

Date of issue: 27th June 2014

MEETING:	SLOUGH SCHOOLS FORUM Maggie Waller (Chair), John Constable (Vice Chair), Chris Aston, Louise Lund, Debbie Richards, Julie O'Brien, Paul Adams, Barbara Clark, Gillian Coffey, Paul McAteer, Jon Reekie, Mary Sparrow, Maggie Stacey, Jo Rockall, Virginia Barrett, Jean Cameron, Nicky Willis, Philip Gregory, Navroop Mehat and Hardip Singh
OBSERVERS:	Lynda Bussley
ATTENDEES:	Kathleen Higgins, Helen Huntley, Angela Mellish, Councillor P K. Mann
CAMBRIDGE EDUCATION:	Robin Crofts
LOCAL AUTHORITY EDUCATION:	Atul Lad, Chris Aston, Rajpreet Johal (Clerk)
DATE & TIME:	WEDNESDAY, 2ND JULY, 2014 AT 8.00 AM TO AN EXTENDED TIME OF 10.30AM BEECHWOOD RESEARCH AND CONFERENCE CENTRE, LONG READINGS LANE, SLOUGH, BERKSHIRE, SL2 1QE

AGENDA

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Slough Schools Forum- Meeting held on Wednesday 7th May 2014

Meeting started at 8.15am and finished at 9.25am

Present: Maggie Waller, Holy Family Primary School (Chair)
John Constable, Langley Grammar School (Vice-Chair)
Louise Lund, Barney Bees Day Nursery
Debbie Richards, Arbour Vale School
Paul McAteer, Slough and Eton C of E Business & Enterprise College
Jo Rockall, Herschel Grammar School
Jean Cameron, Slough Children's Centres
Maggie Stacey, St Anthony's School
Hardip Singh, Khalsa Primary School
Philip Gregory, Baylis Court Nursery School
Navroop Mehat, Wexham Court Primary School
Nicky Willis Cippenham Primary School

Observers: Lynda Bussley

Attendees: Helen Huntley (Haybrook College), Angela Mellish (St Bernard's Grammar School), Robin Crofts (Cambridge Education), Ciran Stapleton (St Joseph's)

Officers: Ruth Bagley, Joseph Holmes, Atul Lad, Coral Miller and Rajpreet Johal (Clerk)

Apologies: Virginia Barrett, Philip Gregory, Jane Wood, Jon Reekie and Mary Sparrow

PART I

274. Welcome and Apologies

Apologies noted from Virginia Barrett, Philip Gregory, Jane Wood and Mary Sparrow.

Maggie Waller welcomed Ruth Bagley (Chief Executive, Slough Borough Council), Joseph Holmes (Assistant Director Finance & Audit, Slough Borough Council), Ciran Stapleton (Head Teacher, St Joseph's) and Coral Miller (Support Officer, Schools Finance).

275. Declarations of Interest

None

276. Minutes of Previous Meeting and Matters Arising

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Maggie Waller reported a letter was sent to the DfE to raise concerns on the impact of no funding being provided to support permanent expansions. Maggie noted a call and draft response had been received from Dugald Sandeman (DfE) who advised the DfE understand the issues however are not minded to move from the lag funding. A copy of the final DfE letter will be circulated with the minutes.

Ruth Bagley reported that about 20 LAs are impacted similarly adversely and could pursue a joint approach.

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St Joseph's have confirmed that there are plans for use of balances with approval from the Governing Body.

Robin Crofts reported the Cambridge Education Service Level Agreements went out at the end of last term. Update to be provided at the next Schools Forum.

2014-15 Budget Process Update:

John Constable and Paul McAteer reported that 14/15 budgets are lower than modelled figures suggested when recommendations were made regarding the primary / secondary ratio with reductions of, for example, £140,000. The Task and Finish group has asked for additional data for budgets over the last 3 years and a clear comparison between the modelled figures and the final 2014/15 budgets across all schools. The assumptions made about the impact of the change to basing secondary low attainment on English or Maths also appear to be flawed and need looking at.

Paul McAteer to check minutes of meeting with Jackie Wright in reference to resource base place figures.

At last meeting Maggie Stacey asked what data is used for primary lower attainment. Atul Lad provided an explanatory paper which was attached in the meeting reports pack.

Growth Fund Outturn – Item is on the agenda for the July Schools Forum meeting. The Task and Finish group will continue to look at this. Local Authority is looking at capital. Nicky Willis asked if there is any flexibility with the 2013-14 capital. Robin Crofts agreed to follow up and suggested that the schools affected should raise this with the School Organisation Group (SOG).

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Membership - Maggie Waller noted there has been a disappointing response from Academies with regard to membership. Those academies that did respond agreed unanimously that Helen Huntley should take up the vacant position. Helen therefore resumes membership as an academy representative.

In addition, those academies that responded agreed unanimously that Jo Rockall, John Constable and Paul McAteer be asked if they are willing to serve a further term of office when theirs end in the summer. They will be asked formally if they wish to do so.

Rajpreet Johal wrote to governors of secondary maintained schools on behalf of the Chair seeking nominations for a maintained school governor representative and no responses were received. This will now go to SASH to find a maintained school member.

Maggie Waller confirmed a joint (LA / Schools Forum) response to the Fair Funding Consultation did go to DfE. Maggie has also received a response on this from the NUT. A copy of the response will be circulated with minutes.

277. PFI

Ruth Bagley presented paper to the Schools Forum on PFI Funding.

3 recommendations were put to the Schools Forum as follows:

- The Forum expresses a view on how the immediate payment of the reserve of £500k should be distributed whether on the basis of the formula or in some other way.
- The Forum agrees to support a review of the overall PFI charge.
- The Forum participates in a consultation on the redistribution of the PFI funding gap to achieve a significant reduction to the figure of £810k on a phased basis.

Maggie Waller welcomed the return of the 13/14 funding to the DSG and suggested that it should be distributed to all schools through the formula as the funding for all schools for 14/15 had been top sliced.

Maggie Stacey suggested that it be used to fund retrospective funding for the Growth Fund in 13/14. Jo Rockall noted that all schools have been top sliced already to provide £1.2 million to the 14/15 Growth Fund.

Helen Huntley asked about special schools and the PRUs if the money went out to all schools via the 5 – 16 formula and it was clarified that the Council's funding for PFI (£300k approx.) is already in the High Needs Block and the £500k is separate.

1st Recommendation:

Forum agreed to vote on the first recommendation above.

- 8 members of the Forum in favour of the 500k being returned through the formula.
- 2 members of the Forum in favour of going through the Growth Fund for 13/14.

The decision was therefore to distribute the £500k to all schools via the 5 – 16 formula.

2nd Recommendation:

It was noted that the total cost of the PFI charge is £2.3m with contributions from the DfE, the 3 PFI schools, the DSG (savings on out borough placements) and the Council's agreement to closing the affordability gap with approximately £800k.

Ruth Bagley noted that there is pressure from Treasury to review PFI contracts and therefore there is government support. She also referred to renegotiations of contracts by other LAs and Jo Rockall asked how successful these had been. This was not known.

Schools Forum supported the recommendation that the Council review the contract with the PFI contractor with a view to renegotiating and reducing the overall cost. It was noted that this would need the engagement of the 3 PFI schools. Debbie Richards and Kathleen Higgins noted the need to be cautious about expectations.

Page 10 of the Schools Forum report pack refers to an original business case. Paul McAteer asked if this was available. Ruth Bagley reported that the Final Business Case had not been located in the Council as yet but would be sought out.

Ruth Bagley referred to the SBC Contracts Manager who would progress this. It was agreed that an initial look at the contract would be done before the next meeting of the Forum in July and a report brought back at that time with options.

3rd Recommendation

This recommendation asks the Forum to participate in a consultation on the redistribution of the PFI funding gap.

The Forum agreed to discuss this again when a further report would come back to the July meeting with modelling included.

Kathleen Higgins asked whose decision it would be regarding any reduction in the Council's PFI contribution. Ruth Bagley indicated that this would be a Cabinet Decision. It was also noted, however, that any decision to take on any further liability within the DSG would be a Schools Forum decision.

278. Schools Forum Operational and Decision Making Framework

Ruth Bagley presented a report on the functioning of the Schools Forum which included a flow chart regarding the operational process and tables setting out the roles and responsibilities of the Schools Forum.

Appendix A shows the roles and responsibilities and Appendix B is the latest version for 2014/15.

Schools Forum noted the process and Maggie Waller agreed to update the Schools Forum Constitution to include the relevant appendices. The Constitution will then be circulated.

279. Cambridge Education

Robin Crofts provided a verbal update:

Further to the review that was undertaken, a stakeholder day has taken place. The review findings will be taken to the Cambridge Education/Local Authority Strategic Partnership Group on 15th May to seek endorsement of the recommendations emerging from the review process. It is hoped to implement recommendations for September 2014.

Robin reported the Local Authority has indicated there may be some issues which need to go to Cabinet.

Cambridge Education is looking to develop traded services.

280. Academies Update

Robin Crofts provided a verbal update:

Parlaunt Park has applied for academy status which has been agreed by government and is sponsored by Langley Academy and is likely to take effect on 1st July 2014.

Nicky Willis reported the Business Manager for Cippenham Schools Trust had attended the recent Academies Show where there were discussions about the impact of Multi Academy Trusts and the possibility that this could lead to more than one member of a Trust on the Schools Forum.

Forum membership was discussed and Robin Crofts agreed to look at Portsmouth set up where this may have had an impact already.

281. 2013 – 14 Work Programme and Key Decisions Log

Noted

282. Any Other Business

July Schools Forum meeting time to be extended to 10.30 as there is a longer agenda.

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SCHOOLS FORUM MEMBERSHIP - July 2014

APPENDIX A

School	Type of School	Governor (G) / Headteacher (H/T)	Elected by	Term of office ends
Academies (9 members)				
Special Schools /PRUs				
Haybrook College	Special School/PRU	Helen Huntley (H/T)	Academies	TBC
Primary Academies (4 members)				
Lynch Hill Primary School	Academy	Gillian Coffey (H/T) Substitute Nicky Willis		Aug-15
Godolphin Junior School	Academy	Barbara Clark (H/T) Substitute: Nicky Willis		Aug-15
James Elliman	Academy	Jon Reekie (G)	Academies	Nov-16
Cippenham Primary School	Academy	Nicky Willis (H/T)	Academies	TBC
Secondary Academies (4 members)				
Herschel Grammar	Academy Selective	Jo Rockall	Academies	Sep-17
Langley Grammar	Academy Selective	John Constable (H/T)	Academies	Sep-17
Stough & Eton C of E Business and Enterprise College	Academy Non-Selective	Paul McAteer (H/T) Sub Bea Williams	Academies	Sep-17
Upton Court Grammar	Academy Selective	Paul Adams (G)	Academies	Jul-16
Maintained Schools (7 members)				
Primary (5 members)				
Holy Family Primary School	Voluntary Aided	Maggie Waller(G)		Aug-15
St Anthony's RC Primary School	Voluntary Aided	Maggie Stacey (H/T)		Aug-15
Wexham Court Primary School	Community	Navroop Mehat (H/T)	Primary Headteachers	Jul-16
Khlasa Primary School	Voluntary Aided	Hardip Singh (G)	Governors	Oct-16
Penn Wood School	Community	Carol Pearce (G)	Governors	TBC
Secondary (2 members)				
Vacancy	TBC	TBC	SASH	TBC
Wexham	Community Non-Selective	Mary Sparrow	SASH	Sep-17
Special (1 member)				
Arbour Vale School	Special	Debbie Richards (H/T)		Nov-16

Nursery (1 member)				
Baylis Court Nursery	Nursery	Philip Gregory		Aug-15
16-19 Provider (1 Member)				
16 - 19 Provider	16-19 Provider	Kate Webb sub Virginia Barrett		Jul-16
PVI Provider (1 Member)				
Barney Bees Day Nursery	PVI Provider	Louise Lund	PVIs	Dec-16
Children's Centres (1 Member)				
Slough Children's Centres	Children's Centres	Jean Cameron		Oct-15
Total Membership:				21 members

Observers Lynda Bussley (sub David Warren) Education Funding Agency

Attendees: Angela Mellish Cllr Mann (Member Representative)

SLOUGH SCHOOLS FORUM

CONSTITUTION

1.	Introduction
	<p>The Government requires that each Local Authority (LA) maintains a Schools Forum.</p> <p>Slough Borough Council established a Schools Forum in accordance with the requirements of the Education Act 2002 and subsequent regulations.</p> <p>The Slough Schools Forum is constituted in line with the Schools Finance Regulations 2012 and recent amendments and any further detail can be found within those regulations.</p> <p>The Forum shall be called the 'Slough Schools Forum' referred to in this constitution as 'the Forum'.</p>
2.	Membership
2.1	<p>A written record of the membership of the Forum is maintained. A list of the composition of the Forum as at July 2014 is attached as Appendix A.</p> <p>A Forum must comprise:</p> <ul style="list-style-type: none"> ➤ schools members elected in accordance with regulation 5 ➤ academies members elected or selected in accordance with regulation 6 ➤ non-schools members appointed or elected in accordance with regulation 7 <p>Schools members and academies members must together make up at least two thirds of the membership of the Forum.</p> <p>Primary schools, secondary schools and academies must be broadly proportionately represented on the Forum, having regard to the total numbers of pupils registered at them.</p>
2.1.1	Schools Members (maintained schools)
	<p>Schools members have voting rights.</p> <p>At least one member must be a representative of the governing bodies of maintained schools and at least one member must be a representative of the Headteachers of such schools.</p> <p>Where the LA maintains one or more secondary school, at least one schools member must be a representative of a secondary school.</p>

This also applies to where the LA maintains one or more special schools, nursery schools or Pupil Referral Units. This applies currently only to nursery schools so that there is a schools member elected to represent the maintained nursery schools in Slough.

When elections take place, these are in line with maintaining broadly proportionate phase balance in the membership of the Forum (having regard to the total numbers of pupils in each phase). In addition, electing groups are asked to be mindful of the types of school i.e. Community, Foundation, Voluntary Aided and Voluntary Controlled and to seek to maintain representation across these groups.

