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NOTICE

OF

MEETING

SCHOOLS FORUM

will meet on

WEDNESDAY, 18TH JULY, 2018

At 2.00 pm

in the

ASCOT AND BRAY - TOWN HALL,

TO: MEMBERS OF THE SCHOOLS FORUM

HEADTEACHER REPRESENTATIVES: ISABEL COOKE, RICHARD PILGRIM (CHAIRMAN), HELEN MCHALE, ALISON PENNY, JOOLZ SCARLETT, MIKE WALLACE, CHRIS TOMES, AMANDA HOUGH AND MARTIN TINSLEY (VICE-CHAIRMAN).

GOVERNOR REPRESENTATIVES: HUGH BOULTER AND JO HASWELL

NON-SCHOOL REPRESENTATIVES: ANNE ENTWISTLE

Karen Shepherd – Service Lead - Democratic Services - Issued: 3 July 2018

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Royal Borough
of Windsor &
Maidenhead

AGENDA

PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
1.	<u>APOLOGIES</u> To receive apologies for absence.	
2.	<u>DECLARATIONS OF INTEREST</u> To receive any Declarations of Interest.	5 - 6
3.	<u>MINUTES</u> To confirm the minutes from the previous meeting.	7 - 12
4.	<u>SCHOOL SUPPORT STAFF PAY AWARD 2019</u> To receive the above report.	13 - 18
5.	<u>BUDGET MONITORING AND FORECAST 2018/19</u> To receive the above report.	19 - 22
6.	<u>SCHOOLS FORUM MEMBERSHIP</u> To receive the above report.	23 - 56
7.	<u>FINANCING FOR SCHOOLS CONSULTATION</u> To receive the above report.	57 - 126
8.	<u>WELLBEING SERVICE</u> To receive the above report.	127 - 130

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MEMBERS' GUIDE TO DECLARING INTERESTS IN MEETINGS

Disclosure at Meetings

If a Member has not disclosed an interest in their Register of Interests, they **must make** the declaration of interest at the beginning of the meeting, or as soon as they are aware that they have a DPI or Prejudicial Interest. If a Member has already disclosed the interest in their Register of Interests they are still required to disclose this in the meeting if it relates to the matter being discussed.

A member with a DPI or Prejudicial Interest **may make representations at the start of the item but must not take part in the discussion or vote at a meeting.** The speaking time allocated for Members to make representations is at the discretion of the Chairman of the meeting. In order to avoid any accusations of taking part in the discussion or vote, after speaking, Members should move away from the panel table to a public area or, if they wish, leave the room. If the interest declared has not been entered on to a Members' Register of Interests, they must notify the Monitoring Officer in writing within the next 28 days following the meeting.

Disclosable Pecuniary Interests (DPIs) (relating to the Member or their partner) include:

- Any employment, office, trade, profession or vocation carried on for profit or gain.
- Any payment or provision of any other financial benefit made in respect of any expenses occurred in carrying out member duties or election expenses.
- Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.
- Any beneficial interest in land within the area of the relevant authority.
- Any licence to occupy land in the area of the relevant authority for a month or longer.
- Any tenancy where the landlord is the relevant authority, and the tenant is a body in which the relevant person has a beneficial interest.
- Any beneficial interest in securities of a body where:
 - a) that body has a piece of business or land in the area of the relevant authority, and
 - b) either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body **or** (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.

Any Member who is unsure if their interest falls within any of the above legal definitions should seek advice from the Monitoring Officer in advance of the meeting.

A Member with a DPI should state in the meeting: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations on the item: 'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'

Prejudicial Interests

Any interest which a reasonable, fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs the Member's ability to judge the public interest in the item, i.e. a Member's decision making is influenced by their interest so that they are not able to impartially consider relevant issues.

A Member with a Prejudicial interest should state in the meeting: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

Or, if making representations in the item: 'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'

Personal interests

Any other connection or association which a member of the public may reasonably think may influence a Member when making a decision on council matters.

Members with a Personal Interest should state at the meeting: ***'I wish to declare a Personal Interest in item x because xxx'. As this is a Personal Interest only, I will take part in the discussion and vote on the matter.***

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Agenda Item 3

SCHOOLS FORUM

WEDNESDAY, 25 APRIL 2018

PRESENT: Richard Pilgrim (Chairman), Amanda Dean, Hugh Boulter, Frances Walsh, Martin Tinsley, Michael Wallace, Chris Tomes, Joolz Scarlett and Amanda Hough.

Officers: Wendy Binmore, Tracey Anne Nevitt and James Norris

APOLOGIES

Apologies for absence were received from Isabel Cooke, Alison Penny and Jo Haswell.

DECLARATIONS OF INTEREST

None.

MINUTES

RESOLVED UNANIMOUSLY: That the Part I minutes of the meeting held 16 January 2018 be approved with the following clarifications:

- **Under the item Wellbeing Team Evaluation and Future, Members noted that the submission of the plan had been deferred to the next meeting.**
- **Under the item Falling Rolls Funding 2018/19, Members received clarification that Churchmead School had met the criteria for the fund and had been allocated a budget of £100,000 for 2018/19.**

Members also discussed the scheduling of meetings for the next Municipal year 2018/19. The Chairman stated the Forum needed to discuss deadlines for reports and suggested the meeting dates be scheduled first and then, Members could organise when to plan work in time for deadlines of agenda publication. Hugh Boulter stated once the meetings had been scheduled, papers should be published two weeks prior to the meeting taking place so that head teachers had a change to look at the papers and make proper representations. James Norris (Head of Finance (AFC RBWM)) commented whilst every effort would be made to meet the two weeks' deadline RBWM operational practice is five working days.

Members noted the next meeting of the Schools Forum on the 22 May 2018 had been cancelled and therefore the next Forum was to be scheduled for 18 July 2018.

SCHOOLS BUDGET OUTTURN 2017-18 AND SCHOOL BALANCES

James Norris, Head of Finance (AfC RBWM) stated he had some relatively favourable news on the January 2018 projected positions and highlighted the following key points in the report:

The paper summarised the final outturn position of the 2017/18 Schools Budget, the funding held in the DSG reserve and the level of maintained school balances held at 31 March 2018.

- The DSG opening reserve as at 31 March 2017 was a deficit of £399,000 with net earmarked project reserves of £353,000 and a general deficit of £752,000
- the DSG reserve as at 31 March 2018 was a deficit of £981,000 with earmarked project reserves of £231,000 and a general deficit of £1,212,000
- the central schools budget ended the financial year 2017/18 with an over spend of £460,000. This is funded by an increase in the DSG general deficit
- the balances of RBWM's maintained schools at 31 March 2018 decreased by a net £100,000 to £1,937,000 in 2017/18
- The 2017/18 schools budget of £61,860,000 consisting of £35,679,000 of maintained schools delegated budgets and £26,179,000 central schools budget (including Early Years). Delegated budgets were treated as spent as soon as they were delegated, and more information on maintained school balances was given in part 5 of the paper. The central schools budget ended the financial year 2017/18 with an over spend of £460,000 (0.7%).
- There was a net in year deficit of £460,000 relating to the dedicated schools grant funded services. The in-year deficit of £460,000 would be a pressure on the dedicated schools grant which already had a deficit of £752,000 brought forward from 2016/17. The revised deficit on the dedicated schools grant would be £1,212,000.

The Head of Finance (AfC RBWM) stated the overspend was reduced in comparison to the previously reported position.

A number of factors had contributed to this movement including increased vacancies and lower than anticipated take up of the Early Years SEND Fund in its first two terms of operation with settings using training support before seeking support for specific children.

Overall there was a net in year deficit of £460,000 with a carried forward deficit of £1.2m

The Chairman queried how the new National Funding Formula (NFF) was introduced. He asked what the point was of trying to reduce the deficit when others were running up debts of £30m - £40m worth of debts. The Head of Finance (AfC RBWM) confirmed that he was aware that other Local Authorities (LA's) did have debts of £10m but he suggested maintaining debts at appropriate levels due to the situation being unknown of what was to happen with the NFF. The Borough's schools needed to remain cautious. The Chairman stated there was a moral position to live beyond schools means as due to other LA's debts being greater, their children were getting a better deal and then there was the possibility that those debts would then be written off. Mike Wallace stated they needed a comparison per pupil of debt across other LA's and to find out what they intended to do about their debts. The Head of Finance (AfC RBWM) confirmed that other LA's were in more debt and the Borough's schools were holding a steady line with regards to reducing the debts. Martin Tinsley stated his school's children would suffer with a potential lesser education if he had to lose staff

unlike other LA's which had far greater debts. Tracey Anne Nevitt, Accountancy, stated it was difficult to make comparisons. Martin Tinsley responded he wanted to know the percentage of debt of the whole budget per pupil and then compare it other LA's; it could be that Surrey had £30m debt but, per pupil it worked out a similar percentage of the Borough's due to budget size.

- **Action** – the Head of Finance (AfC RBWM) to liaise with other LA's to find out what they were doing with their debts and report back to the Forum.

The Head of Finance (AfC RBWM) explained to Members that table four of the report was set out across different sectors and their net position. The Chairman stated he had looked at the table and middle and secondary schools had a £103,000 surplus. The Head of Finance (AfC RBWM) confirmed one school had a surplus of £133,000 but there were four others with a deficit. He added table five set out the High Needs Draft Budget allocation for 2018/19.

The Chairman stated the last column on table five showed there was money left over. The Head of Finance (AfC RBWM) explained that total balances brought forward were £100k down and that secondary and nursery schools had contributed to the reduction but primary schools had increased spending. Martin Tinsley confirmed his school had put capital projects on hold till next year therefore, there will be a zero spend as building works could not go ahead; there were a number of schools that had done the same. The Chairman stated it was a difficult picture; the Borough used to drawback a percentage but he had no idea if any councils were going to do that now. There was a strong argument to so say schools had to spend what was in the pot on their current children and no surplus should be sat there. Tracy-Anne Nevitt responded that academies were talking about publishing their own accounts but, she had not had confirmation about that as yet. The Chairman said it would be nice to find out how much money was sat unspent in academies which could be passed on to schools.

RESOLVED UNANIMOUSLY: That the Schools Forum noted the contents of the report and approved the carry forward of the deficit balance on the DSG reserve.

BUDGET SETTLEMENT 2018/19

James Norris, Head of Finance (AfC RBWM) stated there had been various announcements on the budget but, they were indicative. The paper looked at the impact of what was agreed back in January 2018 and tables two, three, four and five of the report set out all the detail.

Tables two and three were final allocations and table four were Early Years indicative, he would not have details until later in June 2018 but would update the forum in July 2018 if the details were available in time.

The Chairman asked how the current position compared to the figures for 2017/18 . Tracey Anne-Nevitt, Accountant stated that 2018/19 was the first year there was a separate central block. 2017/18 only had three blocks. The figures had been extracted from other blocks and then been put into a central block and this year was the first year where the full year effect could be seen and where it showed 30 full hours entitlement over £10m. she added the schools block had increased due to changes in pupil numbers and high needs had had a relatively small increase of £55,000.

Tracey-Anne Nevitt , when asked with regards to basic pupil funding, were they on the intermediate funding, confirmed there had been an increase two years ago, and in 2017/18 the Borough was notified of the NFF rate but, there had been no legislation to bring in the NFF as yet. The Head of Finance (AfC RBWM) stated through consultation, the Borough moved towards the rate locally back in November 2017. Members asked if an increase in pension contributions and back dated payments to support staff had been factored into the budgets yet as they made up quite a big slice. Tracey-Anne Nevitt confirmed they were never factored in and the costs were not truly reflected.

The Chairman stated they were all waiting to hear about any increase in teacher's salary to be funded by central government. Nurses wages had risen and that rise was not from the NHS budget, it had come from central government. If teachers' salaries were not increased from central government, it would have a major impact on schools' budgets. Tracey-Anne Nevitt confirmed that it was very unusual to receive an in year settlement. The formula was set at the beginning of the year.

RESOLVED UNANIMOUSLY: That the Schools Forum noted and commented on the paper.

SCHOOLS FORUM MEMBERSHIP

The Chairman stated there was a time when Members were thinking if the Forum would have a role once NFF was implemented. However, the NFF was not in place and until that time, the Schools Forum needed to continue. He added there were a number of vacancies and those vacancies needed to be filled. He welcomed Frankie Walsh, Headteacher of Cox Green School, who was taking over as the academy headteacher representative on the Forum. There was still another vacancy from the academy side and that could be filled at either primary or secondary level. There were also four other vacancies which needed to be filled.

James Norris, Head of Finance (AfC RBWM) confirmed there were five vacancies in total. The guidance for the Forum stated it was for individual sectors to try and fill vacancies and officers would try and encourage people to join where they could. Martin Tinsley confirmed there was no academy representation from Windsor. The Chairman suggested circulating the list of vacancies around Windsor schools to see if anyone wanted to nominate or volunteer as a candidate. He added he wanted to check there was a sum set aside for running the Forum and if anyone could claim for time spent working in the Forum. The Head of Finance (AfC RBWM) confirmed there was a fund that could be used.

- **Action** – The Head of Finance (AfC RBWM) to circulate the list of vacancies on the Schools Forum to all head teachers.

RESOLVED UNANIMOUSLY: That the Schools Forum noted and commented on the contents of the paper.

SCHEME FOR FINANCING SCHOOLS

James Norris, Head of Finance (AfC RBWM) explained that the scheme sets out the financial relationship between the authority and the maintained schools which it funds. that the scheme contains requirements relating to financial management and associated issues, binding on both the authority and on schools., he required Members to note and agree the implementations. He added the new scheme was currently being drafted and would be published 4th May 2018. Schools would be given three weeks to consult and then any feedback received would be brought back to the Schools Forum in July 2018. The Head of Finance (AfC RBWM) confirmed the process should be done annually and paragraph four of the report showed where changes had to be made due to changes in legislation such as loans not be used to fund deficits.

The Chairman asked if the Forum would see a draft they could have input on, the Head of Finance (AfC RBWM) stated the draft would be available to view on the Borough's Firsclass and they could comment on the document. It was to help bursars know how to operate and acted as a helpful guidance for them.. The Head of Finance (AfC RBWM) stated his team would notify Headteachers, school business managers and Forum Members when the consultation opened and schools would be able to comment on the draft for three weeks. A report would be presented to the Schools Forum in July 2018.

Tracey-Anne Nevitt confirmed that if a school converted to academy status, the Secretary of State had the power to not transfer any debt or loan over to the academy, so it would be left with the LA suggesting the government did not want LA's to give schools loans to reduce debts. She added that currently there were only two loans outstanding which would be cleared imminently. The Chairman stated the Department for Education agreed to clear the outstanding Desborough College loan.

RESOLVED UNANIMOUSLY: That the schools forum noted the contents of the report and the proposed timetable for implementing the new Scheme for Financing Schools.

The meeting, which began at 2.00 pm, finished at 3.00 pm

CHAIRMAN.....

DATE.....

Agenda Item 4

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	18th July 2018	AGENDA ITEM:
Title:	School Support Staff Pay Award 2019	
Responsible officer:	Kevin McDaniel, Director of Children's Services	
Contact officer:	Karin Zussman-Ward (RBWM)	Email: karin.zussman-ward@rbwm.gov.uk

1 PURPOSE AND SUMMARY

- 1.1 This paper sets out the recommended approach to the implementation of the nationally agreed 2019 pay award for school support staff.

2 RECOMMENDATIONS

Schools Forum is asked to support the recommended approach set out in this paper:

- **New pay spine Option 1 – assimilation.**
- **In April 2019, assimilate and then apply incremental increases, subject to a review in February 2019.**

3 BACKGROUND

- 3.1 School support staff in maintained schools are formally employed by the council and their pay is determined by the NJC for Local Government Services. In April 2019, the council will have to implement a revised national pay spine that was agreed as part of a two year pay settlement covering the period 2018/19 and 2019/2020.
- 3.2 The revised pay spine is the result of the implementation of the National Living Wage (NLW) and a target hourly rate of £9.00 by 2020. The revised pay spine addresses this and future proofs the pay spine against increases in the NLW. The opportunity has also been taken to even out the previous uneven value of increases between pay points, so that increases are now in steps of 2%.
- 3.3 The agreement sets out how the current pay points will map across to the new pay points. However, as the allocation of points to grades is locally determined, all councils are having to review how this impacts on their grading structures.
- 3.4 The advice from the Local Government Employers (LGE) is that:
- There is no expectation of significant reviews of grading structures.
 - Overlapping of pay points is acceptable i.e. the top pay point of one grade can also be the bottom pay point of the next.
 - Grades should be no longer than six pay points.
- 3.5 The current pay structure was mapped across on the basis of assimilation and this is set out as Option 1 in Appendix A. As this resulted in an uneven distribution of pay points across the grades, three other options were considered.

- 3.6 A full costing exercise has not been undertaken, however, costs using the known current FTE in schools in May 2018 were calculated for each model. These are set out in the Appendix.
- 3.7 Based on these costs, the **recommended option is Option 1**.
- 3.8 In April, those employees not at the top of their pay scale are eligible for an increase to the next pay point, known as an increment. A decision needs to be made about the approach taken to this. The options are:
- Assimilate to the new pay spine and then apply the increment.
 - Apply the increment and then assimilate.
- 3.9 Appendix B, sets out the implications of each of these two approaches, based on the May 2018 workforce. Based on this information, it is **recommended that Option 1 is adopted** as it benefits those at the lower pay levels, which is the underlying reason for the increases in pay. However, to ensure that this is the best approach, HR will need to review the actual position in February 2019.
- 3.10 Aided schools, are the employer and historically have adopted the same approach as maintained schools.
- 3.11 Academies as the employer will need to determine their own approach.
- 3.12 A report will be taken to the Council's Employment Panel to approve the recommended approach which will include the Forum's views. HR will hold discussions with the Trade Unions on the recommended approach.

15

		Assimilation	Replicate same number of points as now, except bottom 2 grades	Allocate 3 or 4 points per grade	Allocate 3 or 4 points, overlap sc2 b & c, as now	
CURRENT GRADE	COMMENTS	Grade	Option 1	Option 2	Option 3	Option 4
		Scale 2, a	1	1	1	1
Sc2, scp 6-8	3 pay points		2	2	2	2
					3	3
Sc2, scp 9-11	3 pay points	Scale 2, b	2	3	4	4
			3	4	5	5
					6	6
Sc2, scp 11-13	3 pay points	Scale 2, c	3	5	7	6
			4	6	8	7
				7	9	8
Sc3,14-17	4 pay points	Scale 3				
			5	8	10	9
			6	9	11	10
				10	12	11
				11		12
Sc 4, 18-21	4 pay points	Scale 4	7	12	13	13
			8	13	14	14
			9	14	15	15
			10	15	16	16
			11			
Sc5, 22-25	4 pay points	Scale 5	12	16	17	17
			13	17	18	18
			14	18	19	19
			15	19		
			16			
			17			
Sc6, 26-28	3 pay points	Scale 6	18			
			19			
			20	20	20	20
			21	21	21	21
			22	22	22	22
Excludes Manor Green, Queen Anne and Clewer Green		Costs based on May 18 fte only. Costs will be impacted by increments, additional hrs/OT/casual workers. Inc on-costs.	£575k	£893k	£1.21m	£1.06m
		Cost of 2% increase across the board	£240k	£240k	£240k	£240k
		Additional costs	£335k	£653k	£971k	£820k

INCREMENTS		OPTION 1	OPTION 2			
CURRENT SCALE / SPINAL POINT	NEW POINT	ASSIMILATE THEN INCREMENT	INCREMENT THEN ASSIMILATE	FTE	COMMENTS	GENDER
SCALE 2						
6	1	2	1	1.81	Option 2, disadvantage	93% F
7	1	2	2			
8	2	2	2			
9	2	3	3			
10	3	3	3			
11	3	3	3			
11	3	4	4			
12	4	4	4			
13	4	4	4			
SCALE 3						
14	5	6	5	13.94	Option 2, disadvantage	100% F
15	5	6	6			
16	6	6	6			
17	6	6	6			
SCALE 4						
18	7	8	8			
19	8	9	9			
20	9	10	11	2.34	Option 2, advantage	75% F
	10					
21	11	11	11			
SCALE 5						
22	12	13	14	3.46	Option 2, advantage	83% F
	13					
23	14	15	15			
24	15	16	17	8.79	Option 2, advantage	92% F
	16					
25	17	17	17			
SCALE 6						
	18					

26	19	20	20			
27	20	21	22	1.17	Option 2, advantage	100% F
	21					
28	22	22	22			
						Total

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ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	18 th July 2018	AGENDA ITEM:	X
Title:	Budget Monitoring and Forecast 2018/19		
Responsible officer:	Kevin McDaniel, Director of Children's Services		
Contact officer:	James Norris, Head of Finance (RBWM) Achieving for Children	Email:	James.norris@achievingforchildren.org.uk

1 PURPOSE AND SUMMARY

- 1.1 The purpose of this report is to provide the Schools Forum with:
- the projected financial position for 2018/19 with associated schedule of Risks & Opportunities
 - the projected reserve balance as at 31 March 2019
 - an understanding of the financial pressures which are currently being faced.

