

# Scheme for the Financing of Schools

## SECTION 48 of the School Standards and Framework Act 1998

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Produced by the Finance Delivery Team

## THE OUTLINE SCHEME

The School and Early Years Finance (England) Regulations 2020 state that this scheme must deal with the following matters:

1. The carrying forward from one funding period to another of surpluses and deficits arising in relation to schools' budget shares.
2. Amounts which may be charged against schools' budget shares.
3. Amounts received by schools which may be retained by their governing bodies and the purposes for which such amounts may be used.
4. The imposition, by or under the scheme, of conditions which must be complied with by schools in relation to the management of their delegated budgets and of sums made available to governing bodies by the authority which do not form part of delegated budgets, including conditions prescribing financial controls and procedures.
5. Terms on which services and facilities are provided by the authority for schools maintained by them.
6. The payment of interest by or to the authority.
7. The times at which amounts equal in total to the school's budget share are to be made available to governing bodies and the proportion of the budget share to be made available at each such time.
8. The virement between budget heads within the delegated budget.
9. Circumstances in which a local authority may delegate to the governing body the power to spend any part of the authority's non-schools education budget or schools budget in addition to those set out in section 49(4)(a) to (c) of the 1998 Act.
10. The use of delegated budgets and of sums made available to a governing body by the local authority which does not form part of delegated budgets.
11. Borrowing by governing bodies.
12. The banking arrangements that may be made by governing bodies.
13. A statement as to the personal liability of governors in respect of schools' budget shares having regard to section 50(7) of the 1998 Act.
14. A statement as to the allowances payable to governors of a school which does not have a delegated budget in accordance with the scheme made by the authority for the purposes of section 519 of the 1996 Act.
15. The keeping of a register of any business interests of the governors and the head teacher.
16. The provision of information by and to the governing body.
17. The maintenance of inventories of assets.
18. Plans of a governing body's expenditure.
19. A statement as to the taxation of sums paid or received by a governing body.
20. Insurance.

21. The use of delegated budgets by governing bodies so as to satisfy the authority's duties imposed by or under the Health and Safety at Work etc Act 1974.
22. The provision of legal advice to a governing body.
23. Funding for child protection issues.
24. How complaints by persons working at a school or by school governors about financial management or financial propriety at the school will be dealt with and to whom such complaints should be made.
25. Expenditure incurred by a governing body in the exercise of the power conferred by section 27 of the 2002 Act.

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## **1. INTRODUCTION**

### **1.1 The Fair Funding Framework: Main Features**

- 1.1.1. The funding framework which replaces Local Management of Schools is set out in the legislative provisions in sections 45-53 of the School Standards and Framework Act 1998.
- 1.1.2. Under this legislation, local authorities (LA's) determine for themselves the size of their schools budget and their non-schools education budget – although at a minimum an authority must appropriate its entire Dedicated Schools Grant to their schools budget. 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 except for capital and certain miscellaneous items.
- 1.1.3. LA's may deduct funds from their schools budget for purposes specified in regulations made by the Secretary of State under s.45A of the Act (the centrally retained expenditure). The amounts to be deducted for these purposes are decided by the authority concerned, subject to any limits or conditions (including gaining the approval of their School Forum or the Secretary of State in certain instances) as prescribed by the Secretary of State. The balance of the schools budget left after deduction of the centrally retained expenditure is termed the Individual Schools Budget (ISB).
- 1.1.4. Expenditure items in the non-schools education budget must be retained centrally (although earmarked allocations may be made to schools).
- 1.1.5. LA's must 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.
- 1.1.6. The financial controls within which delegation works are set out in a scheme made by the authority in accordance with s.48 of the Act and regulations made under that section. All proposals to revise the scheme must be approved by the Schools Forum, though the authority may apply to the Secretary of State for approval in the event of the forum rejecting a proposal or approving it subject to modifications that are not acceptable to the authority.
- 1.1.7. Subject to any provision made by or under the scheme, governing bodies of schools may spend such amounts of their budget shares as they think fit for any purposes of their school and for any additional purposes prescribed by the Secretary of State in regulations made under s.50 of the Act. (\*Section 50 has been amended to provide that amounts spent by a governing body on providing community facilities or services under section 27 of the Education

Act 2002 are treated as if they were amounts spent for the purposes of the school (s50(3A) of the Act.)

- 1.1.8. A LA may suspend a school's right to a delegated budget if the provisions of the authority's financial scheme (or rules applied by the scheme) have been substantially or persistently breached, or if the budget share has not been managed satisfactorily. A school's right to a delegated budget share may also be suspended for other reasons (schedule 17 to the Act).
- 1.1.9. 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 and funding delegated to schools. 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.
- 1.1.10. The detailed publication requirements for financial statements are set out in directions issued by the Secretary of State, but each school must receive a copy of each year's budget and out-turn statements so far as they relate to that school or central expenditure.
- 1.1.11. Regulations also require a local authority to publish their scheme and any revisions to it on a website accessible to the general public, by the date that any revisions come into force, together with a statement that the revised scheme comes into force on that date.