The aim will also be to achieve a balance in the numbers of Headteacher members* and Governor members wherever possible.

**Schools may also be represented by Members of the Senior Leadership Teams including School Managers or Bursars.*

Schools members are elected by the relevant Headteacher groups or relevant Governing Bodies as appropriate.

2.1.2 Academies Members

Academies members have voting rights.

The number of academies members will be broadly in proportion to the total number of pupils at academies.

Academies members must be elected to the Forum by the proprietors of the academies in the LA's area.

In the interest of proportionality the Forum would wish to seek to maintain a balance in numbers between phases and when a vacancy arises, academy proprietors will be asked to take account of phase balance (primary, secondary and special) in electing members.

Academies representation is not necessarily restricted to Principals, senior staff or Governors.

2.1.3 Non Schools – Members

Non Schools Members have voting rights with some restrictions in place.

Non-schools members must not number more than a third of the Schools Forum's total membership.

There must be representatives for 16-19 providers and early years' providers.

The Forum has 3 non-schools members who represent: Private, Voluntary and Independent (PVI) providers; 16-19 provider and Children's Centres.

<p>2.1.4</p>	<p>Observer Members</p> <p>Observer members do not have voting rights</p> <p>A representative from the Trades Unions is invited to all meetings as an observer.</p> <p>The Education Funding Agency has observer status at Forum meetings with the right to participate in discussions.</p> <p>Other Attendees</p> <p>Attendees have no voting rights.</p> <p>The Lead Commissioner for Education and Children’s Services will be invited to attend all meetings.</p> <p>LA Officers will attend to present to the Forum and to provide advice and information. Regulations restrict attendance to the Director of Children’s Services (or their representative), Chief Finance Officer (or their representative) or other officers providing specific financial or technical advice (including presenting a paper to the Forum).</p>
<p>2.2</p>	<p>Substitutes</p> <p>Each member of the Forum may have one substitute from the same group. Substitutes will only be permitted where they have been nominated formally and approved by the Forum prior to attendance.</p>
<p>2.3</p>	<p>Attendance</p> <p>Where a member has not been in attendance for four consecutive meetings, the clerk to the Schools Forum shall write to the member seeking an explanation.</p> <p>The Schools Forum reserves the right, with the LA, to recommend replacing that member where it is felt that it is not possible for the member to provide consistent attendance.</p>
<p>2.4</p>	<p>Period of Membership</p> <p>Each term of office for each member shall be a maximum of three years and shall be agreed with each new member, seeking to ensure that terms of office end at staggered intervals to maintain continuity of experience.</p> <p>Membership may be terminated by the LA in advance of the full term if the member ceases to act in the capacity for which s/he was appointed (e.g. ceases to be a Governor or Headteacher) or if the member communicates in writing to the clerk a wish to resign.</p> <p>For non- schools members the member may be replaced by the LA, at the request of the body the member represents, by another person nominated by that body.</p> <p>Vacancies will be filled as soon as practicable through the appropriate group.</p>

<p>2.5</p>	<p>Proportionality and elections</p> <p>There will be an annual review of proportionality of pupil numbers in maintained schools and academies and within each phase, based on verified census pupil data, to take account of schools converting to academy status. Where this review shows an imbalance this will be addressed through the appropriate election procedures.</p> <p>In addition, where practicable, where a vacancy arises, the Chair will confirm the proportionality of pupil numbers in maintained schools and academies and within each phase and recommend filling the vacancy/ies.</p> <p>Representatives will be elected by their constituent groups and the clerk will hold information of the election procedures of each group, providing support to the election process as appropriate.</p>
<p>2.6</p>	<p>Headteacher* Representatives</p> <p>Vacancies will not be filled until it has been confirmed that correct proportionality will be maintained by such a replacement.</p>
<p>2.7</p>	<p>Governor Representatives</p> <p>Vacancies will not be filled until it has been confirmed that correct proportionality will be maintained by such a replacement. Representatives will be elected by the appropriate groups and the clerk will hold information of the election procedures for each group.</p>
<p>2.8</p>	<p>Academy Representative</p> <p>Vacancies will not be filled until it has been confirmed that the correct proportionality will be maintained by such a replacement. Representatives will be elected by the proprietors of the academies in Slough.</p>
<p>2.9</p>	<p>Election by the Local Authority</p> <p>If, for any reason, an election for a schools member, an academies member or 16-19 provider representative does not take place by any date set by the LA or any such election results in a tie, the LA must appoint the schools member, academies member or 16-19 provider to the Forum instead.</p>
<p>2.10</p>	<p>The Chair and Vice-Chair of the Forum</p> <p>The Chair and Vice-Chair will be elected from among the voting members of the Forum.</p> <p>Elections will take place as required at the first meeting of the academic year and the Chair and Vice-Chair will serve for a two year term.</p> <p>The Chair may not make decisions on behalf of the Forum though s/he can give a view to the LA on an urgent issue.</p>
<p>2.11</p>	<p>Number required for Quorum</p>

	<p>The Forum shall be quorate if at least forty percent (40%) of the total membership is present at a meeting.</p> <p>A meeting may proceed if inquorate but cannot take decisions legally.</p>
2.12	<p>Voting Procedures</p> <p>Non-schools members, other than those who represent early years providers, must not vote on matters relating to the formulae to be used by the LA to determine the amounts to be allocated to schools and early years providers.</p> <p>Only the relevant maintained schools members of the forum will be able to vote on de-delegation.</p> <p>Any matter will be decided by a simple majority of those members voting and present in the room at the same time the question was put.</p> <p>If there are equal numbers for and against, the Chair will have a second or casting vote.</p> <p>Unless a recorded vote is requested, the Chair will take the vote by a show of hands, or if there is no dissent, by the general affirmation of the meeting.</p>
3.	<p>Powers and Responsibilities of the Schools Forum</p>
3.1	<p>The Forum is both a consultative and decision making body. Appendix B is a Department for Education table which provides an overview guide to the main powers and responsibilities of the Forum.</p> <p>The local process for the consultation and decision making framework is attached as Appendix C.</p> <p>The Forum has a duty to report to school governing bodies on the consultation in which it has been involved.</p>
4.	<p>Conduct of Meetings/Expenses</p>
4.1	<p>Meeting Schedule</p> <p>The Forum must meet at least four times a year.</p> <p>Meetings of the Forum will be scheduled for the academic year and agreed by the Forum in advance.</p> <p>Frequency and timing of meetings will take into account statutory requirements and the annual financial cycle. It is likely that there will be at least eight meetings per year.</p> <p>A Work Programme will be determined for the year and updated throughout the year as necessary.</p> <p>These arrangements may be changed by a quorate meeting of the Forum.</p>

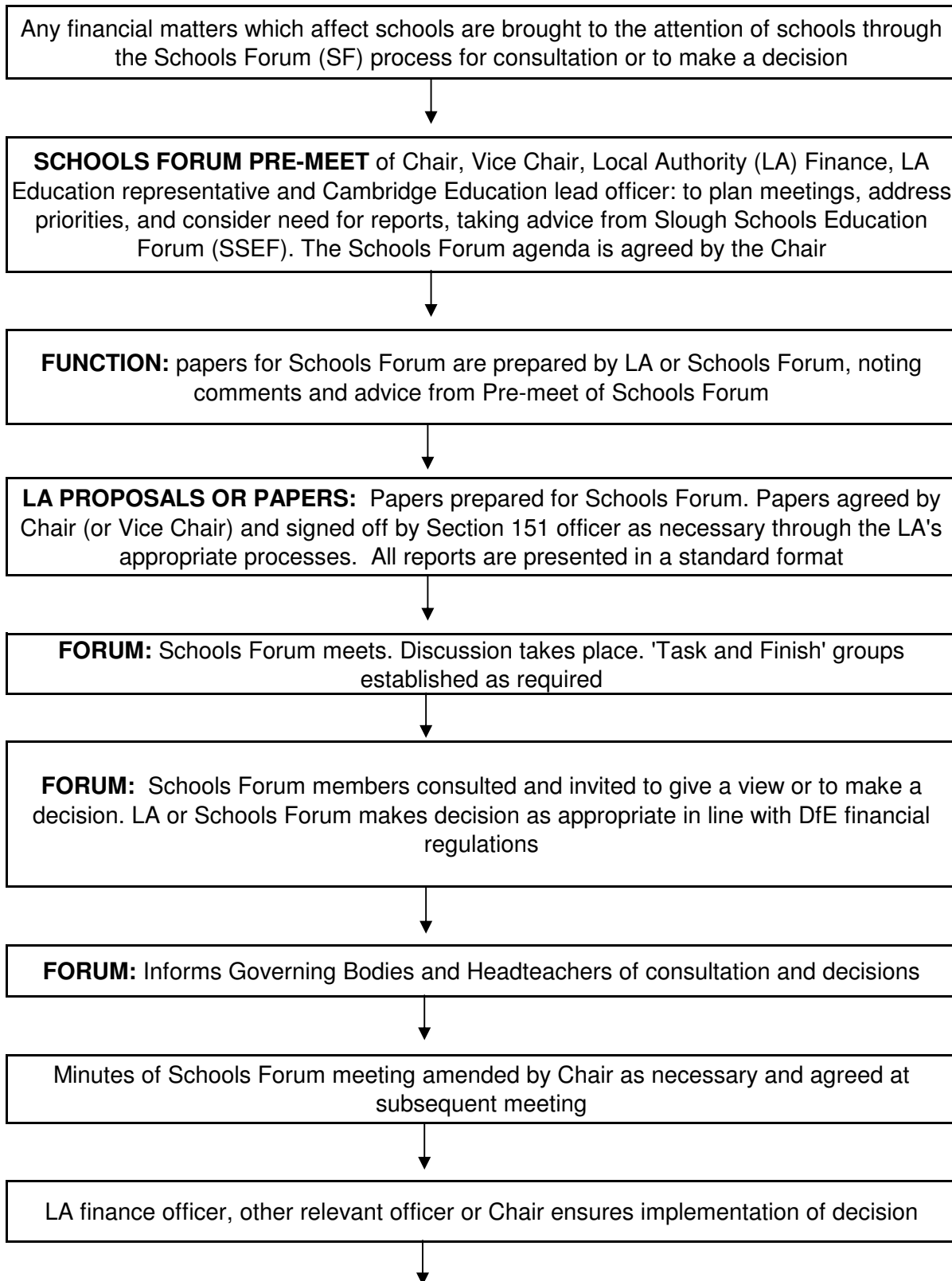
<p>4.2</p>	<p>Public Access to Meetings and Confidentiality</p> <p>Meetings of the Forum shall be open to the public. Any member of the public may attend but may only ask questions or join in the discussion if specifically asked to do so by the Chair.</p> <p>The Chair may require that an item of business is considered by the Forum in private and may therefore exclude the press and public. Any such items will normally be taken at the end of the agenda.</p> <p>Agendas, reports and minutes will be made available to the public by being published promptly on the Slough Borough Council website.</p>
<p>4.3</p>	<p>Task and Finish Groups</p> <p>The Forum will agree to establish, as and when appropriate, task related sub-groups which will be time restricted.</p>
<p>4.4</p>	<p>Declarations of Interest</p> <p>Forum members must declare an interest in any agenda items where the outcome may give them a personal advantage or avoid disadvantage (pecuniary or non-pecuniary).</p>
<p>4.5</p>	<p>Expenses and Budget</p> <p>Regulations require the LA to pay the expenses of the Forum out of the schools budget and to reimburse all reasonable expenses of members in connection with their attendance at meetings of the Forum and charge those expenses to the schools budget.</p>
<p>4.6</p>	<p>Feedback:</p> <p>Members will commit to feeding back to and from their constituent groups.</p>
<p>4.7</p>	<p>Minutes of meetings</p> <p>These will be made available to all schools: draft minutes will be sent to Headteachers and Clerks to Governors after each meeting.</p> <p>Agendas, reports and minutes (once approved by a meeting of the Forum) will be placed on the Slough Borough Council website.</p>

TABLE 1 - SCHOOLS FORUMS: POWERS AND RESPONSIBILITIES 2014-15 APPENDIX B			
Function	Local Authority	Forum	DfE Role
Formula Change (including redistributions)	Proposes and decides	Must be consulted. [Voting restricted to schools members plus PVI members] and informs the governing bodies of all consultations	None
Contracts	Propose at least one month prior to invitation to tender, the terms of any proposed contract	Gives a view and informs the governing bodies of all consultations	None
Financial Issues relating to: arrangements for pupils with special educational needs; arrangements for use of pupil referral units and the education of children otherwise than at school; arrangements for early years provision; administration arrangements for the allocation of central govt grants.	Consult annually	Gives a view and informs the governing bodies of all consultations	None
Minimum funding guarantee	Proposes any exclusions from MFG for application to DfE	Gives a view	Approval
De-delegation for mainstream schools for: contingencies administration of free school meals insurance licences/subscriptions staff costs - supply cover support for minority ethnic pupils/underachieving groups behaviour support services library and museum services	Proposes	Primary and secondary school member representatives will decide for their phase.	Will adjudicate where Forum does not agree LA proposal
Central spend and the criteria for allocating funding from: growth fund (to meet requirements for basic need and infant class size regulations) falling rolls fund for surplus places in good or outstanding schools where a population bulge is expected in 2-3 years	Proposes	Decides	Adjudicates where Forum does not agree LA proposal
Central spend on funding for significant pre-16 pupil growth equal pay back-pay places in independent schools for non-SEN pupils early years expenditure	Proposes	Decides	Adjudicates where Forum does not agree LA proposal
Central spend on admissions servicing of schools forum	Proposes up to the value committed in 2013/14	Decides for each line	Adjudicates where Forum does not agree LA proposal
Central spend on capital expenditure funded from revenue contribution to combined budgets schools budget centrally funded termination of employment costs schools budget funded prudential borrowing costs special educational needs transport costs	Proposes up to the value committed in 2013/14 and where expenditure has already been committed	Decides for each line	Adjudicates where Forum does not agree LA proposal
Carry forward a deficit on central expenditure to the next year to be funded from the schools budget	Proposes	Decides	Adjudicates where Forum does not agree LA proposal
Scheme of financial management changes	Proposes and consults GB and Head of every School	Approves	Adjudicates where Forum does not agree LA proposal
Membership : length of office of members	Decides	None (but good practice would suggest that they gave a view)	None
Voting Procedures	None	Determine voting procedures	None
Chair of Forum	Facilitates	Elects (<i>may not be an elected member of the council or officer</i>)	None

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APPENDIX C

PROCESS CHART FOR SBC SCHOOLS FORUM (SF)



Department for Education (DfE) ROLE (including Education Funding Agency):

Dedicated Schools Grant (DSG) determined for LA to apply local formula and allocate budgets to maintained schools and to inform EFA regarding academy budgets; EFA allocates to academies. Finance team evaluates spend, outcomes and surpluses. Returns made to DfE as required. Finance team alerts schools to any changes. DfE adjudicates in areas where the Schools Forum has the right of decision and does not agree the LA proposal. DfE approves any proposals for exclusions from the minimum funding guarantee where applicable

SLOUGH SCHOOLS' FORUM -Wednesday 2ND July 2014**PFI FUNDING OPTIONS – update on progress****1. PURPOSE OF REPORT**

1. 1 To update the Forum on progress since the meeting on 7th May 2014 on the review of the schools' PFI contract and contributions in the light of changed circumstances in relation to the overall reduction in the Council's net budget.

