

SLOUGH SCHOOLS FORUM

SCHOOLS GROUP:

John Constable (Chair), Peter Collins, Philip Gregory, Valerie Haffrey, Ray Hinds, Kathleen Higgins, Navroop Mehat, Angela Mellish, Carol Pearce, Kathy Perry, Jon Reekie, Jo Rockall, Jamie Rockman, Coral Snowden, Neil Sykes, Maggie Waller, Nicky Willis and Maxine Wood

OBSERVERS:

Eddie Neighbour and Councillor Martin F. Carter

LOCAL AUTHORITY:

Cate Duffy, Michael Jarrett, Johnny Kyriacou, Mark McCurrie, Neil Wilcox, John Wood and Susan Woodland

DATE & TIME: THURSDAY, 1ST OCTOBER, 2020 AT 9.00AM

VIRTUAL: <https://us02web.zoom.us/j/86269412095?pwd=UHNydlIxekQzYzcrVXpyTWgzRm9EUT09>

Meeting ID: 862 6941 2095, Passcode: 563721

AGENDA

Page

Apologies

1. Any Other Business
2. Declarations of Interest

The Chair will ask Members to confirm whether they have any declarable interests in relation to any item on the agenda.

All Members who believe they may have such an interest must declare it and may only:

- (a) remain in the meeting while that matter is discussed at the discretion of the Chair or Vice Chair, and*
- (b) speak on the matter by invitation.*

Examples of declarable interests include:

where the outcome of a discussion may provide a personal advantage or avoid disadvantage (pecuniary or non-pecuniary), or where the focus of an agenda item and the likely impact of any outcome is wholly or mainly on a school with which the Member is associated.



3. Minutes of Previous Meeting held on Tuesday 14 July 2020 **(Pages 1 - 10)**
4. Schools Forum Appointment of Vice Chair
5. Schools Forum Membership
6. Update on National/Local funding issues (2020/21 and 2021/20) **(Pages 11 - 18)**
7. Schools Block (5-16 funding) 2021/22 - timeline & proposed consultation **(Pages 19 - 22)**
8. Scheme for Financing Schools (maintained) 2020/21 & proposed consultation **(Pages 23 - 84)**
9. Early Years Update
10. High Needs Block Deficit Strategy
11. SEND Quarterly Update
12. Update from Task Groups: Early Years, 5-16 and HNB
13. Academies Update
14. 2020/21 Forward Agenda Plan/Key Decisions Log **(Pages 85 - 90)**
15. Any Other Business

Slough Schools Forum - Meeting held on Tuesday, 14th July, 2020

Present: John Constable, Langley Grammar School (Chair)
Peter Collins, Slough & Eton Church of England Business and Enterprise College
Philip Gregory, Baylis Court Nursery School
Valerie Haffrey, Ryvers School
Kathleen Higgins, Beechwood Secondary School
Navroop Mehat, Wexham Court Primary School
Eddie Neighbour, Upton Court Grammar School (Observer)
Jon Reekie, Phoenix Infants
Jo Rockall, Herschel Grammar School
Jamie Rockman, Haybrook College
Neil Sykes, Arbourvale School
Maggie Waller, Holy Family Primary School

Observers: Eddie Neighbour, Upton Court Grammar School and Annie Wood, Funding Stakeholder Engagement Team, ESFA

Officers: Catherine Cochran, Michael Jarrett and John Wood and Susan Woodland

Apologies: Ray Hinds, Angela Mellish, Nicky Willis and Maxine Wood

The Chair welcomed everyone to the meeting, noting it had been some time since the last meeting and that this meeting was primarily for information to update members.

In particular, the Chair welcomed Susan Woodland upon her return to take up the role of Interim Group Accountant following the departure of Nic Barani in June, and to Annie Wood in the role of Observer from the ESFA.

Annie Wood introduced herself as a member of the Funding Stakeholder Engagement Team at the ESFA, who wished to support Schools Forums at this time: she would not be able to answer any questions during the meeting but would be able to feedback to colleagues if asked. All members of Schools Forum introduced themselves.

The attention of all those present was drawn to the meeting protocol which had been shared previously. It was noted the meeting would be recorded and all were in agreement.

Apologies were received from: Ray Hinds, Angela Mellish, Nicky Willis and Maxine Wood. There were no apologies from Carole Pearce, Kathy Perry or Coral Snowden. It was noted that Navroop Mehat would be late and that Peter Collins would need to leave at 3.10pm.

762. Any Other Business

Nothing was tabled.

763. Declarations of Interest

There were none.

764. Minutes of Previous Meeting held on 15 January 2020

The minutes of the Schools Forum meeting held on 15 January 2020 were agreed as a correct record, subject to the following amendments:

Under Those Present: please note the correct spelling of the surname Harffey.

Page 4, under High Needs: S215 should read S251.

Matters Arising from those Minutes: There were none.

765. Update on National/Local Funding Issues

It was confirmed there had been little change to funding since the last meeting, apart from costs related to Covid-19, which would be raised later on the agenda.

There had been one change to the Conditions of Grant for the DSG. A recovery plan was to have been submitted to the DfE by Tuesday 30 June. This date had now been relaxed, with criteria issued which should be adhered to if the ESFA requested certain information. The Schools Forum would be kept updated of any such activity.

766. Confirmation of School budgets 2020/21

It was noted that the final APT had contained one minimal variance compared to the version seen by Schools Forum, which related to an adjustment in pupil numbers at Grove Academy.

It was confirmed that all budgets had been shared with schools as scheduled.

767. Update on Growth Allocations/Issues

It was explained that the Growth Fund supported schools with funding for new places, due to the lag in funding. These funding amounts were reviewed annually by Schools Forum. In November 2019 Schools Forum had agreed the mechanisms for the year 2020/21 (for permanent new classes, bulge classes, numbers over PAN etc).

Appendix A of the report outlined the outturn figure for 2019/20, with the only change from previous versions being the removal of the contingency items. There was a carry forward of £284,000 which was higher than generally considered necessary. In 2020/21 the top slice would be £600,000 which it was considered would be sufficient.

It was noted the heading on Appendix B 'Estimated 2019/20 Requirements' should read '2020/21'. It was confirmed that St Mary's had now fully expanded, with Wexham School funded for 210 last year, their PAN had now expanded to 240 so they would be supported for one additional class. Funding for the underwriting of Grove Academy which the Local Authority (LA) had entered into with the DfE and had been raised over a number of years. It was noted it had been requested that

£47,000 be included for April through to August but Susan Woodland would be carrying out a piece of work to reconcile how that figure had been reached.

Grove Academy had reduced their admission number to 120 for September 2020 entry. It appeared that the DfE had been informed of this at the same time as the LA who had wanted an entry number of 150 for 2020/21. As this had been late, it was possible the DfE would not fund the class. The LA did not want the school to be underfunded so a line had been added to cover if the school should lose their case with the DfE. Schools Forum were advised primary numbers were increasing at Grove Academy although the new buildings were not ready, which could result in a third class having to be opened if there were sufficient successful appeals etc.

Members were alerted to the note on Appendix B indicating the AWPU amounts quoted would be checked and updates issued to ensure schools were clear (**NB:** revised papers issued 15 July 2020).

Appendices C & D had been included to give an indication of amounts which could be requested for future top slice.

It was explained that there was a large Year 6 cohort across the authority which was likely to create a need for bulge classes for Year 7. This issue would be discussed further by the LA with schools and SASH.

The underspend in 2019/20 was queried, along with that in 2018/19, both of which were in the region of £200,000+ and whether the correct amount had been allocated and how it would be used going forward. It was confirmed any underspend was rolled forward and reduced the top slice. £200,000+ would possibly be more than necessary but was dependent on whether it was used for contingency classes. It was for Schools Forum to ensure there was an appropriate mechanism in place to retain a contingency fund.

Tony Madden returned to Appendix B which allowed for a provisional primary class and a provisional secondary class, along with the fifth Year 7 class at Grove Academy, which would not be required if funded by the DfE. The underwriting would not come to Schools Forum until it reached 50% of the LA's obligation. The lowest possible carry forward could be £300,000 if none of those areas were required but it was probable the Year 7 bulge classes and the fifth Year 7 class at Grove Academy would be needed.

With regards to funding of the 150 places at Grove Academy it would be for the Academy to advise the LA and, if the DfE would not fund, the LA would release the monies. It could be too early for Schools Forum to decide whether they wished to transfer any of the funds to the DSG as it was anticipated these funds would be required.

It was added that the top slice had previously been reduced from £900,000 to £800,000 and as the amount was now in excess of that of the previous year, it was queried whether there would be a proposal to reduce the top slice further. It was hoped the top slice could be reduced to £750,000 or possibly £650,000 in the following year.

3.00pm: Tony Madden left the meeting

768. Annual DSG Report 2019/20

Schools Forum was updated on how the DSG had been utilised in 2019/20.

Schools Block: there was a carry forward balance due to a residual amount from the Growth Fund and a small underspend in 2019/20 giving an overall cumulative carry forward of £313,000.

Early Years Blocks: it was noted that the LA expected confirmation of the final adjustment to be received from the DfE by the end of the current month. The underspend was due mainly to DAF and Growth Fund: it was added that if the Growth Fund were not used it would normally be recouped by the ESFA.

Central Schools Services Block (CSSB): was showing an underspend because of an £18,000 carry forward due to Licenses last year, where it appeared the VAT refund had not yet been received from the DfE. Susan Woodland was following this up.

It was noted there were minor underspends on Admissions and Assist Management.

High Needs Block: currently showing a £14m overspend although this was reflective of a number of local authorities. A great deal of work had been undertaken by John Wood's team which was ongoing. John Wood's report would give more detail.

The Chair thanked Susan Woodland for the comprehensive report.

A member referred to the school balances contained within Table 5: concerns were expressed about Nursery funding, as three local nurseries were in deficit and it was queried whether there was any update available about long-term commitment. Susan Woodland explained there had not been any further updates regarding nursery funding and it was unknown whether the Maintained Nursery School (MNS) funding would continue beyond the current year. The LA was aware of concerns and had been in correspondence with local nurseries about the difficulties experienced in managing their budgets.

Michael Jarrett added that the concerns regarding MNS funding had been raised directly with the DfE via a webinar attended by representatives from a number of local authorities. The LA wanted to make informed decisions but there was uncertainty about the supplement and the settlement was awaited, which would enable that information to be shared with the nurseries: it was hoped these figures would be available by the end of the current month.

In addition, there was an issue attached to funding entitlements and confirmation was awaited on whether it would be funded on actuals or projections. Susan Woodland explained that a meeting held with the DfE in March/April had suggested funding would be on actual participation. It was pointed out that if this were to be the case there would be a severe impact on not just MNS but the whole EYFS sector. It was already known that families were adjusting the way in which they took up their entitlements.

It had been pointed out there were three particularly large school balances on Table 5 and it was queried whether this was a trend and if the LA had any concerns. Susan Woodland explained she had not had the opportunity to find out the reasons or the history behind these, due to budgeting pressures and Covid. However, it was confirmed the LA would not expect schools to be holding such large amounts of money and there was a piece of investigative work to be conducted to establish the reasons.

3.10pm: Peter Collins left the meeting

Phil Gregory thanked Susan Woodland and Michael Jarrett for highlighting the MNS issue and also thanked Schools Forum for having written to the Secretary of State outlining concerns in January 2019. It had continued to be difficult to manage financially, with the MNS settlement to the LA having been reduced by 33% and it was unknown how much could be cut back further. It was added that although nurseries sat within the EY sector, a number were maintained schools. The supplementary funding would only last until March 2021 and it was questioned whether nurseries would still be able to operate in the summer of 2021. Nursery colleagues would continue to work with the LA on their deficit budgets and it was anticipated there would be a need for difficult discussions.

Susan Woodland stressed it was hoped the DfE guidance on future funding would assist and the LA was aware of the pressure on nurseries. A piece of work was scheduled to be carried out around this issue.

Annie Wood agreed to pass on the concerns expressed about the long-term levels of concern about the future of maintained nurseries and the need for clarity.

With regards to High Needs, John Wood felt there was a need to review independent and out of borough spend which were showing two large increases. It was suggested the baseline budgets had not been lifted for a considerable time in line with demand and the reasons for this were yet to be followed up. Therefore, the budget was possibly not realistic and it might be considered it had been overspent. The majority of places were not a high cost so could be considered as part of the local offer.

It was queried whether there was a common theme as to why some young people were in independent or out of borough placements. It was explained the main reason was that the majority of local specialist places were full but there was possibly not yet the right balance. Such places were not too expensive or too far away, with a number being barely over the border charging no more than Slough schools. There was possibly no need for more special school places in Slough as it was queried whether the LA should be applying for a special free school. However, Slough was a small local authority with good special schools and all the evidence was not yet available.

A member added that, given the suggestion out of borough and independent were not more expensive, it meant High Needs was underfunded to which John Wood did not disagree. He added that maintained schools were uplifted, with a years' lag in funding, whereas independent places were commissioned, there was no planning for them. The creation of High Needs had historically been based on places, whilst

mainstream was based on population growth. High Needs was underfunded especially considering Slough's demographics.

Schools Forum noted the overall deficit on 2019/20 DSG which would be reversible on the next year's DSG.

769. High Needs/SEND Review Update 2020/21

John Wood explained he would be updating Schools Forum on three areas of work: the Centrally Retained Budget 2020/21 and minor changes, the DSG Recovery Plan and the Resource Base review.

Centrally Retained: a summary of changes put forward at the end of the last financial year had been included in the report made available prior to the meeting. There had previously been an issue for schools around the lack of support for the LA SEND team which had been raised at the January 2020 Schools Forum. This had now been addressed with funding allocated to appoint business support with a financial specialism, in order to give the necessary support. The other area was funding for SALT and LAC and some early interventions initiatives. The first line of the table circulated showed the additional funding for the business roll and hard to place pupils reduced in line with the revised protocol, where there had been double funding and a lack of clarity. The funding had been reduced in line accordingly. All reductions as listed were on the last 2 years actuals due to carrying vacancies and the money had been reinvested.

The increase in SALT for £252,000 was for the contract with Berkshire Healthcare Foundation Service, allowing a proposal for some additional local SALT support for local children. LAC budget was as based on the previous years' expenditure. The Post-16 advisor role had been in the previous budget and was to support those with EHCPs in their career options: an appointment had been made but they had left and the post was being retained. The net increase of these changes was £100,000 on the £2.3m although these were only interim measures as part of the DSG Recovery Plan.

DSG Recovery Plan: at the Schools Forum meeting in January a provisional brief had been shared prior to the LA's meeting with the ESFA on Wednesday 22 January. All those LAs with an overspend, above a certain amount on their DSG had been asked to submit such a DSG Recovery Plan to the ESFA. The LA's meeting had taken place as scheduled and this was now delayed feedback to Schools Forum. Overall, the meeting had been positive, with the brief made available as appendix A of the report provided for this meeting.

For 2020/21 High Needs was increased by £2m and it had been suggested if that funding were to go into the budget it would be of no immediate benefit and could be used for other projects. Such a move would delay recovery but could be beneficial long term and this approach had been agreed. The ESFA had acknowledged some of the pressures on Slough created by mobility, immigration issues, with half plus of cases to SEND panel being from the BME community. The ESFA had acknowledged these trends and were aware the increase in approval of requests for assessments was a national issue, reflecting more evidence of the increase in demand.