2 RECOMMENDATIONS

Schools Forum is asked to note:

- 2.1 The Forum is asked to note the contents of this report including the reported variance, schedule of Risks & Opportunities and the projected deficit balance carried forward as at 31 March 2019.

3 FINANCIAL SUMMARY

- 3.1 The current DSG Budget 2018/19 is £63,465,000 reflecting an additional in-year allocation for the High Needs Block of £277,000 received in June 2018, as shown in table 1. This increase has been included in the Risks and Opportunities table 3. The current reported projected in-year deficit is £795,000.
- 3.2 The in-year deficit of £795,000 consists of:
- High Needs top up funding £436,000
 - Special School top up and place funding increase of £352,000
 - other minor variances £7,000
- 3.3 The net in-year deficit of £795,000 will be an additional pressure on the dedicated schools grant reserve which as at 31 March 2018 was a deficit of £1,212,000; the revised projected deficit as at 31 March 2019 has increased to £2,007,000.
- 3.4 The brought forward deficit reported to the April Schools Forum of £1,212,000 was lower than previously reported due to a number of mitigations including:
- reduced bad debt provision £100,000
 - reduced Top Ups and Independent Special School placement costs £150,000
 - increased collaborative and inclusive approach within schools to retain pupils with Special Educational Needs rather than seeking high cost alternative provision £40,000

3.5 Table 1 sets out the summarised financial position for 2018/19.

Table 1 Summarised Financial Position

Schools Budget	S251 budget	Less Academy Recoupment	Budget Adjustment-Summer 2018	Current Budget	Forecast Variance June Cabinet	Projected Exp/ Funding	Note
	£000	£000	£000	£000	£000	£000	
Expenditure							
Schools Block	83,684	(49,628)	0	34,056	0	34,056	
Central Block	1,142	0	0	1,142	0	1,142	
Early Years Block	10,212	0	0	10,212	0	10,212	
High Needs Block	17,778	0	277	18,055	795	18,850	1
TOTAL EXPENDITURE	112,816	(49,628)	277	63,465	795	64,260	
Funding							
Dedicated Schools Grant	(112,816)	49,628	(277)	(63,465)	0	(63,465)	
TOTAL FUNDING	(112,816)	49,628	(277)	(63,465)	0	(63,465)	
Note:							
Total in year surplus / (deficit)	0	0	0	0	(795)	(795)	
Brought forward surplus / (deficit)	(1,212)	0	0	(1,212)	0	(1,212)	
Total surplus / (deficit)	(1,212)	0	0	0	(795)	(2,007)	2

3.6 The reported material forecast variances are set out below in table 2.

Table 2 Material forecast variances

Note	Comments
1	High Needs top up funding £436,000; increase in place and top up funding for Manor Green Special School £352,000; others £7,000
2	Projected deficit on DSG General Reserves for 2018/19 £795,000 (excluding the Risks & Opportunities listed in table 3).

3.7 Table 3 sets out the summarised material Risks & Opportunities for the current financial year. These potential material changes to the forecast are not being reported as either there is a degree of uncertainty around them or there are plans to contain pressures and utilise underspends.

Table 3 Summarised Risks & Opportunities

	Variance to Current Budget	Note
	£000	
Expenditure		
Early Years Block	(655)	1
High Needs Block	203	2
Total Expenditure Risks & Opportunities	(452)	

3.8 The details of the material forecast risks & opportunities are set out below in table 4.

Table 4 Details of Risks & Opportunities

Note	Comments
1	The opportunity of £655,000 relates to the Early Years 2017/18 unallocated PVI and maintained provider funding. The introduction of the new 30 hour entitlement and low Autumn term numbers for the 15 hour take up resulted in a significant underspend. This position is similar across many local authorities. Authorities are awaiting the Education and Skills Funding Agency Early Years 2017/18 Block recalculation before releasing any of the potential underspend into the forecasted variance.
2	High Needs Block savings plan of £900,000 potential underachievement of £500,000 reflected in risks based on cost reductions delivered in final quarter of 2017/18; partly offset by an opportunity of £297,000 relating to the in-year High Needs Block allocation of £277,000 received in June 2018 and other variances net £20,000.

4 PROJECTED RESERVE BALANCE

- 4.1 The net overspend will be an additional pressure on the dedicated schools grant reserve which as at 31 March 2018 was a deficit of £1,212,000; the revised projected deficit as at 31 March 2019 has increased by £795,000 to £2,007,000.
- 4.2 The projected reserve balance as at 31 March 2019 of £2,007,000 excludes the Risk & Opportunities Register net balance of £452,000 underspend, the projected reserve balance as at 31 March 2019 would be £1,555,000.

5 FUTURE ACTION

- 5.1 Following confirmation by the Education and Skills Funding Agency in respect of the treatment of the Early Years budget allocation clawback mechanism and future funding levels the impact will be calculated and reflected in the following round of budget monitoring.
- 5.2 The level of overspend in the High Needs services remains unaffordable for the Council.
- 5.3 The Special Educational Needs & Disability (SEND) Action Workstream are focusing on reducing the number of out of borough placements, raising standards, performance and improving value for money. The Workstream will share their action plan at the next Forum.
- 5.4 A range of services including the statutory Pupil Referral Unit, Fair Access fund and Wellbeing are funded from the High Needs Block along with a number of places in

alternative provision. The local authority, in partnership with providers and schools, will assess the impact and priority of the services over the coming months, and bring forward a cost reduction programme for consultation with the Forum.

- 5.5 Achieving for Children will undertake a review of the funding rates for special educational needs pupils attending our specialist schools.
- 5.6 Existing cost control measures such as rejecting top up increment requests from Non Maintained Special Schools, and reviewing the impact of the highest cost provision will continue.

Agenda Item 6

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	18 th July 2018	AGENDA ITEM:
Title:	Schools Forum Membership Framework	
Responsible officer:	Kevin McDaniel, Director of Children's Services	
Contact officer:	James Norris, Head of Finance (RBWM) Achieving for Children	Email: James.norris@achievingforchildren.org.uk

1 PURPOSE AND SUMMARY

- 1.1 This paper provides an update on the current Schools Forum Membership and nominated new members.

2 RECOMMENDATIONS

Schools Forum is asked to:

- 2.1 Note the contents of the paper and approve the nominations for new members.

3 BACKGROUND

- 3.1 In July 2013 Schools Forum agreed that there should be 17 members consisting of 15 school members and 2 non school members.
- 3.2 This paper has been written in accordance with the Schools Forum Operational and Good Practice Guide and follows the paper presented to Schools Forum 25th April 2018.

4 MEMBERSHIP

- 4.1 Schools Forum regulations provide a framework for the appointment of members. The DfE provide a guide on the Structure of Schools Forum; included as appendix A.
- 4.2 Regulations stipulate that schools members and academies members must together, comprise at least two thirds of the membership of the forum.
- 4.3 Where the authority maintains the following types of school, they must be represented on the Schools Forum; Primary Schools, Secondary Schools, Special Schools, Nursery Schools and PRU's. At least one academies member must be a representative of mainstream academies, which includes free schools, UTC's and Studio Schools. In addition there must be one member for each of the following groups (if such exist in the authority); Special Academies, Alternative provision academies.
- 4.4 The authority must appoint non-schools members to represent each of the local authority 16-19 partnerships and early years providers. The authority may also

appoint other non-schools members to represent the interests of other bodies. In doing so, the authority must consider whether to seek nominations from the Church of England and Roman Catholic dioceses covering the area. Non-schools member may not exceed a third of the total Schools Forum membership.

- 4.5 There is no legislated maximum or minimum size of Schools Forum, but authorities should take into account various issues in deciding the actual size, including the need to have full representation for various types of school, and the authority's policy on representation of non-members. The local authority should keep Schools Forum to a reasonable size to ensure that it doesn't become unwieldy.
- 4.6 The current number of RBWM Schools Forum members is 14 with 3 vacancies. Newly nominated members are Graham Aldous and Sarah Cottle. The revised Schools Forum members are set out in table 1.

Table 1 Proposed Schools Forum Members with nominations

School / Non School	Sector	Type Of Member	Representative
School	Academy	Headteacher	Richard Pilgrim (Chairman)
School	Academy	Headteacher	Amanda Hough
School	Academy	Headteacher	Isabel Cooke
School	Academy	Headteacher	Frances Walsh
School	Academy	Headteacher	Graham Aldous (nominated)
School	Academy	Governor	Hugh Boulter
School	Acadmey (Free School)	Governor	Jo Haswell
School	Maintained Nursery	Headteacher	Sarah Cottle (nominated)
School	Maintained Primary	Headteacher	Martin Tinsley (Vice Chairman)
School	Maintained Primary	Headteacher	Alison Penny
School	Maintained Primary	Headteacher	Mike Wallace
School	Maintained Secondary	Headteacher	Chris Tomes
School	Maintained Secondary	Governor	Vacant
School	Maintained Special	Headteacher	Joolz Scarlett
School	Maintained PRU	Headteacher	Vacant
Non School	Non Schools Early Years	Non Schools	Vacant
Non School	Non Schools 16-19	Non Schools	Anne Entwistle

- 4.7 If the authority maintains one or more special schools, then one member, who may be a head teacher (or their representative) or a governors shall be appointed from this group.
- 4.8 If the authority maintains one or more nursery schools, then one member, who may be a head teacher (or their representative) or a governor shall be appointed from this group.
- 4.9 If the authority maintains one or more pupil referral units, then one member who may be a head teacher (or their representative) or a governor shall be appointed from this group.
- 4.10 Schools Forum define a head teachers representative to be a senior member of school staff.

- 4.11 The remaining members shall be appointed to represent primary schools, secondary schools and academies. The number of members for each group shall be agreed annually and presented at the first meeting of Schools Forum following any significant change in pupil numbers per sector.
- 4.12 If a recalculation causes the number of representatives of a group to reduce, the first step will be to seek voluntary resignation(s). If this fails to resolve the issue then the Head of Finance shall determine by lot which existing group representatives remain.
- 4.13 If a recalculation causes the number of representatives of a group to increase, then an appointment process shall take place to fill the additional place(s).

5 ELECTION OF MEMBERS

- 5.1 Schools members shall be appointed on the basis of the process agreed by the organisation in the authority representing head teachers for the head positions and governors for the governor positions. In the absence of an appropriate organisation the Head of Finance will determine the arrangements for electing the positions.
- 5.2 The appointment of members for Special schools, Nursery schools and Pupil referral units shall be arranged by the Head of Finance, in consultation with the head teachers and governors of those schools.
- 5.3 Academy members shall be elected by the proprietor bodies of the academies. In the absence of an election, the Head of Finance shall nominate representatives to be appointed by the council.
- 5.4 If, following any ballot or other nomination or election mechanism, there is equality of votes/nominations; the Head of Finance has authority to make those appointments.
- 5.5 If following any ballot or other nomination or elections mechanism, any one school has more than one governor representative; the Head of Finance has authority to make those selections.

6 DECLARATION OF INTERESTS AND CODE OF CONDUCT

- 6.1 Where a member of Schools Forum feels that they may have a personal or prejudicial interest in a matter which Schools Forum is considering they are asked to seek advice from the Head of Finance on an appropriate course of action.
- 6.2 Members of Schools Forum are required, as part of taking up their position, to complete a form indicating their interests and agreeing to observe the members' code of conduct. The code of conduct being a requirement agreed by the council's standards committee. Members should ensure that if circumstances change they ensure up-to-date declarations of interest are available.

7 MEMBER' TERM OF OFFICE

- 7.1 Members term of office will be for four years from the date of their appointment.
- 7.2 Councillors will be appointed annually by the council.

- 7.3 The Chair and Vice Chair of Schools Forum shall be appointed by the forum for a period of 12 months. Council members and council officers may not hold the office of Chair or Vice Chair.
- 7.4 Members may be re-nominated for subsequent terms of office.
- 7.5 Membership attendance will be reviewed at each Schools Forum. Should levels of attendance warrant the chair or vice chair will contact any absent members to ascertain the reasons for absence and if the member wishes to continue to serve as a member of Schools Forum.

8 RECORDING THE COMPOSITION OF SCHOOLS FORUM

- 8.1 The local authority or their representatives will hold a written record of the composition of Schools Forum detailing the number of schools members and by which group they were elected, the number of academies members and the number of non-schools members, their terms of office, how they were chosen and whom they represent. The record will also indicate the term of office for schools and academies members.

9 SUBSTITUTES

- 9.1 Any member of the Schools Forum may nominate a substitute to attend and vote at the meeting of Schools Forum in their absence. Such a nomination should be notified in writing to the chair of Schools Forum or the clerk to the meeting with apologies of absence.
- 9.2 Named substitutes are allowed providing they fall into the same group as the member they are standing in for. A substitute for a group member must be from the same group.
- 9.3 A substitute for a local authority member must also be a member of the local authority.
- 9.4 Where the Chair and Vice Chair of Schools Forum are absent from a meeting, the Schools Forum will appoint a chair for that meeting from the attendees.

10 VOTING PROCEDURES

- 10.1 The Schools Forum, within the constraints of its constitution, published legislation and guidance and the need to act fairly, may determine the procedures its adopts to reach decisions. Each voting member has a single vote which is normally expressed via a show of hands. In the event of there being an equality of votes, the chair or acting chair may use their casting vote to break the deadlock.
- 10.2 Only schools members or their substitutes; which encompasses maintained schools, academies, maintained special schools and PRUs and Maintained Nursery schools and PVI members are able to vote on funding formula proposals.

11 OTHER ATTENDEES AT A SCHOOLS FORUM MEETING

11.1 Schools Forum meetings are required to be open to the public. Papers, agendas and minutes must be publicly available well in advance of each meeting. Members of the public may not contribute to a Schools Forum meeting.

11.2 Other attendees who are permitted to contribute to a Schools Forum meeting;

- An observer appointed by the Secretary of State
- The Chief Finance Officer
- The Director of Children's Services
- Officers providing financial & technical advice to Schools Forum
- The Executive Member for Children's services
- Presenters (restricted to the paper they are representing)
- The Executive Member with responsibility for resources

12 FREQUENCY OF MEETINGS

12.1 Regulations require that Schools Forum meet a minimum of four times each year. The forum should meet with enough frequency to allow it to be consulted and make decisions and for their views to be taken into consideration.

13 QUORUM

13.1 For Schools Forum to make decisions 40% of the total membership (excluding any vacancies) must be in attendance. At the start of each meeting the chair or acting chair will provide the minimum number of members required to for quorum and if this level has been achieved for the meeting.

13.2 Where a meeting is inquorate, the meeting may continue but no formal decisions may be taken; election of a chair or decisions relating to funding conferred by regulations.

13.3 If one or more groups is not represented this does not affect the decision making powers of Schools Forum if it is quorate unless a vote by group is required affecting the un-represented group. This will then need to be dealt with at a subsequent meeting or via emergency procedures.

14 EMERGENCY MEETING

14.1 In exceptional circumstances, it may be necessary for a decision or formal view to be required by the Schools Forum before the next scheduled meeting. In these circumstances efforts should be made to arrange an unscheduled meeting of the forum.

14.2 Where it is not possible to arrange an unscheduled meeting of Schools Forum or where the attendance at such a meeting is likely to be inquorate or when available time is insufficient, in conjunction with the chair contact members by either post or email and seek a decision or view from members. A record will be kept of all responses and the matter will formally be listed on the agenda of the next scheduled Schools Forum meeting.

14.3 This facility may be used where a group was un-represented at a meeting and a decision is required prior to the next scheduled meeting. In this circumstance only the group effected would be contacted.



Education & Skills
Funding Agency

Schools forum

Operational and good practice guide

September 2017

Contents

Introduction	4
Section 1: schools forum regulations: constitution and procedural issues	5
Regulations	5
Schools forum powers	5
Membership	7
Term of office	8
Schools members	9
Election and nomination of schools members	9
Election and nomination of academies members	11
Non-schools members	12
Other membership issues	13
The role of executive elected members	13
Recording the composition of schools forums	14
Observers	14
Participation of local authority officers at meetings	14
Procedures	15
Public access	16
Working groups	16
Urgent business	17
Resources of the schools forum	17
Section 2: effective schools forums	18
Introduction	18
Induction of new members	19
Training	19
Agenda setting	20
Preparation for a schools forum meeting	20
Chairing the schools forum	21
Clerking the schools forum	22
Good practice for schools forum meetings	23
Meeting notes and recording of decisions	23
Communication	24

Introduction

1. This guide is designed to provide local authority officers and schools forum elected members with advice and information on good practice in relation to the operation of schools forums.
2. It's organised into 2 sections:
 - section 1 provides information on the constitutional and organisational requirements for schools forums
 - section 2 covers a number of key aspects of the operation of schools forums at local level, drawing on good practice from a number of schools forums
3. The guide draws on the experience and knowledge of schools forum members, local authority members and officers and the department and its partners. Other than where it's describing requirements set out in the Schools Forum Regulations 2012 it's not designed to be prescriptive. However, we hope the guide will stimulate some debate within schools forums and contribute to their ongoing development.
4. The department hopes that schools forums and local authorities find this guide useful. It's been the subject of consultation with a wide variety of external partners. In particular, members of the department's Schools and Academies Funding Group, made up of representatives from central and local government, teaching associations, unions representing support staff as well as organisations representing academies and governors, have provided valuable input and advice on the content of the guide. The department is grateful for their assistance.
5. The department's website contains details of all the announcements, documents and other information relating to school funding and schools forums. This website also has a range of useful links to other sites that may be of relevance to schools forum members.
6. A short [guide to the schools forum for schools and academies](#), which may be helpful to stakeholders and the wider school family, is available on GOV.UK.
7. If you have any queries about the operation of schools forums please contact the Education and Skills Funding Agency (ESFA) using the [ESFA enquiry form](#).

Section 1: schools forum regulations: constitution and procedural issues

Regulations

8. [National regulations](#)¹ govern the composition, constitution and procedures of schools forums. Local authorities can provide schools forum members with a copy of [these regulations](#) or alternatively they can be accessed online.

9. A short [guide to the schools forum for schools and academies](#) is also available to provide a wider understanding of the work of schools forums.

Schools forum powers

10. Schools forums generally have a consultative role. However, there are situations in which they have decision making powers. The respective roles of schools forums, local authorities and the department are summarised in [schools forum powers and responsibilities](#). The overarching areas on which schools forums make decisions on local authority proposals are:

- de-delegation from mainstream maintained schools budgets (separate approval will be required by the primary and secondary phase members of schools forum), for prescribed services to be provided centrally
- to create a fund for significant pupil growth in order to support the local authority's duty for place planning (basic need), including pre-opening and diseconomy of scale costs, and agree the criteria for maintained schools and academies to access this fund
- to create a fund for falling rolls for good or outstanding schools if the schools' surplus capacity is likely to be needed within the next three years to meet rising pupil numbers and agree the criteria for maintained schools and academies to access this fund
- agreeing other centrally retained budgets, including for local authority statutory responsibilities (where these relate to maintained schools only, voting is by the primary, secondary, special and PRU members of schools forum)
- funding for central early years expenditure, which may include funding for checking eligibility of pupils for an early years place, the early years pupil premium and/or free school meals

¹ Schools Forums (England) Regulations 2012 (S.I. 2012/2261) (as amended)

- authorising a reduction in the schools budget in order to fund a deficit arising in central expenditure, or from de-delegated services, that is to be carried forward from a previous funding period

in the 2018 to 2019 funding year the schools block is ring-fenced. Local authorities require schools forum approval in order to move up to 0.5% from the schools block to other blocks

- in each of these cases, the local authority can appeal to the Secretary of State if the schools forum rejects its proposal

11. Local authorities should be aware that the provisions of the [Local Government Act 2000](#) restrict the delegation of local authority decisions to cabinet, a member of cabinet, a committee of cabinet or an officer of the council, which would not include schools forums. As a result, the local authority cannot delegate its decision making powers to schools forum, for example, decisions on the funding formula.

12. Regulations state that the local authority must consult the schools forum annually in connection with various schools budget functions, namely:

- amendments to the school funding formula, for which the voting is restricted by the exclusion of non-schools members except for PVI representatives
- arrangements for the education of pupils with special educational needs in particular the places to be commissioned by the local authority and schools and the arrangements for paying top-up funding
- arrangements for the use of pupil referral units and the education of children otherwise than at school, in particular the places to be commissioned by the local authority and schools and the arrangements for paying top-up funding
- arrangements for early years provision
- administrative arrangements for the allocation of central government grants paid to schools via the local authority

There is no specific definition of these consultation requirements over and above the wording in the regulations. It's a matter for the local authority to decide on the appropriate level of detail it needs to generate a sufficiently informed response from schools forum.

13. Consultation must also take place when a local authority is proposing a contract for supplies and services which is to be funded from the schools budget and is in excess of the EU procurement thresholds. The consultation must cover the terms of the contract at least one month prior to the issue of invitations to tender.

14. The schools forum has the responsibility of informing the governing bodies of all schools maintained by the local authority of the results of any consultations

carried out by the local authority relating to the issues in paragraphs 12 and 13 above.

