

**WESTMINSTER CITY COUNCIL
SCHOOLS' FORUM –JUNE 2017
REPORT BY HEAD OF RESOURCES
SCHEME FOR FINANCING SCHOOLS**

Purpose of the report

This report provides forum with the final version of the Scheme for Financing Schools for publication.

FOR APPROVAL

1 Introduction

- 1.1 A report was tabled at the Schools Forum meeting in March 2017 to review and approve the Scheme for Financing Schools.
- 1.2 Following further review internally, four amendments and additions were made to the Scheme. These changes were made to reflect current policy and as a result it was felt that the final version should be brought to forum for final ratification.

2 Background

- 2.1 The Scheme for Financing Schools (the “policy”) sets out the financial relationship between the Local Authority and the maintained schools that it funds. It contains requirements relating to the financial management of its schools.
- 2.2 The existing Local Authority policy was last updated in January 2007. The Department for Education (DfE) released new guidance in December 2015 (issue 8), outlining the provisions that a local authority's policy must, should or may include.

3 Amendments and additions

- 3.1 Amendments and additions include:

Section 1.6 – Maintenance of Schools

The following text was added:

As the employer of community schools, the Authority is responsible for establishing its overall Health and Safety Strategy and it is up to the governing body and senior leadership team to ensure compliance.

It is the responsibility of the employer of voluntary aided schools to establish a Health and Safety strategy that complies with national Health and Safety legislation and statutory guidance. In order to ensure compliance of schools in discharging this obligation and to reflect the duty of care that the Authority has for children attending schools in the borough, schools will need to supply sufficient documentation to the Authority as determined by the Director of Finance for Children's Services.

Section 2.1.2 – Provision of financial information and reports

The following text was added:

The Section 151 Officer of the Authority may at their discretion amend the requirements for financial information and reports from schools, and the timetable on which these are provided to suit the Authority's overall financial monitoring requirements.

Section 2.3 – Submission of budget plans

The following text was added:

Health and Safety obligations

Schools should have regard to their most recent school Condition Survey and Asset Management Plan when setting their budget, including health and safety maintenance obligations they have. The Governing Body and Headteacher should ensure that in setting and approving the school's budget, adequate resources have been allocated to carry out their health and safety obligations.

Funds delegated by the Authority such as Devolved Formula Capital should be, where possible, designated to ensuring that maintenance issues identified on the most recent school Condition Survey and Asset Management Plan are addressed.

Appendix B – Responsibility for redundancy and early retirement costs

The following text was updated to reflect the previous agreement of Schools Forum from its meeting in July 2016:

The Authority will consider proposals to meet the costs of a redundancy payment, however such a decision will be taken by the Director of Children’s Services Finance upon reviewing the proposal.

The following matters must be satisfied in order for the Authority and Director of Children’s Services Finance to consider a proposal:

1. The Director of Finance for Children’s Services has confirmed in writing to the governing body that the school is in financial difficulty or has a licensed deficit budget, which requires staffing reductions as part of the improvement plan. Confirmation must be sought before the start of any organisational change processes.
2. The headteacher has confirmed in writing to the Director of Finance for Children’s Services that:
 - i. The school does not have reserves greater than £200,000. Where a school holds reserves greater than £200,000, they will be expected to finance any restructure from these funds.
 - ii. The changes are not as a result of the school experiencing financial issues that are within their control.
 - iii. There is a headcount reduction in the school’s staffing establishment.

- iv. The redundancy process is not as a result of changes solely related to the delivery of the curriculum.
- v. The number of similar posts in the school is not anticipated to increase within two years after the effective date of termination.
- vi. No employee made redundant from the school will be reemployed within the school in any capacity for the next two academic years.
- vii. The school has assessed the feasibility of, or implemented, voluntary measures short of redundancy such as: vacancy management, a reduction in working hours or redeployment.

4 Recommendations

4.1 Schools Forum are asked to:

- note the amendments and additions
- approve the final version of the policy for publication in Appendix A.

Andrew Tagg
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Annexes

- Appendix A5.1 – Scheme for Financing Schools 2017