It had been noted that for some LAs it would be impossible to clear their deficits, but there was a need to demonstrate there was a robust plan in place.

The LA had not been able to commit as much to the recovery as had been planned due to Covid but additional staff support was to join the LA, with a focus on the DSG recovery work.

Resource Bases: the review had yet to be finalised and it was planned to adhere to the original timetable (as submitted to Schools Forum in January).

Discussion followed about the timing of the Resource Base review consultation with schools in September. John Wood confirmed It was planned to complete data analysis over the summer and to involve all schools, Resource bases and the High Needs Task Group. It was felt a wider-school consultation was required but it was acknowledged the timeline was 'tight'. Anything agreed would not take place before September 2021, but any such changes would need to be included in the 2021/22 budget. Ideally, John Wood explained the consultation would need to go out to schools early to mid-September for draft proposals to come back to the October meeting of Schools Forum. He added that some key issues had been identified such as the identity of Resource Bases and the difference between primary and secondary, but no recommendations could be carried out without presentation to Schools Forum.

The Chair confirmed the process for ratification of any proposals would be reviewed in line with the proposed meeting dates for Schools Forum.

John Wood confirmed that wider local provision had to be taken into account when commissioning places, as Slough could not rely on being self-sufficient. It might not be necessary to create additional places if Slough were able to commission places over the border.

770. Early Years Update

Michael Jarrett reported that one of the major issues was the budget uncertainty for nursery schools, which had already been highlighted.

The Early Years Task Group had met on Friday 31 January to discuss the Early Years Funding Formula. Four options had been agreed which had then been shared in consultation via Survey Monkey. Response had been excellent and there had been an overwhelming vote in favour of increases (effective from 1 April 2020). Entitlements had been agreed:

2-year olds: £5.59 to £5.67, an increase of £0.08 per hour
3/4 year olds: £5.38 to £5.49, an increase of £0.11 per hour
Deprivation: £0.75 to £0.72, a reduction of £0.03 per hour
Pupil Premium: to remain the same at 53p per hour

It was noted the increases had been well received by the Early Years sector and the 95% pass through rate had been maintained.

The major concern remained around the funding issues for the Autumn term 2020.

771. Impact of Covid-19 on School Finances: DfE Guidance on Exceptional Costs

Susan Woodland confirmed there were two main elements: £600m Catch Up as a one-off grant and £350m grant for a national tutoring programme for those most disadvantaged pupils during the year 2020/21.

It was explained that the DfE's Covid financial assistance element would not cover the loss of any self-generated income. The most likely costs to be reimbursed would be increased costs in premises, utilities, hygiene, additional cleaning, supporting FSM for eligible children etc.

There were limits on the possible funding available which were dependent on pupil numbers, with different elements for special schools and alternative provision.

There would not be as much support for Early Years as the DfE had been felt the DSG payment would continue and therefore the impact would not be as great on that sector. In the case of PPI nurseries, as they were not covered by the DSG, the DfE had considered they could apply for the business rate scheme. If they were not receiving private income they should have considered the job retention scheme and the furloughing staff.

Susan Woodland would follow up a member query on whether the Catch-Up funding would come into the LA, prior to being shared with maintained schools and confirmed there was Headteacher discretion on spending as long as the funding was spent on small groups.

It was pointed out that applications for funding were dependent on carry forward monies and members were advised to study the DfE guidance.

772. Impact of Covid-19 on School Finances: Local perspective

It was the overall feeling that schools would find their budgets difficult to manage in the following year due to the impact of Covid-19.

A Headteacher member pointed out it was regrettable that, if a school had underspent due to careful financial management in order to finance development needs, they would not be able to claim for exceptional costs incurred due to Covid-19. A number of schools had worked hard to build a small reserve, invariably to spend on a necessity for instance a new curriculum model in line with DfE and Ofsted requirements. The impact of Covid-19 would be felt longer term on school budgets and costs would continue, particularly if there were a second spike.

It was suggested the Catch-Up funding would not be helpful until more information were made available to support schools in planning for the new year.

Annie Wood agreed to take these two points back to the ESFA.

It was not expected that such balances would be added to a school's budget going forward but Susan Woodland agreed to investigate.

Update/confirmation since the meeting:

<https://www.gov.uk/government/publications/coronavirus-covid-19-financial-support-for-schools/school-funding-exceptional-costs-associated-with-coronavirus-covid-19-for-the-period-march-to-july-2020>

“Funding is available to schools that are unable to meet such additional costs from their existing resources, or which they could only meet by drawing down on reserves and undermining their long-term financial sustainability.

Schools are not eligible to make a claim against this fund if they expect to add to their existing historic surpluses in their current financial year (September 2019 to August 2020 for academies and April 2020 to March 2021 for maintained schools). This means schools cannot claim if they began their current financial year with an accumulated historic surplus and expect to increase that surplus this year and thereby finish the year with a higher level of reserves than they started.”

Schools Forum agreed to keep this issue under review.

773. Update from Task Groups: 5-16, HNB, Early Years (to include annual review of Terms of Reference)

The 5-16 Task Group had not met but a plan of work would be drawn up, in discussion with Susan Woodland, and a meeting date would be arranged for the Autumn Term.

The HNB Task Group had not met.

As noted, the Early Years Task Group had met on Friday 31 January.

Schools Forum **APPROVED** the Task Group Terms of Reference, without change, for the academic year 2020/21.

774. Academies Update

It was reported that Khalsa Primary School were in the process of applying for multi-academy trust status.

775. Election of Chair and Vice Chair

The Clerk informed the meeting that the Chair’s two-year term of office was due to end, adding that the Chair was willing to stand for a further two-year term. Schools Forum unanimously **ENDORSED** the reappointment of John Constable as Chair.

The Chair thanked members for their confidence.

As the Vice Chair was not at the meeting this item was deferred to the first meeting of the new academic year.

776. Forward Action Plan 2020/21 & Key Decision Log

Proposed Schools Forum meeting dates for the academic year 2020/21 had been tabled as follows:

2020

Thursday 1 October at 8.30am

Wednesday 2 December

2021

Tuesday 19 January

Wednesday 10 March

Thursday 13 May

Tuesday 6 July

These dates followed the traditional pattern, with a reserve meeting in May. It was noted that meetings were likely to be held virtually at least during the Autumn term. Attendees would be advised of meeting arrangements and informed of any date changes.

The Key Decisions Log was noted for information.

Nothing had been tabled for discussion under Any Other Business.

The Chair thanked everyone for their contributions and wished all a good summer.

(Note: The Meeting opened at 2.30 pm and closed at 4.05 pm)

**SLOUGH SCHOOLS' FORUM
2 October 2020**

Directorate of Children Learning and Skills

2021-22 Funding Announcements and Implications

1 PURPOSE OF REPORT

- 1.1 To update Schools Forum on the recent funding announcements from the DfE regarding the National Funding Formula and their implications for Slough for the 2021-22 financial year.

1 RECOMMENDATIONS

- 2.1 That Forum members note the report and any implications for the funding of schools for 2021-22 and consider them when deciding upon items for consultation.

3 BACKGROUND

- 3.1 In 2018-19 the government started the move to implement a national funding formula
- 3.2 Since the original announcement of the roll out of the NFF there have been a number of extensions to its implementation with formula 'Soft' years being extended. During this period the number of local authorities moving their local formulae to match the NFF has continued to increase. Due jointly to the continuing move by LA's towards the NFF and also the need for Central Government to concentrate of the Covid-19 crisis the DfE have announced that 2021/22 will also be a "Soft" year.
- 3.3 On the 30th August 2019 a press release was issued titled "Prime Minister boosts schools with £14 billion package", the release was jointly from the office of the Prime Minister, the Chancellor of the Exchequer and the Secretary of State for Education. This announcement covered funding for the next three years and promised an increase of £14.5bn, split as £2.6bn in 2020/21, £4.8bn in 2021/22 and £7.1bn in 2022/23. The additional £4.8bn is due in 2021/22.

4 Schools Block update

- There were minimal changes to how LA's may set the local formulae in 2021-22

The main changes are detailed below:-

- Guaranteed increase of 1.84% introduced in 2020/21 as part of PM and SoS for Education statements on Schools funding has been removed in 2021/22
- Every school allocated at least 2% more pupil-led funding per pupil compared to 2020/21 NFF baseline. (This is likely to include the additional teachers pay and pension grant as part of the guaranteed 2% increase).
- MFG must be set between +0.5% and 2.0%
- No change to Area Cost Adjustment (ACA)
- The basic units of funding which are used to calculate the DSG / LA allocation
 - Primary Unit of Funding (PUF)
 - increased from £4,216 to £4,492 (+£276)
 - Secondary Unit of Funding (SUF)
 - increased from £5,706 to £6,117 (+£411)
- Teachers Pay and Pension grants will be incorporated into the DSG. £180 added to primary pupil rates and £265 added to secondary pupil rates at both the DSG unit of funding level and the local formula level. These funds will be baselined in the DSG from 2021/22. As such they will be subject to normal Capping and MFG functions. While the minimum per pupil rates will rise to account for the £180 & £265 Teachers funding, MFG and Capping will apply to the whole of the School budget.
- Minimum per pupil funding to be employed in local formula
 - Primary from £3,750 to £4,000 (+£250). Plus an additional £180 for teachers pay and pension grants, making it a total of £4,180
 - Secondary KS3 from £4,800 to £4,950 (+£150). Plus an additional £265 for teachers pay and pension grants, making it a total of £5,215
 - Secondary KS4 from £5,300 to £5,450 (+£150). Plus an additional £265 for teachers pay and pension grants, making it a total of £5,715
- LA's may continue to transfer up to 0.5% of their schools block (excluding the additional funding allocated to the schools block for the teacher pay and pensions grants) with the permission of Schools Forum, which in essence equates to 0.48%
- Income Deprivation Affecting Children Index (IDACI)
 - 2019 data is now used rather than the 2015 data previously employed within the NFF.
 - The basis on which pupils are assigned to the seven bands has changed; it is now assigned based on rank rather than score. E.g. Band A, now consists of pupils in the most deprived 2.5% of lower super output area (LSOAs), instead of consisting of pupils in the LSOAs with an IDACI score greater than 0.5.
- Initial analysis indicates that Slough will see a reduction in allocation through IDACI, however more details are required to perform an accurate analysis of the extent of the reduction. These details are not currently available.

Since there is a positive increase in per pupil rates guaranteed within the NFF any reduction via IDACI should be mitigated in the short term as LAs cannot see a reduction in school per pupil rates for 2021/22 when calculating the DSG schools block.

5 Universal Catch-up premium & National Tutoring Programme

- £1bn of funding announced split into two sections
 - **£650m Universal Catch-up Premium**
 - Only available for 2020/21
 - Excludes Nurseries
 - £80 per pupil (R to Yr11 - mainstream schools) / £240 per place for Special, AP & Hospital schools.
 - **Tranche 1** - Paid Autumn 2020
 - **Tranche 2** -
 - Mainstream schools - Paid early 2021 (based on October 2020 School Census pupil figures) - Takes account of Tranche 1 payments to reconcile funding at £46.67 per pupil over Tranches 1 & 2
 - Special, AP & Hospital schools - Paid early 2021 & takes account of Tranche 1 payments to reconcile funding at £140 per place over Tranches 1 & 2
 - **Tranche 3** -
 - £33.33 per pupil for mainstream schools
 - £100 per place for Special, AP & Hospital schools
 - School leader must account for how money is spent - Government guidelines available
 - **£350m National Tutoring Programme**
 - 5 to 16 Programme
 - For State funded Primary & Secondary Schools
 - From Second half of autumn term 2020
 - Portal opening to allow schools to register their interest to participate
 - Two parts
 - Tuition partners - access subsidised tuition form approved list of tuition partners
 - Schools in most disadvantaged areas supported to employ in-house academic mentors to provide small group tuition to their pupils.
 - There will be a 16 to 19 fund for school sixth forms, colleges & 16-19 providers

6 Central Schools Service Block

- 6.1 The CSSB will continue in two parts for 2021-22
- Historic Funding

- Continuation of reducing Historic spend. For 2021/22, a reduction of 20% on 2020/21 Allocation. (£62,400 to £49,920)
- On-going Funding
 - National increase in total funding of 3.8%.
 - Per pupil increased from £21.56 to £22.95 (+£1.39)
 - LA protection rates; loss capped at -2.5% per pupil and gains capped at 6.45% per pupil.
 - Any additional pension funding claimed by LA's for centrally employed teachers will be added as an additional per pupil rate adjustment to DSG later in year.
 - No change to Area Cost Adjustment rates for CSSB.

6 High Needs Block

6.1 High Needs Education Funding

- Local authorities will receive an increase of between 8% and 12% in their high need education funding allocation.
- Slough should expect to see an increase of £2,488,503 from £25,649,030 in 2020/21 to £28,137,533 in 2021/22
- The allocation includes an adjustment to account for the changes in the proportion of young people who are educated in/out of the borough - £480,000 (Slough is a net exporter of pupils), although this element will be change throughout the year.

7 Early Years Funding

- No updates have been made to the Early Years funding for 2021/22 at this time

8 **Appendix A** shows a comparative illustration for Slough based on changes from the 2020-21 financial year to the 2021-22 financial year.

9 ALTERNATIVE OPTIONS CONSIDERED

9.1 No alternative options were considered.

10 SUPPORTING INFORMATION

10.1 Not applicable

11 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

11.1 Monitoring Officer

The relevant legal provisions are contained within the main body of this report.

11.2 Section 151 Officer – Strategic Director of Resources

The financial implications of the report are outlined in the supporting information.

11.3 Access Implications

There are no access implications.

12 Consultation

A consultation will be held with schools during the Autumn term.