15. Local authorities will need to discuss with the schools forum any proposals that they intend to put to the Secretary of State to:

- vary the MFG
- use exceptional factors
- vary pupil numbers (Secretary of State approval is no longer required for increases relating to changes in admission limits or reorganisations)
- allow additional categories of, or spending on, central budgets
- amend the sparsity factor
- vary the lump sum for amalgamating schools
- vary the protection for special schools and special academies
- move up to 0.5% from the schools block, where the schools forum don't agree, or move more than 0.5% from the schools block

Proposals will then need to be considered by the Secretary of State.

Membership

16. The Schools Forums Regulations provide a framework for the appointment of members, but allow a considerable degree of discretion in order to accommodate local priorities and practice. A quick guide to the [structure of the schools forums](#) is available.

17. There is no maximum or minimum size of a schools forum. Authorities will wish to take various issues into account in deciding the actual size, including the need to have full representation for various types of school, and the local authority's policy on representation of non-schools members. However, care should be taken to keep the schools forum to a reasonable size to ensure that it does not become too unwieldy.

18. Types of member: schools forums must have 'schools members', 'academies member(s)' if there is at least one academy in the local authority's area and 'non-schools members'. Schools and academies members together must number at least two-thirds of the total membership of the schools forum and the balance between maintained primary, maintained secondary and academies members must be broadly proportionate to the pupil numbers in each category, so the structure of forum should be regularly reviewed, we'd suggest good practice is to review the membership as a standing agenda item at each meeting. Academies

members must represent mainstream academies and, if there are any in the local authority area, special academies and alternative provision academies. There is no requirement for academies members to represent specific primary and secondary phases, but it may be encouraged to ensure representation remains broadly proportionate to pupil numbers. Academy members must be separately elected and designated from maintained school representatives, please see paragraph 28.

19. Schools forum members will need the skills and competencies to manage Forum business (as detailed in [school forum powers and responsibilities](#)) and to take a strategic view across the whole education estate whilst acting as representative of the group that has elected them. Furthermore, they should be easily contactable and pro-active in raising the profile of issues and communicating decisions, and the reasons behind them, effectively.

Term of office

20. The term of office for each schools member and academies member should be stipulated by the local authority at the time of appointment. Such stipulation should follow published rules and be applied in a consistent manner between members. They need not have identical terms and there may be a case for varied terms so that there is continuity of experience rather than there being a complete change in the membership at a single point. The term of office should not be of a length that would hinder the requirement for the structure of the schools forum to mirror the type of provision in light of the pace of academy conversions. Examples of how this may work include:

- holding vacancies until the schools forum structure is reviewed providing that this does not mean holding vacancies for an unreasonable length of time, for example, we'd expect this vacancy to be filled for the following term
- increasing the size of the schools forum temporarily to appoint additional academy members, then deleting schools member posts at the end of a term of office or when a vacancy arises
- considering continuity of service; where an academy conversion affects the school of a current schools member, would academies consider appointing that person as an academies member

21. The length of term of office for non-schools members is at the discretion of the local authority. Schools and academies must be informed, within a month of the appointment of any non-schools member, of the name of the member and the name of the body that that member represents.

22. As well as the term of office coming to an end, a member ceases to be a member of the schools forum if he or she resigns from the schools forum or no longer occupies the office by which he or she became eligible for election, selection or appointment to the schools forum. For example;

- a secondary schools member must stand down if their school converts to an academy
- a schools member representing community primary school governors who is no longer a governor of a community primary school in the relevant local authority must cease to hold office on the schools forum even if they remain a governor of a school represented by another group or sub-group
- other situations in which membership of the schools forum ends are if a member gives notice in writing to the local authority and, in the case of a non-schools member, the member is replaced by the local authority, for example at the request of the body which the member represents

Schools members

23. Schools members represent specified phases or types of maintained schools within the local authority. As a minimum, schools forums must contain representatives of two groups of schools: primary and secondary schools, unless there are no primary or secondary schools maintained by the local authority. Middle schools and all through schools are treated according to their deemed status.

24. Where a local authority maintains one or more special schools the schools forum must have at least one schools member from that sector. The same applies to nursery schools and pupil referral units (PRUs).

25. The local authority then has discretion to divide the groups referred to in paragraph 16 and 17 into one or more of the following sub-groups:

- headteachers or headteachers' representatives in each group
- governors in each group
- headteachers or headteachers representatives and governors in each group
- representatives of a particular school category, for example, voluntary aided

26. Headteachers can be represented by other senior members of staff within their school. Governors can include interim executive members of an interim executive board. The sub-groups don't have to be of equal size. For example, there may be more representatives of headteachers of primary schools than governors of such schools, or vice versa. The membership structure of the schools forum should ensure there is sufficient representation of each type of schools member in each group to ensure that debate within the schools forum is balanced and representative. As a minimum, there must be at least one representative of headteachers and one representative of governors among the schools members.

27. Whatever the membership structure of schools members on a schools forum, the important issue is that it should reflect most effectively the profile of

education provision across the local authority to ensure that there isn't an in-built bias towards any one phase or group.

Election and nomination of schools members

28. The relevant group or sub-group is probably best placed to determine how their schools members should be elected.

29. It's good practice for those who draw up the scheme to ensure that a vacancy amongst a represented group would be filled by a nominee elected according to a process that has been determined by all those represented in that group, for example, community primary school headteachers, or secondary school governors, ensuring that everyone represented has had the opportunity to stand for election and/or vote in such an election. The process must be restricted to the group in question. A headteachers phase group could only vote as a whole for headteacher members if the voting excluded academies, as academies members form a separate group.

30. It's not appropriate for a single person to be elected to represent more than one group or sub-group concurrently, for instance, if they were a governor at a primary and secondary school. They can stand for election from either group but can be appointed to represent only one of those groups.

31. The purpose of ensuring that each group or sub-group is responsible for their election process is to guarantee that there is a transparent and representative process by which members of schools forums are nominated to represent their constituents.

32. Appropriate support to each group or sub-group to manage their election processes should be offered by the clerk of a schools forum, or the committee or democratic services of a local authority. This may just include the provision of advice but may also consist of providing administrative support in actually running the elections themselves.

33. As a minimum, we'd recommend that the clerk of a schools forum make a record of the process by which the relevant schools within each group and sub-group elect their nominees to the schools forum and be able to advise the chair of the schools forum and local authority on action that needs to be taken, where necessary, to seek new nominees.

34. In determining the process by which elections should be operated it's perfectly legitimate for a local authority to devise, in consultation with their schools forum, a model scheme for the relevant schools within a group or sub-group to consider and be invited to adopt. However, such a model scheme cannot be imposed on that body of schools: adaptations and/or alternative schemes may be adopted. A single scheme need not be adopted universally.

35. Care should be taken to ensure that every eligible member of a group or sub-group has an opportunity to be involved in the determination of their group's election process, is given the opportunity to stand for election if they choose to do so, and is involved in the election of their representative(s).

36. It would not be compliant with the regulations for the steering committee or chair of a 'parent' group simply to make a nomination to represent their group or sub-group on a schools forum. Schools members must be elected, subject to paragraph 39 below.

37. The local authority may set a date by which the election should take place and must appoint the schools member if the election has not taken place by that date. The person appointed should be a member of the relevant group.

38. We'd recommend that any scheme takes into account a number of factors:

- the process for collecting names of those wishing to stand for election
- the timescale for notifying all constituents of the election and those standing
- the arrangements for dispatching and receiving ballots
- the arrangements for counting and publicising the results
- any arrangements for unusual circumstances such as only one candidate standing in an election
- whether existing members can stand for re-election

39. In the event of a tie between two or more candidates, then the local authority must appoint the schools member instead. The local authority may decide to appoint someone else rather than one of the candidates and might wish to take into account the experience or expertise of the individuals, and the balance between the different types of school represented on the schools forum.

Election and nomination of academies members

40. Academies members must be elected by the proprietor bodies of the academies in the local authority's area, and they are probably best placed to determine the process. Academies members are there to represent the proprietor bodies of academies and are, therefore, not necessarily restricted to principals, senior staff or governors. The same factors should be taken into account as for the election of schools members, set out in paragraphs 28 to 39. For the avoidance of doubt, Free Schools, University Technical Colleges and Studio Schools are classed as academies for this purpose. There is no distinction between sponsored and converter academies.

41. There are three sub-groups for academy members: mainstream academies, special academies and alternative provision academies and it's for the proprietors of academies within each of these sub-groups to elect their representatives. It's not appropriate, therefore, for headteacher phase groups to determine representation unless the academy proprietors have agreed and even then the voting would need to exclude maintained school representatives. There is no requirement for academies members to be split into primary and secondary sub-groups. However, local authorities may wish to encourage academies to consider the pupil proportions across all academies when electing their representatives.

42. Where there is only one academy in a sub-group in the local authority's area, then their proprietor body must select the person who will represent them.

43. It's possible that a single person be appointed as an academies member to more than one schools forum, for example if an academy chain is located across multiple local authorities, providing they are elected on each occasion in accordance with the agreed election process for each separate schools forum.

44. As with schools members, the local authority may set a date by which the election should take place and must appoint an academies member if the election does not take place by that date, or if an election results in a tie between two or more candidates.

Non-schools members

45. Non-schools members may number no more than a third of a schools forum's total membership (excluding observers, see paragraph 58). A representative of providers of 16-19 education must be elected from those providers. This includes those in the FE sector (FE and sixth form colleges) and other post-school institutions that specialise in special education needs (SPiS), where 20% or more of their students reside in the local authority's area. As with academies the providers are probably best placed to determine the election process.

46. The local authority must appoint at least one person to represent early years providers from the private, voluntary and independent (PVI) sector. Early years PVI settings need to be represented because funding for the free entitlement for three and four year olds and eligible two year olds comes from the dedicated schools grant, and all settings are funded through the early years single funding formula (EYSFF).

47. Before appointing additional non-schools members to the schools forum, the local authority must consider whether the Church of England and Roman Catholic dioceses situated in the local authority's area; and, where there are schools or academies in the area with a different religious character, the appropriate faith group, should be represented on the schools forum. If diocesan authorities nominate members for appointment as non-schools members they may wish to consider what type of representative would be most appropriate, schools-based such as a

headteacher or governor, or someone linked more generally with the diocese, for example a member of the education board.

48. It's also good practice for local authorities to ensure that the needs and interests of all the pupils in the local authority are adequately represented by the members of a schools forum. The interests of pupils in maintained schools can be represented by schools members. Some pupils in a local authority, however, are not in maintained schools but instead are educated in hospitals, independent special schools and non-maintained special schools. Certain types of non-schools members can play an important role in representing the interests of these groups of pupils. They can also play a role in representing the interests and views of the services that support those groups of vulnerable and at risk pupils who nevertheless are on the roll of maintained schools, such as looked after children and children with special educational needs.

49. The purpose of non-schools members is also to bring greater breadth of discussion to schools forum meetings and ensure that stakeholders and partners other than schools are represented. Organisations which typically provide non-schools members are trades unions, professional associations and representatives of youth groups. Parent groups could also be considered. However, as there are clearly limited numbers of non-schools members able to be on a schools forum, care should be taken to ensure that an appropriate representation from wider stakeholders is achieved.

Other membership issues

50. There are three restrictions placed on who can be a non-schools member of a schools forum. The local authority cannot appoint:

- an elected member of the local authority who is appointed to the executive of that local authority (a lead member/portfolio holder) ('executive members')
- the Director of Children's Services or any officer employed or engaged to work under the management of the Director of Children's Services, and who does not directly provide education to children (or manage those who do) ('relevant officer' (a) and (b))
- other officers with a specific role in management of and/or who advise on funding for schools ('relevant officer' part (c))

51. Schools forums have the power to approve a limited range of proposals from their local authority: the restrictions ensure that there is no conflict of interest between the proposing body (the local authority) and the approving body (the schools forum).

52. However, non-executive elected members and those officers who are employed in their capacity as headteachers or teachers and those who directly

manage a service which provides education to individual children and/or advice to schools on, for example, learning and behavioural matters are eligible to be members of schools forums.

53. In the case of non-executive elected members, they may be a schools member (by virtue of them being a school governor), an academies member or a non-schools member. As a non-schools member they may be well placed to fulfil the broader overview and scrutiny role they have within the local authority in general.

54. However, the inclusion of non-executive elected members and certain officers isn't a requirement. Many schools forums don't have such members on them and it's for each local authority and schools forum to consider how best to ensure the right balance of school and non-school representation on the schools forum, taking into account their local circumstances and preferences.

The role of executive elected members

55. A schools forum needs to ensure that there are systems in place for executive members of the council to be aware of its views on specific issues and, in particular, any decisions it takes in relation to the schools budget and individual budget shares.

56. Executive members with responsibility for education/children's services or resources of the local authority are able to participate in schools forum meetings. By doing so such elected members are able to contribute to the discussion and receive first hand the views of the schools forum: it's clearly good practice for this to be the case and the regulations provide the right for executive members to attend and speak at schools forum meetings. However, there is no requirement for this to happen so at the very least there should be clear channels of communication between the schools forum and executive members. Communication may also be assisted if schools forum members attended relevant cabinet meetings as members of the public, for example, when the funding formula is decided.

Recording the composition of schools forums

57. Each local authority must make a written record of the composition of its schools forum detailing the numbers of schools members and by which group or sub-group they were elected, the number of academies members and the number of non-schools members, their terms of office, how they were chosen and whom they represent. This record should also indicate the term of office for schools and academies members. It would be helpful if this were published on the schools forum website so schools and wider stakeholders can easily find who their representatives are.

Observers

58. The Regulations provide that the Secretary of State can appoint an observer to attend and speak at schools forum meetings, for example a representative from ESFA. This allows a conduit for national policy to be discussed at a local level and provide access for schools forum to an additional support mechanism, for example, where there are highly complex issues to resolve.

Participation of local authority officers at meetings

59. Only specific officers can speak at meetings of the schools forum. These officers are:

- Director of Children's Services or their representative
- Chief Financial Officer or their representative
- any person invited by the schools forum to provide financial or technical advice
- any person presenting a paper to the schools forum but their ability to speak is limited to the paper that they are presenting

60. In the majority of cases schools forums are supported by a specific officer. In the course of their work, however, schools forums will be required to consider a whole range of issues and they may consider it appropriate that other officers attend for specific items of business. Where this is the case, the local authority should meet the schools forum's requests as far as possible. It's best practice to record attendance at meetings as well as membership to ensure elected members are attending and contributing to discussions.

Procedures

61. Many procedural matters are not prescribed in the regulations and are at the discretion either of the local authority or the schools forum itself. However, there are requirements in the regulations relating to:

- Quorum: a meeting is only quorate if 40% of the total membership is present (this excludes any observers, and it's 40% of the current membership excluding vacancies). If a meeting is inquorate it can proceed but it cannot legally take decisions (election of a chair, or a decision relating to funding conferred by the funding regulations). An inquorate meeting can respond to local authority consultation, and give views to the local authority. It would normally be good practice for the local authority to take account of such 'unofficial' views, but it's not legally obliged to do so. In practice, the arrangements for meetings should be

made to reduce the chance of a problem with the quorum. The quorum stipulation is in the regulations to help ensure the legitimacy of decisions

- Election of a chair: under the Regulations, if the position of chair falls vacant the schools forum must decide how long the term of office of the next chair will be. This can be for any period, but the schools forum should consider carefully whether a period exceeding two years is sensible. A long period will also cause problems if the member elected as chair has a term of office as a member which comes to an end before their term of office as chair ends. The schools forum must elect a chair from amongst its own members, so it's not possible to elect an independent chair. In addition, any elected member of the local authority or officer of the local authority who is a member of a schools forum may not hold the office of chair. Schools forums can also appoint to a position of vice chair to provide cover if the chair is absent or the post vacant
- Voting procedures: the regulations provide that a schools forum may determine its own voting procedures save that voting on:
 - the funding formula is limited to schools members, academies members and PVI representatives
 - de-delegation is limited to the specific primary and secondary phase of maintained schools members
 - retaining funding for statutory duties relating to maintained schools only is limited to maintained primary, secondary, special and PRU members
- The powers which schools forums: have to take decisions on a range of funding matters increase the importance of clear procedures. For example, decisions are made on a simple majority or the threshold to be met if higher. These procedures should take account of any use of working groups by the schools forum, for example a decision might be taken by voting to accept and adopt a report by a working group (see paragraph 65). As part of any voting procedure there should be clarity in the procedures for recording the outcome of a vote, and any resolutions a schools forum makes in relation to any vote taken
- Substitutes: the local authority must make arrangements to enable substitutes to attend and vote (where appropriate) at schools forum meetings. This applies to schools members, academies members and non-schools members. The arrangements must be decided in consultation with schools forum members
- Defects and vacancies: the regulations provide that proceedings of the schools forum are not invalidated by defects in the election or appointment of any member, or the appointment of the chair. Nor does the existence of any vacancy on the schools forum invalidate proceedings (see paragraph 61 on quorum)
- Timing: schools forums must meet at least four times a year

62. Where the regulations make no provision on a procedural matter, local discretion should be exercised. It's for the local authority to decide how far it wishes to establish rules for the schools forum to follow, in the form of standing orders. While it's entitled to do so, it's of course good practice to allow the schools forum to set its own rules so far as possible.

Public access

63. Schools forums are more than just consultative bodies. They also have an important role to play in approving certain proposals from their local authority and are therefore involved in the decision making process surrounding the use of public money at local level. As a result, schools forums are required to be open to the public. Furthermore, papers, agendas and minutes must be publicly available well in advance of each meeting. It's good practice that notification that the schools forum is a public meeting is included on the website and papers are published at least a week in advance. Local authorities should ensure that the websites are accessible and easy to find.

64. Some schools forums already operate very much along the lines of a local authority committee. This is perfectly legitimate and will provide a consistent framework for the running of meetings that are open to the public, and the publishing of papers and agendas well in advance of the meeting and minutes published promptly as required under Regulation 8(13) of the Schools Forum Regulations 2012.

Working groups

65. It's open to a schools forum to set up working groups of members to discuss specific issues, and to produce draft advice and decisions for the schools forum itself to consider. The groups can also include wider representation, for example, an early years reference group can represent all the different types of provider to consider the detail of the early years single funding formula. The reference group would then be able to give its considered view on the local authority's proposals to the schools forum. The schools forum should not delegate actual decisions or the finalisation of advice to a working group, as this may have the effect of excluding legitimate points of view. These have proved effective for larger local authorities. Examples of some working groups are for high needs and early years.

Urgent business

66. It's good practice for the local authority to agree with its schools forum an urgency procedure to be followed when there is a genuine business need for a decision or formal view to be expressed by the schools forum, before the next

scheduled meeting. The local authority may of course call an unscheduled meeting; but it may also wish to put in place alternative arrangements such as clearance by email correspondence or some other means. Such instances should be avoided so far as possible but are legitimate provided all members of the schools forum have an opportunity to participate, the logistics provide a reasonable opportunity for consideration and the local authority policy on data security isn't compromised.

67. It's not legal for the chair to take a decision on behalf of the schools forum, no matter how urgent the matter in question. However, a schools forum may wish to put in place a procedure for the chair to give the local authority a view on an urgent issue.

Resources of the schools forum

68. The costs of a schools forum fall in the central school services block of the dedicated schools grant (DSG).

69. It's legitimate to charge the running costs of schools forums to this budget including any agreed and reasonable expenses for members attending meetings, the costs of producing and distributing papers and costs room hire and refreshments and for clerking of meetings. Beyond these costs some schools forums have a budget of their own to use for activities such as commissioning research or other reports.

Section 2: effective schools forums

Introduction

70. As the previous section outlined, local authorities have responsibility for establishing schools forums. They also have an ongoing responsibility to provide them with appropriate support, information and guidance in carrying out their functions and responsibilities.

71. The following outlines some aspects of what local authorities and schools forums should consider in ensuring that their schools forums are as effective as possible. The pace of academy conversions in particular means that this significant sector must be properly represented and feel that it's able to play a meaningful part in the discussions of the schools forum.

72. Central to the effectiveness or otherwise of a schools forum will be the relationship between it and its local authority. The local authority will have a significant influence on this: the support it provides; the resources it devotes and the weight it gives to the views of schools forums all contribute to the nature of the relationship. There are therefore a number of characteristics of this relationship that are particularly important:

- partnership: having a shared understanding of the priorities, issues and concerns of schools, academies and the local authority
- effective support: the business of the schools forum is supported by the local authority in an efficient and professional manner
- openness: it's important that a schools forum feels it's receiving open, honest and objective advice from its local authority
- responsiveness: local authorities should as far as possible be responsive to requests from their schools forums and their members
 - schools forums themselves should also be aware of the resource implications of their requests
- strategic view: members of schools forum should consider the needs of the whole of the educational community, rather than using their position on a schools forum to advance their own sectional or specific interests
- challenge and scrutiny: schools forums may be asked to agree to proposals from their local authority that will have an effect on all schools and academies in the local area
 - the extent to which schools forums can scrutinise and challenge such proposals is an important aspect of their effectiveness

73. The characteristics identified above are just some of the aspects that will contribute to an effective schools forum. The following provides more detail on some

of the specific issues that local authorities and schools forums may wish to consider in thinking about their own arrangements.