2. RECOMMENDATIONS

2.1 The Council asks that;

- The Forum notes the progress made since the last meeting
- The Forum recognises that once any savings have been realised, the remaining funding gap will need to be found on a phased basis from 2015/16 onwards.
- The Forum confirms that it is supportive of participating as one of DfE pilots if we are successful in being selected or an alternative mechanism aimed at delivering efficiencies and reducing costs.
- Further updates are provided to the Forum as progress is made with the next update to be scheduled for the autumn term.

3. INTRODUCTION

3. 1 At the last meeting it was noted that the Council needs to secure a significant reduction to the PFI charge on the General Fund .The Forum supported a review of the overall PFI charge and agreed to participate in a consultation on the redistribution of the PFI funding gap to achieve significant reduction to the figure £810k per annum on a phased basis.

3.2 There is an additional complication whereby the benchmarking exercise which took place in November 2012 resulted in additional costs of £180k per annum which the Council had no option but to fund the four month increase for 2012/13 .

3.3 This issue has not yet been resolved and in 2013/14 and 2014/15 these costs still remain as a further budget pressure to the Council which cannot continue.

3.4 The focus is for a significant reduction to be achieved in 2015/16 and then to achieve further reductions in future years until the full amount is realised.

4. THE PROJECT

4.1 The focus for this project is in two phases

- The first phase is to work with the Heads of the three PFI schools and QED Board to ascertain where savings can be made, agree and realise these.

- The second phase is to agree how the remaining shortfall for the phased reallocation of the funding gap will be realised

4.2 The process will therefore be for PFI contract to be reviewed with the co-operation of the three schools to identify any contractual opportunities or service adjustments which could reduce the overall burden. A report will then be prepared that provides an indication of the nature, scale and timescale of the opportunity around this project at the earliest opportunity to a Forum meeting during the autumn term.

5. RECENT DEVELOPMENTS

5.1 After the last meeting a small number of Council Officers met to focus on identifying any contractual opportunities or service adjustments which could reduce the PFI costs under the remit highlighted above.

5.2 The meeting was attended by Assistant Director (Finance and Audit), PFI Contracts Manager, Group Property & Regeneration Solicitor Principal Accountant – Schools and Assistant Director Contracts, Commissioning and Procurement.

5.3 Highlighted for discussion was the fact that various government departments have been tasked with finding savings from PFI schemes as a result of HM Treasury's concern over their cost. The Authority had contacted DfE who were planning their PFI Operational Savings Programme by looking for approximately six pilots, to identify potential PFI savings and then support authorities through implementation. The DfE will be creating case studies of each pilot, rolling –out the findings and guidance to all Local Authorities with schools PFI Projects. After our initial enquires we believe that there is a strong likelihood that we will be shortlisted and to move progress it is essential that we have the support of the schools. Having now received further information around the pilots there are some questions which require further exploration around the required supporting resources and cost to ensure that benefits are maximised.

5.4 There are alternatives to use of DfE in that the authority may choose to carry out the review using the resources that it has used for its Major Contracts Review which has already realised significant savings.

5.5 In addition to the above, a meeting has been scheduled for 1st July 2014 between PFI Contract Manager, Assistant Director Contracts, Commissioning and Procurement and QED/Pario to ascertain (In the same way as with the Councils Major Contracts Review) if there are savings that can be delivered.

5.6 A verbal update on the above will be given to Heads Forum on 2nd July 2014.

5.7 As soon as the outcome of the above is known it is proposed to meet with the three PFI Heads. This meeting needs to be scheduled to take place before the end of the summer term.

6. ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

6.1 Borough Solicitor

Advice on the principle of the report has been sought and the Council's Legal Service is party to the contract review.

6.2 Section 151 Officer – Assistant Director Finance and Audit

The financial implications of the report are outlined in the report to Slough Schools Forum on 7th May 2014 and highlighted in this report.

7. Access Implications

7.1 There are no access implications.

8. CONSULTATION

8.1 Principal Groups Consulted
None

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SLOUGH SCHOOLS' FORUM
2nd July 2014

Schools' 2013-14 Outturn and 2014-15 Budgets
(Director of Education & Children's Services)

1 PURPOSE OF REPORT

- 1.1 To update members of the Schools' Forum on:
- The balances held at the end of the 2013-14 financial year
 - The comparison between balances held at the end of the 2012-13 and 2013-14 financial years.
- 1.2 To inform Schools' Forum of the budgets presented by schools for the financial year 2014-15.

2 RECOMMENDATIONS

- 2.1 That Schools' Forum notes the information contained in appendices A, B, C and D.
- 2.2 That Schools Forum notes the work in progress to review balances in excess of the balance control mechanism thresholds.

3 REASONS FOR RECOMMENDATIONS

- 3.1 It is appropriate for the Schools' Forum to be aware of, and comment on, the balances held by schools at the end of the financial year.
- 3.2 It is appropriate for the Schools Forum to be aware of the anticipated income and expenditure in Slough schools in 2014-15

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not applicable.

5 SUPPORTING INFORMATION

All schools that had converted to academy status by the 1st April 2014 have been excluded in the information below.

School Balances at 31st March 2014

- 5.1 The School Standards and Framework Act 1998 provides a statutory requirement for the balance of expenditure made by each school compared to its budget share to be carried forward into the next

financial year. This applies to both surplus and deficit balances. At the end of 2013-14 the revenue balances held by maintained schools were £6,929,561.

5.2 This represents a decrease of £1,417,171 or 17% on the same figures for 2012-13. Appendix A shows the opening revenue balances for 2013-14, the total in-year movement together with the closing revenue balance. It should be noted that schools that had converted to academy status by 1 April 2014 have been excluded from this calculation.

5.3 **Balance Control Mechanism**

Schools' Forum will be aware that Slough's Scheme for Financing Schools incorporates an updated Balance Control Mechanism to be applied where balances exceed 5% (Secondary Schools) or 8% (Primary, Special and Nursery Schools) of their funding.

5.4 Appendix B identifies those schools that have balances greater than those thresholds.

5.5 All of the schools with balances above the appropriate threshold have been asked to supply documentary evidence detailing their plans for using the excess balances. Local Authority finance officers will continue to review plans and documentation and report back to the Schools Forum in September.

5.6 **Schools 2014-15 Budget Plans**

As members of the Schools' Forum are aware, schools are required to submit budget plans to the authority by 31st May each year. These must be authorised by the governing body.

5.7 Appendix C is a summary of the 2014-15 revenue budget plans submitted by schools.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

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

Section 151 Officer – Strategic Director of Resources

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

Access Implications

6.3 There are no access implications.

7 CONSULTATION

Principal Groups Consulted

7.1 None.

Method of Consultation

7.2 Not applicable.

Representations Received

7.3 Not applicable.

Background Papers

Appendix A – Summary of outturn 2013-14

Appendix B – Balance Control Mechanism

Appendix C – Summary of 2014 -15 school budgets

Appendix D – Comparison between outturn 2013-14 and budgets 2014-15

Contact for further information

Atul Lad (Principal Accountant, ECS)

(01753 875547)

Atul.lad@slough.gov.uk

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Appendix A - Summary of Outturn 2013-14

School	Phase	2013-14 Outturn			Closing Revenue Balance	Movement In Revenue balance
		Opening Revenue Balance	Total Expenditure	Total Income		
Arbout Vale School	Special	(£383,867)	£7,584,023	(£7,319,823)	(£119,666)	£264,201
Baylis Court Nursery	Nursery	(£99,998)	£578,417	(£572,145)	(£93,727)	£6,271
Beechwood School	Secondary	(£598,556)	£6,279,065	(£6,303,299)	(£622,790)	(£24,234)
Chalvey Early Years centre	Nursery	(£154,922)	£728,191	(£662,476)	(£89,207)	£65,715
Cippenham Nursery	Nursery	(£110,712)	£569,595	(£568,248)	(£109,365)	£1,348
Claycots Primary	Primary	(£607,124)	£4,233,880	(£3,983,998)	(£357,241)	£249,883
Holy Family Catholic School	Primary	(£143,888)	£1,714,223	(£1,736,333)	(£165,998)	(£22,110)
IQRA Slough Islamic Primary School	Primary	(£130,962)	£2,831,689	(£2,873,947)	(£173,220)	(£42,258)
Khalsa Primary School	Primary	(£373,084)	£1,929,690	(£1,920,003)	(£363,397)	£9,687
Lea Nursery	Nursery	(£131,877)	£557,189	(£530,960)	(£105,648)	£26,229
Our Lady of Peace Junior	Primary	(£38,152)	£1,426,111	(£1,419,461)	(£31,503)	£6,650
Our Lady Of Peace R.C. Infant	Primary	(£133,555)	£1,375,505	(£1,261,812)	(£19,863)	£113,692
Parlaunt Park Primary School	Primary	(£90,200)	£2,545,451	(£2,771,863)	(£316,612)	(£226,412)
Penn Wood Primary and Nursery School	Primary	(£183,960)	£2,916,487	(£2,912,788)	(£180,261)	£3,699
Pippins School	Primary	(£55,067)	£910,722	(£896,291)	(£40,636)	£14,431
Priory School	Primary	(£751,559)	£4,424,924	(£4,411,874)	(£738,509)	£13,050
Slough Centre Nursery	Nursery	(£495,608)	£849,515	(£891,440)	(£537,533)	(£41,926)
St Anthony's Catholic Primary	Primary	(£158,700)	£2,290,914	(£2,131,536)	£679	£159,379
St Bernard's Catholic Grammar School	Secondary	(£98,483)	£4,804,041	(£4,751,177)	(£45,620)	£52,863
St Joseph's Catholic High School	Secondary	(£698,097)	£4,281,232	(£4,219,585)	(£636,450)	£61,647
St. Ethelbert's Catholic Primary School	Primary	(£389,882)	£2,197,933	(£2,056,599)	(£248,549)	£141,333
St. Mary's C E Primary School	Primary	(£388,015)	£2,339,036	(£2,397,435)	(£446,414)	(£58,399)
Western House Primary School	Primary	(£441,225)	£2,575,385	(£2,448,413)	(£314,253)	£126,972
Wexham Court Primary School	Primary	(£420,212)	£2,710,504	(£2,510,981)	(£220,689)	£199,523
Wexham School	Secondary	(£1,269,029)	£7,173,274	(£6,863,838)	(£959,593)	£309,436
Total		(£8,346,732)	£69,826,996	(£68,416,326)	(£6,936,062)	£1,410,670

Phase	Opening Revenue Balance	Total Expenditure	Total Income	Closing Revenue Balance	Movement In Revenue balance
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Nursery		(£993,117)	£3,282,907	(£3,225,269)	(£935,480)	£57,637
Primary		(£4,305,584)	£36,422,453	(£35,733,334)	(£3,616,464)	£689,120
Secondary		(£2,664,165)	£22,537,612	(£22,137,900)	(£2,264,452)	£399,712
Special		(£383,867)	£7,584,023	(£7,319,823)	(£119,666)	£264,201
Total		(£8,346,732)	£69,826,996	(£68,416,326)	(£6,936,062)	£1,410,670

Appendix B - Balance Control Mechanism

School	Phase	Total Revenue Funding	Closing Revenue Balance	BCM Threshold	Surplus to Threshold
Arbout Vale School	Special	(£7,319,823)	(£119,666)	8%	£0
Baylis Court Nursery	Nursery	(£572,145)	(£93,727)	8%	£47,955
Beechwood School	Secondary	(£6,303,299)	(£622,790)	5%	£307,625
Chalvey Early Years centre	Nursery	(£655,976)	(£89,207)	8%	£36,728
Cippenham Nursery	Nursery	(£568,248)	(£109,365)	8%	£63,905
Claycots Primary	Primary	(£3,983,998)	(£357,241)	8%	£38,521
Holy Family Catholic School	Primary	(£1,736,333)	(£165,998)	8%	£27,091
IQRA Slough Islamic Primary School	Primary	(£2,873,947)	(£173,220)	8%	£0
Khalsa Primary School	Primary	(£1,920,003)	(£363,397)	8%	£209,796
Lea Nursery	Nursery	(£530,960)	(£105,648)	8%	£63,172
Our Lady of Peace Junior	Primary	(£1,419,461)	(£31,503)	8%	£0
Our Lady Of Peace R.C.Infant	Primary	(£1,261,812)	(£19,863)	8%	£0
Parlaunt Park Primary School	Primary	(£2,771,863)	(£316,612)	8%	£94,863
Penn Wood Primary and Nursery School	Primary	(£2,912,788)	(£180,261)	8%	£0
Pippins School	Primary	(£896,291)	(£40,636)	8%	£0
Priory School	Primary	(£4,411,874)	(£738,509)	8%	£385,559
Slough Centre Nursery	Nursery	(£891,440)	(£537,533)	8%	£466,218
St Anthony's Catholic Primary	Primary	(£2,131,536)	£679	8%	£0
St Bernard's Catholic Grammar School	Secondary	(£4,751,177)	(£45,620)	5%	£0
St Joseph's Catholic High School	Secondary	(£4,219,585)	(£636,450)	5%	£425,471
St. Ethelbert's Catholic Primary School	Primary	(£2,056,599)	(£248,549)	8%	£84,021
St. Mary's C E Primary School	Primary	(£2,397,435)	(£446,414)	8%	£254,619
Western House Primary School	Primary	(£2,448,413)	(£314,253)	8%	£118,379
Wexham Court Primary School	Primary	(£2,510,982)	(£220,689)	8%	£19,810
Wexham School	Secondary	(£6,863,838)	(£959,593)	5%	£616,401
Total		(£68,409,827)	(£6,936,061)		£3,260,135