Contact for further information

Susan Woodland

Interim Group Accountant – Children and Schools

Susan.woodland@slough.gov.uk

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Appendix1

#	Element	2020/21 DfE –	NFF with ACA applied (1.05694)	Slough Current Rates 2020/21	2021/22 DfE –	NFF with ACA applied (1.05694)	Base increase	Increase after ACA	Variance Slough 2020-21 rates to NFF Rates 2021-22
		NFF Factor Value			NFF Factor Value				
1	AWPU: Primary per pupil	£2,857.00	£3,019.68	£3,249.33	£3,123.00	£3,300.82	£266.00	£281.15	£51.49
2	AWPU: KS3 per pupil	£4,018.00	£4,246.78	£4,419.49	£4,404.00	£4,654.76	£386.00	£407.98	£235.27
3	AWPU: KS4 per pupil	£4,561.00	£4,820.70	£4,936.20	£4,963.00	£5,245.59	£402.00	£424.89	£309.39
4	FSM: Primary per pupil	£450.00	£475.62	£604.58	£460.00	£486.19	£10.00	£10.57	-£118.39
5	FSM: Secondary per pupil	£450.00	£475.62	£475.62	£460.00	£486.19	£10.00	£10.57	£10.57
6	FSM6: Primary per pupil	£560.00	£591.89	£591.89	£575.00	£607.74	£15.00	£15.85	£15.85
7	FSM6: Secondary per pupil	£815.00	£861.41	£1,016.18	£840.00	£887.83	£25.00	£26.42	-£128.35
8	IDACI Band A: Primary per pupil	£600.00	£634.16	£634.16	£620.00	£655.30	£20.00	£21.14	£21.14
9	IDACI Band A: Secondary per pupil	£840.00	£887.83	£887.83	£865.00	£914.25	£25.00	£26.42	£26.42
10	IDACI Band B: Primary per pupil	£435.00	£459.77	£611.84	£475.00	£502.05	£40.00	£42.28	-£109.79
11	IDACI Band B: Secondary per pupil	£625.00	£660.59	£992.24	£680.00	£718.72	£55.00	£58.13	-£273.52
12	IDACI Band C: Primary per pupil	£405.00	£428.06	£560.77	£445.00	£470.34	£40.00	£42.28	-£90.43
13	IDACI Band C: Secondary per pupil	£580.00	£613.03	£871.64	£630.00	£665.87	£50.00	£52.85	-£205.77
14	IDACI Band D: Primary per pupil	£375.00	£396.35	£500.19	£410.00	£433.35	£35.00	£36.99	-£66.84
15	IDACI Band D: Secondary per pupil	£535.00	£565.46	£810.86	£580.00	£613.03	£45.00	£47.56	-£197.83
16	IDACI Band E: Primary per pupil	£250.00	£264.24	£355.57	£260.00	£274.80	£10.00	£10.57	-£80.77
17	IDACI Band E: Secondary per pupil	£405.00	£428.06	£635.26	£415.00	£438.63	£10.00	£10.57	-£196.63
18	IDACI Band F: Primary per pupil	£210.00	£221.96	£221.96	£215.00	£227.24	£5.00	£5.28	£5.28
19	IDACI Band F: Secondary per pupil	£300.00	£317.08	£317.08	£310.00	£327.65	£10.00	£10.57	£10.57
20	LPA: Primary per pupil	£1,065.00	£1,125.64	£1,113.48	£1,095.00	£1,157.35	£30.00	£31.71	£43.87
21	LPA: Secondary per Pupil	£1,610.00	£1,701.67	£1,806.75	£1,660.00	£1,754.52	£50.00	£52.85	-£52.23
22	EAL3: Primary per pupil	£535.00	£565.46	£565.46	£550.00	£581.32	£15.00	£15.85	£15.86
23	EAL3: Secondary per pupil	£1,440.00	£1,521.99	£1,521.99	£1,485.00	£1,569.56	£45.00	£47.56	£47.57
24	Mobility: Primary per pupil	£875.00	£924.82	N/A	£900.00	£951.25	£25.00	£26.42	
25	Mobility: Secondary per pupil	£1,250.00	£1,321.18	N/A	£1,290.00	£1,363.45	£40.00	£42.28	
26	Lump Sum	£114,400.00	£120,913.94		£117,800.00	£124,507.53	£3,400.00	£3,593.60	£124,507.53
	Lump Sum Primary			117,777.85					-£117,777.85
	Lump Sum Secondary			125,277.85					-£125,277.85

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SLOUGH SCHOOLS' FORUM

2 October 2020

Directorate of Children Learning and Skills

Timeline for 2021-22 Funding Consultation

1 PURPOSE OF REPORT

- 1.1 To agree with Schools Forum the items which schools will be consulted on for the 2021-22 financial year. .

1 RECOMMENDATIONS

- 2.1 That Forum members agree to consult on the proposed following items:

- The CSSB
 - Movement towards a full NFF
 - Block transfer from HNB to SB and CSSB
 - Block transfer from SB to HNB
- And
- Agree dates for Task group meetings and consultation

3 BACKGROUND

- 3.1 Each year local authorities are required to consult with all schools on the funding of items within the CSSB.
- 3.2 In 2020-21 schools and Schools Forum agreed to move 85% towards a full NFF. Schools will be consulted with on any further movement for 2021-22.
- 3.3 In 2019-20 it was agreed after consultation and discussion with Schools Forum not to transfer the permitted 0.5% from the Schools block to the High Needs block to mitigate some of the high needs overspend. It is proposed that schools are asked the same question for the 2021-22 financial year but as will be explained in the 2021-22 update paper this will be limited to 0.48%.

4 Central Schools Services Block (CSSB)

- 4.1 The items contained within this block are the same as in 2020-21 but the budget allocations to each area may be subject to change and will be resultant on the agreement to transfer funding from the HNB as in previous years to in order to rebalance the incorrect base funding from 2017-18.

5 Schools Block (SB)

- 5.1 The consultation will seek consensus from schools as to whether they wish to move further towards an NFF or remain at their current position and also whether they wish to make the permitted transfer from the schools block to the high needs block to mitigate some of the overspend in the high needs block.
- 5.2 In order to have the results of the consultation in time for consideration with the 5-16 task group and to model any additional proposals in time for the December Forum meeting the proposed dates for discussion are as follows;
- 2 October agree items for modelling and consultation
 - Task group meeting w/c 19 Oct or sooner depending on the quantity of modelling required
 - Consultation distributed to schools by 30 October at the latest with a 2 week completion deadline
 - Second meeting of the task group to discuss results and make any amendments w/c 12 November or sooner depending on the date of consultation.
 - 2 December final decisions to be made in principal based on the consultation for the 2021-22 financial year.
 - All modelling will be subject to the final DSG allocation.

7 ALTERNATIVE OPTIONS CONSIDERED

- 7.1 No alternative options were considered.

8 SUPPORTING INFORMATION

- 8.1 Not applicable.

9 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

- 9.1 Monitoring Officer
The relevant legal provisions are contained within the main body of this report.
- 9.2 Section 151 Officer – Strategic Director of Resources
The financial implications of the report are outlined in the supporting information.
- 9.3 Access Implications
There are no access implications.

10 Consultation

A two week consultation will be launched in October 2020.

Contact for further information

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Interim Group Accountant – Children and Schools

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**SLOUGH SCHOOLS' FORUM
2 October 2020**

Directorate of Children Learning and Skills

The Scheme for Financing Schools

1 PURPOSE OF REPORT

- 1.1 To inform Schools Forum of the directed revision made by the Secretary of State for Education instructing an amendment to all authority schemes effective as of April 2020.
- 1.2.1 To advise Forum on of the changes between version 10 of the Statutory Guidance, Scheme for Financing Local Authority Maintained Schools issued by the Department for Education (DfE) covering financial year 2019/20 and version 11 of the guidance, covering financial year 2020/21.

2 RECOMMENDATIONS

- 2.1 That Forum members representing maintained schools **approve** the proposed amendments and changes to the Scheme that accompanies this report.

3 BACKGROUND

- 3.1 Local Authorities are required to publish Schemes for Financing Schools setting out the financial relationship and associated issues, binding on both the authority and on the schools they maintain.
- 3.2 In making any changes to their Schemes, local authorities must consult all maintained schools in their area and receive the approval of the members of their Schools Forum representing maintained schools.

4 Publication of the Scheme

- 4.1 The Scheme must be published on a website which is accessible to members of the public, which can be found on the following link:

<http://www.slough.gov.uk/council/strategies-plans-and-policies/school-governance-management-and-finance.aspx>

5 THE SCHEME FOR FINANCING SCHOOLS 2020-21

- 5.1 A revised Scheme for Financing Schools can be found at **Appendix A**. The DfE no longer publish copies of the Scheme, they now use an html page, which can be found on the following link:

<https://www.gov.uk/government/publications/schemes-for-financing-schools/schemes-for-financing-local-authority-maintained-schools>

7 ALTERNATIVE OPTIONS CONSIDERED

7.1 No alternative options were considered.

8 SUPPORTING INFORMATION

8.1 Not applicable

9 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

9.1 Monitoring Officer

The relevant legal provisions are contained within the main body of this report.

9.2 Section 151 Officer – Strategic Director of Resources

The financial implications of the report are outlined in the supporting information.

9.3 Access Implications

There are no access implications.

10 Consultation

A two week consultation will be launched in October 2020.

Contact for further information

Susan Woodland

Interim Group Accountant – Children and Schools

Susan.woodland@slough.gov.uk

**Slough Borough Council
Directorate of Children Learning and Skills**

**Scheme
For Financing Schools**

2020/2021



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Council Financial Regulations January 2000

(Note: these regulations apply to schools, providing they are not inconsistent with anything included within this Financial Scheme).

SECTION 1: INTRODUCTION

1.1 The Funding Framework: Main Features

- 1.1.1 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 (SSFA), 1998.
- 1.1.2 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).
- 1.1.3 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
- 1.1.4 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.).

- 1.1.5 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).
- 1.1.6 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.
- 1.1.7 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.

1.2 The Role of the Scheme

- 1.2.1 The scheme sets out the financial relationship between the authority and the maintained schools it funds. It includes requirements relating to financial management and associated issues binding on both the authority and schools.

Role and Responsibilities of Governing Bodies

- 1.2.2 Within the statutory national and local framework the governing body controls the running of a school with a delegated budget. This includes the following responsibilities:
 - To approve the first formal budget plan of each financial year.
 - To deploy resources freely within the school's budget, subject to the conditions of the scheme.
 - To determine the number of teaching and non-teaching staff at the school, and select for appointment and be able to require dismissal, taking account of the professional advice of the Chief Education Officer and the Head Teacher.
 - In the light of new legislation, to agree with the local authority targets for the school and the local authority, as part of the movement for continuous school and local authority improvement.

- To develop and implement the School Development Plan, in consultation with the Head Teacher and within the general conditions and requirements of the local authority's scheme. In developing such a Plan, the governors need to take account of all their responsibilities, including the implementation of the National Curriculum, and ensuring that appropriate provision is available for all pupils with special educational needs, with or without a statement.
 - To ensure that the requirements specified in a child's statement of special educational needs are met by the school. This may include the provision of appropriate outreach and integration facilities, in accordance with each child's statement of special educational needs.
- 1.2.3 Where there are regularly other staffs on site in a school e.g. health authority personnel, whilst the day to day management of these staff is within the Head Teacher's remit, the governing body has no entitlement to suspend such staff.
- 1.2.4 In the case of special schools, where a member of the school's staff accompanies its pupils to a mainstream school for outreach/integration purposes, the member of staff remains within the overall management of the special school.
- 1.2.5 The governors may, as far as is permitted in this scheme, delegate to the Head Teacher their powers in relation to any part of the delegated budget.

Role and Responsibilities of the Head Teacher

- 1.2.6 Fair Funding gives Head Teacher's power to match their responsibilities.

These powers include the following:

- To manage the school in accordance with the policies of the governing body and the local authority.
- To offer advice and support to the governing body.
- To provide the governing body with a draft budget plan for formal approval and to be responsible to the governing body for the management of the school's budget share in accordance with the extent of delegation agreed by the governing body.
- To have a key role in helping the governing body formulates the School Development Plan and in securing its implementation with the collective support of the school's staff.

- To be responsible for the day to day management of all aspects of the school's work, including provision for children with special educational needs, and to keep the governing body fully informed.

1.2.7 Application of the Scheme to the authority and maintained schools

As a description of its institutional coverage, the scheme should state that it applies in respect of all community, nursery, voluntary, foundation, community special or foundation special schools and pupil referral units (PRUs) maintained by the authority.

1.3 Publication of the scheme

- 1.31 The Scheme for Financing Schools will be published on the Slough Borough Council website by the date any revisions come into force, together with a statement that the revised scheme comes into force on that date.

1.4 Revision of the scheme

- 1.4.1 Proposed revisions to the Scheme will be the subject of consultation with the Head Teacher and governing body of every school maintained by the authority before they are submitted to Schools Forum for approval.
- 1.4.2 Where Schools Forum does not approve revisions or approves them subject to modifications which are not acceptable to the authority, the authority may apply to the Secretary of State for approval.
- 1.4.3 It is also possible for the Secretary of State to make directed revisions to schemes after consultation. Such revisions become part of the scheme from the date of the direction.

1.5 Delegation of powers to the Head Teacher

- 1.5.1 The governing body shall consider the extent to which it wishes to delegate its financial powers to the Head Teacher, and to record its decision (and any revisions) in the minutes of the governing body. The authority may suggest a desirable level of delegation to Head Teachers, but the adoption of such recommendations is not mandatory on schools.

1.6 Maintenance of schools

- 1.6.1 The Council is responsible for maintaining schools covered by the scheme. This includes the duty of defraying all the expenses maintaining them (except in the case of a VA school where some expenses are, by statute, payable by the governing body). Part of the way an authority maintains schools is through the funding system put in

place under sections 45 to 53 of the Schools Standards and Framework Act 1998.

SECTION 2: FINANCIAL REQUIREMENTS AND AUDIT

2.1 General Procedures

2.1.1 Application of financial controls to schools

Schools must abide in the management of their delegated budgets by the authority's requirements on financial controls and monitoring. These are set out below in summary and in more detail in the schools' financial regulations which should be in accordance with the council's financial regulations and standing orders issued to schools.

2.1.2 Provision of financial information and reports

Schools shall provide the authority with timely details of anticipated actual expenditure and income, assets and liabilities, in a form and at times determined by the authority. Income and expenditure reports shall be submitted quarterly except for VAT and other taxation returns shall be provided more frequently. If the council does require income and expenditure report more frequently, the school will be notified in writing that in the authority's view the school's financial position warrants closer monitoring or the school is in its first year of operation.

The authority may determine whether this information is on a cash or accruals basis. This information will be used for the purpose of consolidation into the authority's management and statutory accounts, and to enable prompt accounting for taxes due to the authority. Returns should therefore be fully verifiable and reconciled. Where the authority has good reason to doubt the validity of information it will be entitled to obtain independent verification, take corrective action and charge the school's budget share accordingly.

2.1.3 Payment of salaries; payment of bills

The school will be responsible for the correct payment of all salaries, bills and relevant taxes relating to its budget share unless the authority has agreed to perform this on behalf of the school through a separate service level agreement. Any costs including penalties, legal or administrative costs incurred by the authority as a result of a school's none or late payment of bills or salaries will be charged to the school's budget share.

2.1.4 Control of assets

Schools shall maintain an inventory of its moveable non-capital assets, including furniture, fittings, equipment, plant and machinery, in a form and to such an extent as may be prescribed by the Director of Finance and Resources. For assets worth less than £1,000 the school must keep a register in some form but is free to determine that form.

2.1.5 The scheme should encourage schools to register anything that is portable and attractive, such as a camera.

2.1.6 Accounting Policies (including year-end procedures)

Schools will comply with the authority's accounting policies when providing financial information to the authority under 2.2 above. These can be found in the schools financial regulations plus supplementary information provided at the year-end. This includes the requirements for consistent financial reporting.

2.1.7 Writing off of debts

Governing bodies may write off debts in accordance with an agreed policy determined by the governing body, up to £500, after all reasonable practicable steps have been taken to recover amounts due. Debts in excess of £500 should be referred to the Strategic Director of Finance and Resources who may decide to seek recovery and charge the costs of recovery against any amounts recovered.

2.2 Basis of accounting

2.2.1 The reports and accounts furnished by schools to Slough Borough Council can be on either a cash or accruals basis; but the authority cannot impose either system on schools' internal systems.

2.2.2 The intention behind this provision is to ensure that although the authority should be able to have reports furnished on the basis they need, they should not be able to dictate to schools how they organise their accounts. This means in particular that schools should be able to use what financial software they wish, provided they meet any costs of modification to provide output required by the authority.