Induction of new members

74. When new members join the schools forum appropriate induction materials should be provided. These might include material relating to the operation of the schools forum together with background information about the local and national school funding arrangements. Typically, they might comprise:

- the constitution of the schools forum
- a list of members including contact details and their terms of office
- any locally agreed terms of reference explaining the relationship between the schools forum and the local authority
- copies of minutes of previous meetings
- the programme of schools forum meetings for the year
- the local schools forum web address

75. This operational and good practice guide, suitably supplemented by local material, should also be provided to new members on their appointment.

76. Where there is sufficient turnover of schools forum members in any particular year the local authority may wish to organise a one-off induction event to brief new members. Such an event would usefully include an outline of the role of the schools forum and the national funding arrangements for schools and local authorities. It might also include an explanation of the local funding formula and any proposals for review. The opportunity could also be taken to explain the main reporting requirements for school and local authority expenditure.

Training

77. Ideally schools forum members should be able to use some of the budget set aside for schools forum running costs for accessing relevant training activities. Some training will be provided by officers of the local authority but members may wish to attend national or regional events, the costs of which, where necessary, can be supported from the schools forum budget. Local and national bodies have a key role to play in developing the competencies of forum members.

78. Training will need to be provided in response to any changes in the role of the schools forum and national developments in respect of school funding, to ensure that members can be fully effective when detailed discussions are taking place.

Agenda setting

79. The process by which the agenda for a meeting or cycle of meetings is set is in many respects one of the key determinants of the effectiveness or otherwise of a schools forum.

80. The frequency and timing of meetings of the schools forum should be agreed in advance of each financial or academic year. It's good practice to also publish this on the website. In drawing up this cycle of meetings, in consultation with the schools forum, the local authority should provide a clear overview of the key consultative and decision making points in the school funding cycle. These will be drawn from a combination of national and local information and should inform the basic agenda items that each meeting needs to cover. For instance, meetings will need to be scheduled at appropriate points to enable the schools forum to consider the outcomes of local consultations and national announcements.

81. Although the business of schools forums must be open and transparent, it's recognised that from time to time items of a confidential nature will need to be discussed. It's recommended that authorities apply the same principles that they apply to council and cabinet meetings when judging an item to be confidential and adopt similar practices for dealing with those reports in the meeting, for example placing them together at the end of the agenda.

Preparation for a schools forum meeting

82. It's vital that the schools forum is transparent, open and has clear communication lines to all of the members that are represented. This ensures the wider school family are aware of the business discussed, the impact on their setting and the reasons for the decisions.

83. The vast majority of a schools forum's business will be transacted on the basis of prepared papers. It's therefore important that these are concise, informative and produced in a timely and consistent manner. Recommendations should be clearly set out at the beginning of each report. It's also helpful if the front of the report confirms whether the report is for information or decision and who is eligible to vote where relevant.

84. It's good practice for the schools forum and local authority to agree a standard for papers. It's usual for papers to be dispatched at least one week prior to the meeting at which they will be discussed to allow members to consider them and if necessary canvass views from the group they are representing. Papers should be published on the local authority's website at this time to enable representations to be made to schools forum members.

85. Consistency in the presentation of papers also contributes to the effectiveness of meetings: it helps set the tone of meetings, facilitate the engagement of all members and signal the importance the local authority attaches to the work of

the schools forum. Ideally such a standard should be agreed between the schools forum and local authority. The publishing of papers as a single pdf file is helpful as it saves time and avoids accessing multiple documents both in advance of, and during, the meeting. An executive summary of the reports can provide schools forum members and members of the public with an overview of the agenda and the decisions required.

86. The publishing of papers on a publicly available website well in advance of the meeting ensures that all interested parties are able to access papers. Some schools forums ensure that each represented group meets in the days immediately prior to the schools forum meeting to ensure the agenda is discussed and schools forum members are properly briefed by the group they represent. Although on occasions it's inevitable that schools forums will receive late, or tabled reports it does create some difficulty for members as they will not have been able to seek the views of those they represent.

87. Schools forums can consider adopting a flexible arrangement for time immediately prior to the meeting. For example, it could be used for training of new members, or as a drop-in session for members to ask items of clarification, or for members to meet without officers to discuss the agenda.

Chairing the schools forum

88. The chair of a schools forum plays a key role in setting the tone, pace and overall dynamic of the schools forum. They should provide an environment within which all members are able to contribute fully to discussions and guide the schools forum to making well informed decisions.

89. The relationship between the chair and the local authority is therefore vital. The chair should be very clear on the substance of the agenda items, understand the issues involved and the decisions and/or actions that need to be taken in respect of school forum business. It's good practice for there to be a pre-meeting between the senior officer of the local authority supporting the schools forum and the chair of the schools forum to ensure that all the issues are clearly understood.

90. Equally, the chair has the responsibility of representing the views of the schools forum back to the local authority: for instance, they should, where appropriate, take the initiative to make suggestions for improvements to the way the business is conducted, and, in exceptional cases and with support of the members of the schools forum take the view that they don't have sufficient information on which to base a decision and ask that an item is deferred until further information is available. However, in doing so, the chair and schools forum should be fully aware of the consequences of deferral.

91. The independence of the schools forum is paramount. Enhancing the role of chair to a paid position, rather than the reimbursement of reasonable expenses, could blur the lines of independence. Similarly, if the chair undertakes significant

work for the local authority in another capacity, for example as an external consultant, they could be viewed as equivalent to an officer of the local authority.

92. Local authorities could consider if sharing contact details of the schools forum chair with neighbouring authorities would be helpful for peer support and improving networking opportunities.

Clerking the schools forum

93. Clerking of a schools forum should be seen as more than just writing a note of the meeting. A good clerk provides an invaluable link between the members of the schools forum, the chair and the local authority. It's a role often undertaken by an employee of the local authority though we'd recommend consideration is given to the use of an independent clerk.

94. Clerks should manage the logistics of the meeting in terms of ensuring dispatch of papers and producing a note from the meeting. In considering the style of meeting notes consideration should be given to making them intelligible enough for non-attendees to get a sense of the discussion as well as clearly indicating the conclusion and action agreed in relation to each agenda item. Verbatim reports of a schools forum's discussion, however, are unlikely to be very useful. Schools forums may consider whether a simple action log should be maintained by the clerk to ensure all action points agreed are followed up.

95. Beyond this a good clerk can:

- provide the route by which schools forum members can access further information and co-ordinate communication to schools forum members outside of the formal meeting cycle
- respond to any queries about the business of the schools forum from headteachers, governors and others who are not on the schools forum themselves
- be responsible for ensuring contact details of all members are up to date
- maintain the list of members on the schools forum and advise on membership issues in general
- assist with the co-ordination of nomination/election processes run by the constituent groups
- keep the schools forum website up to date, for example by posting latest minutes and papers etc
- monitor, on a regular basis, the schools forum and [schools funding pages](#) on GOV.UK and arrange for the distribution of any relevant DfE information to schools forum members

- if appropriate, provide technical advice in relation to the schools forum regulations and in relation to the operation of a schools forum's local constitution
- organise, operate and record any voting activity of the schools forum in line with the provisions of its local constitution

96. Not all of these tasks may be able to be undertaken by the schools forum clerk. However, each one is important and there should be arrangements in place to ensure they are discharged adequately.

Good practice for schools forum meetings

97. Schools forums should ensure there is a clear debate of all agenda items. Whilst sub-group meetings are valuable in working through detailed issues, schools forums should consider that the level of debate held at the schools forum meeting and recorded in the minutes will be the official reflection of the level of challenge and discussion on each issue.

98. The use of nameplates for schools forum members also showing which group they are representing can be helpful to members of the public and presenters of papers. In addition, the use of coloured cards or coloured nameplates can be helpful when specific members of a schools forum are eligible to vote on specific items, for example, voting on de-delegation or changes to the funding formula.

99. Consultations with the schools forum are a key responsibility of a local authority, ranging from the funding formula to the letting of contracts. Each consultation will be different and depend on the subject being consulted on, but local authorities should consider the following factors as good practice for effective consultation:

- plan and consult early
- allow reasonable timescales for response (as Forum members may need to consult the groups they represent)
- an open and honest approach
- fully inclusive
- allow for ongoing dialogue
- provide feedback
- clear communications

Meeting notes and recording of decisions

100. A vital part of the effective operation of a schools forum is to ensure that an accurate record of the meeting is taken. This must include the clear recording of votes where there are contrary views. Recommendations to, and decisions of, schools forums must be clearly set out.

101. Notes or minutes of each schools forum meeting should be produced and put on the website as soon after the meeting as possible to enable members and others to see the outcome of any discussions and decisions and, or votes. It's good practice to formally agree the accuracy of the note and minutes at a subsequent meeting but the publication of the draft minutes should not be delayed as a result and we'd recommend no later than five days following the meeting.

102. In order to provide clarity about representation at each meeting, it's good practice for the minutes to record the group and/ or subgroup that each member represents against their name.

Communication

103. Communication to the wider educational community of the discussions and debates of, and decisions made by, the schools forum is fundamental to their effective operation. The more schools and other stakeholders know about the proceedings of the schools forum, the more their work will be an important and central part of the context of local educational funding. This is particularly important given the decision making role that the schools forum has. Local authorities should consider the operational differences between the types of stakeholders and plan their communications accordingly. For example, ensuring effective communications across the PVI sector may be more difficult than with schools, which are more likely to have existing channels of communication for example, headteacher meetings.

104. Each schools forum should therefore be clear what its channels of communication are. It's fundamental that each member of schools forum represents the views of the group or sub-group that they represent and that all those with an interest in funding work together to ensure that their views are taken into account. Therefore, communications directly between members and those they represent is essential; professional associations and phase groups could be suitable channels. This will ensure that schools forum members have an ongoing dialogue with the constituents of their group or sub-group and are therefore well able to represent their views at schools forum meetings. However, the schools forum should also consider additional communication processes. These could include:

- drawing schools' attention to the fact that all its agendas minutes and papers are publicly available on the local authority's website (this should include the publication of formula consultation documents)

- an annual report on the proceedings of the schools forum
- attendance by the chair, or other schools forum member, at other relevant consultative or management groups such as any capital working group; or senior management meetings of the children's services department
- a brief email to all schools, early years providers and other stakeholders after each schools forum meeting informing them of the discussions and decisions with a link to the full papers and minutes for further information
- a schools forum newsletter can be a less formal and more interesting way of communicating forum business and raising the profile of the schools forum and its members

News updates

105. Most, but not all, members of the schools forum will already be in receipt of regular information on school funding matters from the local authority and the department. Other schools forum members should be copied into such information flows so that they can be kept abreast of developments between meetings.

106. Many local authorities have already established dedicated schools forum websites on which they post key information for schools forum members and other interested parties and updated on a regular basis.



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Funding Agency

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ROYAL BOROUGH OF WINDSOR & MAIDENHEAD

Scheme for Financing Schools

Schools consulted: 4th to 25th May 2018

Approved by Schools Forum: 18th July 2018

Effective from: 18th July 2018

Contact for queries: Bursar.support@achievingforchildren.org.uk

Version reference: V5

Directed Revisions 2018

The Secretary of State directs that from 22 March 2018 the text below shall be incorporated into the schemes of all local authorities in England:

Loans will only be used to assist schools in spreading the cost over more than one year of large one-off individual items of capital nature that have a benefit to the school lasting more than one financial or academic year. Loans will not be used as a means of funding a deficit that has arisen because a school's recurrent costs exceed its current income. If loans are made to fund a deficit and a school subsequently converts to academy status, the Secretary of State will consider using the power under paragraph 13(4)(d) of schedule 1 to the Academies Act 2010 to make a direction to the effect that such a loan does not transfer, either in full or part, to the new Academy school.

Section 4.10 Amended.

Updates to guidance

Updates have been made to the guidance, to mirror changes in the Schools and Early Years Finance (England) Regulations 2018.

Paragraph 4.8 has been updated to reflect the changes on balances of closing schools, as detailed under Regulation 25(9)

“Any balance cannot be transferred to any other school, even where the school is a successor to the closing school.”

REPLACED WITH

“Where in the funding period, a school has been established or is subject to a prescribed alteration as a result of the closure of a school, a local authority may add an amount to the budget share of the new or enlarged school to reflect all or part of the unspent budget share (including any surplus carried over from previous funding periods) of the closing school for the funding period in which it closes.”

Annex B: Responsibility for redundancy and early retirement costs has been updated to reflect changes under Schedule 2 Part 7, of the Finance Regulations. This details how a local authority can retain a central budget within the Schools Budget to fund the costs of new early retirements or redundancies by a deduction from maintained school budgets (excluding nursery schools) only, where the relevant maintained school members of the schools forum agree.

“Costs of new early retirements or redundancies may only be charged to the central part of the Schools Budget where the expenditure is to be incurred as a result of decisions made before 1st April 2013. Costs may not exceed the amount budgeted in the previous financial year”

REPLACED WITH

“Costs of early retirements or redundancies may only be charged to the central schools services block of the Schools Budget, as a historic commitment, where the expenditure is to be incurred as a result of decisions made before 1st April 2013. Costs may not exceed the amount budgeted in the previous financial year.

The local authority can retain a central budget within the Schools Budget to fund the costs of new early retirements or redundancies by a deduction from maintained school budgets (excluding nursery schools) only, where the relevant maintained school members of the schools forum agree.”

Additional updates made include the removal of wording in paragraph 2.3.1, as regulations no longer allow local authorities to issue budget shares for a multi-year period.

References to the Audit Commission have been removed from paragraph 2.6, as this has been abolished.

Within paragraph 6.2.15, ‘statement of SEN’ has been replaced with ‘Education Health and Care Plan (EHCP)’.

1 Introduction

- 1.1 The funding framework
- 1.2 The role of the scheme
 - 1.2.1 Application of the scheme to authority and maintained schools
- 1.3 Publication of the scheme
- 1.4 Revision of the scheme
- 1.5 Delegation of powers to the head teacher
- 1.6 Maintenance of schools

2 Financial Controls

- 2.1 General procedures
 - 2.1.1 Application of financial control to schools
 - 2.1.2 Provision of financial information and reports
 - 2.1.3 Payment of salaries; payment of bills
 - 2.1.4 Control of assets
 - 2.1.5 Accounting Policies (including year-end procedures)
 - 2.1.6 Writing off debts
- 2.2 Basis of accounting
- 2.3 Submission of budget plan
 - 2.3.1 Submission of financial forecasts
- 2.4 Efficiency and value for money
- 2.5 Virement
- 2.6 Audit: General
- 2.7 Separate external audits
- 2.8 Audit of voluntary and private funds
- 2.9 Register of business interests
- 2.10 Purchasing, tendering and contracting requirements
- 2.11 Application of contracts to schools
- 2.12 Central funds and earmarking
- 2.13 Spending for the purposes of the school
- 2.14 Capital spending from budget shares
- 2.15 Notice of concern
- 2.16 Schools Financial Value Standard (SFVS)
- 2.17 Fraud

3 Instalments of the budget share; banking arrangements

- 3.1 Frequency of instalments
- 3.2 Proportion of budget share payable at each instalment
- 3.3 Interest clawback
 - 3.3.1 Interest on late budget share payments
- 3.4 Budget shares for closing schools
- 3.5 Bank and building society accounts

- 3.6 Borrowing by schools
- 3.7 Other provisions

4 The treatment of surpluses and deficit balances arising in relation to budget shares

- 4.1 Right to carry forward surplus balances
- 4.2 Control on surplus balances
- 4.3 Interest on surplus balances
- 4.4 Obligation to carry forward deficit balances
- 4.5 Planning for deficit balances
- 4.6 Charging of interest on deficit balances
- 4.7 Writing off deficits
- 4.8 Balances of closing and replacement schools
- 4.9 Licensed deficits
- 4.10 Loan schemes
- 4.11 Credit Union Approach

5 Income

- 5.1 Income from lettings
- 5.2 Income from fees and charges
- 5.3 Income from fund-raising activities
- 5.4 Income from sale of assets
- 5.5 Administrative procedures for the collection of income
- 5.6 Purposes for which income may be used

6 The charging of School Budget Shares

- 6.1 General provisions
 - 6.1.1 Charging of salaries at actual cost
- 6.2 Circumstances in which charges may be made

7 Taxation

- 7.1 Value Added Tax
- 7.2 CIS (Construction Industry Tax Scheme)

8 The provision of services and facilities by the authority

- 8.1 Provision of services from centrally retained budgets
- 8.2 Provision of services bought back from the authority using delegated budgets
 - 8.2.1 Packaging
- 8.3 Service level agreements
- 8.4 Teachers' Pension

9 PFI/PPP

- 9.1 PFI/PPP

10 Insurance

- 10.1 Insurance cover

11 Miscellaneous

- 11.1 Right of access to information
- 11.2 Liability of governors
- 11.3 Governors' expenses
- 11.4 Responsibility for legal costs
- 11.5 Health and safety
- 11.6 Right of attendance for Director of Children's Services
- 11.7 Special Educational Needs
- 11.8 Interest on late payments
- 11.9 'Whistleblowing'
- 11.10 Child Protection
- 11.11 Redundancy / early retirement costs

12 Responsibility for repairs and maintenance

- 12.1 Responsibility for repairs and maintenance
- 12.2 Authority capital programme
- 12.3 Voluntary Aided schools

13 Community facilities

- 13.1 Introduction
- 13.2 Suspension of Delegated Budget

Consultation with the authority – financial aspects

- 13.3 Consult the Authority
- 13.4 Approach the Authority
- 13.5 Responses

Funding agreements – authority powers

- 13.6 Funding Agreements
- 13.7 Authority review

Other prohibitions, restrictions and limitations

- 13.8 Additional requirements

13.9 Additional restrictions

Supply of financial information

13.10 Supply of Financial Information

13.11 Adjustment to frequency of financial reports

Audit

13.12 Audit

13.13 Access

Treatment of Income and Surpluses

13.14 Retaining Net Income

13.15 Carrying forward Retained Net Income

Health and Safety

13.16 Health and Safety

13.17 Criminal Records Bureau Checks

Insurance

13.18 Insurance

13.19 Authority power to assess insurance arrangements

Taxation

13.20 Taxation

13.21 Payment of income and National Insurance

13.22 Construction Industry Scheme

Banking

13.23 Separation of Accounts

13.24 Bank Accounts

13.25 Borrowing

Annex

A The funding framework

B Responsibility for Redundancy & Costs Early Retirement

C Application of Schemes for financing schools to the community facilities power

Appendix

- 1 Schools List
- 2 School Borrowing
- 3 Insurance
- 4 Budget Monitoring and Submission Schedule
- 5 Supplementary Information:
 - De minimis levels
 - School Deficit Process
 - EU Contract Thresholds
- 6 Responsibility for Revenue and Capital Maintenance & Improvement

1 Introduction

1.1 The funding framework

The funding framework which replaces Local Management of Schools is based on the legislative provisions in sections 45-53 of the School Standards and Framework Act 1998.

Under this legislation, the local authority determines the size of their schools budget and local authority budget – although the Secretary of State has power to require an Authority to increase its Schools Budget to a prescribed level. The categories of expenditure which fall within the two budgets are prescribed under regulations made by the Secretary of State, but included within the two, taken together, is all expenditure, direct and indirect, on an authority's maintained schools. Local authorities may retain funding centrally in the Schools Budget for purposes defined in regulations made by the Secretary of State under s.45A of the Act. The amounts to be retained centrally are decided by the authority concerned, subject to any limits or conditions prescribed by the Secretary of State. The balance of the Schools Budget left after deduction of centrally retained funds is termed the Individual Schools Budget (ISB). Expenditure items in the local authority budget must be retained centrally (although earmarked allocations may be made to schools).

Local authorities may retain an unallocated reserve but must otherwise distribute the ISB amongst their maintained schools using a formula, which accords with regulations made by the Secretary of State, and enables the calculation of a budget share for each maintained school. This budget share is then delegated to the Governing Body of the school concerned, unless the school is a new school, which has not yet received a delegated budget, or the right to a delegated budget has been suspended in accordance with s.51 of the Act. The financial controls within which delegation works are set out in a scheme made by the Authority in accordance with s.48 of the Act and approved by the Secretary of State. All revisions to the scheme must be approved by Schools Forum, though the authority may apply to the Secretary of State for approval in the event of Forum rejecting a proposal or approving it subject to modifications that are not acceptable to the authority.

Subject to provisions of the scheme, Governing Bodies of schools may spend budget shares for the purposes of their school. They may also spend budget shares on any additional purposes prescribed by the Secretary of State in regulations made under s.50.

The Authority may suspend a school's right to a delegated budget if the provisions of the school financing scheme (or rules applied by the scheme) have been substantially or persistently breached, or if the budget share has not been managed satisfactorily. There is a right of appeal to the Secretary of State. A school's right to a delegated budget share may also be suspended for other reasons (s.17 of the SSAF Act 1998) but in that case there is no right of appeal.

The Authority is obliged to publish each year, under s.251 of the Apprenticeships, Skills, Children and Learning Act 2009, a Budget Statement setting out details of its planned Schools Budget and Local authority budget, showing the amounts to be

centrally retained, the budget share for each school, the formula used to calculate those budget shares, and the detailed calculation for each school. After each financial year the Authority must publish a statement showing out-turn expenditure at both central level and for each school, and the balances held in respect of each school.

The detailed publication requirements for financial statements and for schemes are set out in regulations, but each school must receive a copy of the scheme and any amendment, and each year's budget and out-turn statements so far as they relate to that school or central expenditure.