## **1.2 The Scheme for Financing Schools**

- 1.2.1 This Scheme sets out the financial relationship that exists between Warwickshire County Council, referred to as the LA, and the maintained schools that it funds. The Scheme contains requirements relating to financial management that are binding on both the LA and its schools.

## **1.3 Application of the Scheme to the LA and its Schools**

- 1.3.1 The scheme applies to all community, nursery, special, voluntary, foundation (including trust), foundation special schools and pupil referral units (PRU's) maintained by the authority, whether they are situated in the area of the authority or situated elsewhere. It does not apply to schools situated in the authority's area which are maintained by another authority. Nor does it apply to Academies. The names of the schools to which this Scheme applies are contained in Annex A to this Scheme.

## **1.4 Publication of the Scheme**

- 1.4.1 The scheme will be published on the LA's website and any revised versions will be published by the date the revisions come into force, together with a statement that the revised scheme comes into force on that date.

## **1.5 Revision of the Scheme**

- 1.5.1 All proposed revisions must be submitted to the Schools Forum for approval by members of the forum representing maintained schools. Where the



Schools Forum does not approve them or approves them subject to modifications which are not acceptable to the authority, the authority may apply to the Secretary of State for approval.

## **1.6 Delegation of Powers to the Head teacher**

1.6.1 The governing body of each school is required to consider the extent to which it wishes to delegate its financial powers to the head teacher and to record its decisions and any revisions in the minutes of the governing body.

1.6.2 It is the responsibility of the head teacher and the governing body to draw up the first formal budget plan of each financial year and for this to be approved by the governing body, or by a committee of the governing body.

## **1.7 Maintenance of Schools**

1.7.1 The LA is responsible for maintaining the schools covered by the Scheme. 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; and in the case of foundation schools where there is a power but not a duty to meet capital expenditure). 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.

# **2 FINANCIAL CONTROLS**

## **2.1 Application of Financial Controls to Schools**

2.1.1 In the management of their delegated budgets, schools must abide by the LA's requirements on financial controls and monitoring contained in this Scheme, the Financial Policy and Procedures Manual, the County Council's Financial Standing Orders and Contract Standing Orders and in any other documentation produced by the LA on matters of financial administration. These are binding on Schools in so far as they are consistent with the provisions of this scheme.

## **2.2 Provision of Financial Information and Reports**

2.2.1. Schools are required to provide the LA with forecasted details of the anticipated income and expenditure on a termly basis and for schools supported by the Education Finance Service this will be in line with school visits. For schools not supported by the Education Finance Services reporting dates will be issued to schools at the start of each financial year.

## **2.3 Payment of Salaries and Bills**

2.2.2. The schools governing body can decide to have its own bank account and payroll provider or to purchase these services from the LA. The Financial Policy and Procedures Manual details the arrangements applying in both cases.

## **2.4 Control of Assets**

- 2.4.1 Each school must maintain an inventory of its moveable non-capital assets and follow proper procedures for the disposal of assets. Details are set out in the Financial Policy and Procedures Manual. Schools may determine their own arrangements for keeping a register of assets worth less than £1,000. However, they must keep a register in some form.

## **2.5 Accounting Policies (including year-end procedures)**

- 2.5.1 Schools are required to follow procedures set out in the Financial Policy and Procedures Manual and any year end instructions issued by the Education Finance Service.

## **2.6 Writing off Debts**

- 2.6.1 The LA will support schools seeking the recovery of any debt. If recovery proves impossible governing bodies are authorised to write off debts up to £500. Debts in excess of this must be referred to the LA and dealt with in line with the County Council's Financial Standing Orders.

## **2.7 Basis of Accounting**

- 2.7.1 Reports and annual accounts prepared by the school for the LA will be on an accruals basis i.e., on the basis of income and expenditure. This means that where the school has provided goods and services during the financial year, the income will be recorded in the accounts, whether or not the cash has actually been received. Similarly, where the school has received goods or services during the financial year, these will be charged in the accounts as expenditure, whether or not the supplier has been paid.

## **2.8 Submission of Budget Plans (for current year)**

- 2.8.1 Each school must submit an initial budget plan to the LA by May 1<sup>st</sup> showing its intentions for the expenditure in the current financial year and the assumptions underpinning the budget plan, including the use of estimated balances. The governing body must approve the initial budget plan. The LA may require schools to submit revisions to a budget plan but no more than once each term. The LA will ensure that all information relevant to school budget planning is issued in a timely manner, in accordance with the published annual timetable.