		Total Revenue Funding	Closing Revenue Balance	BCM Threshold	Surplus to Threshold
Nursery		(£3,218,769)	(£935,480)	8%	£677,978

Primary		(£35,733,335)	(£3,616,464)	8%	£1,232,660
Secondary		(£22,137,900)	(£2,264,452)	5%	£1,349,496
Special		(£7,319,823)	(£119,666)	8%	£0
Total		(£68,409,827)	(£6,936,061)		£3,260,135

Appendix C - Summary of Budgets 2014-15

School	Phase	2014-15 Budgets				Movement In Revenue balance
		Opening Revenue Balance	Total Expenditure	Total Income	Closing Revenue Balance	
Arbout Vale School	Special	(£119,666)	£7,658,149	(£7,538,483)	£0	£119,666
Baylis Court Nursery	Nursery	(£93,727)	£602,232	(£526,427)	(£17,922)	£75,805
Beechwood School	Secondary	(£622,790)	£6,814,832	(£6,327,358)	(£135,316)	£487,474
Chalvey Early Years centre	Nursery	(£89,207)	£700,050	(£641,936)	(£31,093)	£58,114
Cippenham Nursery	Nursery	(£109,365)	£619,965	(£577,972)	(£67,372)	£41,993
Claycots Primary	Primary	(£357,241)	£4,952,093	(£4,915,015)	(£320,163)	£37,078
Holy Family Catholic School	Primary	(£165,998)	£1,862,292	(£1,741,473)	(£45,179)	£120,819
IQRA Slough Islamic Primary School	Primary	(£173,220)	£3,133,165	(£2,994,849)	(£34,904)	£138,316
Khalsa Primary School	Primary	(£363,397)	£2,119,837	(£1,910,079)	(£153,639)	£209,758
Lea Nursery	Nursery	(£105,648)	£572,762	(£489,141)	(£22,027)	£83,621
Our Lady of Peace Junior	Primary	(£31,503)	£1,454,750	(£1,438,156)	(£14,909)	£16,594
Our Lady Of Peace R.C.Infant	Primary	(£19,863)	£1,385,053	(£1,371,269)	(£6,079)	£13,784
Parlaunt Park Primary School	Primary	(£316,612)	£3,144,756	(£2,864,005)	(£35,861)	£280,751
Penn Wood Primary and Nursery School	Primary	(£180,261)	£3,162,880	(£3,085,156)	(£102,537)	£77,724
Pippins School	Primary	(£40,636)	£910,932	(£880,446)	(£10,150)	£30,486
Priory School	Primary	(£738,509)	£4,917,610	(£4,200,352)	(£21,251)	£717,258
Slough Centre Nursery	Nursery	(£537,533)	£1,120,082	(£807,911)	(£225,362)	£312,171
St Anthony's Catholic Primary	Primary	£679	£2,601,212	(£2,703,483)	(£101,592)	(£102,271)
St Bernard's Catholic Grammar School	Secondary	(£45,620)	£4,360,184	(£4,356,127)	(£41,563)	£4,057
St Joseph's Catholic High School	Secondary	(£636,450)	£4,682,938	(£4,147,140)	(£100,652)	£535,798
St. Ethelbert's Catholic Primary School	Primary	(£248,549)	£2,105,046	(£1,918,387)	(£61,890)	£186,659
St. Mary's C E Primary School	Primary	(£446,414)	£2,574,623	(£2,337,517)	(£209,308)	£237,106
Western House Primary School	Primary	(£314,253)	£2,692,722	(£2,637,110)	(£258,641)	£55,612
Wexham Court Primary School	Primary	(£220,689)	£2,690,082	(£2,687,669)	(£218,276)	£2,413
Wexham School	Secondary	(£959,593)	£7,342,366	(£6,639,398)	(£256,625)	£702,968
Total		(£6,936,061)	£74,180,613	(£69,736,862)	(£2,492,310)	£4,443,751

Phase	Opening Revenue Balance	Total Expenditure	Total Income	Closing Revenue Balance	Movement In Revenue balance
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Nursery		(£935,480)	£3,615,091	(£3,043,388)	(£363,776)	£571,703
Primary		(£3,616,464)	£39,707,053	(£37,684,967)	(£1,594,378)	£2,022,086
Secondary		(£2,264,452)	£23,200,320	(£21,470,024)	(£534,156)	£1,730,296
Special		(£119,666)	£7,658,149	(£7,538,483)	£0	£119,666
Total		(£6,936,061)	£74,180,613	(£69,736,862)	(£2,492,310)	£4,443,751

Appendix D – Comparison between Outturn 2013-14 and Budgets 2014-15

School Type	Total	
Outturn 2013-14	Expenditure	Total Income
Nursery	£3,282,907	(£3,225,269)
Primary	£36,422,453	(£35,733,334)
Secondary	£22,537,612	(£22,137,900)
Special	£7,584,023	(£7,319,823)
Total	£69,826,996	(£68,416,326)

	Total	
Budgets 2014-15	Expenditure	Total Income
Nursery	£3,615,091	(£3,043,388)
Primary	£39,707,053	(£37,684,967)
Secondary	£23,200,320	(£21,470,024)
Special	£7,658,149	(£7,538,483)
Total	£74,180,613	(£69,736,862)

	Total	
Change (£)	Expenditure	Total Income
Nursery	£332,185	-£181,882
Primary	£3,284,600	£1,951,634
Secondary	£662,708	-£667,876
Special	£74,126	£218,660
Total	£4,353,617	£1,320,536

	Total	
Change (%)	Expenditure	Total Income
Nursery	10.1%	-5.6%
Primary	9.0%	5.5%
Secondary	2.9%	-3.0%
Special	1.0%	3.0%
Total	6.2%	1.9%

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SLOUGH SCHOOLS' FORUM
2nd July 2014

Dedicated Schools Grant – Outturn 2013-14
(Director of Wellbeing)

1 PURPOSE OF REPORT

- 1.1 To present to the Schools' Forum the final outturn for the local authority managed budgets funded by the Dedicated Schools Grant (DSG) for the 2013-14 financial year and inform on the distribution and retention of the brought forward underspend.

2 RECOMMENDATIONS

- 2.1 That the Schools' Forum notes the final outturn for 2013-14, notes the redistribution of unspent contingency and under spend from 2012-13 and agrees the recommendations for retention.

3 REASONS FOR RECOMMENDATIONS

- 3.1 It is appropriate for the Schools Forum to be aware of the financial outturn of the local authority budgets funded from the DSG.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not applicable.

5 SUPPORTING INFORMATION

- 5.1 The 2013-14 financial year has now been closed,
- 5.2 Appendix A shows the outturn, by block, for the local authority managed DSG budgets compared to the latest approved budget which incorporates changes approved by the Schools Forum during the 2013-14 financial year and the impact of academy recoupment.
- 5.3 As can be seen in Appendix A, central budgets are showing an overall underspend of £2,941,628.
- 5.4 There is also a requirement for a contribution towards teacher's pensions, to cover a deficit within the fund. This amounts to £505,207.
- 5.5 Overall there is an under spend of £2,436,420 in 2013-14.
- 5.6 Appendix B details the DSG centrally retained carry forward balance as at the start of 2013-14, with items of spend and income during the year. The opening DSG Balance for 2014-15 is £4,387,960, with £3,070,484 already committed to be used in 2014-15 on schools budgets and other items of spend.
- 5.7 The remaining carry forward is £1,317,476.

- 5.8 DfE regulations no longer allow for in-year distribution of funds in the year following the under spend. This has been queried with the DfE but the current guidance is that the under spend should be carried forward to 2015-16 and distributed to all schools and academies using the funding formula. Further discussions have resulted in identifying scope for distribution to schools in 2014-15. It is recommended that £1,317,476 is retained to be added to schools budgets.
- 5.9 Total Items already committed for 2014-15 - £3,070,484
 2012-13 unspent contingency into 2014-15 schools budgets - £708,293
 2012-13 under spend into 2014-15 schools budgets - £300,000
 2013-14 under spend into 2014-15 schools budgets - £400,000
 2013-14 under spend in 2014-15 high needs block - £100,000
 Asbestos Survey (already previously agreed but not spent in 2012-13) - £80,000
 Carbon Reduction Commitment (CRC) for 2013-14 £120,000.
 2013-14, 2 year old funding carried forward in 2014-15 - £1,285,737
 2013-14 growth fund under spend into 2014-15 growth fund - £54,245
 2013-14 Early Years under spend is carried forward into the early years block for 2014-15 - £22,209
 Total remaining DSG balance - £1,317,476
- 5.10 Decisions in relation to the remaining amount of £1,317,476 will be required for the September forum.
- 5.11 If there is a predicted under spend in the DSG, a greater sum could be added to the funding formula in 2015-16 though it would be important not to create a potential overspend by doing so.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

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

Section 151 Officer – Strategic Director of Resources

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

Access Implications

- 6.3 There are no access implications.

7 CONSULTATION

Principal Groups Consulted

7.1 Not Applicable.

Method of Consultation

7.2 Not Applicable.

Representations Received

7.3 Not applicable.

Contact for further information

Atul Lad (Principal Accountant, ECS)
(01753 875547) atul.lad@slough.gov.uk

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Appendix A - 2013-14 Outturn Local Authority managed DSG budgets by blocks

	<i>SBC & Mott Macdonald</i>			<i>SBC</i>			<i>Mott Macdonald (6 months)</i>		
	Budget 2013-14	Spend 2013-14	((Under)/Over Spend	Budget 2013-14	Spend 2013-14	((Under)/Over Spend	Budget 2013-14	Spend 2013-14	((Under)/Over Spend
Schools Block	£2,211,065	£1,580,955	(£630,110)	£1,604,489	£1,061,315	(£543,174)	£606,576	£519,639	(£86,936)
High Needs Block	£6,109,911	£5,106,340	(£1,003,571)	£5,521,776	£4,549,900	(£971,876)	£588,135	£556,440	(£31,695)
Early Years Block	£5,078,791	£3,770,844	(£1,307,946)	£2,560,644	£1,647,802	(£912,842)	£2,518,147	£2,123,042	(£395,105)
Total	£13,399,766	£10,458,139	(£2,941,628)	£9,686,909	£7,259,018	(£2,427,891)	£3,712,857	£3,199,121	(£513,736)
Schools Pension Deficit Contribution	£0	£505,207	£505,207	£0	£505,207	£505,207	£0	£0	£0
Total	£13,399,766	£10,963,346	(£2,436,420)	£9,686,909	£7,764,225	(£1,922,684)	£3,712,857	£3,199,121	(£513,736)

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Appendix C - DSG Centrally Retained Balance

DSG Centrally Retained Balance 2012-13 Carry Forward	(£2,173,237)	
<i>Payments during 2012-13</i>		
CRC 2010-11	£93,703	
CRC 2011-12	£93,825	
CRC 2012-13	£114,169	
Free Schools Applications	£30,000	
<i>Income</i>		
Payment from St Joseph's	(£110,000)	
DSG Balance	(£1,951,539)	
Central Budgets Underspend	(£2,941,628)	
Pension deficit contribution	£505,207	
Opening DSG Balance 2014-15	(£4,387,960)	
2012-13 unspent contingency into 2014-15 Budgets	£708,293	Schools Block - £567,293, High Needs Block - £141,000 agreed in December 13 Forum
2012-13 & 2013-14 underspend into 2014-15 budgets	£800,000	Schools Block - £300k from 2012-13 u/s, £400k from 2013-14 u/s, HNB £100k from 2013-14 u/s agreed in December 13 forum
Asbestos Survey	£80,000	
CRC 2013-14	£120,000	
2 Year Old funding from 2013-14	£1,285,737	Agreed in Jan 14 Forum
Growth fund 2013-14 under spend	£54,245	
2013-14 Early Years Under Spend in EY block for 2014-15	£22,209	
Total Committed for 2014-15	£3,070,484	
DSG revenue balance available for 2015-16	(£1,317,476)	

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SLOUGH SCHOOLS' FORUM
2nd July 2014

Revised Growth Fund 2014-15
(Directorate of Wellbeing)

1 PURPOSE OF REPORT

- 1.1 To inform Schools' Forum of the 2014-15 Revised Growth Fund.

2 RECOMMENDATIONS

- 2.1 Slough Borough Council recommends that the provisional underspend in the 2014-15 Growth fund of £375,940 which includes a brought forward balance from 2013-14 be carried forward to provide a robust basis for the sustainability of the Growth fund for future years.

3 REASONS FOR RECOMMENDATIONS

- 3.1 Under spends on the Growth fund can not be used for any other activity. Slough borough has rising school numbers so there will be a future need and pressures on the Growth fund.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None considered.

5 SUPPORTING INFORMATION

- 5.1 The Growth funds have been revised to include all the known pressures for 2014-15, the additional funding given by the DFE to fund Academies from April to August 2014 and other issues please see **Appendix A**.