Regulations also require the Authority to publish their scheme and any revisions to it on a website accessible to the general public, by the date that any revisions come in to force.

1.2 The role of the scheme

This scheme sets out the financial relationship between the Local authority and/or its designate (Achieving for Children) and all of the maintained schools that it funds. It contains requirements relating to financial management and associated issues, binding on both the Authority and on schools.

1.2.1 Application of the scheme to authority and maintained schools

The scheme applies to all community, nursery, special, voluntary, foundation (including Trust), foundation special schools and pupil referral units (PRUs). A list of the establishments covered by the scheme is attached at Appendix 1.

1.3 Publication of the scheme

The current scheme will be available on the authority's website which is accessible to the general public. Covered schools will be notified of any revisions.

1.4 Revision of the scheme

Any proposed revisions to the scheme will be the subject of consultation with the Governing Body and the head teacher of every school maintained by the Authority before they are submitted to Schools Forum for their approval by the members of the Forum representing those schools.

1.5 Delegation of powers to the head teacher

Governing Bodies must consider the extent to which it wishes to delegate its financial powers to the head teacher and must record its decision, and any revisions, in the minutes of the Governing Body.

Under the Education (School Government) (Terms of Reference) (England) Regulations 2000, budget plans must be considered by Governing Body.

1.6 Maintenance of schools

The Authority is responsible for maintaining the schools covered by the scheme, and this includes the duty of defraying all the expenses of maintaining them (except in the

case of a voluntary aided school where some of the expenses are, by statute, payable by the Governing Body). Part of the way the Authority maintains a school is through the funding scheme, put in place under sections 45 to 53 of the Schools Standards and Framework Act 1998.

2 Financial Controls

2.1 General procedures

2.1.1 Application of financial controls to schools

Schools must comply with the Authority's requirements in the management and monitoring of their delegated budgets. This includes those requirements within this scheme and also those requirements contained in more detailed publications referred to in this scheme.

Schools are expected to comply with any reasonable request from the local authority.

2.1.2 Provision of financial information and reports

In order that the designated officer can fulfil their obligations under Section 151 of the Local Government Act 1972 to "make arrangements for the proper administration of their financial affairs" schools must comply with the budget monitoring and submission schedule detailed in Appendix 4.

2.1.3 Payment of salaries; payment of bills

The procedures for paying salaries and bills will vary according to the choices schools make about their accounting systems, bank accounts, and the buying back of RBWM's payroll services.

Except where a school specifically contracts with an outside payroll provider, RBWM will arrange for the payment of all salaries due to school employees, together with associated deductions, upon receipt of a signed buy-back agreement authorised by the Governing Body (or suitably authorised school employee). Schools will be responsible for making all other payments to creditors via Agresso or FMS as applicable, up to the maximum amount delegated by the Governing Body.

Where school staff undertake paid work outside their normal terms and conditions, the terms of engagement must be formally reviewed and agreed by the relevant governor committee before the work commences to ensure there is no detrimental effect for the school. The review should include seeking Legal and HR advice where necessary to ensure that remuneration is in accordance with relevant employment terms.

2.1.4 Control of assets

Each school must maintain an inventory of its movable non-capital assets any asset worth over £1,000.

Disposal of assets purchased from the schools delegated budget must be approved by the Governing Body and comply with any local authority procedures.

2.1.5 Accounting policies (including year-end procedures)

All schools must abide by procedures issued by the local authority on accounting policies and year-end procedures.

2.1.6 Writing off debts

Governing bodies may write off debts up to the level stipulated by the Head of Finance. The current limit is £1,000. In the case of larger amounts advice should be sought from the Head of Finance.

The Head of Finance may also decide to seek recovery of outstanding income and charge the costs of recovery against any amounts recovered

2.2 Basis of accounting

Schools accounts furnished to the Authority must be on an accruals basis provided in the output required by the Authority.

Year-end reports must take account of income and expenditure which is outstanding or pre-paid, so as to enable the authority to produce a statement of final accounts on an accruals basis, as required by legislation. RBWM will publish guidance and a timetable for the provision of year-end financial information to the authority. Schools may choose to use what financial software they wish for their own internal systems provided they meet the requirements of producing the financial information required by RBWM.

2.3 Submission of budget plans

A school's own financial information requirements will be detailed, reflecting the many possible sub-headings, departments and cost centres between which funds may be allocated. However, the Authority's requirement is only for summarised information in the form of the Standard School Budget Plan.

Each school must comply with the schedule of submission found in Appendix 4a. The budget plan must be approved by the Governing Body and signed by both the Headteacher and the Chair of Governors.

If a school considers they are likely to have to set a deficit budget they must notify the Director of Children's Services as soon as possible and not later than the deadline date specified in Appendix 4. This will allow ongoing discussion between the school and the Authority in order to agree a recovery plan.

For the Authority to manage its responsibilities to "make arrangements for the proper administration of their financial affairs" (Section 151 of the Local Government Act 1972), a school may be required to provide further information to support their Standard School Budget Plan.

Budget plans must be in a format and style prescribed by the authority and take account of the Consistent Financial Reporting Framework. To assist in the preparation of budget plans, RBWM will provide schools with guidance at the time that they are notified of their delegated budgets and supply income and expenditure data which it holds and which is necessary for efficient planning by schools.

2.3.1 Submission of financial forecasts

Schools are required to submit a financial forecast for the multi-year period specified in Appendix 5. This will be used to confirm schools are undertaking effective financial planning as well as evidence to support the authority's assessment of Schools Financial Value Standards (SFVS) and as part of the authorities balance control mechanism. The authority will provide as much information as is available to assist schools in projecting income for future years.

2.4 Efficiency and value for money

Schools must seek to achieve efficiencies and value for money, to optimise the use of their resources and to invest in teaching and learning, taking into account the Authority's purchasing, tendering and contracting requirements.

It is for heads and governors to determine at school level how to secure better value for money.

There are significant variations in efficiency between similar schools, and so it's important for schools to review their current expenditure, compare it to other schools, and think about how to make improvements.

2.5 Virement

Within their Revenue Budget Schools can vire freely between budget headings and accounts within their budget shares see 1.5. Capital virements need to be notified in advance to the local authority. The revisions should be shown in the reports submitted to the Authority as in 2.1.2.

2.6 Audit: General

For clarity, schools within the audit regime determined by the authority as regards internal audit, and the authority's external audit regime as determined by the Local Audit and Accountability Act 2014, and are required to co-operate with them, This includes a requirement to provide access to the school's records for either internal or external auditors.

The local authority shall be responsible for maintaining a continuous internal audit of the financial records, operations and systems of each school. Schools are also subject to inspection by the Authority's external auditors. Schools must co-operate with both internal and external auditors as and when required.

Schools must ensure that they maintain an appropriate level of audit trail for all documentation and retain such documentation for a period of 6 years plus current year for financial data. Schools should make every effort to comply with any reasonable requests from either internal or external auditors.

2.7 Separate external audits

A school's Governing Body may also, if it wishes, spend part of its budget share to obtain external audit certification of any accounts containing school budget share

funding. This would be in addition to the Authority's own internal and external audit process.

2.8 Audit of voluntary and private funds

Schools must provide appropriate audit certificates to the audit section on request in respect of voluntary and private funds held by them and of the accounts of any trading organisations or company controlled by the school. A copy of the private audit must be sent annually to Bursar Support however the authority will not normally audit such funds but purchase of this service from internal audit maybe arranged by the school.

2.9 Register of business interests

Each school's Governing Body is required to establish a register of business interests for each member of the Governing Body and the head teacher. The register should list any business interests they or their immediate families have. The register should be kept up to date i.e. as a standing item on meeting agendas and should be reviewed at least annually. The register should be available for inspection by governors, staff, parents and the authority.

2.10 Purchasing, tendering and contracting requirements

Each school must abide by the Authority's financial regulations and standing orders regarding purchasing, tendering and contracting supplies and services.

Schools should also assess in advance, where relevant, the health and safety competence of contractors, taking account of the Authority's policies and procedures. The financial regulations and standing orders will not apply where they would require schools:

- to do anything incompatible with any of the provisions of the scheme, or any statutory provision, or any EU Procurement Directive;
- to seek Authority officer countersignature for any contracts for goods or services for a value below £60,000 in any one year;
- to select suppliers only from an approved list (schools may wish to nominate suppliers for inclusion on lists of approved suppliers);
- to seek fewer than three tenders in respect of any contract with a value exceeding £10,000 in any one year.

2.11 Application of contracts to schools

Schools have the right to opt out of Authority arranged contracts as per the notice periods and conditions within specific contract agreements.

All existing contracts have been entered into freely by schools and are paid for from delegated budgets.

The Governing Body should be aware that they are empowered under paragraph 3 of schedule 1 to the Education Act 2002 to enter into contracts and in most cases they do so on behalf of the authority as maintainer of the school and the owner of the funds in the budget share. And be clear as to when they enter into contracts made solely on behalf of the Governing Body, when the Governing Body has clear statutory obligations -for example, contracts made by aided or foundation schools for the employment of staff.

2.12 Central funds and earmarking

The Authority may make sums available to schools from central funds, in the form of allocations that are additional to and separate from Schools' Budget share. These will be subject to conditions as to the purpose for which these additional funds can be used. In certain circumstances virement is acceptable (excluding specific grant items) between different types of earmarked funding. All these funds must be accounted for separately from the Schools Budget share.

Where centrally retained funds are devolved as earmarked allocations they must be spent only on the purposes for which they are given. Schools will be required to appropriately account for the use of earmarked funds and they must be able demonstrate that the funds have been used for the purposes for which they were allocated.

Earmarked funds must be returned to the authority if not fully spent within the period stipulated by the authority over which schools are allowed to use the funding.

2.13 Spending for the purposes of the school

Although section 50(3) allows Governing Bodies to spend budget shares for the purposes of the school, this is subject to regulations made by the Secretary of State and any provisions of the scheme. As well as the various standard provisions LAs may wish to propose their own restrictions on this freedom, arising from local circumstances. By virtue of section 50(3A) (which came into force on 1st April 2011), amounts spent by Governing Bodies on community facilities or services under section 27 of the Education Act 2002 will be treated as if spent for any purposes of the school.

Under s.50(3)(b) the Secretary of State may prescribe additional purposes for which expenditure of the budget share may occur. He has done so in the School Budget Shares (Prescribed Purposes) (England) Regulations 2002 (SI 2002/378), which have been amended by the School Budget Shares (Prescribed Purposes) (England) (Amendment) Regulations 2010 (SI 2010/190). These allow schools to spend their budgets on pupils who are on the roll of other maintained schools or academies.

2.14 Capital spending from budget shares

In addition to any capital allocation made available by the LA outside a school's delegated budget share, Governing Bodies are permitted to use their budget shares to meet the cost of capital expenditure on the school premises. This includes expenditure by the Governing Body of a Voluntary Aided school on work that is their responsibility under paragraph 3 of Schedule 3 of the School Standards and

Framework Act (SSFA) ensuring it is compliant within current VAT rules and regulations.

See Appendix 6 for any additional limitation.

The LA requires any capital spending from budget shares to be notified to the Director of Children's Services. Where the premises are owned by the LA, the Governing Body must first seek the consent of the LA to the proposed works, but such consent can be withheld only on health and safety grounds.

On an annual basis schools will be required to report to the Authority an updated costed Asset Management Plan.

2.15 Notice of concern

The authority may issue a notice of concern to the Governing Body of any school it maintains where, in the opinion of the Director of Children's Services, the school has failed to comply with any provisions of the scheme, or where actions need to be taken to safeguard the financial position of the authority or the school.

Such a notice will set out the reasons and evidence for it being made and may place on the Governing Body restrictions, limitations or prohibitions in relation to the management of funds delegated to it. These may include:

- insisting that relevant staff undertake appropriate training to address any identified weaknesses in the financial management of the school
- insisting that an appropriately trained/qualified person chairs the finance committee of the Governing Body
- placing more stringent restrictions or conditions on the day to day financial management of a school than the scheme requires for all schools – such as the provision of monthly accounts to the authority
- insisting on regular financial monitoring meetings at the school attended by authority officers
- requiring a Governing Body to buy into an authority's financial management systems; and
- imposing restrictions or limitations on the manner in which a school manages extended school activity funded from within its delegated budget share – for example by requiring a school to submit income projections and/or financial monitoring reports on such activities.

The notice will clearly state what these requirements are and the way in which, and the time by which such requirements must be complied with in order for the notice to be withdrawn. It will also state the actions that the authority may take where the Governing Body does not comply with the notice.

The purpose of a notice of concern is to enable the authority to set out formally any concerns it has regarding the financial management of a school it maintains and require a Governing Body to comply with any requirements it deems necessary. The principal criterion for issuing a notice must be to safeguard the financial position of the authority or school.

The issuing of a notice of concern will not be used in place of the withdrawal of financial delegation where that is the more appropriate action to take. However, it may be used as a way of making a Governing Body aware of the authority's concerns short of withdrawing delegation and identifying the actions a Governing Body should take in order to improve their financial management to avoid withdrawal.

When a Governing Body has complied with the requirements imposed on it, the notice of concern will be withdrawn. Where a school does not comply with the requirements of a notice of concern then the authority reserves the right to move towards a more formal withdrawal of financial delegation.

2.16 Schools Financial Value Standard (SFVS)

All local authority maintained schools (including nursery schools and pupil referral units (PRUs) that have a delegated budget) must demonstrate compliance with the Schools Financial Value Standard (SFVS) and complete the assessment form on an annual basis. Although it is for the school to determine at which time of the year they wish to complete the form RBWM request that they are returned annually by 31st March.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.

2.17 Fraud

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The Governing Body and Headteacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them; and the consequences of breaching these controls. This information must also be included in induction for new school staff and governors.

3 Instalments of the budget share; banking arrangements

For the purposes of this section, Budget Share includes any place-led funding for maintained schools with resource units, special schools or pupil referral units.

3.1 Frequency of instalments proportion of budget share payable at each instalment

The school's appropriate budget share will be advanced into the schools bank accounts in accordance with section 3.2.

3.2 Proportion of budget share payable at each instalment

Where a school chooses to operate an external bank account, RBWM will normally make available the budget share in twelve equal instalments on the first working day of each month.

3.2.1 Bank accounts operated through the authority – imprest accounts

RBWM operates an imprest system for schools choosing to use the Borough's 'Imprest' bank accounts and which do not purchase direct access to the Borough's Agresso accounting system. This option enables the payment of all bills or those requested by schools to be paid by the authority through borough-wide contracts (e.g. utility payments) or payments otherwise due to the authority:-

Those schools choosing to use this option agree a level of deposit with the authority and receive monthly reimbursements to the value of the net expenditure submitted on their monthly imprest return. Schools are free to draw up to the total budget share as and when required. Temporary overdrafts to cover irregular, high value invoices must be requested and approved by the authority before the account becomes overdrawn. The imprest return creates the central accounting record for the school on RBWM's central accounting system.

3.2.2 Bank accounts operated through the authority – "Agresso" schools

Schools which use the authority's bank account may opt to have direct access to the authority's accounting system (currently "Agresso") instead of using the imprest system. This option enables schools to use the central payments system for all items of expenditure and the central accounting record is created at the time the transaction takes place. Schools are free to draw up to the total budget share as and when required.

Schools using the authority's bank account (both 'imprest' and 'Agresso' schools) will be credited annually with notional interest representing the level of interest that would have been generated if the school operated its own bank account. This is calculated with reference to the interest rates obtained by the authority in its Treasury Management function.

A full term's notice in writing will be required if a school wishes to change from using the Borough's bank account to having their budget share paid directly into their own external account. The same notice period will be required if a school wishes to

change from an external bank account to the Borough's bank account. New banking arrangements may only be made with effect from the start of the financial year.

Proportion of budget share payable at each instalment (external bank accounts only)

3.2.3 Arrangements for the first year a school operates an external bank account

For schools choosing to operate an external bank account for the first time, an estimate of the likely brought forward balance from the previous financial year will be agreed with the authority and transferred to the designated external bank account (net of any adjusting accruals required to comply with accounting policies) before the start of the new financial year. When the actual brought forward balance is determined by the authority, and this differs from the original estimate, a one-off adjustment will be processed against the next available monthly instalment. The authority may charge or pay interest on any variance to the original estimate, where this is considered significant. Such interest payments will be calculated on a daily basis at 1% above the Base Rate (now called Repo Rate) as set by the Bank of England.

3.2.4 Ongoing arrangements for payments to an external bank account

The proportion of the budget share to be made available in monthly instalments to schools with external bank accounts will be based on 1/12th of the school's allocated budget share. Any in-year changes to the budget made after the start of the financial year will be divided by the number of months remaining in the year and added equally to the relevant monthly instalments. Schools may opt to have either their total budget share or their budget share net of estimated pay costs (if RBWM payroll service purchased) made available to them in instalments.

In the absence of other more reliable information, these deductions will be calculated having regard to the proportion of actual expenditure incurred on such items in the last completed financial year compared to total expenditure. These proportions will then be applied to the budget share to determine a total deduction, and then recalculated for actual planned expenditure upon receipt of the approved budget plan for the relevant financial year. An adjustment will be processed against the next due instalment should this be different from the original estimate.

3.3 Interest clawback

The timing of payments into external bank accounts may result in a loss of interest to the authority, for example where payments are made into a school bank account at the beginning of the month but salary payments are not processed until the last working day. To compensate for this loss of interest, the authority may claw back an amount equal to the estimated interest lost by the authority in making available the budget share in advance. The calculation for the deduction will be based on the following formula:

Month 1	$M \times I \times 12/12$
Month 2	$M \times I \times 11/12$
Month 3	$M \times I \times 10/12$
Etc to Month 12	$M \times I \times 1/12$

Where:

- M is the monthly budget share paid into the bank account, and
- I is the prevailing interest (normally 1% above the Base Rate set by the Bank of England).

The authority will periodically review this model with schools in order to adapt to any changing circumstances.

3.3.1 Interest on late budget share payments

The Authority may add interest to late payments of budget share instalments on any school non-consolidated bank account, where such late payment is the result of Authority error. For schools within the consolidated bank account scheme, no interest is paid since interest is paid on year end balances. The interest rate used will be the Bank of England base rate +1%.

3.4 Budget shares for closing schools

Schools where approval for closure has been given, may have their estimated non-employee budget share advanced on a monthly basis until closure.

3.5 Bank and building society accounts

All schools may have an external bank account into which their budget share instalments (as determined by other provisions in this scheme) will be paid. Where schools have such accounts they will be allowed to retain all interest payable on the account, (unless they choose to have an account within an authority's contract which makes other provision), and they must pay any charges associated with the operation of the account.

Where a school opens an external bank account, RBWM will immediately transfer to the account, if requested, the estimated surplus balance held by the authority in respect of the school's budget share as agreed by both the school and the authority. Subsequent corrections, if needed, will be processed when accounts for the relevant year are closed.

Schools can choose to continue operating the RBWM's Imprest Account whereby a level of deposit will be agreed, and schools will receive a monthly reimbursement at the value of submitted expenditure claims.

Unless written agreement is received from the authority, new bank account arrangements may only be made with effect from the beginning of each financial year, and after giving the authority four months' written notice of the change. This means that an external bank account can normally only be operated from the 1 April each year. Schools may only open an external bank account if their budget balance is in surplus, after adjusting for any budget advances or claw-backs due under the approved funding arrangements. This provision may be waived at the discretion of the Head of Finance.

3.6 Borrowing by schools

Schools must not enter into any borrowing agreement unless the written permission of the Secretary of State has been obtained. This provision relates to borrowing from external financial institutions and not to internal loan schemes.

Schools are not allowed the use of credit cards and overdrafts, which are regarded as borrowing. However, they may use government approved procurement cards, as these cards can be a useful means of facilitating electronic purchase.

Schools are allowed the use of any scheme that the Secretary of State has said is available to schools without specific approval. An up to date list is available from the Government website.

Loans

Schools may only borrow money with the prior written permission of the Secretary of State. For Government approved schemes this permission is deemed to already have been given. The school must inform the local authority of their intention prior to any loan application to a government approved scheme. Schools may borrow via a local authority internal loan scheme.

Overdrafts

Schools are not allowed the use of an overdraft on any school account (either an official or unofficial account) as this would be regarded as borrowing. Schools should not apply for an overdraft but where one is automatically provided, it is the responsibility of the school to ensure the facility is not accessed. Should a school use an overdraft facility even as a temporary arrangement it should inform the local authority immediately.

Debit Card

Schools are not allowed the use of a debit card where they have a bank account consolidated to the Authority's account. A School with an external bank account must inform the local authority of their intention to apply for a debit card and obtain approval of the controls for the use of the debit card facility prior to applying to their bank account provider.

Credit card

Schools are not allowed the use of a credit card. Schools may instead apply via the local authority for a government approved procurement card.

Procurement card

Schools may apply via the local authority for a procurement card. Schools must comply with the local authority guidelines for the use of a procurement card.

Charge card

Schools are permitted to apply for a charge card with local authority permission on the understanding that no interest occurs as a result of any transaction. Schools

must ensure that the balance is paid in full at the end of each billing period. Schools must seek permission of the local authority prior to making an application for a charge card and obtain approval from the local authority of the controls for the use of the charge card facility. Schools must inform the local authority immediately in the event that interest is charged to any transaction.

