

# **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](mailto:susan.woodland@slough.gov.uk)

### **DfE changes to be locally adopted.**

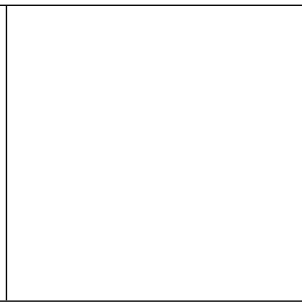
<b>1</b>		
Addition to the scheme	<b>2.3.6 Submission of Financial Forecasts</b>	<b>Comment</b>
<b>Replace:</b> Schools <b>MUST</b> shall provide the authority with a financial forecast covering each year of a 3 year budget plan annually by 31 May		

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

<b>3</b>		
Addition to the scheme	<b>4.6 Planning for deficit budgets</b>	<b>Comment</b>
<b>Added:</b> 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.		

<b>4</b>	<b>10: INSURANCE</b>	
Addition to the scheme	<b>10.1 Insurance cover</b>	<b>Comment</b>

**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



**Scheme for Financing Schools – Consultation 2019-20 Response Form**

<b>Name</b>	
<b>School</b>	
<b>Role</b>	

**Commentary**

**No other comments to make.**

**Consultees on Changes to the Scheme for Financing Schools**

Heads and Chairs of Governors for maintained Slough Schools