


Agenda Item 7

	<p>London Borough of Hammersmith & Fulham</p> <p>SCHOOLS FORUM</p> <p>Tuesday 12th October 2021</p>
<p>Proposed changes to Scheme of Financing for Schools and Financial Procedures</p>	
<p>Open</p>	
<p>Wards Affected: (All Wards); All</p>	
<p>Accountable Director: Jacqui Mc Shannon, Director of Children's Services</p>	
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<p>Purpose of the report</p> <p>This report summarises the proposed changes to the scheme of financing for schools and financial procedures for consultation in October to November 2021</p>	

- 1.1. Local authorities are required to publish schemes for financing schools, setting out the financial relationship between them and the schools they maintain.
- 1.2. In making any changes to their schemes, other than directed revisions, local authorities must consult all maintained schools in their area and receive the approval of the members of their Schools Forum representing maintained schools.
- 1.3. Local authorities must take current guidance from the Department for Education into account when revising their schemes, in consultation with the Schools Forum.
- 1.4. The current version of the scheme and the financial procedures were agreed in 2017 and are published on the LBHF website.
- 1.5. The scheme and financial procedures have been reviewed recently and a summary of the proposed changes is attached as Appendix 1. The revised scheme and financial procedures with tracked changes from the current versions are attached as Appendix 2.
- 1.6. **Recommendation:** Schools Forum is asked to agree to the revised scheme being added to the consultation for Maintained Primaries schools as well as to maintained nursery schools, maintained special schools and William Morris Sixth Form for consultation and feedback.
- 1.7. Appendices:

Appendix 1 - Key Changes to the Financial Scheme for Financing Schools 2021/22

Appendix 2 – Revised Scheme for Financing Schools with Tracked Changes

REPORT ENDS

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Key Changes to the Financial Scheme for Financing Schools 2021/22

2.1.1 Financial Controls

- Expectations from the LA should a school opt out of FSM or following a change to bursar or contracted financial management support

2.1.2 Reporting Deadlines

- Extended from 5th working day to 7th working day

2.3 Submissions of budget plans

- Schools are now expected to submit a **3-year** budget plan to the Authority by the end of May

2.14 Capital spending from budget shares

- Clarification on what regulations must be adhered to

3.7 Other provisions

- This now includes the procedure for the BACS set up on Bankline and the LA's expectation that school use BACS as their main payment facility in future.

12.1 Responsibility for repairs and maintenance

- Clarification on the use of the Devolved Formula Capital

12.2 De Minimis Threshold

- Clarification of the de minimis amounts for Capital Expenditure

12.3 Asbestos

- Clarification of DSG funding for asbestos management and the respective responsibilities between the LA and schools.

ANNEX A – LIST OF SCHOOLS TO WHICH THE SCHEME APPLIES

- Remove Queensmill School from the list of maintained schools