2.3 Submission of budget plan

2.3.1 Governing bodies must prepare and formally adopt a budget plan in accordance with the SFVS, which reconciles with their total budget allocation and is realistically achievable given known facts and likely future events. Schools must take full account of estimated deficits / surpluses at the previous March 31 in their budget plan.

- 2.3.2 The Approved budget plans should be notified to the authority in a standard format determined by the authority together with a copy of the relevant minutes of the governing body approving the plan by May 31 of the financial year to which the budget relates. The budget plan will include a statement of the School Development Plan financial implications underpinning the budget; planned use of historic balances and of the projected end of year balance. The authority may also require the governing body to submit revised budget plans once every three months, from the anniversary of 31 May
- 2.3.3 The governing body must also prepare and submit, if requested by the authority, any supporting financial schedules verifying the budget plan. This may include, for example, an analysis of salary expenditure.
- 2.3.4 The authority will supply schools with any income and expenditure data which it holds which is necessary for efficient budget planning by schools. The authority shall provide an annual statement of when this information shall be made available through the year.
- 2.3.5 Schools must accept responsibility for the proper allocation and coding of their income and expenditure to ensure the CFR standards are met.

2.3.6 Submission of Financial Forecasts

Schools **must** provide the authority with a financial forecast covering each year of a 3 year budget plan annually by 31 May. This should be linked to any school improvement plan the authority require the school to implement

One of the aims of the three year plan is to show that the school has a sustainable and stable budget. This means that the school is not incurring a level of spending higher than its income, for year after year, by running down balances, or going into deficit. The 3 year financial forecast will assist schools in their financial management and can be used as evidence to support the LA's assessment of Schools Financial Value Standards and/or used in support of the authority's balance control mechanism.

2.4 School Resource Management

- 2.4.1 Schools must seek to achieve value for money and efficiencies to optimise the use of their resources and to invest in teaching and learning, taking into account the council's purchasing, tendering and contracting requirements outlined in Section.
- 2.4.2 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, so it is important for schools to review their current expenditure, compare it to other schools, and think

about how to make improvements. The process of purchasing with due regard to value for money and the procedure for purchasing should be stated in the school's finance procedures manual and reviewed by the governing body annually.

2.5 Virement

- 2.5.1 Schools may vire freely between expenditure and income budget heads within their budget shares. Governors must determine a policy and procedure for authorising virements between budget heads, including financial limits above which the approval of the governors is required. To maintain accurate budgetary control, budget virements should be updated on the school's financial system at the earliest opportunity.

2.6 Audit: General

- 2.6.1 Schools shall be part of the internal and external audit arrangements of the Council as determined by the Strategic Director of Resources and the Public Sector Audit Appointments Ltd (PSAA) the statutory body that replaced the Audit Commission in 2016. Schools shall co-operate with all the requirements of the auditors, both internal and external and should provide full access to the school's records including the pupil register. Where auditors, as a result of inadequate records, incur additional time and costs, or there is unreasonable non co-operation by schools these costs will be charged to the school's budget share.

2.7 Separate external audits

- 2.7.1 In instances where a school wishes to seek an additional source of assurance at its own expense, the governing body is permitted to spend funds from its budget share to obtain external audit certification of its accounts, separate from any LA internal or external audit process. Where a school chooses to seek such an additional audit it does not remove the requirement that the school must also co-operate with the LA's internal and external auditors.

2.8 Audit of voluntary and private funds

- 2.8.1 Schools must have their voluntary and private funds audited annually. Auditors should be suitably qualified and experienced for the task they have undertaken. Schools must obtain an audit certificate/statement confirming that an audit has been carried out and that in the auditor's view the funds are properly maintained and accounted for. Schools must provide copies of audit certificates, for all voluntary and private funds held by the school and of the accounts of any trading organisations controlled by the school, to the LA annually. A school refusing to provide audit certificates to the LA as required by the

scheme is in breach of the scheme and the LA may take action on that basis.

2.8.2 Schools are required to advise Schools Finance Team of any trading organisations controlled by the school that are not operated as part of their official or unofficial funds.

2.8.3 The administration of the “Private” or “Unofficial” funds should be of the same high standard as for the main delegated budget. The operation of these funds needs to conform to the LA Financial Regulations.

2.9 Register of business and other interest

2.9.1 The governing body of each school is required to maintain a register which lists for each member of the governing body and the Head Teacher:

- Any business interests they or any member of their immediate family have
- Details of any other educational establishments that they govern
- Any relationships between school staff and members of the governing body

2.9.2 The register should be kept up to date with notification of changes and the entries should be reviewed annually. The register should be available for inspection by the LA, governors, staff and parents and should be published, for example, on a publicly accessible website. The LA has a model 'Code of Conduct' for staff that covers this area and this has been recommended to schools (it suggests that all staff declare business interests – or at least those in a position to make financial decisions). Declaration of any pecuniary interests should also be made at governors meetings and minuted.

2.10 Purchasing, tendering and contracting requirements.

2.10.1 Schools must comply with the provisions in the authority’s Financial Regulations and standing orders with regard to purchasing, tendering and contracting matters (along with all other requirements) except where they specifically do not apply to schools. This will include a requirement to assess in advance, where relevant, the health and safety competence of contractors, taking into account the authority’s policies and procedures.

2.10.2 However, schools must not do anything incompatible with any of the provisions of this scheme, or any statutory provision, or any EU Procurement Directive.

Schools must:

- comply with any statutory provision or any EU Procurement Directive;
- Seek local authority approval i.e. countersignature, for any contract for goods and services for a value more than £60,000.
- Seek at least three tenders in respect of any contract with a value exceeding £10,000 in any one year.

2.10.3 Schools may seek advice on a range of compliant deals via [Buying for schools](#)

2.11 Application of contracts to schools

2.11.1 Schools have the right to opt out of Council arranged contracts except where they have lost that right for particular contracts in accordance with a specified procedure, (e.g. failure to obtain insurance to the minimum level specified the Council or for non-compliance with conditions relating to delegation or legislation). In such cases schools would be bound into the contract for its length unless such a contract contains clauses allowing variance of its terms and conditions.

2.11.2 Although governing bodies are empowered to enter into contracts, in most cases they do so on behalf of the authority as maintainer of the school and the owner of the funds in the delegated budget share. In certain cases, governing bodies enter into contracts solely where the governing body has clear statutory obligations e.g. staff employment contracts in aided or foundation schools.

2.12 Central funds and earmarking

2.12.1 The local authority can make sums available to schools from central funds, in the form of allocations, which are additional to and separate from the school's budget share. Such allocations will be subject to conditions setting out the purpose or purposes for which the funds may be used, and will be known as 'earmarked funds'.

2.12.2 Earmarked funds should only be spent for the purposes for which they are given and although in specified cases virement may be permitted this should never be to the point of assimilation into the general school budget share.

2.12.3 There should be accounting mechanisms in place for schools to be able to demonstrate that these requirements have been complied with. Earmarked funds may include a condition that any funds not spent in

year or within the period, over which schools are allowed to use the funding if different, must be returned to the authority. The authority must not make any deduction from payments to schools of devolved or specific grant, in respect of interest costs to the local authority.

2.13 Spending for the purposes of the school

2.13.1 Although s.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.

2.13.2 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.

2.13.3 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.

This scheme does not permit schools to spend their school budget share on:

- activity, publicity or propaganda against Slough Borough Council
- Any form of activity which is designed to attract pupils to the school which uses misleading information or is otherwise factually incorrect, and necessitates corrective action by the local authority.

2.13.4 Schools not adhering to this will be penalised by an amount equivalent to the costs incurred on the activity and any costs incurred by the local authority in seeking to remedy the effects of such activities.

2.13.5 Governing bodies are free to spend budget shares 'for the purposes of the school', subject to regulations made by the Secretary of State and any provisions of this scheme. Schools are permitted to spend their budget shares on community facilities or services (see section 13.1) and on pupils who are on the roll of other maintained schools.

2.14 Capital spending from budget shares

2.14.1 Where capital expenditure is undertaken from the school budget share the authority may require that it be notified of the proposed expenditure and take into account any advice from the Director of Children Learning and Skills as to the merits of the proposed expenditure. This will only apply if the expected capital expenditure exceeds £20,000. Where premises are owned by the council, or the school has voluntary controlled status, the governing body is required to seek the consent of the council for any proposed capital works; such consent can only be withheld on health and safety grounds.

2.14.2 The reason for these provisions is to help ensure compliance with the specific legislation.

2.15 Notice of Concern

2.15.1 The authority does have the right to issue a Notice of Concern (Notice) to any of its maintained schools. The authority may issue a Notice of concern to the governing body of any school it maintains where, in the opinion of the Chief Finance Officer and the Director of Children's Services, the school has failed to comply with any provisions of the scheme, or where actions needs to be taken to safeguard the financial position of the authority or the school. The Notice may place on the governing body restrictions, limitations or prohibitions in relation to the management of funds delegated to it.

2.15.2 The Head Teacher of the school will be notified in advance of the proposed Notice and issues that the local authority has. The 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

- 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
- 2.15.3 The Notice will clearly state what these requirements are, how it can be rectified and the date it must be rectified by, in order for the Notice to be withdrawn. It will also state the actions that the authority may take where the Head Teacher does not comply with the Notice, which will include issuing this Notice to the governing body stating the action that will be taken if they do not comply.
- 2.15.4 The purpose of this provision is to enable a local authority to set out formally any concerns it has regarding the financial management of a school it maintains and requires a governing body to comply with any requirements it deems necessary. The principal criterion for issuing a Notice, and determining the requirements included within it, must be to safeguard the financial position of the authority or school.
- 2.15.5 This provision is not intended to be used in place of withdrawal of financial delegation where that is the appropriate action to take; it is included to provide 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.
- 2.15.6 Where the council has issued a Notice it will be withdrawn once the governing body has complied with the requirements it imposes.

2.16 Schools Financial Value Standard (SFVS)

- 2.16.1 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. It is for the school to determine at what time in the year they wish to complete the form.
- 2.16.2 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.
- 2.16.3 All maintained schools with a delegated budget are required by Slough to submit the form to the local authority annually by 18 December (or the last day of autumn term whichever is earlier). This earlier deadline will allow Slough sufficient time to audit the information prior to DfE deadline of 31 March

2.17 Fraud

2.17.1 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 head teacher 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 those controls. This information must also be included in the induction for new school staff and governors.

SECTION 3: INSTALMENTS OF THE BUDGET SHARE; BANKING ARRANGEMENTS

3.1 Frequency of instalments and banking arrangements

The frequency of instalments of the budget share will depend upon the banking arrangements chosen by the school as set out in the table below. These may be revised from time to time.

Option	Bank Account	Funds Paid Over	Accounting	Instalment
1	Own	Non-Staffing	SBC	1 of month, or nearest working day prior
2	SBC	Non-Staffing	SBC	On receipt of Imprest claim
3	Own	All	Own	The Monday before the last Thursday of the month
4	SBC	All	Own	The Monday before the last Thursday of the month

Notes:

- a If a school wishes the Council to keep its accounts through a service level agreement it must choose either option 1 or 2. If a school wishes to maintain its own accounts then it must choose either option 3 or 4.
- b If a school wishes to make its own arrangements for payroll then it must also keep its own accounts, and choose either option 3 or 4.
- c The payment date of the Monday before the last Thursday of the month may be varied by negotiation between schools and the authority.

Top up payments for pupils with high needs should be made on a monthly basis unless alternative arrangements have been agreed with the provider.

3.2 Proportion of budget share payable at each instalment

3.2.1 The budget share payable will be calculated as follows:

- a Option 1: Equal twelfth, of the non-staffing budget calculated from the school budget plan, plus an estimate of VAT (currently 20%), less payments to the Council for business rates and certain services provided by the Council where this is agreed as part of the service level agreement or other contract with the school, less any relevant previous year-end balance. The initial estimate of non-staffing expenditure prior to the receipt of the budget plan will normally be 15% of the budget. Payments will not normally be made for budgeted non-staffing expenditure in excess of 30% of the budget share within the first nine months of the financial year. Where the Council also provides payroll, the April instalment will be reduced to reflect that payment is made one month in arrears.
- b Option 2: Claim made on the Imprest return
- c Options 3 & 4: Equal twelfths of the budget share less payments to the Council for rates and certain services provided by the Council where this is agreed as part of the service level agreement or other contract with the school, less any relevant previous year-end balance.

3.2.2 There will be additions or deductions to the standard monthly payment for in-year budget changes, such as new statements and excluded pupils, and re-imbursements of such items as VAT (from a monthly return provided by the school).

3.2.3 Where the authority is entitled to charge the school's budget share in relation to costs incurred on its behalf these will be deducted from the following month's instalment. Where there has been non-payment of invoices to the authority under a service level agreement the amount outstanding will be deducted from the instalment following the lapse of 90 days from the original invoice date or due date which is later.

3.2.4 The authority will give written notice of this. Where a school changes bank account, the carry forward will be transferred at the point at which the new account opens or on the next monthly payment date.

3.3 Interest and Payroll

- 3.3.1 For option 3 and 4 schools using the Council payroll service the gross cost of the payroll will be charged to the next monthly payment. No interest will be credited to schools for the interest earned by the Borough on the tax, National Insurance and superannuation contributions not due to be paid over until after the pay date

3.3.2 Interest on late budget share

The Council will add interest to late payments of budget share instalment, where such payments are late because of Council error. The interest rate will be at least the Bank of England base rate or that used for clawback calculations. For the purposes of this clause, 'late' means after the last Thursday of the month.

3.4 Budget shares for closing schools

- 3.4.1 The local authority has a Cabinet approved policy for implementing school closures. The full document is available on the Slough schools intranet. Where approval has been granted for the discontinuation of a school, or part of, instalments of the budget share may be made on a monthly basis net of estimated pay costs, even where a different basis had previously been agreed.

3.5 Bank and Building society accounts

3.5.1 Restrictions on Accounts

All schools will have a bank or building society account, which will be in the name of the school. However, if a school has such an account the scheme should require that the account mandate provides that the authority is the owner of the funds in the account; that it is entitled to receive statements; and that it can take control of the account if the school's right to a delegated budget is suspended by the authority. When choosing a bank or building society schools are required to be consistent with the local authority's Treasury Management policy. Schools may change their bank or building society on giving two months' notice in writing to the Director of Children Learning and Skills and the Director of Finance and Resources. Schools without banking arrangements outside the authority's group at the commencement of this scheme may be refused one until any deficit balance is cleared: and any school requesting a bank account at a later date may also be refused one until any deficit balance is cleared.

- 3.5.2 The authority can continue to have arrangements negotiated with certain banks whereby the accounts are in the name of the authority but specific to each school, and offer such arrangements to schools.

Budget share funds paid by the authority and held in school accounts remain authority property until spent (s.49 (5) of the Act). Taken from DfE Scheme

- 3.5.3 Schools must have at least one bank of account which is a normal current account and which will be used for paying cash instalments or Imprest reimbursements into. Any other school bank accounts must be selected in line with the local authority's Treasury Management policy and not involve any type of account where the capital value of the investment is at risk. A school budget is predominantly to meet expenditure due to be incurred in the current financial year and therefore schools should not seek to tie themselves into arrangements of longer than one year or with a notice period longer than three months. A balance must be struck between return and liquidity.