- 5.2 Also included is an estimate for 15-16 to 17-18 Growth Fund: please see **Appendix B**. It is too early to have a good estimate for the future pressure in 2016 and beyond but this estimate is included as it shows the implication on the growth fund of free schools becoming recoupment academies.

The DFE is currently considering making all free schools, recoupment academies, without clearly identifying whether any additional money will be available to fund growth in future year: it would be prudent to keep additional funds available.

- 5.3 The EFA states that the Growth Fund can only be used to support schools which are required to provide extra places in order to meet

basic needs within the authority. Using the AWPU is an accepted methodology.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

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

Section 151 Officer – Strategic Director of Resources

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

Access Implications

- 6.3 There are no access implications.

7 CONSULTATION

Principal Groups Consulted

- 7.1 None.

Method of Consultation

- 7.2 Not applicable.

Representations Received

- 7.3 Not applicable.

Background Papers

None

Contact for further information

Atul Lad (Principal Accountant, ECS)
(01753 875547)
atul.lad@slough.gov.uk

APPENDIX A**2014-15 Growth Fund Allocation Revision****Updated with information received 18062014**

AWPU (2014-15)	3,184.90
Pupils per Class	30
Full Year Growth Funding per Class	95,547.03
Non-Academies (Sept 14 - March 15)	55,735.77
Academies (Apr 14 - Aug 14)	95,547.03
Academies (Sep 14 - Mar 15)	

BUDGET 2014-15

Topsliced from the School block as agreed at SF	1,500,000
Contribution from DFE (academies recoupment) to fund April to August	318,490
Brought forward balance from 2013-14	54,353
Total amount	1,872,843

REVISED FORECAST 2014-15

					A	
Ref	School		New Pupils	No. of Classes	2014-15 Growth Fund Allocation	COMMENTS
1	Castleview School*	Academy	30	1	95,547	
2	Cippenham Primary School*	Academy	30	1	95,547	
	Claycots School	Non-Academy	150	5	278,679	
3	Godolphin Infant & Junior School*	Academy	30	1	95,547	
**	Langley Hall Primary Academy	Academy	52	2	191,094	
4	Lynch Hill School*	Academy	30	1	95,547	
5	Montem Primary School*	Academy	30	1	95,547	
	Parlaunt Park Primary School	Non-Academy	30	1	55,736	
	Penn Wood Primary and Nursery School	Non-Academy	30	1	55,736	
	Priory School	Non-Academy	30	1	55,736	
6	Ryvers Primary School*	Academy	30	1	95,547	
	St Anthony's Catholic Primary School	Non-Academy	30	1	55,736	
	Western House School	Non-Academy	30	1	55,736	
	Wexham Court Primary School	Non-Academy	30	1	55,736	
7	Willow Primary School*	Academy	90	3	286,641	
	James Elliman	Academy	30	1	23,887	From January 2015
2014-15 Budget Total			712	24	1,687,997	

Adjustments

Castleview School no longer expanding for Sept.	-55,736	Confirmed.
** Langley Hall Primary Academy - Non recoupment	-191,094	
Provision for 1 new expanding classes	55,736	As per T Madden

Forecasted Spend for 2014-15**1,496,903****Variance/over provision against budget to be carried forward for 2015-16 fund.****375,940**

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APPENDIX B

2015-16 Estimates for Growth Fund Allocation

Updated with information received 18062014

AWPU (2014-15)	3,184.90
Pupils per Class	30
Full Year Growth Funding per Class	95,547.03
Non-Academies (Sept 14 - March 15)	55,735.77
Academies (Apr 14 - Aug 14)	95,547.03
Academies (Sep 14 - Mar 15)	95,547.03

Academies Recoupment Apr to Mar 39,811.26

FORECAST 2015-16

				A	B	C	
Ref	School		New Pupils	No. of Classes	2015-16 Growth Fund Allocation	2016-17 Growth Fund Allocation	2017-18 Growth Fund Allocation
2	Cippenham Primary School*	Academy	30	1	95,547	95,547	95,547
	Claycots School	Non-Academy	150	5	278,679	278,679	278,679
3	Godolphin Infant & Junior School*	Academy	30	1	95,547	95,547	95,547
4	Lynch Hill School*	Academy	30	1	95,547	95,547	95,547
5	Montem Primary School*	Academy	30	1	95,547	95,547	95,547
	Parlaunt Park Primary School	Non-Academy	30	1	55,736	55,736	55,736
	Penn Wood Primary and Nursery School	Non-Academy	30	1	55,736	55,736	55,736
	Priory School	Non-Academy	30	1	55,736	55,736	55,736
6	Ryvers Primary School*	Academy	30	1	95,547	95,547	95,547
	St Anthony's Catholic Primary School	Non-Academy	30	1	55,736	55,736	55,736
	Western House School	Non-Academy	30	1	55,736	55,736	55,736
	Wexham Court Primary School	Non-Academy	30	1	55,736	55,736	55,736
7	Willow Primary School*	Academy	90	3	286,641	286,641	286,641
	James Elliman	Academy	30	1	95,547	95,547	95,547
	Estimated 1 new class per year	Academy	30	1	95,547	95,547	95,547
	Estimated 1 new class per year	Academy	30	1	95,547	95,547	95,547
	Estimated 1 new class per year	Academy	30	1	95,547	95,547	95,547
	Estimated 1 new class per year	Academy	30	1	95,547	95,547	95,547
	Total		660	22	1,568,564	1,759,658	1,855,205

Additional income received from DFE to fund Academies growth from April to Aug 14 -437,924 -477,735 -517,546

2015-16 Total Estimated budget required 1,130,640 1,281,923 1,337,658

Free Schools and non recoupment Academies estimate.

				A	B	C	
Ref	School		New Pupils	No. of Classes	2015-16 Growth Fund Allocation	2016-17 Growth Fund Allocation	2017-18 Growth Fund Allocation
	Langley Hall Primary Academy	Academy	90	3	286,641	286,641	286,641
*	New School (not approved yet)	Academy	120	4	382,188	382,188	382,188
	TOTAL		210	7	668,829	668,829	668,829

Additional income received from DFE to fund Academies growth from April to Aug 14 -278,679 -278,679 -278,679
 Additional income received from DFE to fund Academies to fund free school growth -390,150

2015-16 Total Estimated budget required 0 390,150 390,150

POTENTIAL 2015-16 REQUIREMENT (DEPENDS IF consultation approved) 1,130,640 1,672,073 1,727,809

NOTE:

Re Free schools if the consultation goes ahead the DFE are saying they will probably fund the 1st year (15-16) but Local authorities will be responsible for future years hence beyond 2016 could cause additional pressures on the growth fund.

* Also if the new school is not approved existing Slough schools may need to expand further to take on the additional demands.

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SLOUGH SCHOOLS' FORUM
2nd July 2014

Final DSG Allocation 2014-15
(Director of Wellbeing)

1 PURPOSE OF REPORT

- 1.1 To inform Schools' Forum of the Final 2014-15 DSG allocations.

2 RECOMMENDATIONS

- 2.1 That Schools' Forum notes the Final 2014-15 DSG allocations.

3 REASONS FOR RECOMMENDATIONS

- 3.1 No recommendations.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 None.

5 SUPPORTING INFORMATION

- 5.1 The DfE give local authorities a provisional DSG each year and this is used to set school budgets. Three main areas are subject to change and the DfE will inform us of the revised amounts later in the year.
- 5.2 The Early Years Block is based on 2013-14 allocation. This block is estimated each year and then revised in July following the January 2014 census numbers.
- 5.3 The High Needs Block has decreased by £2,066,394 following an increase of the recoupment funding given back to the Education Funding Agency (EFA) to pay for post 16 High Needs places and SEN places in special academies.
- 5.4 The DfE also recoups from the DSG for schools that become academies in year. The current recoupment is £56,892,383. This will be on-going as more schools convert so it is likely that the DSG will reduce further during 2014-15.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

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

Section 151 Officer – Strategic Director of Resources

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

Access Implications

- 6.3 There are no access implications.

7 CONSULTATION

Principal Groups Consulted

- 7.1 None.

Method of Consultation

- 7.2 Not applicable.

Representations Received

- 7.3 Not applicable.

Background Papers

Appendix A

Contact for further information

Atul Lad (Principal Accountant, ECS)
(01753 875547)
atul.lad@slough.gov.uk

Appendix 1

Slough DSG 2014-15

	2013-14	June 2014	Change
Schools Block	104,457,329	106,233,171	1,775,842
Early Years Block (Provisional)	9,147,255	9,147,255	0
2 Year Old funding	1,961,090	3,130,366	1,169,276
High Needs Block (inc Post 16)	19,821,563	20,507,953	686,390
Total DSG	135,387,236	139,018,745	3,631,509
Deductions			
School Block Recoupment	51,474,622	56,892,383	5,417,761
High Needs Deductions	705,000	3,457,784	2,752,784
	52,179,622	60,350,167	8,170,545
Net DSG Payable	83,207,614	78,668,578	(4,539,036)
Remaining DSG			
Schools Block	52,982,707	49,340,788	(3,641,919)
Early Years Block	9,147,255	9,147,255	0
2 Year Old funding	1,961,090	3,130,366	1,169,276
High Needs Block (inc Post 16)	19,116,563	17,050,169	(2,066,394)
	83,207,614	78,668,578	(4,539,036)

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Report to: Slough Schools Forum

Report by: The Specialist Education Trust

Subject: SEBD Outreach Service – 2014.15 SLA Charging Proposal

Date: 2nd July 2014

1. Introduction

1.1. This report looks at the charging mechanism that is in place for the provision of the SEBD Outreach Service (SEBDOS) to schools and Academies and provides a proposed change to the fee structure from September 2014.

2. Background

2.1. Prior to their Academy conversion to the Specialist Education Trust (SET) on 1st October 2013 Littledown School and Haybrook College took over management and delivery of SEBDOS from the Local Authority (LA).

2.2. As it is now, this service was funded by a number of funding streams comprising;

- De-delegated budgets from LA maintained mainstream schools
- Contribution from the Early Years Block
- Contribution from the High Needs Block
- Buy backs from Academy schools

2.3. The service for schools maintained by the Local Authority is 'free of charge' as those schools, via Schools Forum, have approved the de-delegation of budgets from their formula funding allocations in order to retain and access the current service provision. Similarly Special Schools and Early Years settings are able to access the service via the contributions made by their Dedicated Schools Grant (DSG) funding blocks.



2.4 The team provides a proactive multi-disciplinary service which supports schools with a range of skills, from operational to strategic support. This is provided by SEBDOS that looks to provide the specialist resource to complement the school based provision and is provided in a format that ensures individual schools gain the full effect of economies of scale that otherwise they could not achieve as a separate school entity.

3. Reason for change

3.1. The service for Academy schools is only accessible if they sign up to a Service Level Agreement (SLA) to purchase a set number of annual hours of support or via a 'Pay As You Go' (PAYG) arrangement.

3.2. Payment is made by settlement of invoices raised by SEBDOS, quarterly in advance for the SLA arrangement and immediately in arrears for PAYG.

3.3. Academies pay for this service as they retain this funding in their budget allocations that they receive directly from the Education Funding Agency (EFA). The approach to charging that is currently adopted by SEBDOS is based upon the school level funding schedule that was produced by the LA on the transfer of the service to SET. Fundamentally this has been determined by the incidence of two factors within a school, being;

- The level of low attainment
- The level of free school meals (Ever6) eligibility.

3.4. In essence the above factors are used as follows to allocate the mainstream element of the budget referred to in paragraph 2.2 above.

3.5. This is achieved by allocating a share of the mainstream funding element to each school phase (Primary and Secondary) and then splitting each phases' share equally between low attainment and free school meals so that for each phase a low attainment allocation and free school meals allocation has been identified. Then each of these allocations is divided down into school level allocations. The school level allocations are determined by the incidence of low attainment and free school meals eligibility within their individual school cohort as a proportion of the total incidence of each of these factors in their school phase, in other words a pro rata allocation is made.

3.6. Through this formulaic process a school level of funding is calculated which is attributed to the provision of SEBDOS. This data was then used to determine a charging mechanism



based on funding which was categorised into bands, which Academies will be familiar with as these are contained within the current SLA's. These are currently as follows;

Table1: Current pricing

Bandings of Support Provided	
Schools paying £0-£4,999	80 hours
Schools paying £5,000 – £11,999	100 hours
Schools paying £12,000 – £22,999	115 hours
Schools paying £23,000 – £37,999	125 hours
Schools paying £38,000 – £50,000	150 hours

3.7. A fundamental problem identified in table 1 above with this methodology of charging is that it produces significant inequalities in terms of value for money. Academies that purchase higher levels of support do not secure any economies for doing so, in fact the per hour cost increases, for example a school buying 80 hours for £4,999 is effectively charged c.£62 per hour whereas a school buying 100 hours for £11,999 is effectively charged c£120 per hour, broadly double the price.

4. Impact on the Service

4.1. This current approach also means that it is impossible to attract potential non Slough customers as there is no external pricing strategy that can correlate to the bandings described above.

4.2. The ability to attract schools outside of Slough, although not the driving factor, is an essential element that helps to protect future sustainability of the service and thus the continued availability of the service to slough schools as well as reducing the risk of an adverse financial impact on the service if a local school ceases or reduces its level of take up. Also this will create and opportunity for the team to work with Slough pupils who are educated in non-Slough schools who are often the pupils who feature in the permanent exclusion data for Slough.

4.3. The service must be able to protect itself as a going concern so that it utilises public funding as efficiently as possible and thus ensures value for money for those Academies who purchase the service.



4.4. Whilst the prime customers may be seen as Slough schools any income generation opportunities, without diluting the quality of service provided, will need to be considered. If expansion into a wider market can be achieved and largely utilising the existing cost base (i.e. current staffing levels) it may allow the service to drive out more efficiencies in future pricing that would thus benefit Slough Schools.

