

Slough Schools' Forum
Scheme for Financing Schools consultation
8 May 2013

Appendix 1

Explanation of each proposed change to the Scheme.

The words changed in the recommended Outline Scheme are underlined.
 An explanation is in *italic* if necessary.

Introduction	Updated reference to regulations.
<p>"the regulations" are to the School and <u>Early Years Finance (England) Regulations 2012</u> made under the Act.</p> <p><i>Reference to the updated regulations will be put into the introduction of the Slough scheme.</i></p>	

1.2.1	Confirmation that legislation has already been amended to put maintained Pupil Referral Units (PRUs) in coverage.
<p>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 <u>and pupil referral units (PRUs)</u> maintained by the authority.</p> <p><i>The scheme applies to PRUs maintained by the authority, wherever they are situated. This will amend 1.3 in the current Slough scheme.</i></p>	

1.4	Only schools' forum members representing maintained schools should now approve scheme changes.
<p>The scheme should contain a statement that any proposed revisions to the scheme will be the subject of consultation with the governing body and the head teacher of every school maintained by the authority before they are submitted to the schools forum for their approval.</p> <p><i>This does not necessitate a change of wording to 1.5 in the current Slough scheme. The DfE are making the point that only <u>maintained</u> schools should be involved in the decision making process.</i></p>	

2.13	Updated references to legislation.
<p>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 <u>came</u> 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.</p>	

This allows schools to spend their budgets on pupils who are on the roll of other maintained schools. This is covered in 2.17.1 in the current Slough scheme and does need to be amended.

Section 3	Clarification that place-led funding is included in arrangements for payments by instalment.
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For the purposes of this section, Budget Share includes any place-led funding for special schools or pupil referral units.

This can be added as introduction to Section 3 of the Slough scheme.

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

This can be added to 3.3 Frequency of instalments, in Slough's scheme.

4.7	Funding to support schools in financial difficulty can only come from a de-delegated contingency for mainstream schools, or a central budget for special schools and PRUs.
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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).

Slough's scheme does not currently specifically mention funding to support schools in financial difficulty so this should be added to Section 4.

5.5	Clarification around bought in meals service, not centrally retained.
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The scheme may have a provision which applies separate rules on this to schools, but only for income accrues to the authority (e.g. where a school has contracted with the council meals service).

Not relevant to Slough.

Section 6	Clarification that schools' forum can agree de-delegation.
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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.

This allows local authorities to de-delegate once the Forum has agreed the de-delegation. This can be added to 6.1.1 in Slough's scheme.

6.2.15	Amended wording in relation to charging the school budget share if appropriate support has not been made for a High Needs pupil.
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 <u>low cost high incidence SEN</u> and/or specific funding for a pupil with High Needs;	
<i>This will revise the current 6.2.14 in the Slough scheme.</i>	

8.1	Restriction to existing commitments for redundancy/PRC payments and removal of reference to non-provision of LA services where funding has been provided to some schools only.
The scheme should contain a provision which makes it clear that it is for the authority to determine on what basis services from centrally retained funds will be provided to school. The provision should be drawn in a way that clearly encompasses <u>existing</u> PRC and redundancy payments, which may not be thought of as services.	
<i>8.1.1 in Slough's scheme can be amended to add the word "existing".</i>	

11.7	Deletion of references to optional delegated funding.
<i>11.8, which addresses Optional Delegation, would be removed from the Slough scheme.</i>	

12.4	Removal of provision for LAs to retain centrally money for R&M of school kitchens where funding for school meals has not been delegated.
<i>Slough's scheme does not contain this provision so no action is needed.</i>	

Annex A	Clarification that school detail budgets are no longer included in S251 collection.
<i>Slough's scheme does not have details of the S251 statement and this is just a technical point.</i>	
<i>Annex A will be revised to list the currently maintained schools.</i>	

Annex B	Restriction of termination of employment costs funded from central schools budget to value of previous year and existing commitments; clarity that contingency for schools in financial difficulty will need to be de-delegated.
Costs of early retirements or redundancies <u>may only</u> be charged to the central part of the Schools Budget <u>where the expenditure is to be incurred as a result</u>	

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 are 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.

The above will need changes to Annex B in Slough’s scheme to ensure that the changes underlined above are reflected.