3.6 Borrowing by schools

- 3.6.1 Governing bodies may borrow money only with the written permission of the Secretary of State (this includes finance leases).
- 3.6.2 A finance lease **is effectively a borrowing agreement** It is a leasing contract in which the school takes ownership of the asset and is responsible for all maintenance and insurance, but pays for the asset over a period of time.
- 3.6.3 An operating lease **is a rental agreement**. It is a leasing contract in which the ownership for the asset remains with the lessor and they remain responsible for the maintenance, insurance and repairs and the future residual value risk of the asset.
- 3.6.4 The use of procurement cards by schools is permissible and can be a useful means of facilitating electronic purchases.
- 3.6.5 Schools may use credit or charge cards. However, no interest charges should be incurred by the school, with balances fully cleared on a monthly basis
- 3.6.6 However from time to time, the Secretary of State may introduce limited schemes in order to meet broader policy objectives which are available to school i.e. Salix Scheme designed to support energy saving and these schemes will not require specific approval.

3.7 Other Provisions

3.7.1 Budget advances

Option 1 and 3 schools may request a budget advance for cash flow purposes. Any such advance will be subject to a deduction of interest for the estimated number of days multiplied by the interest rate.

SECTION 4: THE TREATMENT OF SURPLUS AND DEFICIT BALANCES ARISING IN RELATION TO BUDGET SHARES

4.1 The right to carry forward surplus balances

- 4.1.1 Schools will carry forward from one financial year to the next any shortfall in expenditure relative to the school's budget share for the year plus/minus any balance brought forward from the previous year.
- 4.1.2 Where the school banks with the council's bankers, the school will receive interest on the budgeted carry forward for the year at the average base rate for the year.

4.2 Control of Surplus Balances

- 4.2.1 Schools are required to complete a return on their planned use of balances and this must accompany the approved budget plan submitted to the local authority by 31st May. A proforma return will be available to all schools and the information to be supplied includes:

- Detail of projects or works to be completed; resources to be purchased or contracted
- Amount earmarked for each item
- Expected date of expenditure
- Supplier or provider to be commissioned
- Budget heading expenditure will be recorded against

Evidence of planned use must accompany the return. Acceptable evidence includes:

- List of outstanding orders at 31st March and copies of orders, delivery notes or invoices; Finance will be mindful of the amount of school administration required and if the number of outstanding orders is high may restrict the request for evidence to a sample of orders
- Tenders and quotes
- Governing Body minutes showing discussions on planned use of balances
- Relevant costed items in School Development Plan
- Correspondence and emails from local authority officers

4.3 Revenue Balance Control Mechanism (BCM)

- 4.3.1 The local authority shall calculate by 30 April each year the surplus balance, if any, held by each school as at the preceding 31 March. For the purpose of the Balance Control Mechanism (BCM) the balance will

be the total revenue balance as reported on the final Consistent Financial Report (CFR) return.

- 4.3.2 The revenue balance will be calculated as a percentage of the new financial year's budget share. This is purely to clarify the year that will be used for comparison. Budget share will consist of school block funding, high needs block funding and early years block funding (if appropriate) as well as Pupil Premium and EFA Sixth Form Funding (if appropriate).
- 4.3.3 The BCM threshold is set at 5% for secondary schools and 8% for primary and special schools. For any school exceeding the threshold, local authority officers will review the school's return on Planned Use of Balances. Amounts not fully supported by evidence will be considered as potentially subject to clawback. For example, if a primary school has a balance of 10% then it will be asked to supply evidence to cover all of that balance. If evidence is supplied for 8% then 2% would be recoverable; being the figure above 8%. Similarly, for a primary school with a balance of 10%, if evidence for 7% were supplied, 2% would be recovered, again being the amount above 8%. However there would be no recovery if evidence were supplied for 10%.
- 4.3.4 The following funds will be viewed as exempt from potential clawback if sufficiently supported by relevant evidence:

Category	Evidence
Committed expenditure i.e. prior year committed orders (<i>this should equal the amount reported as CFR balance B01</i>).	Orders, delivery notes or invoices
Funds held on behalf of other schools e.g. cluster funding, federation grants	Correspondence, allocations
Planned reserves for future years' budgets i.e. funds required to support a budget as the school moves through change	Calculations, plans, projections, multi-year budget tool
Allocations of local authority funding made after 1 st January	Correspondence with LA officers
Planned reserves for provision of additional places	Correspondence, allocations

- 4.3.5 Local authority finance officers will identify schools exceeding the threshold and not providing full supporting documentation for the planned use of their revenue balance and these will be referred to the Schools Forum. The Schools Forum will then decide the suitable group to review each school with the presumption that the school(s) concerned will be fully involved in the process.
- 4.3.6 Any amounts that are clawed back will then be referred to the Schools Forum for a decision on their use. That decision will take into account the prevailing needs of Slough's schools as a group and extant DfE

guidance. For example, clarification will be sought regarding the status of academies if funds are redistributed through the funding formula.

Schools requiring support or advice on collecting appropriate evidence should contact the Schools Finance team before the 31st May deadline for the return.

4.4 Interest on surplus balances

4.4.1 Option 2 & 4 schools will receive interest on relevant reserves remaining with the Council Identified in their budget plan. Option 1 & 3 schools may deposit with the Council, and receive interest on their reserves. These reserves must be maintained throughout the financial year.

4.5 Obligation to carry forward deficit balances

4.5.1 Schools will carry forward from one year to the next any deficit balances. Deficits at the end of one financial year (i.e. at 31 March) will be equal to those at the commencement of the new financial year (i.e. at 1 April). Deficits will be deducted, as the first charge, from the following year's budget share at the commencement of the new financial year. That is with the exception of those agreed deficits known as 's' where the schedule of payments which existed at 31 March 1999 will continue. Amounts due for repayment may be charged by the authority against schools' budget shares.

4.6 Planning for deficit budgets

4.6.1 In the event of an unplanned budget arising during a financial year, maintained schools are required to review its financial priorities to ensure it can bring its expenditure back into balance within the current financial year. Schools should also plan for end of year contingencies of at least 8% (primary phase), and 5% (secondary phase) of its budget share to ensure it has sufficient cash flows to absorb unplanned for expenditure. Schools that submit a Governor Approved Budget Plan showing a deficit position will be asked to re submit a balanced budget. On exception, where the school's governors demonstrate that a balanced budget can only be achieved to the severe detriment of the functions of the school, the school can apply to the LA for a licensed deficit, and by demonstrating how it intends to balance its budget over a period longer than one year via a recovery plan.

Schools must submit a recovery plan to the local authority when their revenue deficit rises above 5% at 31 March of any year. Local authorities may set a lower threshold than 5% for the submission of a recovery plan if they wish. The 5% deficit threshold will apply when deficits are measured as at 31 March 2021.

4.7 Interest on deficit balances

- 4.7.1 Interest may be charged on deficit balances at the estimated average, base rate. A reduced rate may be charged on agreed deficits.

4.8 Writing off deficits

- 4.8.1 The authority cannot write off the deficit balance of any school. If an authority wishes to give assistance towards elimination of a deficit balance this should be through the allocation of a cash sum, from the authority's schools budget (from a centrally held budget specified for the purpose of expenditure on special schools and pupil referral units in financial difficulty or, in respect of mainstream maintained schools, from a de-delegated contingency budget where this has been agreed by Schools Forum).

4.9 Balances of closing and replacement schools

- 4.9.1 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
- 4.9.2 The exception is that a surplus transfers to an academy where a school converts to academy status under section 4(1) of the Academies Act 2010.

4.10 Licensed deficits

- 4.10.1 Slough's licenced deficit scheme will operate on a 'cash advance' option only. This is where a schools budget share can be re-profiled to allow for them to draw an advanced payment on their school budget share with deductions in later months to enable time for the school to address the budget deficit.
- 4.10.2 If any school optimises the cash advance system, schools forum will be appropriately updated.
- 4.10.3 The request for a licensed deficit will be reviewed by LA finance officers and, if satisfied, be sent to the Director of Children, Learning and Skills and the Director of Finance and Resources (S151 Officer) for approval.
- 4.10.4 The maximum amount of time that a school can set a deficit budget is for 3 years, subject to approval, however this can be reviewed under exceptional circumstances.

4.10.5 The purpose of the Licensed Deficit process is to enable maintained schools to:

- Identify and acknowledge they are experiencing financial challenges;
- Agree with the LA a plan of action and to monitor progress against that plan;
- Take strategic action to improve the long term financial health of the school;
- Balance their budget over an agreed period of time, no longer than **3 years**.

The purpose of a recovery plan is to identify the actions that can be taken to bring a school budget back to a balanced position within an agreed period of time.

Schools with a licensed deficit agreement must produce a recovery plan that demonstrates they are able to achieve a balanced budget over the agreed licensed deficit period.

4.10.6 The plan will include reasons for the deficit having arisen, details of measures that will be taken to bring the school back in to a balanced budget situation, including management arrangements, a forecast of future pupil numbers, school expenditure and school budget shares; forecast deficits at the end of each financial year and a timescale for bringing the budget into balance.

4.10.7 Access to a deficit recovery agreement:

To apply for a licensed deficit a school must complete by the **31st May**;

- A licensed deficit application form. (Appendix A).
 - A 3 year Governor approved budget plan.
 - A recovery plan detailing how they will balance their budget.
- (For example, demonstrating cost reduction plans, and seeking new income sources).

Following the submission of a 'Governor Approved Budget Plan' and Recovery Plan, a number of validation checks will be completed by the Local Authority to ensure that the plans are reasonable. This will be achieved by:

-Comparing the current year's income and expenditure budgets with previous years' trends to identify any significant differences.

-Checking that the correct balances have been brought forward into the current year and all funding delegated by the LA have been taken in to account.

-Actions included in the recovery plan are realistic and that by implementing them the required level of savings can be achieved.

-Any areas that are unclear or simply not achievable will be queried with the school and clarification sought.

Where the plans are deemed to be suitable they will be passed to the Director of Children's Services and S151 for a decision to be made.

Written confirmation will be sent to the school on the outcome of the review. The LA will not unreasonably reject an application for a licensed deficit and will consider the following in reaching a decision:

The nature of the circumstances which gave rise to the deficit and specifically whether:

-They could have been foreseen, or if the decisions made by the school had financial consideration.

-The school's track record in financial management.

-The robustness of the deficit recovery plan and the appropriateness of the timescales proposed.

-Any other mitigating circumstances such as the size of the deficit.

4.10.8 Live Agreements:

Where a timescale for the school to balance its budget has been agreed, it must demonstrate its commitment to achieving this.

4.10.9 A joint budget monitoring review programme will be agreed for the period of the plan. This will include monthly monitoring reports being sent to the Director of Children, Learning and Skills. The authority will agree any appropriate management support that will be provided for the school.

4.10.10 Schools will be contacted by telephone and in writing if there are any queries about the financial information or projected financial position, and if a projection is made that is worsening and/or contrary to the recovery plan, then it will need to demonstrate mitigating plans.

4.10.11 Where the school has a change of circumstances which results in a deviation from the agreed plan, the school must discuss the situation with the respective LA finance officer at the earliest opportunity.

4.10.12 In exceptional circumstances only, it may be possible to extend the recovery period. Such requests will need to be approved by the Director of Children, Learning and Skills and the Director of Finance

and Resources (S151 Officer) who will need to be satisfied that the circumstances are indeed exceptional, and that all reasonable action will be taken to clear the deficit at the earliest opportunity.

4.10.13 Schools not engaging with the process or who are persistently in breach of the Scheme of Finance will be required to attend a financial review meeting with the LA to discuss their financial position.

4.10.14 **Local Authority Intervention**

Local Authority intervention will apply where:

- The school is persistently in breach of the Scheme for Financing Schools.
- The school will not/cannot set a balanced budget.
- The school will not engage in the licensed deficit process.
- The deficit is worsening and no action is being taken by the school.
- There is evidence of financial mismanagement by the school.

Intervention is proposed to escalate at three levels. It is envisaged that deficit schools will engage with the LA well before the need for intervention as these arrangements are the last resort, for the protection of public monies. The levels of intervention are:

1. Financial Review Meeting
2. Notice of Concern
3. Suspension of delegated financial powers.

Level 1 - Financial Review Meeting

Schools that do not return a balanced budget or apply for a licensed deficit will be required to attend a Financial Review Meeting with the LA. A similar requirement will apply to schools with a worsening deficit and also for those schools who persistently are in breach the Scheme for Financing Schools.

The review meeting will include Senior Officers from the LA, the Head Teacher and Chair of Governors or representative Governor.

The meeting will:

- Review the financial position of the school.
- Seek an explanation from the school about the action being taken to safeguard the school's financial position.
- Assess what support the school may require.
- Agree an action plan to set a balanced budget.

Level 2 - Notice of Concern

A school that does not take the necessary action required under the Financial Review Meeting, will be required to attend a Notice of Concern meeting with the DCS and S151 Officers. They will be given a formal notice of the action the LA recommends they should take to bring the budget back in to balance. The school will be given a month to respond.

Level 3 - Suspension of Delegation

Where a school does not take the necessary action identified under the Notice of Concern review, a further meeting will be requested with the DCS, where the LA will seek to suspend delegation as described under 1.1.5 (Section 51 of the School Standard & Framework Act) within the Scheme for Financing Schools.

4.11 Loans

4.11.1 The local authority is prohibited from loaning revenue funds to schools including loans to offset a deficit. Loans for capital expenditure are still permissible.

Loans will only be used to assist schools in spreading the cost over more than one year of large one-off individual items of a 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.

4.12 Credit union approach

4.12.1 Schools may wish to group together to utilise externally held balances for a credit union approach to loans. For any proposed credit union approach the Director of Finance and Resources, or his/her representative should be contacted at the earliest opportunity.

4.12.2 Any credit union will be required to be agreed to by the Council before proceeding. Any legal or other specialist costs incurred by the authority as a result will be charged equally to the parties of the credit union. The authority will require credit union activities to be subject to an initial audit, and at least one annual audit thereafter, by an appropriate registered auditor, if not audited within the authority's own audit

arrangements. The costs of the audit will be charged under the terms of credit union agreement.

SECTION 5: INCOME

Schools will generally be able to retain income from lettings, fees and charges, the sale of assets and fund raising activities except in the circumstance listed below or where there would be a breach of legislation. Income from letting of school premises should normally be payable into the school budget share and should not be paid into private or voluntary funds held by the school.

5.1 Income from lettings

5.1.1 Schools may retain income from lettings in relation to their agreed school premises, subject to alternative provisions arising from any joint use, PFI/PPP or similar arrangements. The school cannot enter into an agreement, where the authority is the owner of the premises, which gives a third party a substantial and/or long term interest in the premises (including land) without the prior written consent of the authority. Where the authority is not the owner of the buildings the school is required to consult with the authority before entering into such an agreement. If such an agreement could be reasonably foreseen to be detrimental to the supply of school places within the local authority and/or the advice of the authority is not heeded, and additional costs are incurred by the authority as a result of the need to make additional places available, then these costs may be charged to the school's budget share.

5.1.2 Schools can cross subsidise lettings for community and voluntary use with income from other lettings, provided there is no net cost to the budget share, and the purpose of the cross subsidy must be of direct or indirect benefit to the school. However, where land is held by a charitable trust, it will be for the school's trustees to determine the use of any income generated by the land

5.1.3 Schools should have regard to directions issued by the Council as to lettings and the use of school premises.

5.2 Income from fees and charges

Schools may retain income from fees and charges except where a service is provided by the Council from centrally retained funds. However, schools are required to have regard to any policy statements on charging produced by the Council including pricing for school meals.