Trade Account Card

Schools are permitted to apply for a trade account card with local authority permission on the understanding that no interest occurs as a result of any transaction and a suitable business case is provided. Schools must ensure that the balance is paid in full at the end of each billing period. Schools must seek permission of the local authority prior to making an application for a trade account card and obtain approval from the local authority of the controls for the use of the trade account card facility. Schools must inform the local authority immediately in the event that interest is charged to any transaction. A trade account does not remove the requirement for the school to undertake appropriate checks against a supplier.

Leases

Schools may not enter into a 'finance lease' or 'hire-purchase' unless the written permission of the Secretary of State has been obtained, since these are classified as borrowing.

School may enter into an 'operating lease', as defined by the local authorities (Capital Finance) Regulations 1997 as these do not count as borrowing. The definition of an 'operating lease' is summarised as follows.

- The asset under lease must have a residual value at the end of the agreed lease period of at least 10% of its original cost.
- The lease cannot transfer ownership of the asset to the lessee (at any time during the agreed lease period or a renewal or continuation period).
- The lease cannot provide for renewal or continuation beyond the initial term at less than the "market value" for this provision at the commencement of the secondary arrangement.
- The lessee cannot share in the sale proceeds of the asset under lease.

Removal of permissions

The local authority has the right to remove permission for a school to hold a debit card, procurement card, charge card or trade account card(s) where a school has infringed on any of the criteria for holding any card, including breaches of their own controls or infringements relating to loans, overdrafts or leases. Schools should ensure that all internal controls on cards are reviewed annually and updated as necessary. All procedural changes need to be agreed with the local authority.

3.7 Other provisions

See Appendix 2.

4 The treatment of surplus and deficit balances arising in relation to budget shares

4.1 Right to carry forward revenue surplus balances

Schools will be allowed to carry forward from one financial year to the next any underspend relative to the Schools Budget share plus/minus any balance brought forward from the previous year, subject to controls on surplus balances (see below). A schools balance at 1 April of any financial year is equal to the balance as at 31 March in the previous financial year.

Any surpluses should be earmarked for specific future needs to ensure that pupil's benefit from a planned approach to spending that does not deprive them of resources in a given year. These earmarked surpluses should be clearly linked to the School Development Plan.

4.2 Control on surplus balances

The arrangements for surplus balances held by schools as permitted under this scheme have been revised.

As schools are moving towards greater autonomy, the Authority will not constrain schools from making early efficiencies to support their medium term budgeting in a tighter financial climate, and thus schools will not be burdened by bureaucracy.

Schools where either the local authority or Department for Education deem the surplus balance to be excessive, may be required to comment on the rationale employed. The authority may reclaim balances from schools where they deem them excessive. Appendix 6 gives details of the percentages used as a guide for each education phase.

4.3 Interest on surplus balances

Schools that have a bank account consolidated to the Authority's account will attract interest on any surplus balance at the year end.

The interest rate will be the Treasury Management 7 day rate.

4.4 Obligation to carry forward deficit balances

If a school is in deficit (revenue and/or capital) on the 31 March in any one financial year, that deficit will be carried forward to the following financial year. A schools deficit balance at 1 April of any financial year is equal to the deficit balance as at 31 March in the previous financial year.

4.5 Planning for deficit balances

4.5.1 Deficit plans (setting a deficit revenue budget)

Governing Bodies may only plan for a deficit budget with the agreement of the Head of Finance and in accordance with the terms of paragraph 4.9 below.

More details are available in Appendix 5: Supplementary Information.

4.5.2 Deficit revenue balances (carryovers)

Unforeseen circumstances in year may result in a projected end of year deficit (carryover). In such instances the school should report this to the Director of Children's Services as soon as they become aware of such a situation.

The Authority's own monitoring procedures may also highlight situations of potential end of year deficit (carryover).

If such unforeseen circumstances do result in an end of year deficit balance (carryover), any deficit will be carried forward to the following financial year and schools are required to:

- report to the Director of Children's Services on the reasons for the end of year deficit (carryover);
- if appropriate, detail the management arrangements in place to ensure there is no repeat of the situation;
- detail the measures that will be taken to bring the school back into a balanced budget situation;
- any other such arrangements as the Director of Children's Services may require.

If a school is unable to bring the budget back into balance when setting the following year's budget it will have to provide a recovery plan with an agreed recovery period

The end of year balance is defined for this purpose as the school end of year balance (as notified to the school by the Director Children's Services).

4.6 Charging of interest on deficit balances

The authority may charge interest on any deficit balance where -

- A licensed deficit has been approved to finance a major equipment purchase or building development.
- A school Governing Body faced with a deficit budget fails to seek or follow the advice of the Director of Children's Services or Head of Finance in producing a plan to repay the deficit.
- A school goes into deficit without the prior written approval from the authority. In such cases, the interest will be 4% above the Bank of England's Base rate.

4.7 Writing off deficits

The Authority cannot write off the deficit balance of any school.

4.8 Balances of closing and replacement schools

When a school closes, any balance (whether surplus or deficit) shall revert to the authority; it cannot be transferred as a balance to any other school, even where the school is a successor to the closing school¹.

The authority can also provide extra funding for new schools to recognise the deficit of a preceding school by being reduced; but a sum equal to the deficit cannot be set against any 'normal' funding of the new school – this is the element of funding it would receive anyway if it was not new.

For the first year (i.e. the 12 month period following the formal implementation of an amalgamation of schools) of combined budget(s), the school(s) would receive no less than if there had been the original schools. Subsequently, any loss of funding will be phased over the subsequent two years (three years in total).

4.9 Licensed deficits

The Authority does not operate a licensed deficit scheme. Any deficit agreed as part of an agreed recovery plan is deemed as borrowing from the Authority.

4.10 Loan schemes

Loans will only be used to assist schools in spreading the cost over more than one year of large one-off individual items of capital nature that have a benefit to the school lasting more than one financial or academic year. Loans will not be used as a means of funding a deficit that has arisen because a school's recurrent costs exceed its current income. If loans are made to fund a deficit and a school subsequently converts to academy status, the Secretary of State will consider using the power under paragraph 13(4)(d) of schedule 1 to the Academies Act 2010 to make a direction to the effect that such a loan does not transfer, either in full or part, to the new Academy school.

4.11 Credit union approach

The Authority does not currently recognise a credit union approach. Schools wishing to adopt this approach should contact the Director of Children's Services.

5 Income

5.1 Income from lettings

Schools may retain all income from lettings of the school premises that would otherwise accrue to the LA, subject to any alternative provisions arising from any joint-use or (Private Finance Initiative) agreement. Schools are permitted to cross-subsidise lettings for community and voluntary use with income from other lettings, provided the Governing Body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed on them by the Education Acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement.

Income from lettings of schools premises are not payable in to voluntary or private funds held by the school.

Schools are required to have regard to any directions issued by the LA as to the use of school premises owned by the LA, as permitted under the School Standards and Framework Act 1998 for various categories of schools.

5.1.1 Private lettings

All schools are recommended to produce a hiring and letting policy which is adopted by the Governing Body.

Any income raised through private lettings must be paid into the schools main bank account.

Private lettings should not displace agreed community lettings. However, schools may find it advantageous to have private lettings take place alongside their community lettings to reduce costs.

5.1.2 Use of schools for elections

Under elections legislation, community and voluntary aided schools are obliged to make accommodation available for polling stations. The Authority policy is that, if at all possible, schools should remain open on the day of the election.

Schools are reimbursed directly by the Authority for the costs incurred in making accommodation available for polling stations.

5.1.3 Use of schools for emergency plan

Any costs incurred by the school for emergency plan purposes will be reimbursed by the Authority.

5.2 Income from fees and charges

Schools can retain income from fees and charges except where a service is provided by the Authority from centrally retained funds. However, schools should have regard to any policy statements on charging produced by the Authority.

5.3 Income from fund-raising activities

Schools will be allowed to retain income from fund-raising activities.

5.4 Income from the sale of assets

Schools may retain the proceeds from the sale of assets except in cases where the asset was purchased with non-delegated funds, in which case the Authority will decide whether the school should retain the proceeds. If the asset is land or buildings forming part of the school premises and is owned by the Authority the proceeds must be paid to the Authority.

5.5 Administrative procedures for the collection of income

The procedures for collection of income are laid down in the Schools Financial Regulations and Standing Orders. These include guidance on charging of VAT on income.

5.6 Purposes for which income may be used

Income from sale of assets purchased with delegated funds must only be spent for the purposes of the school.

6 The charging of school budget shares

6.1 General provisions

A school's budget share may only be charged by the Authority without the Governing Body's permission in the circumstances permitted by this scheme (see 6.2 below). The Authority will consult the schools as to the intention to charge and will notify schools when it has been done.

6.1.1 Where a school hasn't elected to administer their own staff salaries via external payroll providers; the Authority will charge salaries of school based staff to school budget shares at actual cost.

6.2 Circumstances in which charges may be made

- Where premature retirement costs have been incurred without the prior written agreement of the Authority to bear such costs (the amount chargeable being only the excess over any amount agreed by the Authority);
- Other expenditure incurred to secure resignations where the school has not sought or followed Authority advice.
- Awards by courts and industrial tribunals against the Authority or out of court settlements, arising from action or inaction by the Governing Body contrary to Authority advice.
- Expenditure by the Authority in carrying out health and safety work or capital expenditure for which the Authority is liable where funds have been specifically delegated to the Governing Body for such work, but the Governing Body has failed to carry out the required work;
- Expenditure by the Authority incurred in making good defects in building work funded by capital expenditure from budget shares, where the premises are owned by the Authority or the school has voluntary controlled status.
- Expenditure incurred by the Authority in insuring its own interests in a school where funding has been delegated but the school has failed to demonstrate that it has arranged cover at least as good as that which would have been arranged by the Authority. (see also 10.1)
- Recovery of monies due from a school for services provided to the school, where a dispute over the monies due has been referred to a disputes procedure set out in a service level agreement and the result is that monies are owed by the school to the Authority
- Recovery of penalties imposed on the Authority by the board of Inland Revenue, the Contributions Agency, HM Revenue & Customs (HMRC), Teachers' Pensions, the Environment Agency or other regulatory authorities as a result of schools negligence.

- Correction of Authority errors in calculating charges to a budget share (e.g. pension deductions)
- Additional transport costs incurred by the Authority arising from decisions by the Governing Body on the length of the school day, and the failure to notify the Authority of non-pupil days resulting in unnecessary transport costs.
- Legal costs which are incurred by the Authority because the Governing Body did not accept the advice of the Authority (see also section 11).
- Costs of necessary health and safety training for staff employed by the Authority, where funding for training has been delegated but the necessary training has not been carried out.
- Compensation paid to a lender where a school enters into a contract for borrowing beyond its legal powers, and the contract is of no effect.
- Cost of work done in respect of teacher pension remittance and records for schools using non-Authority payroll contracts, the charge to be minimum needed to meet the cost of the Authority's compliance with its statutory obligations.
- Costs of administering the Apprenticeship Levy
- Costs incurred by the Authority in securing provision specified in an Education, Health and Care Plan (EHCP) where the Governing Body of a school fails to secure such provision despite the delegation of funds in respect of low cost high incidence SEN (prior attainment) and/or specific funding for a pupil with High Needs.
- Cost incurred by the Authority due to submission by the school of incorrect data.
- Recovery of amounts spent from specific grants on ineligible purposes.
- Costs incurred by the Authority as a result of the Governing Body being in breach of the terms of a contract e.g. opting out of a centrally managed contract without giving sufficient notice as specified in the contract.
- Costs incurred by the Authority or another school as a result of a school withdrawing from a cluster arrangement, for example where this has funded staff providing services across the cluster.
- Costs incurred by the authority in administering admissions appeals, where the local authority is the admissions authority and the funding for admission appeals has been delegated to all schools as part of their formula allocation.

7 Taxation

7.1 Value Added Tax

Imprest Schools will provide a monthly return showing the amounts of VAT paid out and charged. The Authority will reclaim the net VAT on non-business activities and the reclaimed amount will be paid into the schools bank account. All schools including Agresso schools must comply to HMRC VAT regulations and are responsible for holding the supporting documentation at school (eg invoices petty Cash Receipts etc). When required VAT documentation to provided by schools to HMRC or Audit.

HM Revenue and Customs have agreed that VAT incurred by schools when spending any funding made available by the authority is treated as being incurred by the authority and qualifies for reclaim by the authority. This does not include expenditure by the governors of a voluntary aided school when carrying out their statutory duties to maintain the external fabric of their buildings. See also section 13.

7.2 CIS (Construction Industry Taxation Scheme)

Schools are required to abide by the procedures laid down by the Authority in connection with Construction Industry Taxation Scheme.

8 The provision of services and facilities

8.1 Provision of services from centrally retained budgets

It is for the Authority to determine on what basis services from centrally-retained funds will be provided to schools. This includes Premature Retirement Compensation (PRC) and redundancy payments, where appropriate.

The Authority will not discriminate in its provision of services to schools on the basis of their category except in circumstances where (a) funding has been delegated to some schools only or (b) such discrimination is justified by differences in statutory duties.

8.2 Provision of services provided by the Authority

Services can be bought back from the Authority using delegated budgets, the services available are contained within the Authority's Traded Services for Schools brochure.

Provision will be available on a service-by-service basis; it may be tailored to individual school needs and may form part of a package of services.

Services are reviewed annually with a pricing proposal sent to schools for consideration.

Final offers are confirmed when schools sign a Service Level Agreement setting out the terms and conditions of the Authority and the school.

Any service provided to schools for which expenditure is not retainable by the Authority under the Regulations made under section 46 of the Act, are offered at prices which are intended not to generate income but cover the cost of provision.

The cost of providing the service is met by the income generated, even if schools are charged differentially.

8.3 Packaging

Any services, which the Authority is providing on a buyback basis, will be offered in a way that will not unreasonably restrict schools' freedom of choice among the services available.

Provision will be available on a service-by-service basis with further freedom of choice available through a menu systems which offers individual elements of the services. Some services also offer packages of services, which may offer a more cost effective service.

8.4 Teachers' pensions

In order to ensure that the performance of the duty on the Authority to supply Teachers Pensions with information under the Teachers' Pensions Regulations 1997, the following conditions are imposed on the Authority and Governing Bodies of all maintained schools covered by this Scheme in relation to their budget shares.

The conditions only apply to Governing Bodies of maintained schools that have not entered into an arrangement with the Authority to provide payroll services.

A Governing Body of any maintained school, whether or not the employer of the teachers at such a school, which has entered into any arrangement or agreement with a person other than the Authority to provide payroll services, shall ensure that any such arrangement or agreement is varied to require that person to supply salary, service and pensions data to the Authority which the Authority requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The Authority will advise schools each year of the timing, format and specification of the information required. A Governing Body shall also ensure that any such arrangement or agreement is varied to require that Additional Voluntary Contributions (AVCs) are passed to the Authority within the time limit specified in the AVC scheme. The Governing Body shall meet any consequential costs from the school's budget share.

A Governing Body of any maintained school which directly administers its payroll shall supply salary, service and pensions data to the Authority which the Authority requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The Authority will advise schools each year of the timing, format and specification of the information required from each school. A Governing Body shall also ensure that Additional Voluntary Contributions (AVCs) are passed to the Authority within the time limit specified in the AVC scheme. The Governing Body shall meet any consequential costs from the school's budget share.

9 PFI / PPP

9.1 PFI/PPP

Any school agreeing to be included within a PFI contract will be required to sign a 'Governing Body Agreement'. The agreement is between the Authority and Governing Body and sets out details of the services provided under the PFI contract and the schools financial contributions.

10 Insurance

10.1 Insurance cover

Where funds for insurance are delegated to any school, the Authority will require the school to demonstrate that cover relevant to the Authority's insurable interests, under a policy arranged by the Governing Body, is at least as good as the relevant minimum cover arranged by the Authority, having regard to the actual risks which might reasonably be expected to arise at the school. (See also 6.2.6).

Governing bodies maintaining their own insurance cover in place of that arranged by the Authority must provide to the Director of Children's Services an up-to-date copy of the policy or policies, together with all premium receipts or other evidence of cover. Failure to provide documentary proof of a satisfactory level of cover within a reasonable period of such a request being made may result in the school's budget share being charged.

See Appendix 3.

11 Miscellaneous

11.1 Right of access to information

The Governing Body must supply all financial and other information which may be required by the Authority to satisfy itself that the school is properly managing its delegated budget share and any additional funds provided by the Authority.

11.2 Liability of Governors

Governors of maintained schools will not incur personal liability in the exercise of their power to spend the delegated budget share provided that they act in good faith.

11.3 Governors expenses

Under section 50(5) of the Act, only allowances in respect of purposes specified in regulations made under section 19 of the Education Act 2002 may be paid to governors from a school's delegated budget share. Schools are not permitted to pay any other allowances.

Schools with delegated budgets should only pay reasonable expenses. Schools may be required to provide details to the Authority of expenses paid.

11.3.1 New schools

Provision may be made to delegate funds for Governor's expenses to a school yet to receive a delegated budget. Only allowances as per Section 11 of the Schools Standards and Framework Act 1998 will be paid.

11.3.2 Special measures

Expenses paid to additional Governors to schools appointed by the Secretary of State under special measures must not be paid from a school's delegated budget share.

11.4 Responsibility for legal costs

Legal costs incurred by the Governing Body, although the responsibility of the Authority as part of the cost of maintaining the school unless they relate to the statutory responsibility of voluntary aided school governors for buildings, may be charged to the school's budget share unless the Governing Body acts in accordance with the advice of the authority. (see section 6).

The costs referred to are those of legal actions, including costs awarded against an Authority; not the cost of legal advice provided.

Where there is a potential conflict of interest, problems could arise for the Authority and the Governing Body in obtaining proper legal advice. In this situation, the Authority should be consulted and the Governing Body should consider obtaining independent legal advice.

11.5 Health and safety

In expending the school's budget share the Governing Body must have due regard to duties placed on the Authority in relation to health and safety, and the Authority's policy on health and safety matters in the management of the budget share.

Under s.39 (3) of the School Standards and Framework Act, Authorities may issue directions to the Governing Body and head teacher of a community, community special or voluntary controlled school on health and safety matters; these directions are enforceable, so far as Governing Bodies are concerned, via s.497 of the Education Act 1996, if not complied with.

11.6 Right of attendance for Director of Children's Services

Governing Bodies must permit the Director of Children's Services, or any officer nominated by the Director of Children's Services, to attend meetings of the Governing Body at which any agenda items are relevant to the exercise of his/her responsibilities. The Director of Children's Services will give prior notice of such attendance unless impracticable to do so.

11.7 Special educational needs

Schools must use their best endeavours in spending the budget share, to secure the special educational needs of their pupils.

11.8 Interest on late payments

Under the Late Payment of Commercial Debts (Interest) Act 1998 all small company creditors must be paid within 30 days of the receipt of the invoice, unless there has been a dispute registered with the creditor. The creditor can, after such period has elapsed, submit a surcharge, on the original amount outstanding.

Published criteria change and Schools should ensure that they comply with the latest statutory requirement on this subject.

11.9 'Whistleblowing'

The procedure for governors and persons working at the school who wish to complain about financial management or financial propriety at the school can be found at:

First Class - Information for All Schools / Human Resources / Policies & Procedures / Raising Concerns At Work (Schools) V6.1.doc

11.10 Child protection

Schools must release staff to attend child protection case conferences and other related events. Supply cover costs has to be met from the schools delegated budget.

11.11 Redundancy / early retirement costs

The 2002 Education Act sets out how premature retirement and redundancy costs should normally be funded. Further guidance is provided in annex B.

12 Responsibility for revenue & capital maintenance and improvement

12.1 Responsibility for repairs and maintenance

Appendix 6 shows the categories of work which Governing Bodies must finance from their budget. This covers both revenue (maintenance) and capital budgets.

The Authority will maintain a capital programme for items of capital expenditure set out in regulation 12.2 of the scheme. All other capital expenditure is the responsibility of the Governing Body to be funded either from the schools devolved capital grant, other capital funds or revenue contributions to capital.

12.2 Authority capital programme

Only capital expenditure will be retained by the Authority. For these purposes, expenditure may be treated as capital only if it fits the definition of capital used by the Authority for financial accounting purposes in line with the CIPFA Code of Practice on local authority accounting.

12.3 Voluntary aided schools

For voluntary aided schools, the liability of the authority for repairs and maintenance is the same as other maintained schools, and no separate list of responsibilities is necessary for such schools. However, eligibility for capital grant from the Secretary of State for capital works at voluntary aided schools depends on the de minimis limit applied by the DfE to categorise such work, not the de minimis limit used by the authority.

13 Community facilities

13.1 Introduction

Schools now have greater opportunities to provide services for the community. An extended school is one that provides a range of services and activities often beyond the school day to help meet the needs of its pupils, their families and the wider community. Further information is shown in Annex C.

13.2 Suspension of delegated budget

Mismanagement of community facility funds can be grounds for suspension of the right to a delegated budget.

Consultation with the Authority – financial aspects

In every school and community there will be key groups who need to be consulted about activities. They should be involved in the planning process to ensure that extended school programmes are in demand, well organised and meet local needs.