## **2.9 Submission of Financial Forecasts (for multi-year period)**

- 2.9.1 The authority requires schools to submit a financial forecast covering each year of a multi-year period for which schools have been notified of indicative budget shares beyond the current year. The LA requires this information termly as supporting evidence of the annual Schools Financial Value Standard returns and to assess the likelihood of individual schools going into deficit in future years.

## **2.10 Efficiency and Value for Money**

- 2.10.1 Schools must seek to achieve efficiencies and value for money, to optimise the use of their resources and to invest in teaching and learning, taking into account the Authority's purchasing, tendering, and contracting requirements.
- 2.10.2 It is for head teachers and Governing Bodies to determine at school level how to secure appropriate value for money.
- 2.10.3 Schools may want to refer to the DfE website for further information at <http://www.education.gov.uk/schools/adminandfinance/financialmanagement/b0069984/vfm/>.

## **2.11 Virement**

- 2.11.1 Schools are allowed to freely transfer allocations between budget heads in the expenditure of their budget shares.

## **2.12 Audit: General**

- 2.12.1 Schools are required to operate co-operatively within both the internal and external audit regime determined by the LA. Schools should provide access to school records for both internal and external auditors.

## **2.13 Separate External Audits**

- 2.13.1 If schools wish to seek an additional source of assurance, at their own expense, they may use funds from their budget share to obtain external audit certification of accounts separate from any LA internal or external audit processes.

## **2.14 Audit of Voluntary and Private Funds**

- 2.14.1 Schools are required to provide the LA with audit certificates in respect of voluntary and private funds held by the school or trading organisations controlled by the school.

## **2.15 Register of Business Interests**

- 2.15.1 The governing body of each school is required to maintain a register that lists for each member of the governing body, the head teacher, and any member of school staff with budget management responsibility, any business interests held by them or by any member of their immediate family and register any relationships between school staff and members of the governing body. This register must be kept up to date with notification of changes and through annual review of entries. The register must be available for inspection by governors, staff, parents, and the LA. Further guidance is provided in the Financial Policy and Procedures Manual.

## **2.16 Purchasing, Tendering and Contracting Requirements**

- 2.16.1 Advice and guidance in matters relating to purchasing, tendering, and contracting are given in the Financial Policy and Procedures Manual. There is

a requirement to assess in advance, where relevant, the health and safety competence of contractors, taking into account LA's policies and procedures. In these matters schools are required to follow the County Council's Financial Standing Orders and Contract Standing Orders except where these would require schools:

- To do anything incompatible with any of the provisions of this Scheme, or any statutory provision, or any EU Procurement Directive
- To seek LA officer countersignature for any contracts for goods or services for a value below £60,000 in any one year
- To select suppliers only from a County approved list
- To seek fewer than three tenders in respect of any contract with a value exceeding £10,000 in any one year, subject to specific listed exceptions.

2.16.2 *If* these 4 conditions above existed in County Regulations, then the schools in this Scheme are not required to follow them. It should be noted, nevertheless, that County Council Financial Standing Orders and Contract Standing Orders are regularly revised in order to keep abreast of English and European Statute. The intention is to promote the effectiveness of delegated management responsibility within the context of the proper and prudent expenditure of the public's money. (In many cases Schools enter into contracts on behalf of the LA as the maintainer of Schools and the owner of funds in the budget share. However, other contracts will be made on behalf solely of the governing body where the statutory obligations rest with the Governing body, for example in respect of staff employment in respect of aided or foundation schools.)

## **2.17 Procurement Cards**

2.17.1 Schools are encouraged to use procurement cards as a means of payment to reduce transaction costs and increase the opportunity to gain discounts on goods or services.

## **2.18 Application of Contracts to Schools**

2.18.1 Schools can opt out of LA arranged contracts. However, where schools have entered into contracts arranged by the LA they are bound by the terms of the contractual agreement.

## **2.19 Central Funds and Earmarking**

2.19.1 The LA is authorised to, and in some cases will be required to, make sums available to schools from central funds in the form of allocations which are additional and separate from the school's formula budget share.

2.19.2 Such allocations will be subject to conditions setting out the purpose or purposes for which these funds will be used, and will not be subject to clawback in respect of interest foregone by the LA.

- 2.19.3 Earmarked funding from centrally retained LA funds must be spent only on the purposes for which it has been given. Earmarked funds may be vired to the extent permitted by the earmarking arrangement but must not be vired into the school's budget share. Schools are required to maintain accounting procedures that demonstrate this condition has been complied with.
- 2.19.4 Such allocations might, for example, be sums for initiatives funded from the central expenditure of a LA's Schools Budget or other LA budget.