5.3 Income from fund-raising activities

The Scheme provides for schools to retain income from fund-raising activities.

5.4 Income from the sale of assets

Income from sale of assets purchased with delegated funds will be retained by the school and may only be spent for the purposes of the school. Where the asset was purchased with non-delegated funds the authority will decide whether the school should retain the proceeds. Proceeds from the sale of land or buildings forming part of the school premises and which the Council owns will be retained by the authority.

5.5 Administrative procedures for the collection of income

Schools should seek to bank any cash received on the same day as it is received or as soon as possible thereafter. All cash should be banked 'intact'. Schools will have due regard to insurance limits for cash to be retained on the premises if same day banking is not always possible.

5.6 Purposes for which income maybe used.

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

SECTION 6: THE CHARGING OF SCHOOL BUDGET SHARES

6.1 General provision

6.1.1 The budget share of a school may be charged by the authority without the consent of the governing body only in the circumstances set out below and under other specific sections contained elsewhere within this scheme.

6.1.2 Schools are reminded that the LA cannot act unreasonably in the exercise of any power given by this scheme, or it may be the subject of a direction under s.496 of the Education Act 1996. The local authority will consult schools as to the intention to charge, and notify schools when it has been done. Where the Council provides payroll services to schools then it will be required to charge the actual cost of school based staff salaries to school budget shares. For the avoidance of doubt, local authorities may de-delegate funding for permitted services without the express permission of the governing body, provided this has been approved by the appropriate phase representatives of the Schools Forum.

6.1.3 The authority will consider establishing procedures for arbitration where disputes arise.

6.2 Circumstances in which charges may be made

6.2.1 Where premature retirement costs have been incurred without the prior written agreement of the local authority to bear such costs (the amount chargeable being only the excess over any amount agreed by the local authority).

6.2.2 Other expenditure incurred to secure resignations or redundancies where the school had not followed local authority advice or had not sought it.

6.2.3 Awards by courts and industrial tribunals, or out of court settlements, against the authority arising from action or inaction by the governing body contrary to the local authority's advice or where such advice has not been obtained. Any publicity, legal or associated costs which the authority incurs as a result and in seeking to protect its good name.

6.2.4 Expenditure by the local authority in carrying out health and safety work, including inspections and risk assessments, or capital expenditure for which the local authority is liable where funds have been delegated to the governing body for such work, but the governing body has failed to undertake the required work.

6.2.5 Expenditure by the local authority incurred in making good defects in building work funded by capital spending from budget shares, where the premises are owned by the local authority or the school is voluntary controlled or where the safety of pupils is at risk such that if the authority did not take action it would be in breach of its duty of care to these.

6.2.6 Expenditure incurred by the authority in insuring its own interests, including those as an employer and as guardian of pupils, at 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 be arranged by the local authority.

6.2.7 Recovery of monies due from a school for services provided to the school by the local authority, where a dispute over the monies due has been referred to a disputes procedure set out in an SLA and this has concluded in the local authority's favour.

6.2.8 Recovery of penalties imposed on the local authority by HM Revenue & Customs, Teachers' Pensions, Environment Agency or other regulatory authorities as a result of school negligence, errors or inaction.

6.2.9 Correction of local authority errors in calculating charges to a budget share (e.g. pension deductions).

- 6.2.10 Additional transport costs incurred by the local authority arising from decisions by the governing body on the length of the school day, and failure to notify the local authority of non-pupil days resulting in unnecessary transport costs.
- 6.2.11 Legal costs or publicity costs that are incurred by the local authority because the governing body did not accept the advice of the local authority (see also section 11).
- 6.2.12 Costs of necessary health and safety and child protection training for staff employed by the local authority, where funding for training has been delegated but the necessary training not carried out.
- 6.2.13 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. Taken from DfE Scheme 6.2.13)
- 6.2.14 Cost of work done in respect of teacher pension remittance and records for schools using non-local authority payroll contractors, the charge to be the minimum needed to meet the cost of the authority's compliance with its statutory obligations.
- 6.2.15 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 and/or specific funding for a pupil with High Needs. DfE update to scheme.
- 6.2.16 Costs incurred by the local authority due to submission by the school of incorrect data.
- 6.2.17 Recovery of amounts spent from specific grants on ineligible purposes.
- 6.2.18 Costs incurred by the local authority as a result of the governing body being in breach of the terms of a contract.
- 6.2.19 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.
- 6.2.20 Costs incurred by the authority in administering admissions appeals, where the local authority is the admissions authority and the funding for admissions appeals has been delegated to all schools as part of their formula.
- 6.2.21 Compensation paid to a lender where a school enters into a contract or borrowing beyond its legal powers, and the contract is of no effect.

- 6.2.22 Any other compensation payments and associated administrative costs arising from the authority's position as an employer or other statutory duties placed upon it for which the funding has been delegated to schools but where they have not fulfilled the corresponding responsibility (e.g. contracts of employment, pay dates, time off for union activities etc.).
- 6.2.23 where the authority has good reason to doubt the validity of financial Information and reports it will be entitled to obtain independent verification, take corrective action and charge the school's budget share accordingly.
- 6.2.24 Any costs including, penalties, legal or administrative costs incurred by the authority as a result of a school's non or late payment of bill, salaries or VAT returns will be charged to the school's budget share.
- 6.2.25 where additional time and costs are incurred by the authority's auditors as a result of inadequate records or there is unreasonable non co-operation by schools these will be charged to the school's budget share.
- 6.2.26 Where the school engages in vexatious activities the authority will be entitled to charge the school's budget share an amount equivalent to the costs incurred on the activity and any costs incurred by the local authority in seeking to remedy the effects of such activities.

SECTION 7: TAXATION

7.1 Value Added Tax

- 7.1.1 Where the school engages in vexatious activities the authority will be entitled to charge the school's budget share an amount equivalent to the costs incurred on the activity and any costs incurred by the local authority in seeking to remedy the effects of such activities.
- 7.1.2 All VAT incurred by schools when spending any funding made available by the Council is treated as being incurred by the local authority and qualifies for reclaim from HM Revenue & Customs by the authority. This does not include expenditure by the governors of a voluntary aided school when carrying out their statutory responsibilities to maintain the external fabric of their buildings.
- 7.1.3 VAT reclaimed by schools will be passed back to schools. The procedure for reclaiming VAT will depend on the banking option chosen by the school.
- 7.1.4 Option 1 & 2 schools - VAT is identified on the monthly imprest claim and included in the re-imburement.
- 7.1.5 7.1.4 Option 3 & 4 schools - There will be a separate monthly VAT reclaim form and re-imburement will be on the next monthly payment of budget share by the authority.
- 7.1.6 The authority will periodically issue detailed guidance on VAT.

7.2 CIS (Construction Industry Taxation Scheme)

- 7.2.1 Schools will comply with the procedures issued by the authority in connection with CIS.

SECTION 8: THE PROVISION OF SERVICES AND FACILITIES BY THE AUTHORITY

8.1 Provision of services from centrally retained budgets

- 8.1.1 The authority will determine on what basis services from centrally retained funds will be provided to schools. This includes existing premature retirement compensation (PRC) and redundancy payments.
- 8.1.2 The authority will not discriminate in its provision of services on the basis of categories of schools except in cases where this would be allowable under the school and early years finance regulations or the dedicated schools grant (DSG) conditions of grant.
- 8.1.3 Provision of services from centrally retained budgets may be different between schools based on a school's individual assessment of need.

8.2 Timescales for the provision of services brought back from the local authority using delegated budgets

- 8.2.1 Services bought back from the Council will initially be for a maximum of three years from the inception of the scheme, or the date of the agreement, whichever is the later, and then for a maximum of five years for any subsequent agreement relating to the same services.
- 8.2.2 Services offered by the authority for which funding has been delegated will not be packaged in a way which unreasonably restricts schools' freedom of choice among services available, and where practicable, this will include provision on a service by service basis as well as in packages of services.
- 8.2.3 When a service is provided for which expenditure is not retainable centrally by the Council under the Regulations made under section 45A of the Act, it should be offered at prices which are intended to generate income which is no less than the cost of providing those services. The total cost of the service should be met by the total income, even if schools are charged differentially. The authority may provide services as part of an extended agreement as well as on an ad hoc basis.

8.3 Service level agreements

- 8.3.1 Any services or facilities provided by the authority under a service level agreement starting on or after the inception of the scheme will be reviewed at least every three years if the agreement lasts longer than that.

8.3.2 Services provided by the authority will be priced in order to ensure that, across all schools buying the service, the income generated at least matches the cost of providing the service.

8.3.3 Service Level Agreements, where in operation, will be provided in advance of their operation, giving schools at least a month to consider the terms of the agreements.

8.4 Teachers' Pensions

8.4.1 Governing bodies of schools that provide payroll services should submit an annual return of salary and service to the authority. Governing bodies must also ensure that details of Additional Voluntary Contributions (AVCs) are passed to the authority within the time limit showed in the AVC scheme.

8.4.2 The DfE requires that the following be included in this Scheme with regard to 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 monthly 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.

SECTION 9: PFI/PPP

9.1 Where the authority proposes to enter into PFI/PPP schemes in relation to the provision of buildings or services the terms of this scheme may need to be varied, in year, accordingly. The authority has the power to charge the school's budget share amounts agreed under a PFI/PPP agreement entered into by the school / authority.

SECTION 10: INSURANCE

10.1 Insurance cover

10.1.1 If funds for insurance are delegated to any school, the authority will require the school to demonstrate that cover relevant to the authority's insurable and other interests, under a policy arranged by the governing body, is appropriate in terms of the actual risks which might reasonably be expected to arise at the school in question. The authority will set out reasonable minimum levels.

10.1.2 Schools are required to submit copies, on demand, of relevant documentation to the authority proving the adequacy of cover. Where there is delay in providing such evidence then the authority will arrange temporary cover until it is satisfied as to the adequacy of the school's cover and will charge the school's budget share for any additional costs incurred, including the cost of any temporary cover.

10.1.3 The evidence required to demonstrate the parity of cover should be reasonable, not place an undue burden upon the school, nor act as a barrier to the school exercising their choice of supplier.

10.1.4 As from 1st April 2020, schools may join the Secretary of State's Risk Protection Arrangement (RPA). They may do this individually when any insurance contract of which they are a part expires. Primary and/or secondary maintained schools may join the RPA collectively by agreeing through Schools Forum to de-delegate funding.

SECTION 11: MISCELLANEOUS

11.1 Right of access to information

Governing bodies have a duty to supply all financial and other information which might reasonably be required to enable the authority

to satisfy itself as to the school's management of its delegated budget share, or the use made of any central funding allocated by the authority (e.g. earmarked funds) to the school.

11.2 Liability of governors

11.2.1 The governing body is a corporate body, and under the provisions of s50 (7) of the SSFA, governors of maintained schools will not incur personal liability in the exercise of their power to spend the delegated budget share provided they act in good faith. Governing bodies will be required to have insurance against acts that are not in good faith.

11.2.2 An example of behaviour which is not in good faith is the carrying out of fraudulent acts. Breaches of the scheme are not in themselves failures to act in good faith; neither is rejection of authority advice as to financial management.

11.3 Governors' Expenses

11.3.1 Only allowances in respect of purposes specified in regulations under Section 19 of the Education Act 2002 may be paid to governors from a school's delegated budget share. The payment of any other allowances is forbidden. The authority may publish a guide as to what it considers to be reasonable expenses and it would expect schools to adhere to this.

11.3.2 Schools should not pay the expenses duplicating those paid by the Secretary of State to additional governors appointed by him/her to schools under special measures.

11.4 Responsibility for legal costs

11.4.1 Legal costs, including the cost of legal actions awarded against the local authority, incurred by the governing body, although the responsibility of the local authority as part of the costs of maintaining the school unless they relate to the statutory responsibilities of aided or foundation school governors for buildings or employees, may be charged to the schools' budget share unless the governing body acts in accordance with the advice of the authority.

11.4.2 Where a school is justified in seeking additional legal advice where there is a conflict of interest between the authority and the school, then the costs (action and advice) will fall to be met in its entirety by the governing body. Seeking legal advice contrary to that given by the authority against the authority for vexation reasons is not expenditure for the purposes of the school.

11.5 Health and Safety

11.5.1 The primary responsibility for health and safety rests with the employer - the local authority for community, community special and voluntary controlled schools and the governing body for foundation and voluntary aided schools. The costs of complying with health and safety legislation are a delegated responsibility of the school's governing body with the exception of those costs specifically excluded by the authority in relation to the capital costs of the building where it is the owner of the building.

11.5.2 Schools' responsibilities for health and safety include (amongst others) the following. This list is not exhaustive and should not be taken to be so.

- The purchase and maintenance of equipment, in accordance with the Provision and Use of Work Equipment Regulations 1998
- Repairs and maintenance (e.g. to doors and windows)
- Workplace safety management in accordance with the Workplace Health, Safety and Welfare Regulations 1992.
- Cleaning of swimming pools
- Food Safety and Hygiene (schools with own catering)

11.5.3 In expending the school's budget share governing bodies must have due regard to the duties placed on the authority in relation to health and safety and comply with the authority's policy on health and safety matters and in the management of the budget share.

11.5.4 School must, on a regular basis and on request, provide evidence to the authority that they are complying with relevant health and safety legislation and approved codes of practice. Where schools are unable to do this in a satisfactory way and on a timely basis or the authority has good reason to believe that the school is not complying with relevant health and safety legislation, then in it will be entitled to require the school to undergo a health and safety audit, the costs of which will be charged to the school's budget share. Any costs of corrective action arising from the audit which is not carried out within the required time scale, the authority will be entitled to arrange for the work to be carried out and charged to the school's budget share. The authority will require unfettered access to the school premises to undertake the audit and corrective action if required.

11.6 Right of attendance for Director of Finance and Resources

The Director of Finance and Resources or his/her representative shall have a right to attend meetings of the governing body at which there are any agenda items relevant to the exercise of her or his responsibilities. The authority will give prior notice of such attendance unless it is impracticable to do so.

11.7 Provision for pupils with special educational needs

In addition to their statutory requirements, schools are required to use their best endeavours in spending their budget share to ensure adequate and appropriate provision for pupils with special educational needs. Where this is not the case delegation may be suspended.

11.8 “Whistle Blowing”

Staff or governors at a school who wish to complain about financial management or financial propriety at the school should contact the Director of Children Learning and. Procedures previously adopted for non-school based staff will be followed with the aim of protecting the individual and confidence in public service. A copy of the authority’s whistle blowing policy guidelines for schools is available on the Slough Borough Council website.

<http://www.slough.gov.uk/services/17856.aspx>

11.9 Child Protection

School staff are expected to attend child protection case conferences where appropriate. Supply cover for staff release including attendance at case conferences is fully delegated.

11.10 Redundancy/early retirement costs

The 2002 Education Act sets out how premature retirement and redundancy costs should normally be funded. Slough Borough Council follows this guidance. A summary of responsibilities is set out at Annex B.

