



## Schools Forum

**Report title:  
Scheme for Financing Schools  
–feedback from consultation**

**Date:** 16 January 2020

**Key decision:** No.

**Item number** 5

### **Outline and recommendations**

*Purpose of this report is to update Schools Forum, with regards the recent consultation on the Scheme for Financing Schools.*

*Schools Forum is asked to note the feedback from the 4 Schools and approve the Scheme as consulted*

*Approve a further revision to clarify the approval process for Governing Body with regards the submission of budget plans/Schools Financial Value Standard and any other such documents.*

### **Timeline of engagement and decision-making**

*Following discussion with Schools Forum at their October 2019 meeting, Lewisham undertook a full schools consultation. The Consultation concluded in December.*

#### **1.1 Summary**

1.2 Following the October 2019 Schools Forum meeting to discuss the proposed updates to the Scheme for Financing Schools, four responses have been received.

1.3 Since the publication of the Draft Scheme, a further revision has been noted arising from changes in timing that need to be reflected.

1.4 **Recommendations**

1.5 Schools Forum is asked to consider the feedback from Schools and to further consider the revisions arising from a change in process as outlined in this report.

1.6 **Feedback from Schools**

1.7 Table 1 below shows the feedback received from Schools. Overall 2 schools supported the Draft Scheme in full. Two schools have made observations

1.8 **Redundancy** – The comments from the two schools with regards the redundancy process have been noted. However Lewisham Council does not feel that the wording compromises the DfE requirement. The DfE requirement is to assess each redundancy on a case by case basis, which will continue. We feel it is good financial management that schools should be mindful of the risk that the cost could be borne by them and therefore prudently account for it. Our wording supports this prudent approach  
**Schools Forum is asked to support the Draft wording as consulted.**

1.9 **Requirement on Schools to provide statutory information /data.** Schools may purchase support for any services they wish from a provider of their choice (so long as all procurement processes have been followed). The problem has arisen where schools have opted out of services e.g payroll and fail to make appropriate returns to the Lewisham. Some schools have stated that to do so would result in a cost to the School. External Audit has raised the issue around non compliance as part of the final accounts process. The paragraph reinforces the position that all statutory returns must be provided to Lewisham so that we can fulfill our statutory obligation. It would not be appropriate for Lewisham to meet the costs arising from a decision made by the school. This is not to prevent schools from buying elsewhere, it is simply a matter of ensuring that due consideration is made to ensure all statutory returns are made.

**Schools Forum is asked to support the draft wording as consulted.**

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SCHEME FOR FINANCING SCHOOLS CONSULTATION - FINAL POSITION @ 15.12.19					
Name of School	Person Completing Return	Agree with proposed changes		Section/	Comments
		Yes	No		
Dalmain	Luisa Element - Schools Business Manager		v	11.10	Any costs associated with a redundancy, will in the first instance be chargeable to the appropriate school. Annex B details the process for schools to submit an application for consideration by the LA. This directly contradicts advice we received from HR earlier this year leading to two staff redundancies. We therefore cannot agree with this statement and would propose that it is amended to state that the LA will in the first instance cover costs of redundancy. Also, I could not find details of the process for schools to submit an application in Annex B.
Drumbeat	Sean Richings - Schools Business Director		v	2.1.3	Where a School choses to purchase services outside of the LA such as payroll ,the school will continue to be responsible for providing appropriate information as required by the LA. Note* not happy about unspecified charges, therefore these can be discussed when a school advises the want to opt out.
				11.10	There is a duty of care on a Schools Governing Bodies to ensure effective financial management is in place thereby mitigating /minimizing costs associated with redundancy of individuals. The Local Authority in consideration of supporting any associated costs will consider the actions taken by the governing body to avoid /mitigate such costs. Any costs associated with a redundancy, will in the first instance be chargeable to the appropriate school. Annex B details the process for schools to submit an application for consideration by the LA. [Note* we do not believe this is in the spirit of the DfE directive on this.]
				12.60	Disclosure AND Barring Service
Rathfern	Renata Nogal - SBM	v			
Sedgehill	Clare Cassidy - Headteacher	v			

## 1.10 Futher changes requested

### 1.11

### ***1.5 Delegation of powers to the Headteacher***

*Subject to the requirement that*

- *the first formal budget plan of each financial year*
- *the second budget plan*
- *and the School Financial Value Standards Return (SFVS)*
- *any other such financial returns /documents requiring Governing Body sign off*

*must be approved by the Governing Body. ~~or a committee of the Governing Body,~~ Each Governing body is asked to consider the extent to which it wishes to delegate its financial powers to the Headteacher, and to record its decision (and any revisions) in the minutes of the Governing Body.*

*A governing body may delegate responsibility to a sub group to undertake the detailed review of the budget plans/SFVS /other documents. Where this is the case, all recommendations must be ratified by the formal governing body prior to submission to Lewisham Finance. The Full Governing Body must ensure that they have been provided with all appropriate supporting information to enable ratification.*

*Where the school is in a Deficit Recovery Plan or unable to set a balanced budget it may not delegate any powers to a sub group.*

*Full accountability must remain with the Full Governing Body at all times.*

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*The LA has no wish to impose uniformity on schools but considers that the following level of delegation to Headteachers is desirable:*

*Governors adopt a scheme of delegation devolving defined responsibilities for day to day financial decisions to the Headteacher.*

#### 1.12 **Financial implications**

There are no additional financial implications arising from this report. This is a technical financial report with all financial aspects covered in the main body of the report

#### 1.13 **Legal implications**

Every local authority must maintain a scheme dealing with matters connected with the financing of their schools as required by the Schools Standards and Framework Act 1998 and The School and Early Years Finance (England) Regulations 2018. Any proposed revisions to the Scheme for Financing Schools requires prior consultation with the governing body and head teacher of every maintained school before they are submitted to the schools forum for their approval.

All proposed revisions must be submitted to the Schools Forum for approval by members of the forum representing maintained schools. Where the Schools Forum does not approve the proposals or approves them subject to modifications which are not acceptable to the authority, the authority may apply to the Secretary of State for approval.”

#### 1.14 **Equalities implications**

There are no direct equalities impacts arising. The recommendations in this report apply equally to all stakeholders in line with the Department for Educations requirements.

#### 1.15 **Climate change and environmental implications**

Not applicable

#### 1.16 **Crime and disorder implications**

Not applicable

#### 1.17 **Health and wellbeing implications**

Not applicable

#### 1.18 **Report author and contact**

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