5. New Proposal

- 5.1. The Specialist Education Trust wish to revise the pricing structure to one that continues to provide the service that Local schools want and appreciate but one that varies directly with the support that is provided and thus moving towards one that is more equitable, transparent and provides the service with the 'real' competitive opportunity to make itself available to a client base outside Slough.
- 5.2. Continuing to use the existing methodology does not adhere to the fundamental principles of an equitable pricing mechanism that reflects costs of delivery, equity and thus value for money.
- 5.3. The pricing structure that is proposed is based on recovery of cost but also one which includes a sliding scale of charges, thus enabling schools signing up for a larger package of hours to benefit from a reduced hourly equivalent cost, securing economies of scale.
- 5.4. Schools wishing to purchase via a PAYG arrangement can still do so although this would equate to a higher hourly rate than an SLA arrangement.
- 5.5. Packages comprise a total number of hours of support that comprise travel, report writing and contact time plus a fixed cost element reflecting the cost of training, admin and management. An indicative pricing table based on packages in increments of 50 hours per year is set out over the page. Prices for package sizes of 10 hour increments between those shown in 50 hour increments are available. Greater economies available from larger packages can be clearly seen.

Table2: Proposed Pricing

Package Time			Total Package Price £	PAYG Equivalent Price £
Travel and Report Writing (hrs)	Contact Time (hrs)	Total Package Time (hrs)		
18 hrs	32 hrs	50 hrs	£6,960	£8,352
35 hrs	65 hrs	100 hrs	£9,860	£11,832
53 hrs	97 hrs	150 hrs	£12,760	£15,312
70 hrs	130 hrs	200 hrs	£15,660	£18,792
88 hrs	162 hrs	250 hrs	£18,560	£22,272
105 hrs	195 hrs	300 hrs	£21,460	£25,752
123 hrs	227 hrs	350 hrs	£24,360	£29,232
140 hrs	260 hrs	400 hrs	£27,260	£32,712
158 hrs	292 hrs	450 hrs	£30,160	£36,192
175 hrs	325 hrs	500 hrs	£33,060	£39,672
193 hrs	357 hrs	550 hrs	£35,960	£43,152
210 hrs	390 hrs	600 hrs	£38,860	£46,632
228 hrs	422 hrs	650 hrs	£41,760	£50,112
245 hrs	455 hrs	700 hrs	£44,660	£53,592

5.6. In the table above packages in 50 hour increments have been identified and it can be seen that if a school took out a 200 hour package at £15,660 it would cost them £78 per hour but if they were to double the package size to a 400 hour package at £27,260 this would equate to £68 per hour which clearly delivers savings via economies of scale that the previous charging methodology did not.

5.7. This proposal is further extended to those schools that form part of a Multi Academy Trust (MAT), who can purchase a combined MAT package and thus obtain further financial benefits which can be passed onto an individual school level. This works as follows;



Table3: MAT Price comparison

Customer	Package Time			Total Package Price £
	Travel and Report Writing (hrs)	Contact Time (hrs)	Total Package Time (hrs)	
Individual School 1	53 hrs	97 hrs	150 hrs	£12,760
Individual School 2	53 hrs	97 hrs	150 hrs	£12,760
Individual School 3	53 hrs	97 hrs	150 hrs	£12,760
Total Cost	158 hrs	292 hrs	450 hrs	£38,280
MAT	158 hrs	292 hrs	450 hrs	£30,160
Total Cost	158 hrs	292 hrs	450 hrs	£30,160
Saving				-£8,120

5.8. What can be seen from the table above is that individually schools 1, 2 and 3 each buying a package of 150 hours, i.e. a consolidated total of 450 hours, would cost in total £38,280. However a MAT consisting of 3 schools buying the same amount of hours as a single package would pay £30,160 and save £8,120, which equates to an additional 75 hours service.

6. Moving Forward

6.1. This proposal asks School Forum to note that this new charging model will be implemented from September 2014. Charges based on the current methodology are being recovered for the period April 2014 to August 2014 and then will be ceased from that point.

6.2. Academies with existing SLA's will be written to explain the changes and the new pricing methodology and invited to terminate their existing SLA and take up the new offer from September 2014

6.3. Invoicing will continue to take place quarterly in advance for Academies signing up to an SLA and for a MAT agreement a single quarterly invoice will be sent to the lead school in that arrangement.



6.4. Agreements will look to be secured on a 3 year basis with an option to withdraw or reduce a package size with 12 months written notice. Increases in package sizes will be accommodated the term immediately after they are requested. This will enable the service to protect itself as a going concern and also provides academies with some certainty over financial commitments.

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Wellbeing Directorate

**Scheme
for Financing Schools**

2014/2015



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Appendix A Section 27 Education Act 2002

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 (SSAF) 1998.

References to “the regulations” are to the School and Early Years Finance (England) Regulations 2012 made under the Act.

- 1.1.2 Under this legislation, local education authorities determine for themselves the size of their Schools Budget and non-schools Budget – although the Secretary of State has power to require a local authority to increase its Schools Budget to a prescribed level. 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. Local authorities may centrally retain funding in the Schools Budget for purposes defined in regulations made by the Secretary of State under s.45A of the Act. The amounts to be retained centrally are decided by the authority concerned, subject to any limits or conditions prescribed by the Secretary of State. The balance of the Schools Budget left after deduction of centrally retained funds 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. Local education authorities may retain an unallocated reserve within the ISB but must otherwise 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 local authority in accordance with s.48 of the Act and approved by the Secretary of State.
- 1.1.4 Subject to provisions of the scheme, governing bodies of schools may spend budget shares for the purposes of their school. They may also spend budget shares on any additional purposes prescribed by the Secretary of State in regulations made under s50 of the Act. Amounts spent by a governing body on providing community facilities or services

2002 are treated as if they were amounts spent for the purposes of the school (Section 27 of the Education Act).

- 1.1.5 A local authority may suspend a school's right to a delegated budget if the provisions of the school financing schemes (or rules applied to the scheme) have been substantially or persistently breached or if the budget share has not been managed satisfactorily. There is a right of appeal to the Secretary of State. A school's right to a delegated budget share may also be suspended for other reasons (s17 SSAF 1998) but in that case there is no right of appeal.
- 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, the budget share for each school, the formula used to calculate those budget shares, and the detailed calculation for each school. 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.

1.2 **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 headteacher.
 - 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 headteacher 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 staff on site in a school eg health authority personnel, whilst the day to day management of these staff is within the headteacher'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 headteacher their powers in relation to any part of the delegated budget.

Role and Responsibilities of the Headteacher

1.2.6 Fair Funding gives headteachers 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 formulate 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.

1.2.9 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

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

Proposed revisions to the Scheme will be the subject of consultation with the headteacher and governing body of every school maintained by the authority before they are submitted to Schools Forum for approval.

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.

1.5 Delegation of powers to the headteacher

The governing body shall 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. The authority may suggest a desirable level of delegation to headteachers, but the adoption of such recommendations is not mandatory on schools.

1.6 **Maintenance of schools**

The local authority is responsible for maintaining the schools covered by the scheme, and this includes the duty of defraying all the expenses of maintaining them (except in the case of a voluntary aided school where some of the 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.

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 non 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 Strategic Director of 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 **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.

2.1.6 **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 Resources who may decide to seek recovery and charge the costs of recovery against any amounts recovered.

2.2 **Basis of accounting**

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

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**

Governing bodies must prepare and formally adopt a budget plan, 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.

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.

The governing body must also prepare and submit, if requested by the authority, any supporting financial schedules verifying the budget plan. This may include an analysis of salary expenditure.

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.

2.3.1 Submission of Financial Forecasts

Schools shall provide the authority with a financial forecast covering each year of a multi-year period for which schools have been notified of budget shares beyond the current year.

2.4 **Best Value, Efficiency and Value for Money**

Schools should seek to achieve value for money and efficiencies, taking into account the purchasing, tendering and contracting requirements outlined in Section 2.14.

The process of purchasing with due regard to Best Value and 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**

Schools may vire freely between budget heads within their budget shares. Governing bodies should agree a policy for virement within their own school budget share.

2.6 **Audit: General**

Schools shall be part of the internal and external audit arrangements of the Council as determined by the Strategic Director of Resources and the Audit Commission. 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**

A governing body may, although there is no expectation, spend funds from its budget share to obtain external audit advice, separate from any local authority internal or external audit process.

2.8 **Audit of voluntary and private funds**

Schools shall provide audit certificates in respect of voluntary and private funds and of the accounts of any trading organisations controlled by the school. Auditors should be suitably qualified and experienced for the task they have undertaken.

2.9 **Register of business and other interest**

2.9.1 The governing body of each school shall have a register which lists for each member of the governing body and the headteacher, any business interests they or any member of their immediate family have; shall keep the register up to date with notification of changes and through annual review of entries, and shall make the register available for inspection by governors, staff, parents and the Chief Education Officer.

2.9.2 The list should also include a section on other relevant interests of governors, for example Council employee, relationships with other schools, other governor positions held etc.

2.10 **Purchasing, tendering and contracting requirements**

Schools must comply with the provisions in the authority's Financial

Regulations 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.

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

- a be required to seek local authority officer countersignature for any contract for goods or services for a value below £60,000 in any one year;
- b be required to select suppliers only from an approved list;
- c be required to seek at least three tenders in respect of any contract with a value exceeding £10,000 in any one year.

Schools must

- a comply with any statutory provision or any EU Procurement Directive;
- b seek local authority approval ie countersignature, for any contract for goods and services for a value more than £60,000.

The intention is to ensure that schools do not have to be subjected to unreasonable requirements as to authority counter-signature or use of an approved list, but also ensures that they should obtain at least three tenders or quotations for orders above a certain threshold.

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, (eg 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 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 e.g. where the governing body has clear statutory obligations e.g. staff contracts in aided or foundation schools.

2.12 **Central funds and earmarking**

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'. 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. 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. 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.

2.13.2 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.

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

- a activity, publicity or propaganda against Slough Borough Council
- b 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.

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.

2.14 **Capital spending from budget shares**

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 Strategic Director of Well Being Services 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 local authority, or the school has voluntary controlled status, the governing body is required to seek the consent of any proposed capital works; such consent can only be withheld on health and safety grounds.

2.15 **Notice of Concern**

The authority does have the right to issue a notice of concern 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 Well Being Services, the school has failed to comply with any provisions of the scheme, or where actions need 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.

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.

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.

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.

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.

2.16 **Schools Financial Value Standard (SFVS)**

Schools are required to complete and demonstrate compliance with Schools Financial Value Standard (SFVS) in line with government timetables. This will apply to SFVS or any other replacement scheme.

2.17 **Fraud**

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

See table below

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

Banking Arrangements

The choice of banking arrangement by schools will affect their choice of accounting arrangements.

The current configurations open to schools are set out in the table below. These may be revised from time to time.

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

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 13%), 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. The initial estimate of non-staffing expenditure prior to the receipt of the budget plan will be 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

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

Interest on late budget share

- 3.3.1 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

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 All schools will have a bank or building society account, which will be in the name of the school. 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 Strategic Director, Education & Children's Services and the Strategic Director of 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 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**

Governing bodies may borrow money only with the written permission of the Secretary of State.

Schools may not use credit cards as this is regarded as borrowing. However, the use of procurement cards by schools is permissible and can be a useful means of facilitating electronic purchases

Other Provisions

3.7 **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 borough'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 Planned Use of Balances and Revenue Balance Control Mechanism

Planned Use of Balances

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

Revenue Balance Control Mechanism (BCM)

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.

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). 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%.

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

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. 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.

4.3 Interest on surplus balances

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.

4.4 Obligation to carry forward deficit balances

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 'loans' 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.

4.5 Planning for deficit budgets

The governing body cannot plan for a deficit.

Where a school does end the year with a deficit due to unforeseen circumstances, a plan must be drawn up by the governing body and submitted for approval by the Strategic Director of Education and Children's Services. 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 in to balance. A joint budget monitoring review programme will then be agreed for the period of the plan. This will include monthly monitoring reports being sent to the Strategic Director of Education and Children's Services. The authority will agree any appropriate management support that will be provided for the school.

4.6 Interest on deficit balances

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

4.7 Writing off deficits

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).

4.8 Balances of closing and replacement schools

- 4.8.1 When a school closes, any balance (whether surplus or deficit) reverts to the local authority; it cannot be transferred as a balance to any other school, even where the school is a successor to the closing school. 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.

4.9 -4.10 Licensed deficits / Loans

The authority previously made no provision for licensed deficits or 'loans' other than those previously agreed by the former Berkshire County Council and outstanding at 1 April 2001.

Loans may be granted by the Council to schools under specific circumstances and where there is a guaranteed income stream, external to the school's budget share, Standards Fund or other similar government funding, to pay off the loan. Granting of such loans will be exceptional. The school will be expected to assign formally the relevant part of that income stream to the Council in consideration of the loan, for the duration of the loan. Loans will not be expected to exceed 10 years and the school receiving the loan will be expected to demonstrate a sound financial position over the three preceding years, with the ability to generate reserves. Loans will be funded from school reserves held by the authority. There will be a specific loan agreement for each school and terms and conditions will be negotiated individually, including interest. Where such arrangements are in place, the schools' spending of its Schools Standard Grant must be agreed with the authority. The authority must agree the spending unless in its view the proposed expenditure is unreasonable in the school's financial circumstances.

4.10.1 Credit union approach

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 Strategic Director of Resources, or his/her representative should be contacted at the earliest opportunity. 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

5.1 General

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.

5.2 Income from lettings

5.2.1 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.

5.2.2 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.

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

5.3 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 local authority, including pricing for school meals.

5.4 Income from fund-raising activities

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

5.5 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.

5.6 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 'in tact'. Schools will have due regard to insurance limits for cash to be retained on the premises if same day banking is not always possible.