SECTION 12:

RESPONSIBILITY FOR REPAIRS AND MAINTENANCE

- 12.1 Funding for all repairs and maintenance is the delegated responsibility of schools. Only capital expenditure is retained by the local authority. For these purposes, expenditure may be treated as capital only if it fits

the definition of capital used by the local authority for financial accounting purposes in line with the CIPFA Code of Practice on local authority accounting. In particular, where, in line with the Code of Practice, local authorities use de minimis limits for defining what expenditure is treated as capital and what is revenue in their financial accounts, the same de minimis limits must be used in defining what is delegated.

- 12.2 VA governors will continue to be eligible for grant from the DfE in respect of their statutory responsibilities and in addition they will have responsibility for other repair and maintenance items on the same basis as Community and Foundation schools.

SECTION 13: COMMUNITY FACILITIES

13.1 Governing Bodies' Powers to Provide Community Facilities

- 13.1.1 With effect from 2nd September 2002, school governing bodies have powers to provide community services and facilities to the local community on the school premises (Section 27(1) Education Act 2002). Schools are subject to a number of regulations in respect of these powers.

Note: this section 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.

- 13.1.2 A school is no longer required to consult before establishing community facilities, and there is no longer a need for a school to be mindful of a local authority's advice, under section 27 of the Education Act 2002

- 13.1.3 The main limitations and restrictions on the power are:

- a. Those contained in schools' own instruments of government, if any; and
- b. in the maintaining local authority's scheme for financing schools

13.2 Implications for Delegated Budget

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

13.3 Consultation with the authority – Financial Aspects

- 13.3.1 Section 28(4) of the Education Act 2002 requires that before exercising the community facilities power, governing bodies must consult the local

education authority, and have regard to advice given to them by their authority.

13.3.2 The requirement to seek authority advice should be met by submitting detailed written proposals to the Director of Children, Learning and Skills. This should be done at least a term before any formal consultation process, planning applications and so on relating to the provision of any new facilities by the school.

13.3.3 The authority will undertake to provide advice, at no charge, within one month of having received written proposals from the school. There is also a requirement for schools to inform the authority what action has been taken following authority advice.

13.4 Funding Arrangements: Authority powers

13.4.1 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.

13.4.2 Any such proposed agreement should be submitted to the authority for its comments; and there is a term lead time requirement for doing so to give the authority adequate notice and time for comment from Legal and other officers. The authority does not have a right of veto on such agreements, either directly or through requiring a right to countersign the agreement. If the third party requires authority consent to the agreement for it to proceed, such a requirement and the method by which authority consent is to be signified is a matter for that third party, not for the scheme.

13.4.3 Although the authority does not have a general power of veto for these agreements, if an agreement has been or is to be concluded against the wishes of the authority, or has been concluded without informing the authority, which in the view of the authority is seriously prejudicial to the interests of the school or the authority, that may constitute grounds for suspension of the right to a delegated budget.

13.5 Other Prohibitions, Restrictions and Limitations

13.5.1 Although the authority has no right of veto either to funding agreements with third parties, or for other proposed uses of the community facilities power, the authority may require that in a specific instance of use of the community facilities power by a governing body, the governing body concerned shall make arrangements to protect the financial interests of the authority by either carrying out the activity 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. The authority would impose such a requirement only where it has good reason to believe that the proposed project carries significant financial risks.

13.5.2 Section 28 of the 2002 Education Act provides that the exercise of the community facilities power is subject to prohibitions, restrictions and limitations in the scheme for financing schools. The authority expects that any proposal should be set in the context of the Authority's Community Plan, Education Development Plan and other Strategic Plans and Quality Frameworks.

13.6 Supply of Financial Information

13.6.1 Schools which exercise the community facilities power must provide the authority every six months with a summary statement, in a form determined by the authority, showing the income and expenditure for the school arising from the facilities in question for the previous six months and on an estimated basis, for the next six months.

13.6.2 The authority may give notice to the school that it believes there to be cause for concern as to the school's management of the financial consequences of the exercise of the community facilities power, and may require such financial statements to be supplied every three months and, if the authority sees fit, to require the submission of a recovery plan for the activity in question. Financial information relating to community facilities will be included in returns made by schools under the Consistent Financial Reporting (CFR) framework.

13.7 Audit

13.7.1 The school is required to grant access to the school's records connected with exercise of the community facilities power, in order to facilitate internal and external audit of relevant income and expenditure.

13.7.2 Schools are required, in concluding funding agreements with other persons pursuant to the exercise of the community facilities power, to 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.

13.8 Treatment of Income and Surpluses

13.8.1 Schools may retain all net income derived from community facilities except where otherwise agreed with a funding provider, whether that be the local authority or some other person.

13.8.2 Schools may carry such retained net income over from one financial year to the next as a separate community facilities surplus, or, subject to the agreement of the authority at the end of each financial year, transfer all or part of it to the budget share balance. If the school is a community or community special school, and the authority ceases to maintain the school, any accumulated retained income obtained from exercise of the community facilities power reverts to the authority unless otherwise agreed with a funding provider.

13.9 Health and Safety Matters / Disclosure and Barring Service

Health and safety provisions of the main scheme apply to the community facilities power. The governing body is responsible for the costs of securing the Disclosure and Barring Service (DBS) clearance for all adults involved in community activities taking place. Governing bodies would be free to pass on such costs to a funding partner as part of an agreement with that partner.

13.10 Insurance

It is the responsibility of the governing body to 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. The school should seek the authority's advice before finalising any insurance arrangement for community facility. The authority may undertake its own assessment of the insurance arrangements made by a school in respect of community facilities, and if it judges those arrangements to be inadequate, make arrangements itself and charge the resultant cost to the school. Such costs could not be charged to the school's budget share. Such a provision is necessary in order for the local authority to protect itself against possible third party claims.

13.11 Taxation

Schools should seek the advice of the local authority and the local VAT office on any issues relating to the possible imposition of Value Added Tax on expenditure in connection with community facilities; including the use of the local authority VAT reclaim facility. If any member of staff employed by the school or local 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 – see section 11), the school is likely to be held liable for payment of income tax and National Insurance, in line with HM Revenue and Customs rules. Schools are required to follow local authority advice in relation to the Construction Industry Scheme where this is relevant to the exercise of the community facilities power.

13.12 Banking

The scheme requires that the school maintain separate bank accounts for budget share and community facilities. Schools are free to use a bank from the list appended to Appendix D of this Scheme and are advised that the bank account should be named as“(SCHOOL NAME) COMMUNITY FACILITIES”. The general approach to these matters will mirror those in the authority’s Standing Orders and Financial Regulations and this Scheme

Schools are reminded that they may not borrow money without the written consent of the Secretary of State. This requirement does not extend to monies lent to schools by the local authority.

ANNEX A SCHOOLS COVERED BY THE SCHEME

School	Category
Primary	
Baylis Court Nursery School	Community
Chalvey Early Years Centre	Community
Cippenham Nursery	Community
Claycots School	Community
Holy Family Catholic Primary	Voluntary Aided
Iqra Slough Islamic Primary	Voluntary Aided
Khalsa Primary	Voluntary Aided
Lea Nursery	Community
Our Lady of Peace Catholic	Voluntary Aided
Penn Wood Primary & Nursery	Community
Pippins School	Foundation
Priory School	Foundation
Slough Centre Nursery	Community
St Mary's CoE	Voluntary Controlled
Wexham Court Primary	Community
Secondary	
St Bernard's Catholic Grammar	Voluntary Aided
Wexham School	Community

ANNEX B

RESPONSIBILITY FOR REDUNDANCY AND EARLY 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 was a good reason, 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

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 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, but not from the delegated budget. Section 37 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 agree with the governing body in writing (whether before or after the retirement, dismissal or resignation occurs) that they shall not be so recoverable.

(7A) 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.

(7B) The condition is that the governing body is 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.

(8) 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 SCHEMES FOR FINANCING SCHOOLS TO THE COMMUNITY FACILITIES POWER

Schools which choose to exercise the power conferred by section 27 (1) of the Education Act 2002 to provide community facilities will be subject to controls. Regulations made under section 28 (2), if made, can specify activities which may not be undertaken at all under the main enabling power.

Section 88 of the Children and Families Act 2014, has removed the requirements in section 28(4) and section 28(5) of the Education Act 2002 for maintained schools in England. Under section 28(4) a school was obliged to consult its authority and under section 28(5) a school must have regard to advice or guidance from the Secretary of State or their local authority when offering this type of provision.

Under section 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

ANNEX D LIST OF BANKS AND BUILDING SOCIETIES

Barclays
HSBC
Lloyds TSB
National Westminster
Nationwide Building Society
Royal Bank of Scotland
Santander UK

Appendix E

Section 27 of the Education Act 2002

Power of governing body to provide community facilities etc.

- (1) The governing body of a maintained school shall have power to provide any facilities or services whose provision furthers any charitable purpose for the benefit of —
 - (a) Pupils at the school or their families, or
 - (b) People who live or work in the locality in which the school is situated.

- (2) The power under subsection (1) includes, in particular, power for a governing body to—
 - (a) Incur expenditure,
 - (b) Enter into arrangements or agreements with any person,
 - (c) Co-operate with, or facilitate or co-ordinate the activities of, any person, and
 - (d) Provide staff, goods, services and accommodation to any person.

- (3) Subject to the provisions of Chapter 3 of Part 6 of the Education Act 1996 (c. 56) (charges in connection with education), a governing body may charge for any services or facilities provided under this section.

- (4) This section has effect subject to section 28.

Appendix F: Glossary of Terms

AVCs	Added Voluntary Contributions
BCM	Balance Control Mechanism
CFR	Consistent Financial Reporting
CIPFA	Chartered Institute of Public Finance and Accountancy
CIS	Construction Industry Taxation Scheme
DBS	Disclosure and Barring Service
DfE	Department for Education
EU	European Union
ISB	Individual Schools Budget
LA	Local Authority
PFI/PPP	Private Finance Initiative/Public Private Partnership
PRC	Premature Retirement Compensation
PSAA	Public Sector Audit Appointments Ltd
SBC	Slough Borough Council
SFVS	Schools Financial Value Standards
SLA	Service Level Agreement
SSFA	Schools Standards and Framework Act 1998
VA	Voluntary Aided
VAT	Value Added Tax

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Scheme for Financing Schools

Consultation on Revisions

2020-21

Introduction

The Department for Education (DfE) requires each local authority to provide a Scheme for Financing Schools, setting out details of the financial relationship between the local authority and its maintained schools. This scheme does not apply to academies which are subject to separate arrangements.

The DfE has implemented some changes to the guidance, for local authorities to adopt. The main change is the inclusion of the option for schools to join the departments Risk Protection Arrangement (RPA) for Insurance. Other proposed changes are relatively minor, with the majority of these changes being small additions and re-phrasings

Below is a table of changes which by requirement of the DfE will be included into all local authority schemes. A box has been added for your comments. This form should be returned to Susan Woodland, Interim Group Accountant, Children and Schools, by **16/10/2030**.

Please email responses directly to me: susan.woodland@slough.gov.uk

DfE changes to be locally adopted.

1		
Addition to the scheme	2.3.6 Submission of Financial Forecasts	Comment
Replace: Schools MUST shall provide the authority with a financial forecast covering each year of a 3 year budget plan annually by 31 May		

2		
Removal from the scheme	4.6 Planning for deficit budgets	Comment
Deleted: The governing body cannot plan for a deficit budget		

3		
Addition to the scheme	4.6 Planning for deficit budgets	Comment
Added: Schools must submit a recovery plan to the local authority when their revenue deficit rises above 5% at 31 March of any year. Local authorities may set a lower threshold than 5% for the submission of a recovery plan if they wish. The 5% deficit threshold will apply when deficits are measured as at 31 March 2021.		

4	10: INSURANCE	
Addition to the scheme	10.1 Insurance cover	Comment

<p>Added: As from 1st April 2020, schools may join the Secretary of State's Risk Protection Arrangement (RPA). They may do this individually when any insurance contract of which they are a part expires. Primary and/or secondary maintained schools may join the RPA collectively by agreeing through Schools Forum to de-delegate funding</p>	
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Scheme for Financing Schools – Consultation 2019-20 Response Form

Name	
School	
Role	

Commentary

No other comments to make.

Consultees on Changes to the Scheme for Financing Schools

Heads and Chairs of Governors for maintained Slough Schools

**Slough Schools' Forum: 2020/21
Proposed Forward Agenda Plan**

Meeting 2 – Wednesday 2 December 2020

No.	Description	Lead
1	Schools Forum Membership	Chair
2	Update on National/Local Funding issues	Susan Woodland
3	Growth Fund 2021/22	Tony Madden
4	Scheme for Financing Schools 2020/21	Susan Woodland
5	Schools Block 2021/22	
6	Central Schools Services Block	
7	High Needs Block Centrally Retained Budget	John Wood
8	High Needs Block Deficit Strategy	John Wood
9	SEND Update	John Wood
10	Update from Task Groups: 5-16, HNB and Early Years	
11	Academies Update	
12	2020/21 Forward Agenda Plan/Key Decisions Log	

Meeting 3 – Tuesday 19 January 2021

No.	Description	Lead
1	Update on National/Local Funding issues	Susan Woodland
2	Schools Block Budget - Final Authority Proforma Tool (APT) and timeline for 2021/22	Susan Woodland
3	DSG Budget monitoring report (all blocks)	Susan Woodland
4	High Needs and SEN budget monitoring report including QA report and High Needs Place Change Notification	
5	Central Schools Services Block budget 2021/22: Approvals	
6	Growth fund allocations and issues	Tony Madden
7	Early Years Block 2021/22	
8	High Needs Block Deficit Strategy	John Wood
9	SEND Quarterly Update	John Wood
10	Update from Task Groups: 5-16, HNB and Early Years	
11	Academies Update	
12	2020/21 Forward Agenda Plan/Key Decisions Log	

Meeting 4 – Wednesday 10 March

No.	Description	Lead
1	Update on National/Local Funding issues	Susan Woodland
2	Confirmation of Schools budgets 2021/22	Susan Woodland
3	High Needs Places and Update on HNB 2021/22	
4	Update on Centrally Retained Items: all blocks 2021/22	
5	High Needs Block Deficit Strategy	John Wood
6	SEND Update	John Wood
7	Update from Task Groups: 5-16, HNB and Early Years	
8	Academies Update	
9	2020/21 Forward Agenda Plan/Key Decisions Log	

Meeting 5 – Thursday 13 May 2021

No.	Description	Lead
1	Update on National/Local Funding issues	Susan Woodland
2	High Needs Block Deficit Strategy	John Wood
3	SEND Quarterly Update	John Wood
4	Update from Task Groups: 5-16, HNB and Early Years	
5	Academies Update	
6	2020/21 Forward Agenda Plan/Key Decisions Log	

Meeting 6 – Tuesday 6 July 2021

No.	Description	Lead
1	Update on National/Local Funding issues	Susan Woodland
2	Update on growth allocations and issues	Tony Madden
3	Annual DSG Report 2020/21 including impact	Susan Woodland
4	Review of the Scheme for Financing Schools 2020/21	Susan Woodland
5	Early Years Update	Michael Jarrett
6	High Needs Block Deficit Strategy	John Wood
7	SEND Update	John Wood
8	Update from Task Groups: 5-16, HNB and Early Years To include annual review of Terms of Reference	
9	Academies Update	
10	2021/22 Forward Agenda Plan/Key Decisions Log	

