

Schools Forum			
REPORT TITLE	Review of the Scheme of Delegation		
KEY DECISION	Yes	Item No.	11
CLASS	Part 1	Date	05 October 2017

1. Purpose of the Report

The purpose of this report is to consider a revision to the Scheme of Delegation.

2. Recommendation

- The Forum agree to incorporate Appendix A into the Scheme of delegation to replace the current Annex E.

3. Background

Prior to the start of each financial year the Forum undertakes an annual review of the scheme of delegation and finance manual. This is to incorporate any legislative changes required and any changes that the Forum consider desirable to make. In response to a potential challenge to the current provision of Annex E (Financial support for redundancy, premature retirement costs and severance payments in schools) and an enquiry by the DFE following a complaint to the secretary of state it has become necessary to review the provisions set out in Annex E at this point in time.

4. Redundancy

4.1 Lewisham’s Scheme of Financial Delegation, in line with national requirements which have been in place for many years the Scheme gives schools the freedom to exercise choice over their spending plans. Like other local authorities, Lewisham Council can only impose regulations which are consistent with the need for accountability and control over the expenditure of public funds. The Scheme expects all schools to set a balanced budget and to manage within the resources made available to them. This is specifically a duty on the governing body of the school.

4.2 The Lewisham Scheme of Delegation was last considered by the Schools Forum on the 16 March 2017 and sets out at Annex E (Attached – See Appendix A) “Financial support for redundancy,

premature retirement costs and severance payments in schools.” The Annex confirms that schools are responsible for managing their budgets both in the short term as well as the long term, which will include forecasting future levels of funding and developing plans to adjust expenditure accordingly.

- 4.3 The Council had the approach of automatically charging redundancy costs to school budgets unless it identified good reason to do otherwise. After discussions with the Department for Education and having sought legal advice we have revisited our procedures and will in the future determine whether the school or the local authority meet the costs of staff redundancies on a case by case basis.
- 4.4 The Appendix to this report shows a revised Annex E to the Scheme of Delegation incorporating this.
- 4.5 The process within the Local Authority has now been changed. When a school has a redundancy case, a form will need to be completed. This form will be sent to the Local Authority and the Executive Director of Children and Young People and the Executive Director of Resources and Regeneration will review it to see who meets the cost of redundancy.

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