## **2.20 Spending for the Purposes of the School**

- 2.20.1 School budget shares must be spent for the educational purposes of the school as defined by prevailing statute. By virtue of section 50(3A), which came into force on April 1<sup>st</sup>, 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. In addition, the Secretary of State also allows schools to spend their budgets on pupils who are on the roll of other maintained schools or academies.

## **2.21 Capital Spending from Budget Shares**

- 2.21.1 Governing bodies are permitted to spend budget shares to meet the cost of capital expenditure on the school premises providing that, if the amount allocated to capital expenditure from the budget share exceeds £3,000 for primary schools and £6,000 for secondary schools in any one year,
- The governing body notifies the LA of its plans
  - The governing body takes into account any advice from the Assistant Director, Strategy Education Services as to the merits of the proposed expenditure
  - The governing body obtains consent from the owner of the premises.
- 2.21.2 Permission also extends to governing bodies of voluntary aided and special agreement schools where such work is their responsibility under paragraph 3 of Schedule 3 of the School Standards and Framework Act. In voluntary aided and special agreement schools, the grant aid returned to governors for projects financed from delegated funds must be transferred back to the budget share.
- 2.21.3 Any such expenditure would not affect any formula capital allocations that may be provided by the LA to schools outside of the delegated budget.

## **2.22 Schools Financial Value Standard (SVFS)**

- 2.22.1 All local authority maintained schools (including nursery schools and Pupil Referral Units that have a delegated budget) must demonstrate compliance with the Schools Financial Value Standard (SFVS) and complete the assessment form on an annual basis. It is for the school to determine at what time in the year they wish to complete the form.

2.22.2 Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. ***Governors must monitor the progress of these actions to ensure that all actions are cleared within specific deadlines.***

2.22.3 All maintained schools with a delegated budget must submit the form to the local authority before 31<sup>st</sup> March each year.

## **2.23 Fraud**

2.23.1 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 these controls. This information must also be included in the induction for new school staff and governors.

## **2.24 Notice of Concern**

2.24.1 The authority may issue a notice of concern to the governing body of any school it maintains where, in the opinion of the Assistant Director, Finance and the Assistant Director, Strategy Education 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 LA or the school.

2.24.2 Such a notice will set out the reasons and evidence for it being made and may place on the governing body restrictions, limitations, or prohibitions in relation to the management of funds delegated to it.

2.24.3 These may include:

- insisting that relevant staff undertake appropriate training to address any identified weaknesses in the financial management of the school.
- insisting that an appropriately trained/qualified person chairs the finance committee of the governing body.
- placing more stringent restrictions or conditions on the day to day financial management of a school than the scheme requires for all schools – such as the provision of monthly accounts to the local authority.
- insisting on regular financial monitoring meetings at the school attended by local authority officers.
- requiring a governing body to buy into a local authority's financial management systems; and
- imposing restrictions or limitations on the manner in which a school manages extended school activity funded from within its delegated budget share – for example by requiring a school to submit income

projections and/or financial monitoring reports on such activities.

- 2.24.4 The notice will clearly state what these requirements are and the way in which and the time by which such requirements must be complied with in order for the notice to be withdrawn. It will also state the actions that the authority may take where the governing body does not comply with the notice.

### **3. INSTALMENTS OF BUDGET SHARE AND BANKING ARRANGEMENTS**

- 3.1 For the purpose of this section, budget share includes any place-led funding for special schools.

#### **3.2 Bank and Building Society Accounts**

- 3.2.1 All maintained schools may have external bank accounts into which the budget share instalments are paid. Where schools have such accounts all interest payable on balances in that account shall be retained by the school and all bank charges incurred sustained by the school.

- 3.2.2 Schools may only make new bank account arrangements:

- At the start of a financial year
- Where there is no deficit balance with the LA

- 3.2.3 Where the balance is currently held by the LA, then an immediate transfer of the estimated balance will be made to the new account.

#### **3.3 Restrictions on Accounts**

- 3.3.1. Annex B shows the WCC approved investment institutions as stated in the 2022/23 Treasury Management Policy. The list of specifically approved banks and building societies is constantly being amended; if a school wishes to change their existing bank or building society account, they should contact the Treasury Management Team. Any money paid to the school by the LA should only be invested in one of these approved institutions.

- 3.3.2. Money paid by the LA and held in such accounts remains LA property until spent. (Section 49(5) of the Act). However, accounts may be held by the school in the name of the school, rather than the LA, if it so chooses.

- 3.3.3. The LA is entitled to receive bank statements and is able to take control of School Bank Accounts in the event of the suspension of the School's Delegated Budget

#### **3.4 Frequency and Size of Instalments**

- 3.4.1. There will be a single payment to bank account schools of 4% of the total budget share on the first banking day of April. The remainder of the budget share will be made available in twelve equal monthly amounts, each equivalent to 8% of the school's budget share, six days from the end of each calendar month.