The Governing Body has ultimate responsibility for deciding whether the school should offer additional activities and services and what form these should take. Before making decisions, governors need to be aware of any additional responsibilities that may result from providing additional services through the school. As with existing school activities, Governing Bodies can delegate the practical delivery of services to others, but they will keep ultimate legal responsibility.

Headteachers will need to be fully consulted in the development of additional activities and services in the school. Their school management experience can also be invaluable for the planning of new activities and services and in some schools, Headteachers may choose to be closely involved in the leadership of additional activities and services.

Other school staff can also play a key role in the planning process. Most will have a clear understanding of the needs of pupils, families and the wider school community. They will also be able to advise on the day-to-day impact of additional services on the school premises, equipment, timetables and school community.

Whatever their level of involvement, all school staff should be kept informed and involved in any decisions that relate to the school premises, staff or pupils.

13.3 Consult the Authority

Section 28(4) of the Education Act 2002 requires that before exercising the community facilities power, Governing Bodies must consult the Authority, and have regard to advice given to them by their Authority.

13.4 Approach the Authority

Schools should initially approach the Authority for a strategic view on potential programmes. The Authority is well placed to help in assessing the ability of schools to offer additional activities. The Authority will take into account the school's resources, financial management abilities and other considerations.

13.5 Responses

The Authority will issue an initial response to any approach from a school within four weeks. The Authority may request from any school operating community activities a report on any action taken following the advice.

Funding agreements – authority powers

13.6 Funding agreements

The provision of community facilities in many schools may be dependent on the conclusion of a funding agreement with a third party which will either be supplying funding or supplying funding and taking part on the provision. A very wide range of bodies and organisations are potentially involved.

13.7 Authority review

Any funding agreements with third parties should be submitted to the Authority for its comments prior to the Governing Body signing any such agreement so that the Authority can ensure that any agreement is not seriously prejudicial to the interests of the school or the Authority.

Other prohibitions, restrictions and limitations

13.8 Additional requirement

Where the Authority believes it appropriate they may require the use of community facilities power by a Governing Body. The Governing Body concerned will be required to make arrangements to protect the financial interests of the Authority by carrying out the activities concerned through the vehicle of a limited company formed for the purpose, or by obtaining indemnity insurance for risks associated with the project in question, as specified by the authority.

13.9 Additional restrictions

The Authority has the power to suspend a school's delegated budget if:

- a school undertakes the provision of community activities without consulting the Authority and which the Authority considers is seriously prejudicial to the interests of the school or the Authority;
- the Authority considers the financial management of community services provided by a Governing Body unsatisfactory; or
- the Governing Body is guilty of substantial or persistent non-compliance with any rules laid down by or under the Authority's Scheme for Financing Schools.

Supply of financial Information

All schools will need to make some adjustments to their financial procedures in order to extend their activities beyond pupils and the school curriculum.

Community activities must be self-financing, except study support for pupils. Study support is learning activities outside normal school hours which young people take part in voluntarily. The purpose of study support is to improve young people's motivation, build their self-esteem and help them become more effective learners and above all aims to raise pupil's achievement.

There are several basic principles for financial management of extended schools programmes.

- Additional activities and services should have separate financial accounts.
- Programmes should where possible be self-financing with the school's delegated budget share only funding additional educational activities and services.
- Before establishing community activities the Governing Body must prepare a four year business plan including cash flow forecasts. The business plan should demonstrate how the Governing Body would fund establishing any community activities and demonstrate that the activities are self-financing for the following three years. Once established a three year business plan should be maintained.
- Governing Bodies may seek grant funding to establish community activities e.g. New Opportunities Funding for Out of School Clubs.
- The Governing Body may not borrow money for community activities without the written consent of the Secretary of State. This requirement does not extend to monies lent to schools by the Authority.
- If by providing community activities, it is felt that it is adversely affecting the Governing Body's main responsibility to educate pupils and promote high standards of educational achievement at the school, the Authority may withdraw the right for the Governing Body to operate such community activities.
- Failure to comply with regulations on financial procedures could lead to the removal of the Governing Body's power to discharge its delegated budget.
- Schools should consider the educational benefits of supporting any educational provision or programme through their Schools Budget

Community use of school facilities will need to be self-financing, either through alternative funding streams or charges to users.

It should be noted that activities such as study support are deemed as being for 'the purposes of the school' (i.e. for the educational benefit of the school's registered

pupils). Therefore, such activities may be funded from the school's budget share and schools are encouraged to provide all study support activities free to all pupils.

The Governing Body should keep separate accounts for its community activities to ensure that the community costs incurred are fully covered by income such as fees and charges and kept distinct from the school's delegated budget.

Some schools may wish to encourage activities and services that they consider a priority, but which might not be self-financing. Activities and services that generate income can be used to help support other programmes. Equally, charges can be subsidised for individual users of services who might be unable to pay to participate, but who could benefit significantly from the activity or service.

13.10 Supply of financial information

Any school operating community activities must provide the Authority with a financial report identifying income and expenditure received, accumulated balance brought forward from the previous financial year and projected year end financial position.

If the Authority has concerns of the financial viability of any community activities a school may be required to provide a financial report identifying income and expenditure received, accumulated balance brought forward from the previous financial year and projected year end financial position on a quarterly basis.

If the Authority continues to have concerns of the financial viability of any community activities a school will be required to submit a recovery plan for the activity in question.

Schedule 3 of the Education Act 2002 inserts a new provision into Schedule 15 of the Act to make mismanagement of funds received for community facilities a basis for suspension of the right to delegation of the budget share.

Supply of non-financial information

Governing Bodies may be required to provide some non-financial information to the Authority where any community activities form part of a corporate strategy for provision. The Authority will inform the Governing Body of any such requirements at the time of agreeing the establishment of such community activities.

13.11 Adjustment to frequency of financial reports

If the Authority has concerns of the financial viability of any community activities a school may be required to provide a financial report identifying income and expenditure received, accumulated balance brought forward from the previous financial year and projected year end financial position on a quarterly basis.

If the Authority continues to have concerns of the financial viability of any community activities a school will be required to submit a recovery plan for the activity in question.

Schedule 3 of the Education Act 2002 inserts a new provision into Schedule 15 of the Act to make mismanagement of funds received for community facilities a basis for suspension of the right to delegation of the budget share.

Audit

13.12 Audit

Schools community activities financial accounts must be made available for inspection by internal and external audit.

13.13 Access

In concluding funding agreements with other persons pursuant to the exercise of the community facilities power, the Governing Body must ensure that such agreements contain adequate provision for access by the Authority to the records and other property of those persons held on the school premises, or held elsewhere insofar as they relate to the activity in question, in order for the Authority to satisfy itself as to the propriety of expenditure on the facilities in question.

Treatment of income and surpluses

13.14 Retaining net income

The school can retain all net income derived from community facilities except where otherwise agreed with a funding provider, whether that be the Authority or some other body.

13.15 Carrying forward retained net income

Such retained net income can be carried over from one financial year to the next as a separate community activities surplus. Such surplus funds should usually be retained to provide a contingency fund to cover any deficit generated on community activities in any year or are sufficient to cover any winding up costs should the activity cease. If the community activities surplus funds are such that they are not all required as a contingency to cover any potential deficit generated or potential winding up costs, the Authority may agree with the school transferring up to the full value of the surplus to the schools account for a specific purpose.

Should the Authority close any community or community special school, any accumulated community activities surplus of the school reverts to the Authority unless otherwise agreed with a funding provider.

Treatment of deficits

Any deficit must firstly be met from any accumulated community activities surplus and cannot be met from the school budget share unless such a purpose is prescribed by regulations made under s.50 (3) (b) of the 1998 Act.

If the accumulated community activities surplus is insufficient to cover any deficit this must be carried forward, if the business plan demonstrates that the deficit can be covered from future year's surpluses.

If the business plan demonstrates that the community activity is not viable long term the Governing Body are required to use any other funds under their control to cover the deficit. If this is still insufficient any remaining liabilities must be met by the Authority. The Governing Body and the Authority should then implement an action plan to cease any unviable community activity in agreement with the Authority.

Health and Safety

13.16 Health and safety

The health and safety standards for community activities should be the same as those to any other activities undertaken at the school.

13.17 Criminal records bureau checks

The Governing Body must ensure that any adults involved in community activities have been cleared by the Disclosure and Barring Service (DBS) check and the cost of such clearance should be met by the community activities accounts or funding partner as part of an agreement with that partner.

Insurance

13.18 Insurance

The Governing Body must ensure adequate arrangements are made for insurance against risks arising from the exercise of the community facilities power, taking professional advice as necessary. Such insurance should not be funded from the school budget share.

13.19 Authority power to assess insurance arrangements

The Governing Body must provide the Director of Children's Services with evidence that they have such insurance arrangements in place for community activities. The Director of Children's Services may also undertake their his/her own assessment of the insurance arrangements made by a school in respect of community activities, and if it judges those arrangements to be inadequate, make arrangements itself and charge the resultant cost to the schools community activities account. This provision ensures that the Authority can protect itself against possible third party claims.

Taxation

13.20 Taxation

The Governing Body should seek the advice of the Head of Finance and the local VAT office on any issues relating to the possible imposition of Value Added Tax on expenditure and income in connection with community facilities, including the use of the Authority VAT reclaim facility.

The Governing Body must abide with the requirements of the Scheme for Financing Schools in relation to all aspect of taxation (regulations under section 7 of the Scheme for Financing Schools).

13.21 Payment of income tax and National Insurance

For any member of staff employed by the school or authority in connection with community facilities at the school is paid from funds held in a school's own bank account (whether a separate account is used for community facilities or not) the school is held liable for payment of income tax and National Insurance, in line with HM Revenue and Customs rules.

13.22 Construction Industry Scheme

Schools should follow authority advice in relation to the Construction Industry Scheme where this is relevant to the exercise of the community facilities power.

Banking

13.23 Separation of accounts

Although it is necessary for the school to keep a separate financial account for community activities this does not necessitate community activities being held in a separate bank account.

13.24 Bank accounts

Income from lettings of school premises should not normally be payable into voluntary or private funds held by the school.

13.25 Borrowing

Schools may not borrow money without the written consent of the Secretary of State. This requirement does not extend to monies lent to schools by their maintaining authority.

Annex A: The funding framework

The funding framework which replaces Local Management of Schools is set out in the legislative provisions in sections 45-53 of the School Standards and Framework Act 1998.

Under this legislation, local authorities determine for themselves the size of their Schools Budget and their non-schools education budget -although at a minimum an authority must appropriate its entire Dedicated Schools Grant to their Schools Budget. The categories of expenditure which fall within the two budgets are prescribed under regulations made by the Secretary of State, but included within the two, taken together, is all expenditure, direct and indirect, on an authority's maintained schools except for capital and certain miscellaneous items. Authorities may deduct funds from their Schools Budget for purposes specified in regulations made by the Secretary of State under s.45A of the Act (the centrally retained expenditure). The amounts to be deducted for these purposes are decided by the authority concerned, subject to any limits or conditions (including gaining the approval of their Schools Forum or the Secretary of State in certain instances) as prescribed by the Secretary of State. The balance of the Schools Budget left after deduction of the centrally retained expenditure is termed the Individual Schools Budget (ISB). Expenditure items in the non-schools education budget must be retained centrally (although earmarked allocations may be made to schools).

Authorities must distribute the ISB amongst their maintained schools using a formula which accords with regulations made by the Secretary of State, and enables the calculation of a budget share for each maintained school. This budget share is then delegated to the Governing Body of the school concerned, unless the school is a new school which has not yet received a delegated budget, or the right to a delegated budget has been suspended in accordance with s.51 of the Act. The financial controls within which delegation works are set out in a scheme made by the authority in accordance with s.48 of the Act and regulations made under that section. All proposals to revise the scheme must be approved by the Schools Forum, though the authority may apply to the Secretary of State for approval in the event of the forum rejecting a proposal or approving it subject to modifications that are not acceptable to the authority.

Subject to any provision made by or under the scheme, Governing Bodies of schools may spend such amounts of their budget shares as they think fit for any purposes of their school* and for any additional purposes prescribed by the Secretary of State in regulations made under s.50 of the Act. (*Section 50 has been amended to provide that amounts spent by a Governing Body on providing community facilities or services under section 27 of the Education Act 2002 are treated as if they were amounts spent for the purposes of the school (s50(3A) of the Act.)

An authority may suspend a school's right to a delegated budget if the provisions of the authority's financial scheme (or rules applied by the scheme) have been substantially or persistently breached, or if the budget share has not been managed satisfactorily. A school's right to a delegated budget share may also be suspended for other reasons (schedule 17 to the Act).

Each authority is obliged to publish each year a statement setting out details of its planned Schools Budget and other expenditure on children's services, showing the amounts to be

centrally retained and funding delegated to schools. After each financial year the authority must publish a statement showing out-turn expenditure at both central level and for each school, and the balances held in respect of each school.

The detailed publication requirements for financial statements are set out in directions issued by the Secretary of State, but each school must receive a copy of each year's budget and out-turn statements so far as they relate to that school or central expenditure.

Regulations also require a local authority to publish their scheme and any revisions to it on a website accessible to the general public, by the date that any revisions come into force, together with a statement that the revised scheme comes into force on that date.

Annex B Responsibility for redundancy and premature retirement costs

This guidance note summarises the position relating to the charging of voluntary early retirement and redundancy costs. It sets out what is specified in legislation and provides some examples of when it might be appropriate to charge an individual school's budget, the central Schools Budget or the local authority's non-Schools Budget.

Section 37 of the 2002 Education Act says:

(4) costs incurred by the local education authority in respect of any premature retirement of a member of the staff of a maintained school shall be met from the school's budget share for one or more financial years except in so far as the authority agree with the Governing Body in writing (whether before or after the retirement occurs) that they shall not be so met

(5) costs incurred by the local education authority in respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of a maintained school shall not be met from the school's budget share for any financial year except in so far as the authority have good reason for deducting those costs, or any part of those costs, from that share.

(6) The fact that the authority have a policy precluding dismissal of their employees by reason of redundancy is not to be regarded as a good reason for the purposes of subsection (5); and in this subsection the reference to dismissal by reason of redundancy shall be read in accordance with section 139 of the Employment Rights Act 1996 (c. 18).

The default position, therefore, is that premature retirement costs must be charged to the school's delegated budget, while redundancy costs must be charged to the local authority's budget. In the former case, the local authority has to agree otherwise for costs to be centrally funded, while in the latter case, there has to be a good reason for it not to be centrally funded, and that cannot include having a no redundancy policy. Ultimately, it would be for the courts to decide what a good reason was, but the examples set out below indicate the situations in which exceptions to the default position might be taken.

Charge of dismissal/resignation costs to delegated school budget

- If a school has decided to offer more generous terms than the authority's policy, then it would be reasonable to charge the excess to the school.
- If a school is otherwise acting outside the local authority's policy.
- Where the school is making staffing reductions which the local authority does not believe are necessary to either set a balanced budget or meet the conditions of a licensed deficit.
- Where staffing reductions arise from a deficit caused by factors within the school's control.
- Where the school has excess surplus balances and no agreed plan to use these.
- Where a school has refused to engage with the local authority's redeployment policy.

Charge of premature retirement costs to local authority non-schools budget

- Where a school has a long-term reduction in pupil numbers and charging such costs to their budget would impact on standards.
- Where a school is closing, does not have sufficient balances to cover the costs and where the central Schools Budget does not have capacity to absorb the deficit.
- Where charging such costs to the school's budget would prevent the school from complying with a requirement to recover a licensed deficit within the agreed timescale.
- Where a school is in special measures, does not have excess balances and employment of the relevant staff is being/has been terminated as a result of local authority or government intervention to improve standards

Charge of redundancy costs to delegated school budget

Examples set out below indicate the situations in which redundancy costs may be charged to a delegated school budget

- If a school has decided to offer more generous terms than the authority's policy, then it would be reasonable to charge the excess to the school
- If a school is otherwise acting outside the local authority's policy
- Where the school is making staffing reductions which the local authority does not believe are necessary to either set a balanced budget or meet the conditions of a licensed deficit
- Where staffing reductions arise from a deficit caused by factors within the school's control
- Where the school has excess surplus balances and no agreed plan to use these
- Where a school has refused to engage with the local authority's redeployment policy

Costs of early retirements or redundancies may only be charged to the central schools services block of the Schools Budget, as a historic commitment, where the expenditure is to be incurred as a result of decisions made before 1st April 2013. Costs may not exceed the amount budgeted in the previous financial year.

The local authority can retain a central budget within the Schools Budget to fund the costs of new early retirements or redundancies by a deduction from maintained school budgets (excluding nursery schools) only, where the relevant maintained school members of the schools forum agree.

It is important that the local authority discusses its policy with its Schools Forum. Although each case should be considered on its merits, this should be within an agreed framework. It may be reasonable to share costs in some cases, and some authorities operate a panel to adjudicate on applications.

A de-delegated contingency could be provided, if the Schools Forum agrees, to support individual schools where “a Governing Body has incurred expenditure which it would be unreasonable to expect them to meet from the school’s budget share”.

For staff employed under the community facilities power, the default position is that any costs must be met by the Governing Body, and can be funded from the school’s delegated budget if the Governing Body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed on them by the Education Acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement. Section 37 now states:

(7) Where a local education authority incur costs—

(a) in respect of any premature retirement of any member of the staff of a maintained school who is employed for community purposes, or

(b) in respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of a maintained school who is employed for those purposes, they shall recover those costs from the Governing Body except in so far as the authority agrees with the Governing Body in writing (whether before or after the retirement, dismissal or resignation occurs) that they shall not be so recoverable.

(8A) Any amount payable by virtue of subsection (7) by the Governing Body of a maintained school in England to the local authority may be met by the Governing Body out of the school’s budget share for any funding period if and to the extent that the condition in subsection 7(B) is met.

(8B) The condition is that the Governing Body are satisfied that meeting the amount out of the school’s budget share will not to a significant extent interfere with the performance of any duty imposed on them by section 21(2) or by any other provision of the education Acts.

(9) Where a person is employed partly for community purposes and partly for other purposes, any payment or costs in respect of that person is to be apportioned between the two purposes; and the preceding provisions of this section shall apply separately to each part of the payment or costs.

Annex C Application of scheme for financing schools to the community facilities power

Schools which choose to exercise the power conferred by s.27 (1) of the Education Act 2002 to provide community facilities will be subject to a range of controls. First, regulations made under s.28 (2), if made, can specify activities which may not be undertaken at all under the main enabling power. Secondly, the school is obliged to consult its authority and have regard to advice from the authority. Thirdly, the Secretary of State issues guidance to Governing Bodies about a range of issues connected with exercise of the power, and a school must have regard to that.

However, under s.28(1), the main limitations and restrictions on the power will be those contained in the maintaining authority's scheme for financing schools made under section 48 of the School Standards and Framework Act 1998 as amended by paragraph 2 of Schedule 3 to the Education Act 2002. This amendment extended the coverage of schemes to include the exercise of the powers of Governing Bodies to provide community facilities.

Schools are therefore subject to prohibitions, restrictions and limitations in the scheme for financing schools.

This part of the scheme does not extend to joint-use agreements; transfer of control agreements, or agreements between the authority and schools to secure the provision of adult and community learning.

Appendix 1 Schools list

Sector	Name
Nursery	
	Cookham Nursery
	Maidenhead Nursery
	The Lawns Nursery
Primary	
	Alexander First
	All Saints CE Junior
	Alwyn Infant And Nursery
	Boyne Hill Ce Infant
	Braywood CE First
	Cheapside CE Primary
	Clewer Green CE
	Cookham Dean CE Primary
	Cookham Rise Primary
	Courthouse Junior
	Eton Wick CE First
	Furze Platt Infant
	Furze Platt Junior
	Hilltop First
	Holy Trinity Cookham Primary
	Holy Trinity Sunningdale Primary
	Homer First
	Kings Court First
	Larchfield Primary & Nursery
	Oakfield First
	Oldfield Primary
	Riverside Primary
	South Ascot Village Primary
	St Edwards Catholic First
	St Michaels CE Primary
	The Queen Anne Royal CE
	The Royal (Crown Aided)
	Trinity St Stephen CE First
	Waltham St Lawrence Primary
	Wessex Primary
	Woodlands Park Primary
	Wraysbury Primary
Secondary	
	Churchmead
	St Edward's Royal Free Ecumenical Middle School
Special	
	Manor Green

Appendix 2 School borrowing

Introduction

The School Standards and Framework Act 1998 allow schools to borrow if they have the permission of the Secretary of State.

Definition

The type of financing arrangements, which would normally be classed as borrowing, is:

- Loans in the broadest sense, whereby lenders make available to the school a sum of money which the school uses for specific aims. The school repays the sum of money (the principal) usually at a price (the interest charges) over the term of the loan.
- Finance Leases, whereby the school acquires the use of an asset (e.g. a building or an item of equipment) from the supplier or lender over a specified period. At the end of the period, the school has paid the lender for the underlying cost of the asset plus interest charges,
- Certain types of Public Private Partnerships (PPP's) where the asset is deemed to be "on the balance sheet". Due to the longer term nature of PPP's, schools which enter into them should establish whether the commercial interest of their private sector partners constitutes a form of borrowing by the school – for example a finance Lease.