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. The local authority will consult schools as to the intention to charge, and notify schools when it has been done. Where the authority 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.
- 6.1.2 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 (eg pension deductions).
- 6.2.10 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.
- 6.2.11 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.
- 6.2.12 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).
- 6.2.13 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.
- 6.2.14 Costs incurred by the authority in securing provision specified in a statement of SEN 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;

- 6.2.15 Recovery of amounts spent from specific grants on ineligible purposes.
- 6.2.16 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.
- 6.2.17 Costs incurred by the local authority as a result of the governing body being in breach of the terms of a contract.
- 6.2.18 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).
- 6.2.19 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 (see also section 2.2).
- 6.2.20 Costs incurred by the local authority due to submission by the school of incorrect data.
- 6.2.21 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 (see also section 2.3).
- 6.2.22 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 (see also section 2.10).
- 6.2.23 Where the school engages in vexatious activities as outlined in paragraph 2.17.3 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.
- 6.2.24 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.

SECTION 7: TAXATION

7.1 Value Added Tax

- 7.1.1 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.
- 7.1.2 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.
- 7.1.3 Option 1 & 2 schools - VAT is identified on the monthly imprest claim and included in the re-imbusement.
- 7.1.4 Option 3 & 4 schools - There will be a separate monthly VAT reclaim form and re-imbusement will be on the next monthly payment of budget share by the authority.
- 7.1.5 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 where (a) funding has been delegated to some schools only or (b) such discrimination is justified by differences in statutory duties.
- 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

Services bought back from the authority on or after 1 April 1999 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.

8.2.1 Packaging

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.

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**

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.

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 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 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.

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 (eg earmarked funds) to the school.

11.2 Liability of governors

The governing body is a corporate body, and under the provisions of s50(7) of the SSAF Act, 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.

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 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 (eg 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 are 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 Strategic Director of Resources

The Strategic Director of 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 Strategic Director, Education and Children's Services. 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 F.

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

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 new 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.

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.

Consultation with the authority – Financial Aspects

13.3 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.

13.4 The requirement to seek authority advice should be met by submitting detailed written proposals to the Director Wellbeing, Education & Children's Services. 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.

13.5 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.

Funding Arrangements: authority powers

- 13.6 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.
- 13.7 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.

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.

Other Prohibitions, Restrictions and Limitations

- 13.8 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.

- 13.9 Section 28 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.

Supply of Financial Information

- 13.10 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.
- 13.11 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.

Audit

- 13.12 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.
- 13.13 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.

Treatment of Income and Surpluses

- 13.14 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.

- 13.15 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.

Health and Safety Matters / Criminal Records Bureau

- 13.16 Health and safety provisions of the main scheme apply to the community facilities power.
- 13.17 The governing body is responsible for the costs of securing Criminal Records Bureau 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.

Insurance

- 13.18 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 facilities.
- 13.19 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.

Taxation

- 13.20 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.

- 13.21 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.
- 13.22 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.

Banking

- 13.23 The scheme requires that the school maintain separate bank accounts for budget share and community facilities.
- 13.24 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.
- 13.25 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	
Chalvey Early Years Centre	Community
Cippenham Nursery	Community
Claycots	Community
Foxborough	Community
Holy Family RC	Voluntary Aided
Iqra Slough Islamic Primary	Voluntary Aided
Khalsa Primary	Voluntary Aided
Lea Nursery	Community
Montem Primary	Community
Our Lady of Peace Infants	Voluntary Aided
Our Lady of Peace Junior	Voluntary Aided
Parlaunt Park	Community
Penn Wood Primary & Nursery	Community
Pippins	Foundation
Priory	Foundation
Ryvers	Foundation
St Anthony's RC	Voluntary Aided
St Ethelbert's RC	Voluntary Aided
St Mary's CE	Voluntary Controlled
Western House Primary	Community
Wexham Court	Community
Secondary	
Beechwood	Community
St Bernard's RC Grammar	Voluntary Aided
St Joseph's RC	Voluntary Aided
Wexham	Community

School	Category
Special	
Arbour Vale	Community Special
Haybrook College	Community Special
Littledown	Community Special

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 new early retirements or redundancies can also be charged to the central part of the Schools Budget if the Schools Forum agree and the local authority can demonstrate that the "revenue savings achieved by any termination of employment are equal to or greater than the costs incurred". The Schools Forum must agree to any increase in this budget over the previous financial year. If the Schools Forum does not agree with the local authority's proposal, then the authority can appeal to the Secretary of State. The Schools Forum would also be involved if the additional expenditure resulted in a breach of the central expenditure limit, whereby central expenditure increases faster than the Schools Budget as a whole.

Costs of early retirements or redundancies may only be charged to the central part of the Schools Budget 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.

A de-delegated contingency could be provided, if Schools Forum agree, 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, and can be funded from the school's delegated budget if the governing body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed on them by the Education Acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement. Section 37 now states:

(7) Where a local 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 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.

An example of where a charge to the central Schools Budget might be appropriate would be a school reorganisation. A reorganisation involving the closure of a number of schools would be likely to result in savings because there would be a reduced amount being allocated through the formula for factors such as flat rate amounts to all schools or floor area. If the savings in the formula exceeded the ongoing costs of the VER/redundancy then this would qualify.

It would be possible to consider savings at an individual school level as well, but this needs to be carefully managed so that there are clear ground rules in place for applications, recommendations and approval. It may be sensible to agree criteria for eligibility which are consistent with the general approach as to when costs should be centrally funded.

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.

There are clearly difficulties in setting a budget, whether inside or outside the Schools Budget, at a point prior to the beginning of the financial year before schools have set their budgets and made staffing decisions. Local authorities can only make a best estimate of what may be needed, based on past experience, local knowledge of the financial position of individual schools and the context of that year's funding settlement. There are dangers in raising expectations that costs will be met centrally if the budget is set too high, and so an alternative would be to keep the budget tight and use contingency or 'schools in financial difficulties' budgets if there is an unexpected need for staffing reductions and it is not appropriate for delegated budgets to fund VER/redundancy costs. To achieve best use of resources, local authorities should also have an active redeployment policy, to match staff at risk to vacancies.

One of the permitted uses of the contingency is where "a governing body has incurred expenditure which it would be unreasonable to expect them to meet from the school's budget share" while local authorities are also allowed to retain funding for schools in financial difficulties "provided that the authority consult the schools forum on their arrangements for the implementation of such support."

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.

(8)Any amount payable by virtue of subsection (7) by the governing body of a maintained school to the local education authority shall not be met by the governing body out of the school's budget share for any financial year.

(9)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 s.27 (1) of the Education Act 2002 to provide community facilities will be subject to a range of controls. First, regulations made under s.28 (2), if made, can specify activities which may not be undertaken at all under the main enabling power. Secondly, the school is obliged to consult its local authority and have regard to advice from the authority. Thirdly, the Secretary of State issues guidance to governing bodies about a range of issues connected with exercise of the power, and a school must have regard to that.

However, under s.28(1), the main limitations and restrictions on the power will be

- a. those contained in schools' own instruments of government, if any; and
- b. in the maintaining local authority's scheme for financing schools made under section 48 of the School Standards and Framework Act 1998. Paragraph 2 of Schedule 3 to the Education Act 2002 extends the coverage of schemes to 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 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.

ANNEX D LIST OF BANKS AND BUILDING SOCIETIES

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

Section 27 of the Education Act 2002

27 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.

Scheme for Financing Schools

Consultation on Revisions

2014-15

Published May 2014

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 have published recommended changes to the guidance on local authority schemes, effective from 1st April 2014. Local authorities must consult all maintained schools and then receive the approval of the members of their schools forum that represent maintained schools.

Some of the areas are very minor and are just wording changes and some are not directly relevant to Slough.

You will find at the end of this document the consultation response form and this should be returned to Coral Miller, Interim Schools Finance, by Friday **20th June 2014**.

Responses can be by email to coral.miller@slough.gov.uk or by post to:

Schools Finance
2nd Floor West
St Martins Place
51 Bath Road
Slough
SL1 3UF

Minor changes recommended by Slough Borough Council

1	
Addition to the scheme	2.2 Basis of Accounting is included in the DFE scheme for financing schools.
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	
Addition to the scheme	2.15 Notice of Concern is included in the DFE scheme for financing schools.

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

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 Well Being Services, the school has failed to comply with any provisions of the scheme, or where actions need to be taken to safeguard the financial position of the authority or the school. Such a notice will set out the reasons and detailed evidence why it is being made.

3	
Addition to the scheme	2.17 Fraud is included in the DFE scheme for financing schools.
<p>All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.</p> <p>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.</p>	

4	
Adjustment	5.4 Income from fund-raising activities
The Scheme provides for schools to retain income from fund-raising activities.	

5	
Removed	11.7 Delegation to new schools
This no longer appears in the DFE guidance. see previous description below: The authority shall have the right to delegate selectively and optionally to the governing bodies of schools that have yet to receive delegated budgets.	

Minor changes recommended by the DfE

6	
2.13	Spending for the purposes of the School
Academies Added. "These allow schools to spend their budgets on pupils who are on the roll of other maintained schools or academies".	

Clarification revisions suggested by the Schools' Forum.

The following revisions were suggested by the Slough Schools' Forum.

2.10 wording has been changed to say, at least 3 tenders are required for contracts over £10,000.

NOTES:

The content page has been amended and numbers re-arranged so that it follow the content, in the DFE guidance for the Scheme for financing schools.

4.9 Support for schools in financial difficulty, this section has been removed as it is no longer part of the DFE scheme for financing schools and because the new DFE funding formula does not allow contingency to be put aside for this purpose. Contingency are allowed for Growth and Schools with falling roles if they are good or outstanding.

6.30 General Teaching Council (GTC). Removed from the scheme as this has been abolished since 1st April 2012.

8.3 Service level agreement just move this information from 8.2 and given it a separate paragraph to fall in line with the DFE guidance – no changes to the wording.

Scheme for Financing Schools – Consultation 2014-15 Response Form

Name	
School	
Role	

DfE suggested minor changes: Please tick to agree or disagree as suggested in the narrative above.

Suggested Change		Agree: Yes/No?
1	Addition: 2.2 The Basis of Accounting which is included in the DFE guidance which prevents Local Authorities dictating the financial software a School can use.	
2	Addition: 2.15 Notice of Concern gives the Local Authority the right to issue a notice if a School is not complying to the Scheme for financing schools. The Local Authority will need to provide detailed evidence in the notice.	
3	Addition: 2.17 Fraud which requires Schools to have robust systems in place to reduce the risk.	
4	Addition: 5.4 Income from Fund-raising activities to correspond to the DFE guidance, this provision allows schools to keep the income made from fund raising.	
5	Removed: 11.7 Delegation to new schools, in line with the DFE guidance as the majority of new schools will be Free schools which will be funding from the EFA and no longer from Local authorities.	
6	The DFE has amended 2.13 Spending for the purposes of the school to add Academies which allows mainstream schools to spend their budget for pupils on roll of other maintained schools or Academies.	
<u>Any Comments:</u>		

Clarification revisions suggested by the Schools' Forum.

<u>Suggested Change</u>		Agree: <u>Yes/No?</u>
1	2.10 wording clarification.	
<u>Any Comments:</u>		

Please return by Friday 20th June 2014

Consultees on Changes to the Scheme for Financing Schools

Heads and Chairs of Governors for maintained Slough Schools

Slough Schools' Forum – 2014-15 Work Programme

Wednesday 2 July 2014

- PFI
- Schools Outturn 2013-14 and 2014-15 Budget plans
- Revised Growth Fund 2014-15
- Central Outturn 2013-14
- Confirmation of Final DSG allocations 2014-15 (subject to DfE notification date)
- SEBDOS
- Review of Scheme for Financing Schools
- Cambridge Education – review outcomes and financial implications
- Academies update
- Dates of meetings – 2014-15 academic year
- 2014-15 Work programme and Key Decisions log

Wednesday 17th September 2014 (TBC)

- PFI
- DSG Centrally held items discussion begins
- Balance Control Mechanism
- 2015 -16 Budget Process Plan
- Review of Scheme for Financing Schools
- Cambridge Education
- Academies update
- 2014-15 Work programme and Key Decisions log

Wednesday 15th October 2014 (TBC)

- PFI
- ESG breakdown
- Quarter 1 Budget Monitoring 2014-15
- 2015-16 Budget Process Update
- Cambridge Education
- Academies update
- 2013-14 Work programme and Key Decisions log

Wednesday 12th November 2014 (TBC)

- 2015-16 Budget Process Update
- Cambridge Education
- Academies update
- 2013-14 Work programme and Key Decisions log

Wednesday 10th December 2014 (TBC)

- Quarter 2 Budget Monitoring 2013-14
- 2015-16 Budget Process Update
- Growth Fund Update 2014-15 and 2015-16 budget

- 2015-16 DSG Blocks (School Block, High Needs Block, Early Years Block)
- Centrally Retained DSG
- De-delegated budgets
- Cambridge Education
- Academies update
- 2013-14 Work programme and Key Decisions log

Wednesday 14th January 2015 (TBC)

- 2015-16 Budget Process Update (including Formula report)
- 2015-16 DSG Blocks (School Block)
- 2015-16 DSG Blocks (High Needs Block)
- 2015-16 DSG Blocks (Early Years Block)
- Cambridge Education
- Academies update
- 2013-14 Work programme and Key Decisions log

Wednesday 25th February 2015 (TBC)

- Quarter 3 Budget Monitoring 2014-15
- 2015-16 Budget Process Update
- Cambridge Education
- Academies update
- 2013-14 Work programme and Key Decisions log

Wednesday 18th March 2015 (TBC)

- 2015-16 Budget Process Update
- Growth Fund Outturn 2014-15
- Cambridge Education
- Academies update
- 2013-14 Work programme and Key Decisions log

May 2015

- Review of Scheme for Financing Schools
- Cambridge Education
- Academies update
- 2014-15 Work programme and Key Decisions log