- 3.4.2. Top up payments for pupils with high needs should be made on a monthly basis unless alternative arrangements have been agreed with the provider.
- 3.4.3. The LA will pay interest on late payments of school budget shares at the current Bank of England base rate, providing that the late payment is the result of a LA error.

### **3.5 Budget Shares for Closing Schools**

- 3.5.1. The budget shares of schools for which approval for discontinuation has been secured will be made available until closure on a monthly basis net of estimated salary costs even where some different basis was previously used.

### **3.6 Borrowing by Schools**

- 3.6.1. Except in the case of loan schemes operated by the LA, schools may only borrow with the written permission of the Secretary of State. This includes the use of finance leases; however, Salix loans are allowed without the approval of the Secretary of State.

## **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. Any shortfall in expenditure relative to the school's budget share for the year, plus or minus any balances brought forward from previous years may be carried forward from one financial year to the next.

### **4.2 Reporting on and Control of the Use of Surplus Balances**

- 4.2.1. For 2013/14 the Balances Control Mechanism Policy has been frozen and will no longer be applied. This is in line with the deletion of such an approach by the Department for Education with academy schools. The position will be reviewed as and when there is a change in the national position.

### **4.3 Interest on Surplus Balances**

- 4.3.1. As all maintained schools have their own bank account and hold any surplus balances, any interest payable on balances by the bank shall be retained by the school.

### **4.4 Obligation to Carry Forward Deficit Balances**

- 4.4.1. Schools must carry forward deficit balances. Deficits will be deducted from the following year's budget share. The LA will not charge interest on deficit balances.



## **4.5 Charging of Interest on Loans to Academy Schools**

- 4.5.1. Any loans that were previously agreed between the LA and a maintained school at a zero rate of interest will have interest added to the remained of the life of the loan upon transfer of the school to Academy status. A new agreement will be entered into with the Academy Trust and the interest charged will be that of the current Public Works Loans Board rate at the time of the new agreement.

## **4.6 Writing off Deficits**

- 4.6.1. The LA cannot write off the deficit balance of any school.
- 4.6.2. If the LA wishes to give assistance towards elimination of a deficit balance, then for:
- Special schools it will from a centrally held specific budget.
  - Or, for mainstream maintained schools from a de-delegated contingency budget which has been approved by Schools Forum.
- 4.6.3. The LA does not currently hold any budgets to assist schools in eliminating deficits.

## **4.7 Balances of Closing and Amalgamating Schools**

- 4.7.1. Where in the funding period, a school has been established or is subject to a prescribed alteration as a result of the closure of a school, the LA may add an amount to the budget share of the new or enlarged school to reflect all or part of the unspent budget share (including any surplus carried over from previous funding periods) of the closing school for the funding period in which it closes.

## **4.8 Support for School Budgets**

- 4.8.1. Schools are not permitted to borrow, or to plan for a deficit budget, except by means of LA Licensed Deficit Scheme.

## **4.9 Licensed Deficit Scheme**

- 4.9.1. The LA will operate a Licensed Deficit Scheme to support schools' budgets by allowing the planning of a deficit budget.
- 4.9.2. The following criteria must be met:
- i) The purpose of the deficit and the period of repayment are agreed with the LA in advance and in writing and is clearly set out and included in the minutes of the Governing body.
  - ii) Planning for a deficit will only be agreed either:
    - to address a short term, non-systemic problem in the context of an otherwise soundly managed budget

- to enable a significant purchase to be made.
- iii) The maximum length over which the school will repay the deficit (i.e., achieving a year-end zero balance) is no more than three years.
- iv) The maximum allowed planned deficit is 5% of the school's budget.
- v) The maximum amount available for use by all schools will be no more than 40% of the collective net balances held by the LA in the Scheme.
- vi) The Governing body is required to report termly to the LA on performance against the agreed budget recovery plan.
- vii) The Assistant Director, Education Services, will be informed of all licensed deficit arrangements.
- viii) In circumstances where a school requires a budget share advance in order not to be to be overdrawn at their bank, this should be treated as a cash advance and not a loan. This will have no effect on the school's budget and outturn statements. The Head teacher must agree to the value of the cash advance and to its repayment. Bank funds are monitored and invoices sent for the repayment (either in instalments or in a lump sum – as agreed with the school).

4.9.3. The LA does not have any loans schemes with schools.

## **5 INCOME**

### **5.1 Income from Lettings**

5.1.1 All schools will retain income from lettings. Schools are allowed to cross-subsidise lettings for community and voluntary use with income from other lettings, provided there is no net cost to the budget share as permitted under the School Standards and Framework Act 1988 for various categories of school. The governing body must also be 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. In all matters related to lettings, schools are required to have regard to directions issued by the LA. These are included in the Financial Policy and Procedures Manual.