There are certain types of financing arrangements which for the purposes of this guidance would not normally be classified as borrowing – for example, where a local fair funding scheme permits an Authority to deal with an overspend on a school's budget share by advancing additional sums which are to be charged against future years budget shares. Other circumstances where the Department would not normally require the school to obtain permission before entering into a financial arrangement are:

- Where a Diocese spends money on behalf of a Voluntary Aided school, and the Department subsequently pays grant to the diocese under paragraph 5(1) (b) of Schedule 3 to the 1998 Act.
- Where an association such as a Parents' Association or Former Pupils' Association, takes out a loan to be repaid from its future fund raising, and donates the money to the school.
- Where a school takes credit as part of a supplier's standard trading terms.
- Certain types of Public Private Partnership.

Appendix 3 Insurance

Minimum levels of insurance (Schools)

If funds for insurance are delegated to any school, the local authority may require the school to demonstrate that its insurance cover under a policy, or policies, arranged by the Governing Body is relevant to the authority's insurable interests.

Whilst the authority cannot apply an arbitrary level of cover for all schools the authority recommends the following levels of indemnity as a minimum (@ May 2018):

	£
Material Damage (Property)	Reinstatement value of property
Business Interruption	2,000,000
Contract Works	250,000
Money	10,000
Fidelity Guarantee (Fraud)	500,000
Employers' Liability	25,000,000
Public Liability	35,000,000
Governors' Liability	5,000,000
Libel & Slander	1,000,000
Professional Indemnity	5,000,000
Personal Accident	Death & Capital Benefits £100,000
Engineering Inspection	Inspection of all plant required so by statute
Offsite Activity/Travel c	To cover both UK and non UK trips
Motor Insurance	For minibuses or other vehicles owned or leased in by the school (own damage plus third party)

Appendix 4 Budget plan and monitoring and submission schedule

Annual budget plan

The Authority will aim to provide to schools by the 28 February of the previous financial year indicative financial information on which schools can base their draft budgets and final/confirmed financial information by 31 March of the previous financial year.

Each school must submit as early as possible and no later than by the **31st May** of the relevant financial year a Standard School Budget Plan to the Head of Finance. The budget plan must be approved at a full Governing Body meeting, recorded as such, and signed by both the Headteacher and the Chair of Governors. Plans must be submitted in a form notified by the authority and in accordance with the Consistent Financial Reporting Framework.

The Standard School Budget Plan can be found at:

First Class - Education Finance/School Budget Documents/2018-19 Budget Files/Budget Plans 2018-19/ 2018-19 Budget Plan

Budget monitoring reports

In order that the designated officer can fulfil their obligations under Section 151 of the Local Government Act 1972 to “make arrangements for the proper administration of their financial affairs” schools must provide Bursar Support with a copy of their budget monitoring report submitted to their Governing Body as per the dates set out below:

- 2nd Friday October
- 2nd Friday January

Deficit budget

If a school considers they are likely to have to set a deficit budget they must notify the Director of Children’s Services by **30th April**. This will allow ongoing discussion between the school and the Authority in order to agree a recovery plan.

For the Authority to manage its responsibilities to “make arrangements for the proper administration of their financial affairs” (Section 151 of the Local Government Act 1972), a school may be required to provide further information to support their Standard School Budget Plan.

3 Year budget plans

The authority requires schools to submit a financial plan covering a 3 year period. These will be used as evidence to support the authority’s assessment of Schools Financial Value Standards and in support of the authority’s balance control mechanism. To be submitted to Bursar Support by

- 2nd Friday in July

The 3 Year Budget Plan can be found at:

First Class - Education Finance/School Budget Documents/2018-19 Budget Files/Budget Plans 2018-19/ 2018-19 Budget Plan/3 Year Plan 2018-21

Appendix 5 Supplementary information

De minimis level £3,000.

Schools Budget Share Carry forward balance recommended percentages:

Primary 8%

Secondary 5%

Special 8%

Schools deficit process

Schools should insure that they contact the Director of Children's Services and Head of Finance as early as possible where they believe they may potential need to set a deficit budget.

The Bursar Support Team will notify the appropriate local authority groups and act as liaison between the school and the local authority.

The School will be required to submit a formal detailed deficit recovery plan.

A formal sign off of all arrangements will be required by the Director of Childrens Service, Head of Finance and Governing Body. This will be completed within a reasonable timescale to enable budget planning and action to be taken by all parties as appropriate.

Deficit arrangements

Deficit arrangements may only be permitted where budgets cannot be balanced in year without extreme significant damage to the curriculum.

The maximum period over which schools must balance their budget is normally three years.

EU contract thresholds

Contract Thresholds at and above which UK Regulations apply.

As at 1 January 2018

The financial thresholds are set out below. (All values exclude VAT).

	SUPPLIES		SERVICES		WORK	
	£	Euro	£	Euro	£	Euro
Contract threshold	118,133	144,000	118,133	144,000	4,551,413	5,548,000
Prior Indicative Notices (PIN)	615,278	750,000	615,278	750,000	4,551,413	5,548,000

Appendix 6 Responsibility for revenue and capital maintenance & improvement

Capital/Revenue split - Illustrative examples in line with CIPFA code of practice.

Roofs – Flat

Capital: as CIPFA code of practice (Schools)

Structure. New (not replacement) structure

Structure. Replacement of all or substantial part of an existing structure to prevent imminent or correct actual major failure of the structure

Screed / insulation in a new building / extension

115 Screed / insulation. Replacement/repair of substantially all. Improve effectiveness of insulation

Finish on new build. Replacement of all/substantially all on existing roof

Edge trim/fascia on new building

Edge trim/fascia. Replacement of all/ substantially all on existing roof

Drainage on new building

Other e.g. flashings, rooflights on new building. Replacement of all/substantially all on existing roof

Revenue: Repairs and maintenance

Repair/replacement of small parts of an existing structure

Replace small areas of rotten or defective timber, make good minor areas of spalling concrete where reinforcing bars exposed

Repair/replacement of screed/insulation where defective

Work to improve insulation standards, during work to repair/replace small areas of roof

Replacement of roof finish on existing building. Re-coating chippings to improve life expectancy

Repairs/replacement. (uPVC) Repainting

Repairs/replacement. (uPVC) Repainting

Clearing out gutters and downpipes. Replacement/repair/ repainting / individual gutters/pipes

Repair/replace/cleaning of individual items

Roofs - Pitched

Capital: as CIPFA code of practice

Structure. New (NOT replacement) structure

Structure. Replacement of all or substantial part of an existing structure to prevent imminent or correct actual major failure of the structure

Insulation in a new building/extension

Insulation. Replacement/repair of substantially all. Improve insulation to current standards

Roof finish in a new building/extension, replacement of all/substantially all on existing roof

Bargeboards/fascias in a new building/extension, replacement of all/substantially all on existing roof

Drainage in a new building/extension

Drainage. Replacement of all/substantially all on existing roof

Other e.g. flashings, roof windows in a new building/extension, replacement of all/substantially all on existing roof

Revenue: Repairs and maintenance

Repair/replacement of small parts of an existing structure

Replace/repair small areas of rotten/defective joists, rafters, purlins etc.
Not complete trusses

Repair/replacement/ increase thickness of insulation in an existing roof

Replace missing/damaged

Repairs/replacement/
repainting

Clearing out gutters and downpipes Replacement/repair of individual pipes/gutters

Repair/Replacement
/cleaning

Roofs - Other

Capital: as CIPFA code of practice

Provide new covered link etc. between existing buildings
Rebuild or substantially repair structure of existing covered link
Add porch etc. to existing building
Rebuild or substantially repair structure of existing porch

Revenue: Repairs and maintenance

Minor repairs, maintenance to existing covered link
Minor repairs, maintenance to existing

Floors - Ground floor

117

Capital: as CIPFA code of practice

Structure and dpc in new building
Structure and dpc - Replacement of all or substantial part of an existing structure to prevent imminent or correct actual major failure of the structure
Screed and finish in new build, replacement of all/substantially all on existing floor - e.g. replacement of most carpets/tiles in a room

Revenue: Repairs and maintenance

Repair/replacement of small parts of an existing structure
Replacement and repair of screed and finishes/replacement of mats/matwells
Maintenance e.g. revarnishing wooden floors

Floors - Upper floors

Capital: as CIPFA code of practice

Structure - as ground floor

Revenue: Repairs and maintenance

As ground floor

Screed and finish - as ground floor

Repairs of finishes/Replacement - as ground floor

118

Ceiling – Top/only storey

Capital: as CIPFA code of practice

Suspension

Membrane

Fixed

Access panels

Revenue: Repairs and maintenance

Repair/replacement includes. from water damage, & necessary decoration

Repair/replacement inc. from water damage

Repair/replacement

Ceiling – Lower storeys

Capital: as CIPFA code of practice

Suspension

Membrane

Fixed

Revenue: Repairs and maintenance

Repair/replacement

Repair/replacement

Ceiling – All

Capital: as CIPFA code of practice

Revenue: Repairs and maintenance

Inspection/air testing. Applying sealant coats to asbestos surface for protection

119

External Walls – Masonry/cladding

Capital: as CIPFA code of practice

Structure, Underpinning/propping for new build

External finish on new build

External finish on existing builds where needed to prevent imminent or correct actual major failure of the structure. e.g. repointing/recladding work affecting most of a building/replacement build

Revenue: Repairs and maintenance

Repairs. Preventive measures e.g. tree removal

Repair/replacement of small parts of an existing structure, e.g. repointing/recladding a proportion of a wall where failure has occurred

External Walls – Windows and doors

Capital: as CIPFA code of practice

Framing - new build

Framing - structural replacement programme

Glazing - new build

Glazing, Upgrading existing glazing

Ironmongery, Improve security

Jointing including mastic joints

Revenue: Repairs and maintenance

Repair/replacement of individual frames.
Repainting frames

Repair/replacement of individual windows.
Repainting frames

Replacing broken glass

Repair/replacement, upgrading locks etc.

Internal and external decorations to new build

Internal and external decoration to include cleaning down and preparation

External Walls – Masonry chimneys

Capital: as CIPFA code of practice

Revenue: Repairs and maintenance

Structure

Jointing including expansion and mortar joints/pointing/DPC

Repair/re-pointing

Internal Walls – Solid

Capital: as CIPFA code of practice

Revenue: Repairs and maintenance

121

Complete including various internal finishes, linings and decorations

Repairs and redecoration to internal plaster/lining tiles, pin boards etc.

Refurbishment and alterations

Minor alterations

Internal Walls – Partitions

Capital: as CIPFA code of practice

Revenue: Repairs and maintenance

Complete structure including linings, framing, glazing, decoration etc

Repairs and redecoration

Refurbishment and alterations

Minor alterations

Internal Walls – Doors and Screens

Capital: as CIPFA code of practice

Revenue: Repairs and maintenance

Framing/screens/doors to new building including glazing,

Internal maintenance and redecoration. Repair/replacement of

ironmongery, jointing and internal decorations

defective doors and screens

Internal Walls – All

Capital: as CIPFA code of practice

Revenue: Repairs and maintenance

Glazing to meet statutory Health & Safety requirements

Replacement of broken glass

Sanitary Services - Lavatories

Capital: as CIPFA code of practice

Revenue: Repairs and maintenance

In new buildings provision of all toilet fittings, waste plumbing and internal drainage

Repair/replacement of damaged sanitary ware, fittings, waste plumbing etc

Small areas of refurbishment

Repair/replacement of damaged fittings, waste plumbing etc

Sanitary Services - Kitchens

Capital: as CIPFA code of practice

Revenue: Repairs and maintenance

Kitchens in new buildings complete with fittings, equipment, waste plumbing and internal drainage. Internal finishes and decorations

Maintain kitchen to requirements of Authority. Cleaning out drainage systems. Redecoration

General refurbishment

Repairs

Large and costly items of equipment

Repairs/replacement parts

Mechanical Services – Heating/Hot Water

Capital: as CIPFA code of practice

Complete heating and hot water systems to new projects including fuel, storage, controls, distribution, flues etc

Safe removal of old/damaged asbestos boiler and pipework insulation where it is a risk to Health and Safety

Planned replacement of old boilers/control systems past the end of their useful life

Emergency replacement of boiler plant/systems.

Revenue: Repairs and maintenance

General maintenance of all boiler house plant including replacement of defective parts. Regular cleaning. Energy saving projects

Monitoring systems. Health and safety issues

Replacement of defective parts

123

Mechanical Services – Cold water

Capital: as CIPFA code of practice

Provision of cold water services, storage tanks, distribution, boosters, hose reels etc in major projects

Revenue: Repairs and maintenance

Maintenance and repair/replacement of defective parts such as servicing pipes. Annual servicing of cold water tanks

Mechanical Services – Gas

Capital: as CIPFA code of practice

Distribution on new and major refurbishments, terminal units

Revenue: Repairs and maintenance

Repairs, maintenance and gas safety. All servicing

Mechanical Services – Ventilation

Capital: as CIPFA code of practice

Revenue: Repairs and maintenance

Mechanical ventilation/air conditioning to major projects.

Provision of local ventilation Repair/replacement of defective systems and units

Mechanical Services – Other

Capital: as CIPFA code of practice

Swimming pool plant and its complete installation, including heat recovery systems

Revenue: Repairs and maintenance

Repair/replacement of parts to plant pumps and controls. Water treatment equipment and all distribution pipework. Simple heat recovery systems. Solar heating plant and equipment

Electrical Services – General

Capital: as CIPFA code of practice

Main switchgear and distribution in major projects

Revenue: Repairs and maintenance

Testing/replacement of distribution boards. The repair and maintenance of all switchgear and interconnecting cables including that in temporary buildings

Replacement of obsolete and dangerous wiring systems, including distribution boards

All testing, earthing and bonding to meet Health and Safety. All servicing

Electrical Services – Power

Capital: as CIPFA code of practice

Control gear, distribution, fixed equipment, protection etc

Revenue: Repairs and maintenance

All testing, repair and replacement of small items of equipment

Electrical Services – Lighting

Capital: as CIPFA code of practice

Provision of luminaires and emergency

Revenue: Repairs and maintenance

Replacement of luminaires, all testing, adjustments and

improvements to emergency

Electrical Services – Other

Capital: as CIPFA code of practice

Lighting protection in new buildings

Alarm systems, CCTV, lifts/hoists etc

New installation of communication systems, radio/TV, call, telephone, data transmission, IT etc and provision in new buildings

Revenue: Repairs and maintenance

Repair/replacement

Repair and maintenance

Repair/replacement/ maintenance, including all door access systems

External Works – Paving

Capital: as CIPFA code of practice

Provision of new roads, car parks, paths, courts, terraces, play pitches, steps and handrails, as part of major project, including disabled access

Revenue: Repairs and maintenance

Maintenance and repair. Car park and playground markings

External Works – Miscellaneous

Capital: as CIPFA code of practice

Provision of walls, fencing, gates and ancillary buildings as apart of major project

Revenue: Repairs and maintenance

Maintenance and repair of all perimeter/boundary /retaining walls, fencing and gates.

External Works – Drainage

Capital: as CIPFA code of practice

Drains, soakaways, inspection chambers and sewage plant as part of new projects

Revenue: Repairs and maintenance

Maintenance and repair of drains, gullies, grease traps and manholes between buildings and main sewers. Cleaning of the

above and unblocking as necessary

External Works – Open air pools

Capital: as CIPFA code of practice

Structure, hygiene/safety in new build

Revenue: Repairs and maintenance

Hygiene, cleaning, maintenance and repairs including replacement parts. Simple energy saving systems

External Works – Services distribution

Capital: as CIPFA code of practice

Heating mains, gas mains, water mains, electricity mains, renewal of any of the above

Revenue: Repairs and maintenance

Annual servicing

Agenda Item 8

ROYAL BOROUGH OF WINDSOR & MAIDENHEAD SCHOOLS FORUM

Date:	18th July 2018	AGENDA ITEM:
Title:	Wellbeing Service Funding Options	
Responsible officer:	Kevin McDaniel, Director of Children's Services	
Contact officer:	James Norris, Head of Finance (RBWM) Achieving for Children	Email: James.norris@achievingforchildren.org.uk

1 PURPOSE AND SUMMARY

- 1.1 This paper summarises the current and future funding options for the Wellbeing Service.

2 RECOMMENDATIONS

Schools Forum is asked to:

- 2.1 Agree for the Director of Children's Services to approach Health partners to seek funding towards the Wellbeing Service.
- 2.2 Identify any other services and activities funded by the High Needs Block that could be reviewed and reduced to fund the Wellbeing Service on a permanent basis.

3 BACKGROUND

- 3.1 This paper should be considered in reference to the paper presented to Schools Forum 16th January 2018. The feedback by Schools Forum representatives was extremely positive with schools expressing praise for the service, outlining the benefits and advantages it had delivered to pupils, parents and staff.
- 3.2 The Wellbeing Service was set up in response to increasing concerns about the mental health and wellbeing of children and young people and was specifically identified by school audits as an area of need.
- 3.3 The purpose of the team was to support children and young people and their families at the earliest stages to understand and effectively manage (where appropriate) mental health concerns. This was to ensure schools and other professionals feel supported with the aim to reduce the need to escalate to specialist services both in CAMHS and Social Care.
- 3.4 The programme was established for a minimum of three years. Three year total funding of £360,000 was agreed at the Schools Forum 7th July 2015. It is projected this funding will be fully used by 31st March 2019.

4 WELLBEING SERVICE OPERATIONAL COSTS

- 4.1 The annual operational cost to provide the Wellbeing Service is £163,000 as set out in table 1. The service comprises of 3.0 full time equivalent Psychological

Wellbeing Practitioners costing £116,000 along with 0.4 full time equivalent volunteers which would cost the equivalent of £12,000.

- 4.2 Other costs include transport £7,000, supplies and services £10,000, management and overheads of £18,000.

Table1: Annual Operational Costs

EXPENDITURE	£000
Direct Employee Related	116
Voluntary Services Employee Related	12
Transport	7
Supplies & Services	10
Management & Overheads	18
TOTAL EXPENDITURE	163

- 4.3 The Wellbeing Service is funded on an annual basis as set out in table 2. The most significant contribution being from the Schools Earmarked Reserves of £120,000; through its base budget the Local Authority contributes £31,000 and the Voluntary Service makes a provision of £12,000.

Table 2: Annual Funding of Service

Funding	£000
Schools Earmarked Reserves	120
Voluntary Service	12
Local Authority	31
TOTAL FUNDING	163

5 FUTURE FUNDING

- 5.1 The Schools Earmarked Reserve will be fully utilised by 31st March 2019 meaning that in order for the service to continue alternative funding needs to be identified.
- 5.2 Identifying permanent budget would lead to further embedding the Wellbeing Service across schools and other services, aid planning of future service delivery and encourage staff retention.
- 5.3 To continue to provide the service at its current level the options to fund include:
- increasing the Local Authority base budget contribution
 - increasing the reliance upon the Voluntary Sector
 - seeking new Health funding
 - charging schools through either top slicing budgets or on an activity basis
 - identifying and reducing other High Needs Block activities
 - a hybrid on the above
- 5.4 The Local Authority funding is set in the budget is not expected to change and under the current financial climate there is limited opportunity for increasing funding of a non statutory service.
- 5.5 The Voluntary Services are being provided by individuals and is not expected to change.

- 5.6 Currently there is no Health contribution to a service which is part of the overall support for young people with Mental Health issues. This is a growing Health priority with increased expenditure on other Mental Health services.
- 5.7 Schools could agree a top slicing approach for contributions towards the Wellbeing Service, however, it would be difficult to enforce on all schools especially under the current climate of financial pressures. Similarly charging on an activity basis would be highly administrative and lead to additional costs for the service; also potentially impacting on service usage.
- 5.8 Schools Forum are requested to consider whether any of the other services currently funded by the High Needs Block could be reduced or delivered differently to free up budget to fund the Wellbeing Service.

6 HIGH NEEDS BLOCK SERVICES

- 6.1 The High Needs Block budget is £17.778M. Set out in Appendix A is a schedule of the current budget in this block.
- 6.2 Schools Forum is requested to recommend other services funded by the High Needs Block that could be considered to be reduced in order to fund the Wellbeing Service.

7 NEXT STEPS

- 7.1 The Director of Children's Services will approach Health partners and look to negotiate an equitable level of funding towards the Wellbeing Service.
- 7.2 Based on the schedule of High Needs Block areas identified by the Forum for review, providers will be asked to input into the High Needs Block budget setting for 2019/20.

Services	Budget 2018/19 £000
Alternative Provision	893
Autism Outreach Service	181
Berkshire Adolescent Unit & Behaviour Support	11
Education Welfare	62
Ethnic Minority Achievement Service	11
Fair Access Protocol	60
High Needs Provision	917
High Needs Savings Plan	(900)
Home to School Transport	200
Hospital Education	23
Manor Green School	4,948
Resource Unit	236
School Placements	6,334
Sensory Consortium	203
Special Educational Needs Services	652
Targeted Intervention	501
Therapeutic Services	368
Top Up Allocations	2,953
Virtual School	123
TOTAL HIGH NEEDS BLOCK	17,778