

Sefton Schools Forum Report

Date of Meeting:	1 July 2019
Title of Report:	Scheme for Financing Local Authority Maintained Schools and Schools Financial Regulations
Presenting Officer:	Kevin McBlain
Reason for Submission to Forum:	(4) ITEMS FOR INFORMATION
Executive Summary:	To inform Members of Schools Forum about an update to the Local Authority Scheme for Financing Maintained Schools.
Budget/Risk Implications:	None
Recommendations:	Schools Forum are asked to; 1.Note the consultation with Maintained Schools on the Scheme for Financing Schools and Schools Financial Regulations, which ran between 10th and 21st June 2019 and update for any amendments. 2.Consider and approve the updated Scheme for Financing Schools and the Schools Financial Regulations, which will both become effective immediately.
Appendices (to be attached)	Appendix 1 Scheme for Financing Schools Appendix 2 Schools Financial Regulations
Background Papers (available on request)	DfE Revised guidance on Local Authority Scheme of Financing Maintained Schools – Issued 5 February 2019.
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SCHOOLS' FORUM POWERS & RESPONSIBILITIES

- 1 ITEMS FOR APPROVAL (DfE can adjudicate where Forum does not agree LA proposal)
- 2 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but LA decides)
- 3 ITEMS FOR CONSULTATION (Forum provides a view on LA proposal but DfE decides)
- 4 ITEMS FOR INFORMATION (No formal view of the Forum is sought)

1. **Background**

- 1.1 Every Local Authority is required by statute to keep and publish its own Scheme for Financing its maintained schools. This document has to be made available for reference on the Council's intranet and is modelled around DfE guidance.

2. **Updating the Scheme**

- 2.1 In February 2019, the DfE have issued revisions to the Scheme, which Local Authorities are requested to adopt locally, and to consult with their Maintained Schools and subsequently to get Schools Forum approval.

- 2.2 The Scheme focuses on the financial relationship between the Local Authority and its Maintained schools. Included in the scheme is guidance on a host of finance related issues including but not exhaustive:

- Financial controls in schools
- Banking arrangements
- The treatment of surplus balances and deficits
- Licenced deficits
- Income
- Taxation
- Insurance
- Responsibility for repairs and maintenance
- Provision of services and facilities by the Authority
- The school funding framework
- Responsibility over redundancy and early retirement costs
- Various governance issues and responsibilities

Sefton is currently updating its Scheme in light of the latest updates from the DfE; and will be consulting with schools around the document as well as seeking Schools Forum approval of the updated document.

The DfE have made several changes around:

- Duties in respect seeking efficiencies and value for money
- Changes being made to the Schools Financial Values Standard (SFVS)
- Controls around fraud and safeguarding the use of resources and assets
- Registration of business interests across schools governing bodies
- School Borrowing permissions
- Loan schemes for capital items and loans against deficits.

- The Scheme is quite comprehensive in its guidance, and in June, the Local Authority consulted with the maintained schools about the revised Scheme, along with the Local

Authority's Schools Financial Regulations and would now attach both documents for Schools Forum approval (Appendix 1 and 2).

3. Recommendations

3.1 Schools Forum are asked to;

1.Note the consultation with Maintained Schools on the Scheme for Financing Schools and Schools Financial Regulations, which ran between 10th and 21st June 2019 and updated for any amendments.

2.Consider and approve the updated Scheme for Financing Schools and the Schools Financial Regulations, which will both become effective immediately.