### **5.2 Income from Fees and Charges**

- 5.2.1. Schools will retain income from fees and charges except where a service is provided by the LA from centrally retained funds.
- 5.2.2. Schools are required to have regard to any policy statements on charging produced by the LA.

### **5.3 Income from Fund-raising Activities**

5.3.1. Schools will retain income from fund-raising activities.

## **5.4 Income from the Sale of Assets**

- 5.4.1. Where an asset was purchased with non-delegated public funds, or where the asset concerned is land or premises owned by the LA, the LA will decide if the school may retain the proceeds or what proportion it may retain.
- 5.4.2. In all other cases the school will retain proceeds from the sale of other assets.
- 5.4.3. When selling an asset surplus to requirements the governing body should maximise sale proceeds.

## **5.5. Administrative Procedures for the Collection of Income**

- 5.5.1. Schools must apply the rules relating to the collection of income, which are contained in the Financial Policy and Procedures Manual which includes details of the County's VAT.

## **5.6 Purposes for which Income may be used**

- 5.6.1. Income from sale of assets purchased with delegated funds may only be spent for the purposes of the school.

# **6. THE CHARGING OF SCHOOL BUDGET SHARES**

## **6.1 General provision**

- 6.1.1 The LA will charge salaries of school-based staff to the school budget share at actual cost. The budget share of a school may be charged by the LA without the consent of the governing body of the school only in circumstances expressly permitted by the Scheme. The LA will consult as to its intention so to charge and will notify schools when a charge has been made.
- 6.1.2 For the avoidance of doubt, the LA 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.

## **6.2 Circumstances in which charges will be made**

- 6.2.1 Where premature retirement costs have been incurred these will be met by the school.
- 6.2.2 Other expenditure incurred to secure resignations where the school has not followed LA advice.
- 6.2.3 Awards by courts and industrial tribunals or out of court settlements against the LA, or jointly against the LA and the governing body, or against the governing body directly, arising from action or inaction by the governing body contrary to the LA's advice or where the governing body failed to take advice which in the LA's reasonable opinion would have avoided an award or out of court settlement.
- 6.2.4 Expenditure by the LA in carrying out health and safety work or capital expenditure for which the LA is liable, where funds have been delegated to

the governing body for such work, but the governing body has failed to carry out such work. The maximum which may be charged being no more than the amount originally delegated plus any additional cost incurred as a result of the work not being undertaken promptly.

- 6.2.5 Expenditure by the LA incurred in making good defects in building work funded by capital spending from budget shares, where the LA owns the premises.
- 6.2.6 Expenditure incurred by the LA in ensuring its own interests in a school where specific funding has been delegated to the school, but the school has failed to demonstrate that it has arranged cover at least as good as that which is arranged by the LA.
- 6.2.7 Recovery of monies due from a school for services provided to the school, where a dispute over the monies due has been referred to a disputes procedure set out in a service level agreement, and the result is that the monies are owed by the school to the LA.
- 6.2.8 Recovery of penalties imposed on the LA by HM Revenues and Customs, Teachers Pensions, the Environment Agency or regulatory authorities as a result of school negligence.
- 6.2.9 Corrections of errors in charges to a budget share. Correction of errors in excess of £500 may be phased over five years.
- 6.2.10 Additional transport costs incurred by the LA arising from:
  - Failure to give the LA at least six calendar months' notice of a decision by the governing body on the length of the school day.
  - Failure to notify the LA of non-pupil days resulting in unnecessary transport costs.
- 6.2.11 Legal costs which are incurred by the LA because the governing body did not accept the written advice of the LA.
- 6.2.12 Costs of necessary health and safety training for staff employed by the LA, where specific funding for training has been delegated but the necessary training has not been carried out.
- 6.2.13 Compensation paid to a lender where a school enters into a contract for borrowing beyond its legal powers, and the contract is of no effect.
- 6.2.14 Cost of work done in respect of teacher pension remittance and records for schools using non-LA payroll contractors, the charge to be the minimum needed to meet the cost of the Authority's compliance with its statutory obligations.
- 6.2.15 Costs incurred by the LA in securing provision specified in an Education Health and Care Plan (EHCP) 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.

- 6.2.16 Costs incurred by the LA due to submission by the school of incorrect data.
- 6.2.17 Recovery of amounts spent from specific grants on ineligible purposes.
- 6.2.18 Costs incurred by the LA as a result of the governing body being in breach of the terms of a contract.
- 6.2.19 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.

## **7. TAXATION AND PENSIONS**

### **7.1 Value Added Tax (VAT)**

- 7.1.1 Except for grant-aided projects, schools are required to follow procedures that enable them to utilise the LA's ability to reclaim VAT on expenditure relating to non-business activity. All funds recovered will be passed to the school. The procedures are detailed in the Financial Policy and Procedures Manual and ensure that amounts reclaimed are passed back to the school.