Schools Forum Key Decisions Log		
Issue and Decision	Schools Forum date	Schools Forum agenda item no.
Fair Funding Formula Consultation for 2013 -14	12/09/12	
Schools Forum agreed the content of the consultation with all schools regarding changes to the Fair Funding formula for 2013, with the principle that the aim in moving to the new formula arrangements is, within restrictions imposed by the DfE regulations, to minimise turbulence for individual schools	12/09/12	6
Confirmation of DSG Allocation 2012 - 13		
Schools Forum acknowledged final DSG allocation 2012 - 13 and confirmed outline Schools Budget	12/09/12	7
Headroom	12/09/12	
Headroom to support the development of secondary school places		
Schools Forum agreed that the £30,000 allocated at the July 2012 meeting to support the development of secondary school places, be allocated equally across the three successful free school proposers in Slough whose bids were approved by the Prime Minister in July 2012	12/09/12	8
Headroom to support the implementation in-year of new resource unit places from September 2012		
Schools Forum agreed that £376,000 be retained to support the implementation in-year of new resource unit places from September 2012	12/09/12	8
Headroom - PRU activities at Littledown during 2012 - 13		
Schools Forum agreed that £70,000 be set aside but not allocated at this stage, to support PRU activities at Littledown during 2012 - 13, pending further work on the overall funding	12/09/12	8
Fair Funding Formula Consultation for 2013 -14	03/10/12	3
It was confirmed that, for formula purposes, Claycots is a split site school and therefore it was appropriate to consult on the option of a formula factor to reflect this.		
Headroom	03/10/12	3
Schools Forum agreed that the £30,000 allocated at the July 2012 meeting to support the development of secondary school places and intended to be allocated equally across the three successful free school proposers in Slough whose bids were approved by the Prime Minister in July 2012 - be allocated at a later date when sites and intake clearer . LA to contact the three free school proposer groups.		
Early Years Single Funding Formula (EYSFF)	03/10/12	5
Schools Forum agreed a number of changes to the EYSFF: <ul style="list-style-type: none"> • An additional provider type 'Academy' at the same rates as the provider type 'primary'. • Provider specific lump sums as a short term position. • Hourly rates for supplements as a short term position. • Base hourly rates equivalent to current staffing rates for EYSFF MFG purposes. 		
Headroom		
Following update that the majority of the students of the three successful free schools will be from Slough and that the sites would not have an impact on intake, Schools Forum agreed to the £30,000 being held and kept under review.	24/10/12	3
It was confirmed that the £70,000 for Littledown School was formally approved at the last SSEF meeting.	24/10/12	3
Fair Funding Formula 2013 -14		
Schools Forum recommended the following proposals to the Council for approval:	24/10/12	5

Not to include a factor for Looked after Children or English as an Additional Language as the DfE datasets do not target the real need in Slough appropriately and recommended that all the other relevant factors be included in the Slough formula.	24/10/12	5
Agreed to propose Appendix F and G of report to SBC with further discussion to follow amongst Secondary Headteachers re Appendix G which moves 1% of funding to basic entitlement from low attainment and has the effect of smoothing the distribution across non-selective and selective schools to the benefit of the selective schools (later endorsed by Secondary Headteachers 31/10/12)	24/10/12	5
Agreed to distribute deprivation funding using 51% free school meals (Ever 6 FSM) and 49% IDACI.	24/10/12	5
Agreed the recommended model for pupil mobility which maps the current turbulence factor to the compliant mobility factor.	24/10/12	5
Agreed the standard lump sum factor.	24/10/12	5
Agreed the split site factor – the final unit value to be confirmed by January 2013.	24/10/12	5
Agreed the factor for rates and PFI. Current formula factors are replicated in the recommended model.	24/10/12	5
De-delegation		
Maintained schools agreed de-delegation of Outreach (former behaviour support) for 2013/14 to support the planned transfer of the management of the service to Littledown and Haybrook from January 2013. Academies present indicated clear support for the service, indicating a willingness to buy in	24/10/12	5
De-delegation of Trade Union staff costs was agreed for 2013/14.	24/10/12	5
Growth Fund		
Schools Forum agreed to retain relevant central funding for significant pupil growth.	24/10/12	5
Early Years Single Funding Formula (EYSFF)		
Schools Forum endorsed the proposals put forward by the Task and Finish group: simplifying the formula by reducing it to 3 factors: 1) Staffing; 2) Central costs and 3) Deprivation with differentiation across different sizes of providers. These factors combine to provide an hourly rate. Deprivation to be based on IDACI and Free School Meals.	17/01/13	5
Split site factor		
Schools Forum agreed that the split site factor criteria in the 5-16 main funding formula should be: "A split site is where a school operates on two (or more) distinctly separate sites. The sites will be in separate, not adjacent streets and not connected by a footpath".	17/01/13	6
Funding Formula 5 - 16 primary: secondary ratio		
No consensus was reached regarding the two options considered: the status quo of 1:1.43 and 1: 1.39. It was agreed that views of Primary Headteachers would be sought following the meeting and it would also be considered at SASH. If no formal agreement could be reached there would be a vote arranged for those Schools Forum members eligible to vote. The result of the vote would be communicated to the LA to inform the LA decision prior to submission to the DfE.	17/01/13	6
<i>Note: A vote was later held regarding the two models proposed for primary / secondary ratio (1:1.43 and 1:1.39) and the Schools Forum vote did not provide a consensus with the vote being in favour of 1:1.43 (11 votes to 6). The final LA decision was to move to the ratio of 1:1.39.</i>	n/a	n/a
Early Years Single Funding Formula (EYSFF)		
Deprivation to be based on Free School Meals	27/02/13	3
Funding Formula 5 - 16		
It was agreed that further work to review the needs led principles behind the formula should be continued immediately with initial research being done to identify potential sources of expertise for the research, prior to any further financial modelling work.	27/02/13	6
Schools Forum Constitution		
The updated Schools Forum Constitution was approved.	27/02/13	8
Membership		

One current vacancy in the maintained membership will not be filled (leaving 8 members). The Primary Headteachers group to elect 2 members to fill the maintained schools vacancies. Academy proprietors be asked to elect an additional academy representative (giving 8 academy members) and to consider this being a secondary governor representative to reflect phase balance. Nominations to be brought back to Schools Forum in May. Nicky Willis was approved as substitute for Barbara Clark and Gill Denham for Gillian Coffey	20/03/13	5
Two Year Old Funding Formula		
It was agreed that the formula based on staffing and central costs as set out in the report be recommended to the LA for implementation.	08/05/13	5
School specific contingency and LA budgets funded by DSG - Outturn 2012/13		
Schools Forum agreed that £780,000 be retained for potential overspend on High Needs and Early Years funding. Further areas to return to Schools Forum for later review and decision.	03/07/13	4
Scheme for Financing Schools		
It was agreed that the updated Scheme for Financing Schools be put on the SBC website.	03/07/13	7
Two Year Old Funding Formula		
Schools Forum agreed the revisions to the Early Years 2 Year Old Funding Formula as set out in the report and recommended the formula to the LA for implementation.	03/07/13	9
Membership		
Paul Adams joined Schools Forum as an academy governor representative; one community primary vacancy has been filled by Navroop Mehat of Wexham Court Primary; a review of the balance of membership across academies and maintained schools to be undertaken by the Chair over the summer.	03/07/13	12
Chair and Vice-Chair		
Maggie Waller was elected Chair and John Constable Vice-Chair	11/09/13	1
School Balances		
It was agreed that if, at any time in the future, there is an option to claw back money from a school, this would come back to Schools Forum.	11/09/13	6
New Schools and Early Years Finance Regulations - DfE Consultation		
It was agreed that a joint LA and Schools Forum response would be submitted to the DfE	11/09/13	7
Membership		
It was agreed that the Chair would write to all Academies with a recommendation to fill the primary academy member vacancy to provide a balance of primary and secondary representation i.e. 4 primary and 4 secondary members and to recommend: the appointment of Jon Reekie as primary representative; agreement to the appointment of Nicky Willis to the next vacancy; to seek any alternative nomination	11/09/13	8
It was agreed that the Chair would write to Chairs of Governors of maintained primary schools to seek nominations and Maggie Stacey would also raise this with primary Headteachers	11/09/13	8
Membership		
Hardip Singh, Khalsa Primary School was appointed as a Governor Primary Representative for Maintained Schools.	16/10/13	3
Julie O'Brien, Our Lady of Peace Junior School was endorsed as Primary Maintained School Headteachers' representative.		
DSG Centrally Retained Budgets		
Schools Forum agreed the need for a framework to be agreed for reporting to Schools Forum to enable any recommendations or decisions to be made regarding any relevant DSG centrally retained items. A process is to be built into the Work Programme.	16/10/13	6
High Needs Financial Sustainability Policy		
Schools Forum endorsed the High Needs Financial Sustainability Policy, subject to a timeframe being added in to the criteria. It was noted that an annual report on the policy's operation should be provided for Schools Forum.	16/10/13	7
Carbon Reduction		

Schools Forum approved payment of £114,168.94 for the Carbon Reduction Commitment for 2012-13 via the potential in year DSG underspend for 2013-14.	16/10/13	8
Membership		
Debbie Richards was welcomed as the new member representing maintained special schools.	15/11/13	3
Jon Reekie was welcomed as academy primary representative and Ni ky Willis as reserve for next relevant academy vacancy.	15/11/13	3
Repayment		
It was noted that St Joseph's has now repaid £400,000 to the Dedicated Schools Grant (DSG)	15/11/13	3
Review of Accountability for Central Budgets		
The process for Schools Forum scrutiny and review of expenditure in centrally retained budgets was agreed: a report will be brought in July each year with the out turn figures and a brief explanation of spend and this will inform the Schools Forum decisions about the following year's budgets.	15/11/13	7
Free Schools		
Schools Forum agreed that the £30,000 agreed to be allocated at the July 2012 meeting to support the development of secondary school free school applications now be allocated equally to The SASH School, Lynch Hill and Khlasa. It was noted that this was honouring an historical decision and did not set a precedent.	15/11/13	3
Membership		
It was recommended that when the January review of membership is done, Helen Huntley be recommended to the Academies as a nomination for PRU / special school representation.	11/12/13	3
Nicky Willis was approved as substitute for Gillian Coffey.	11/12/13	3
Split Site Factor		
The Split Site Factor was agreed at a value of £34,300.	11/12/13	5
Half Year DSG Forecast		
Schools Forum agreed that from the forecasted underspend of £871,000, £500,000 be allocated to 14/15 budgets (£400,000 to the Schools Block and £100,000 for the High Needs block).£300,000 from last year's unspent central DSG agreed to be added to the Schools Block for 14/15. Schools Forum also agreed that the previously reported Contingency figure of £708,293 from 2012-13 should be split: £567,293 to the schools block and £141,000 to the high needs block.	11/12/13	6
Centrally Retained DSG		
Schools Forum agreed centrally retained budgets for 2014/15 but with some items requiring further clarification. A full list will be included in this log after the January meeting (included below - February 2014) .	11/12/13	8
De-delegated Budgets: Behaviour Support Service and Trades Union		
The primary and secondary maintained school representatives present at the meeting voted to de-delegate both the Trades Union and Behaviour Support Services funding.	11/12/13	9
2014-15 Budget Process Update		
Noted that Mobility Factor had been removed as agreed previously and funding has been added to social deprivation.		
Schools Forum agreed to endorse the recommendation regarding the unit values for the formula factors for 2014/15, noting that this moved the primary: secondary ratio to 1: 1.38 but registering concern about the impact.	15/01/14	4
Schools Forum noted that the following amounts have been added to the 2014-15 Schools Block from previous years' underspends: £567,293 from the 2012-13 unspent contingency; £300,000 from the remaining 2012-13 DSG underspend and £400,000 from the estimated 2013-14 underspend.	15/01/14	4
Growth Fund		
Schools Forum agreed to accept the recommendation to increase the Growth Fund by £1.2 million to £1.5 million for 2014/15 to enable funding to be provided for agreed permanent expansions after the first year. (Note: currently the Growth Fund criteria only allows support for agreed bulge classes and the first year of an agreed permanent expansion.)	15/01/14	5
2014-15 DSG Blocks (Schools Block)		

Schools Forum noted that £28,000 previously held to fund a KS3 Coordinator has been returned to schools' budgets; it was agreed that the £30,000 for Broadband maintenance be held for 2014/15 and included in the Cambridge Education Review of centrally held expenditure.	15/01/14	6
Schools Forum noted the estimated Schools Block but subject to clarification of the funding from the Council relating to the PFI factor being confirmed. The Chair is to request clarification from the Council of the PFI figures implicit in the estimated Schools' Block figures and confirmation regarding the Council's contribution to the 'affordability gap'.	15/01/14	6
2014-15 DSG Blocks (High Needs Block)		
Schools Forum noted a verbal update that the PFI figure in the report was updated to £309,000, having been £29,542 in the published papers.	15/01/14	7
Schools Forum noted the estimated High Needs Block but subject to clarification of the overall funding from the Council relating to the PFI factor being confirmed. The Chair is to request clarification and confirmation from the Council regarding the Council's contribution to the 'affordability gap'.	15/01/14	7
2014-15 DSG Blocks (Early Years Block)		
Schools Forum noted the estimated Early Years Block for 2014-15 and agreed the carry forward into 2014/15 for two year old funding. Schools Forum agreed two central expenditure items:£41,070 for Behaviour Support and £1,428 for Trades Union duties.	15/01/14	8
DSG Centrally Held Budgets 2014-15 - starting position		
Update to this log bringing together all centrally retained budgets agreed by Schools Forum over December 2013 and January 2014 meetings		
High Needs Block	£	
Support for Inclusion		
F406 Inclusion Management	103600	
F166 Hard to Place Protocol	267000	
F430 Vulnerable Children	61700	
F417 Vulnerable Children	251770	
F191 Early Years Inclusion	70000	
F321 Roma Community Project	15200	
F235 Traveller' Service (DSG)	27400	
SEN Support Services		
F406 Inclusion Management	6340	
F446 Educ Resource Services (former LACES)	106780	
F410 Autism	185730	
F417 Sensory Impairment	470000	
F460 SENASS	399300	
F461 Retained SENASS	182000	
SEN Transport		
F413 SEN Transport	40000	
EOTAS		
F418 Haybrook Provision (EOTAS)	130995	
Schools Block		
F169 Admissions (DSG)	178180	
F840 Schools Forum	53055	
E903 Schools Apportionment (AN)	149100	

