340,000	55,000	360,000	20,000
Mayfield School - New servery and dining area and generator	0	115,000	102,000	75,000	-40,000
Devonshire Infant School - Top up Dining area	0	282,000	40,600	252,000	-30,000
City Girls - Providing a service for three schools	0	54,000	2,500	54,000	0
Adaptations/Loans to Foster Carers	195,000	195,000	900	195,000	0
Closed Projects	33,173,400	32,900,800	32,510,700	32,741,100	-159,700
Schools Devolved Capital - 2011-15	7,620,300	7,601,200	7,995,300	7,601,200	0
<b>Total Education Capital Programme</b>	<b>79,230,000</b>	<b>80,607,900</b>	<b>62,305,600</b>	<b>80,607,865</b>	<b>0</b>