### **7.2 Construction Industry Taxation Scheme**

- 7.2.1 Details in the Financial Policy and Procedures Manual must be followed.

### **7.3 Duty to supply information in respect of Teachers Pensions**

- 7.3.1. 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.
- 7.3.2. The conditions only apply to governing bodies of maintained schools that have not entered into an arrangement with the authority to provide payroll services.
- 7.3.3. 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.
- 7.3.4. 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.

## **8. THE PROVISION OF SERVICES AND FACILITIES BY THE LA**

### **8.1 Provision of Service from Centrally Retained Budgets**

8.1.1 The LA has the right to determine the basis on which services from centrally retained funds will be offered to schools.

8.1.2 The LA will not discriminate in its provision of services offered to schools on the basis of categories of schools except where:

- funding has been delegated to some schools only.
- discrimination is justified by differences in statutory duties.

### **8.2 Provision of Services Bought Back from the LA using Delegated Budgets**

8.2.1. The term of any arrangements between a school and the LA service provider will be no longer than three years from the date of the agreement and periods not exceeding five years for any subsequent agreement relating to the same service. However, The LA may offer arrangements for shorter periods.

### **8.3 Packaging**

8.3.1. The LA will provide services for which funding has been delegated and will offer these to schools in a way which does not unreasonably restrict schools' freedom of choice among the services available.

8.3.2. Services will be offered on the basis of the recovery of total cost from the total income received from purchasers of the services.

### **8.4 Service Level Agreements**

8.4.1. Where services or facilities are provided under a service level agreement – whether free or on a buy-back basis – the terms of such an 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. Short term and ad hoc agreements are possible and may attract charges at a different rate compared to those on an extended basis. Schools will be provided with at least one month to consider the terms of such agreements.

### **8.5 Exclusions**

- 8.5.1. The provisions in sections 8.2 to 8.4 do not apply to any centrally arranged premises and liability insurance as they may be impractical for insurance purposes.

## **8.6 Teachers Pensions**

- 8.6.1. In order to ensure the performance of the duty on the LA to supply Teachers Pensions with information under the Teachers' Pensions Regulations 1997, the conditions set out below are imposed on the LA and governing bodies of all maintained schools covered by this Scheme in relation to their budget shares
- 8.6.2. The conditions only apply to governing bodies of maintained schools who have not entered into an arrangement with the LA to provide payroll services.
- 8.6.3. 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 LA 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 LA which the LA requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The LA 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.
- 8.6.4. A governing body of any maintained school which directly administers its payroll shall supply salary, service and pensions data to the LA which the LA requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The LA 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.

## **9. INSURANCE**

### **9.1 Insurance Cover**

- 9.1.1 Where funds for insurance are delegated to a school, the school must demonstrate that the cover it has arranged, relevant to the LA's insurable interests, is at least as good as the minimum cover arranged by the LA. The LA will have regard to actual risks in the assessment of insurance cover arranged by individual schools. Further regulations relating to insurance are contained in the Financial Policy and Procedures Manual.



## **10. MISCELLANEOUS**

### **10.1 Right of Access to Information**

10.1.2 In addition to specific requirements made elsewhere in this Scheme, governing bodies are required to supply all financial information that might reasonably be required to enable the LA to satisfy itself as to:

- The school's management of its delegated budget share
- The use made of any central expenditure by the LA (e.g., earmarked funds) on the school.

### **10.2 Liability of Governors**

10.2.1. As a corporate body and because of the specific provision made in Section 50 (7) of the Standards and Framework Act 1998, governors will not incur personal liability in the exercise of their power to spend the delegated budget share **provided they act in good faith**.

10.2.2. In this context, "good faith" refers to arrangements entered into honestly and with no ulterior motive. Breaches of the Scheme or the rejection of the LA's advice on matters of financial management are not in themselves necessarily examples of lack of good faith. However, governing bodies should seek the LA's advice on any matter where they may be uncertain about a legal or financial position.

### **10.3 Governors' Expenses**

10.3.1. The LA will have the power to delegate to the governing body of a school yet to receive a delegated budget, funds to meet governors' expenses. Under section 50(5) of the Standards and Framework Act 1998, only allowances in respect of purposes specified in regulations made under section 19 of the Education Act 2002 may be paid to governors from a schools delegated budget share. Payment of any other allowances is expressly forbidden.

10.3.2. Schools are also forbidden from paying expenses to governors that duplicate those paid by the Secretary of State to governors appointed by him to schools under special measures.

### **10.4 Responsibility for Legal Costs**

10.4.1. Legal costs incurred by the governing body, that are normally the responsibility of the Council as part of the cost of maintaining the school (unless they relate to the statutory responsibility of voluntary aided school governors for buildings), will be charged to the school's budget share, unless the governing body acted in accordance with the advice of the LA.