Schools Forum Key Decisions Log January 2018 ongoing

Issue and Decision	Schools Forum date	Schools Forum agenda item no.	School Forum Minute
Matters Arising			
Peter Collins agreed as member of Schools Forum, representing academy schools.	17/01/18	3	617
2017/18 DSG Monitoring Report			
Schools Forum noted DSG projected overspend of £3.4M across all three blocks – Schools, Early Years and High Needs with projected £4.1m cumulative overspend in High Needs Block.	17/01/18	4	618
Funding Formula Changes 2018/19			
Consultation with schools closed, 41% response, majority in favour of Option 2. £165k additional funding available following transfer into CSSB agreed under agenda item 6; Forum endorsed SB Task Group recommendation to allocate this funding in proportion across the factors in the formula.	17/01/18	5	619
Central Services Schools Block (CSSB)			
Forum approved transfer of £124,000 for licences and £52,000 for historical items to CSSB from Schools Block, to cover partial shortfall in DfE funding. Updated report subsequently posted on SBC website following meeting	17/01/18	6	620
Early Years			
Forum noted EY Task Group recommendations regarding implementation of EYNFF for 2018-19	17/01/18	7	621
Growth Fund 2017-18			
Forum approved approximately £90,000 from 2017/18 underspend to part-fund Grove Academy 'ghost places' places. Forum agreed Growth Fund criteria for 2018/19, with AWPU rates based on 2018-19 formula.	17/01/18	8	622
De-delegation Report			
Maintained school members agreed de-delegation for SEBDOS Behaviour Support Service, subject to revised unit costs, to reflect rates for primary and secondary as agreed in December 2015.	17/01/18	9	623
2017-18 Forward Agenda Plan and Key Decision Log			
Forum agreed appointment of Chair and Vice Chair be held at July 2018 meeting, prior to first meeting in the 2018-19 academic year.	17/01/18	12	626
Confirmation of Indicative Budgets 2018-19			
Schools Forum agreed to transfer funding as follows: £17,325 from HNB to the CSSB £100,045 from HNB to the CSSB for ongoing responsibilities £548,000 from HNB to the SB for PFI	06/03/18	5	632
Early Years Block			
The same level of activity and model for 2018-19 would be required to maintain a similar level of centrally retained spend. In principle, Schools Forum endorsed this and a detailed report would be presented at the next meeting for formal approval.	06/03/18	6	633
PFI Update Report			
The Schools Block contribution was confirmed as £297,000 for one academic year only, 2018-19 and would be reviewed for 2019-20 A table would be produced to show where contributions had been made to the sum of £297,000.	06/03/18	8	634
High Needs Block Budget 2018-19			
Members approved the centrally retained element for 2018-19 of £2.3m, which was a slight decrease on 2017-18.	06/03/18	9	635
Membership			
Kathy Perry from Mighty Acorns Nursery, was welcomed as the new PVI representative member. The Chair thanked Helen Huntley (who was retiring at the end of the Summer Term) for her valuable contributions as both a member of Schools Forum and as a champion of children and young people with special needs.	05/07/18	1	640
	05/07/18	1 & 11	640/652
Annual DSG Report 2017-18			
Schools Forum noted the comprehensive DSG annual report and requested this appear as an annual item on agendas	05/07/18	7	646

Schools Forum Key Decisions Log January 2018 ongoing

Review of the Scheme for Financing Schools 2017-18			
Schools Forum noted the consultation but requested that details of any licensed deficit scheme be circulated to Schools Forum prior to consultation	05/07/18	8	647
Early Years Centrally Retained 2018-19			
The details of the centrally retained Early Years funding for 2018-19 set out in the report were noted and lines of expenditure approved	05/07/18	9	648
Update from Task Groups			
Draft Terms of Reference for all three Task Groups were approved by Schools Forum	05/07/18	10	649
Election of Chair and Vice Chair			
The current Chair of Schools Forum would stand down at the end of the academic year: John Constable was proposed and duly elected to Chair of Schools Forum with effect from 1 September 2018, for a term of two years.	05/07/18	11	652
Schools Forum Membership/appointment of Vice Chair			
Noted that three members' terms of office due to finish 30 November 2018 and one further member had resigned.			
Forum agreed re-appointment of Jo Matthews as Special School/PRU Headteacher representative for a further year.			
Nominations to be sought from academy proprietors for the other three roles.			
One nomination for the role of Vice Chair and Nicky Willis, Executive Principal of Cippenham Primary School duly appointed for a two-year term.	10/10/18	4	656
Update from Task Groups: 5-16, HNB and Early Years			
Following 5-16 Task Group meeting, consultation to run with local schools from 15 October - 5 November 2018 regarding two options to move towards NFF (National Funding Formula of either 50% or 75%. Comments from schools to be invited. Task Group to meet again on 13th November following outcome of consultation.	10/10/18	9	658
Consultation results on the Scheme for Financing Schools and Licensed Deficit Scheme			
LA to write into the Scheme that maintained schools will be involved in discussions.			
Schools Forum approved the Scheme for Financing Schools.	10/10/18	6	659
Schools Forum Membership			
Following due process, Jon Reekie, governor at Phoenix Infant Academy reappointed, Susan Marsh, Headteacher Colnbrook Primary School and Ray Hinds, Baylis Court appointed, all for terms of two years. Eddie Neighbour, Upton Court Grammar School agreed to continue as an observer.	04/12/18	5	668
Growth Fund 2019/20			
DSG top slice for 2019/20 of £900,000 was requested. SBC was also asked to underwrite Year 7 places at Grove Academy: Schools Forum agreed to fund £90,000 for 2018/19, and to continue the underwriting into 2019/20 as the third and final year with a maximum of £60,000 or 50% of the cost, whichever was the lower.			
Schools Forum also agreed the criteria for accessing Growth Fund in 2019/20 as proposed. With all these commitments taken into account, SF agreed a reduced DSG top slice of £800,000, leaving an estimated carry forward of £130,000 at the end of 2019/20. Falling rolls were thought likely to really impact in the year 2021/22 and it was suggested a supporting paper be presented to Schools Forum in the summer 2019.	04/12/18	8	671
DSG Budget 2019/20			
A request was made to Schools Forum to approve re-allocation of funds to the correct blocks in order to correct DfE baseline errors.			
Schools Forum agreed to transfer £264,566 from High Needs Block to CSSB, £500,000 from High Needs Block to Schools Block, to re-allocate Virtual School funding of £100,000 from Historical commitment to Ongoing commitment within the CSSB, a move from 50% to 65% NFF in 2019/20 formula (following inconclusive consultation outcome). Schools Forum rejected SBC's proposal to transfer 0.5% (approximately £650,000) from 5-16 Schools Block to High Needs Block, based on the outcome of the consultation with schools.	04/12/18	9	672
Banding (High Needs top-up funding) Working Group update			
New Banding model to continue to be tested, with workshops and training sessions to be made available during the Spring term 2019.	04/12/18	10	673
Minutes of Previous Meeting			
Jo Matthews had stood down as Special School/PRU Representative but would continue as an Observer. The 3 special/PRU academies had confirmed that Neil Sykes would become Academy Special School member and Jamie Rockman Academy PRU member, both for 2 year terms of office w/e/f date of S/F meeting	16/01/19	4	681
S/F acknowledged the projected DSG outturn and approved the overall deficit should be carried forward into 2019-20	16/01/19	4	681
De-delegated funding for behaviour support services			
3 out of 4 S/F members representing maintained schools had voted against the de-delegation of funding from maintained school budgets for inclusion in the Schools Block APT	16/01/19	7	684
Early Years Centrally Retained Funds 2019/20			
Schools Forum members noted and agreed the use of Centrally Retained Funds 2019/20 for the Early Years block.	16/01/19	8	687
High Needs Block - Deficit Reduction Strategy			
The ESFA had requested that LAs inform them how deficits, particularly in High Needs, were being addressed. The LA had responded that it was doing all it could to address the issue and this work was ongoing. There was evidence of underfunding whilst demand was increasing. The link between High Needs and PFI was			

Schools Forum Key Decisions Log January 2018 ongoing

acknowledged and would be taken into account to reduce the deficit. A supporting paper would be presented to S/F for their March 2019 meeting.	16/01/19	10	685
High Needs Block – Centrally Retained Budget 2018/19			
New commissioned Speech & Language service commissioned to be available from Friday 1 February. Communication to be made re. launch.	16/01/19	11	686
Any Other Business			
Chair of S/F to write to the Education Secretary, on behalf of members, regarding the proposal to withdraw supplementary funding for maintained nursery schools.	16/01/19	15	692
Minutes of Previous Meeting			
S/F meeting scheduled for Wednesday 15 May cancelled.	05/03/19	3	695
High Needs Funding - final proposal for banding model			
Consultation was extended by 2 weeks, closing on 1 March. New banding model to be introduced 1 April 2019, agreed feedback be given July and December 2019, and April and July 2020. Some continuing concerns from special schools but work ongoing with Vikram Hansrani. Key monitoring reports to be shared with S/F.			
S/F approved the new banding model and agreed to receive feedback reports at the key stages noted.	05/03/19	6	698
Update on Central School Services Block			
Due to slight increase in copyright costs the amount required for transfer from High Needs to CSSB reduced by approximately £10,000.	05/03/19	8	700
PFI Update			
Noted Council reviewing High Needs Block and possible Section 106 funding.	05/03/19	9	701
Schools Forum membership			
Terms of office of nine members due to finish 31 July 2019. Clerk to arrange nomination process/elections (if appropriate)	05/03/19	12	704
Matters Arising			
Decision made taken by SBC to fund the £184,000 to 3 PFI schools and guarantee to be taken.	04/07/19	3	709
Growth Fund 2018/19			
Forum noted the contents of the Growth Fund 2018/19 outturn report and agreed the underwriting for Grove of £90,000 to £25,000 (2018/19) and maximum from £60,000 to £90,000 (2019/20)	04/07/19	5	711
DSG Budget Deficit Recovery Plan			
Neil Wilcox and Nic Barani to clarify whether historic £184,000 related to PFI contribution for Arbour Vale.	04/07/19	7	713
Review of the Scheme for Financing Schools 2019/20			
LA noted that maintained schools to be consulted on dates of publishing such consultations in future.	04/07/19	8	714
Update from Task Groups			
All Task Groups to meet before November 2019 Schools Forum meeting. A list of respective Task Group members to be drawn up for regular circulation to members.			
Terms of Reference for 5-16, HNB and Early Years Task Groups approved, without change, for academic year 2019/20	04/07/19	9	715
Schools Forum membership			
An email sent to all local schools, inviting nominations for membership	04/07/19	10	716
Any Other Business			
Forum approved the transfer of approximately £54,153 to Local School Improvement Board (LSIF) from Slough Primary Heads' Association (SPHA), being the remainder of £70,000 grant from DSG underspend agreed in 2016 to address issues around Recruitment and Retention.	04/07/19	13	719
Schools Forum Membership			
Following due process, it was confirmed that nine members of Schools Forum had been reappointed for a further two-year term.	01/10/19	4	723
Update on National/Local funding issues			
Schools Forum approved the transfer of £500,000 from HNB to Schools Block, to correct an historical error in the 2017/18 baseline.			
Schools Forum agreed that the consultation to schools should give two options for consideration, 65% and 85% National Funding Formula.	01/10/19	5	724
SEND Banding Update			
Schools Forum noted that Forum was to receive quarterly updates on the new banding model.	01/10/19	9	728
Growth Fund 2020-21			
S/Forum noted primary 'bulge' classes now working through secondary sector. Only two primary schools receiving Growth Fund allocations. S/Forum noted primary 'bulge' classes now working through secondary sector, with continued high pupil movement into and out of Slough. For the past two years S/Forum had agreed to support 50% underwriting for Grove Academy. Members queried Grove moving from 2 form entry to 4 form entry in 2020/21 in light of falling rolls.			
S/Forum approved Growth Fund top slice of £600,000 giving an estimated underspend of £24,000 and underwriting for Grove 2019/20 at £90,000 (previously £60,000) Falling Rolls Fund not considered necessary at this time.	12/11/19	6	738
Proposed Transfer from Schools Block to High Needs Block			

Schools Forum Key Decisions Log January 2018 ongoing

S/Forum noted the response to the consultation on the proposal to transfer 0.5% from Schools Block to High Needs Block and rejected the application, upholding the outcome of the consultation. LA representatives confirmed they would not apply to the DfE to overturn this decision.	12/11/19	7	739
Schools Block 5-16 Formula Consultation Outcome			
S/Forum noted the outcome to the other element of the consultation and recommended the LA follow the support to finalise budgets based on an 85% move towards the National Funding Formula (NFF). Final APT to be shared with S/Forum at next meeting.	12/11/19	8	740
Scheme for Financing Schools			
S/Forum noted 41% had responded to consultation on minor changes. Scheme only applicable to maintained schools and respective S/F members representing that sector approved the changes to the Scheme 2019/20. LA representatives noted request for changes to be shared earlier, although dependent on DfE	12/11/19	9	741
Update on Membership			
Philip Gregory, representing nursery sector and Peter Collins, representing academy sector reappointed unopposed as members of S/F. Maxine Wood appointed as 16-19 provider representative.	15/01/20	3	748
Final 2020-21 DSG Settlement			
Noted that the PFI premises factor had been allocated within Schools Block and transfer of £500,000 from High Needs in relation to PFI unnecessary. LA to adjust transfer and to be kept under review.	15/01/20	6	751
Schools Block 2020-21 - Final Authority Proforma Tool (APT) and budget timeline			
Final APT to be shared with S/F members electronically.	15/01/20	7	752
Central Schools Services Block 2020-21			
S/F approved the transfer of £250,000 from High Needs to CSSB and agreed the service allocations as detailed at the meeting.	15/01/20	8	753
Early Years Block 2020-21			
S/F agreed the use of centrally retained funds at 5% across the Early Years Block 2020-21.	15/01/20	9	754
2019-20 DSG Budget monitoring (all blocks)			
S/F approved the deficits to be rolled forward into the new financial year.	15/01/20	10	755
High Needs Place Change Notification			
Detailed report on Resource Bases and specialist provision to be shared.	15/01/20	11	756
Meeting scheduled for 03/03/20 cancelled			
Meeting scheduled for 23/04/20 cancelled			
Meeting scheduled for 13/05/20 cancelled			
Annual DSG Report			
Concern expressed about Nursery funding. Piece of investigative work to be carried out on those schools holding excessively large amounts of money.			
Schools Forum noted overall deficit on 2019/20 DSG which would be reversible on 2020/21 DSG.	14/07/20	7	768
High Needs/SEND Review Update 2020/21			
SBC Officers had met with ESFA representatives who acknowledged the SEND trends and pressures on Slough. Resources bases - ratification for any proposals suggested should be in line with Schools Forum calendar of meetings.	14/07/20	8	769
Impact of Covid-19 on School Finances: Local Perspective			
ESFA representative to refer points raised by Forum members to the ESFA.	14/07/20	11	772
Update from Task Groups: 5-16, HNB, Early Years			
Terms of Reference for respective T/G approved by Schools Forum for 2020/21.	14/07/20	12	773
Election of Chair and Vice Chair			
Schools Forum endorsed the reappointment of John Constable as Chair for a further two-year term. Election of Vice Chair deferred to next meeting.	14/07/20	14	775