10.4.2. The effect of this is that a school cannot expect to be reimbursed for the cost of legal action against the local authority itself; although there is nothing to stop an authority making such reimbursement if it believes this to be desirable or necessary in the circumstances.

10.4.3. The costs referred to are those of legal actions, including costs awarded against a LA; not the cost of legal advice provided.

10.4.4. In the event of a conflict of interest between the school governing body and LA, then new procedures may have to be established in the future. The Governance & Policy Service will be asked, in such circumstances, to establish an appropriate mechanism by which schools may gain legal advice.

## **10.5 Health and Safety**

10.5.1. In the management of the school's budget share, governing bodies must have due regard to the duties placed on the LA and its policy in relation to health and safety matters.

## **10.6 Right of Attendance for Assistant Director, Finance**

10.6.1. Governing bodies are required to permit the Chief Finance Officer or nominee to attend meetings of the governing body at which any agenda items are relevant to the exercise of his or her responsibilities, e.g., issues of probity or overall financial management.

## **10.7 Delegation to New Schools**

10.7.1. The LA may delegate optionally and selectively to the governing bodies of schools that have yet to receive their delegated budgets.

## **10.8 Special Educational Needs**

10.8.1. Schools are required to use their best endeavors in spending their budget share to secure the special educational needs of their pupils. Whilst schools have a statutory responsibility to act in such a way, if the LA considers that provision to support these children generally is inadequate, this could result in the LA withdrawing delegated budget responsibility.

## **10.9 "Whistleblowing"**

10.9.1. The procedures to be followed by school staff or governors in respect of complaints about financial management or propriety are set out in the County Council's "Whistleblowing Policy".

## **10.10 Child Protection**

10.10.1. Schools must release staff to attend case conferences and other events in respect of Child Protection responsibilities. The School will meet the costs of such attendance.

## **10.11 Redundancy / Early Retirement costs**

10.11.1. The LA does not fund any redundancy or early retirement costs associated with any redundancies taking place in maintained schools.

## **11. RESPONSIBILITY FOR REPAIRS AND MAINTENANCE**

### **11.1 Categories of Work**

11.1.1 The responsibility and funding for all day to day repairs and maintenance is a revenue cost and delegated to schools.

11.1.2 It is extremely important that building related expenditure is correctly classified as either capital or revenue because of the way they are funded. Some DfE grants and borrowing can only be used for capital purposes and may have to be repaid if it is spent on revenue items. Similarly, receipts from selling assets can only be used to fund capital expenditure.

11.1.3 Revenue repairs and maintenance will broadly be as follows:

- Minor routine repairs, day to day repairs, reactive (as opposed to planned) maintenance, purchase of books or training materials/services
- Re-decoration (no matter what the cost)
- Projects where the cost is less than £3,000 (primary) and £6,000 (secondary)
- Operating leases for equipment or facilities or hire of temporary classrooms
- Maintenance contracts or general running costs
- Any periodic PFI charge or service contract
- Warranties, leases, IT Support, or broadband charges

11.1.4 Expenditure for capital purposes is broadly defined as:

- Acquisition of land, buildings, plant, machinery, and vehicles
- Construction of roads and buildings
- Enhancement of land, roads, and buildings

11.1.5 'Enhancement' involves either a substantial increase in

- the useful life,
- the value of the asset
- the extent to which it can be used (typically to enable access for disabled people or pushchairs)
- other adaptations for disabled people
- the thermal insulation of a building
- the reduction in fire risk of a building.

- 11.1.6 'Enhancement' **excludes** small scale repairs and maintenance. For example, re-roofing a building is normally treated as capital expenditure whereas replacing a few roof tiles is not.
- 11.1.7 Capital spending is defined by accounting standards. If any item of expenditure doesn't meet these definitions, then the spending must be treated as revenue.
- 11.1.8 In order to prevent lots of small items of equipment being charged to capital the Council has set a 'de minimis' level of £3,000 for primary schools and £6,000 for secondary schools. This means that any single item of spending or piece of equipment must be above that amount to be charged to capital. If it is less it must be charged to revenue. For example, purchase of a piece of equipment for £2,000 would be treated as revenue and a piece of equipment costing £10,000 would be treated as capital.
- 11.1.9 There may be a few exceptional circumstances where the purchase of small items of equipment may be chargeable to capital. These are likely to be where the fitting out is an integral part of a major building refurbishment.

## **11.2 Structural Maintenance and the Property Indemnity Scheme**

- 11.2.1. A "Property Indemnity Scheme" is available whereby LA maintained and Voluntary Aided schools can buy into the scheme using their delegated budget. This allows the school to use the LA as its agent on matters of *any structural maintenance work*.
- 11.2.2. If the school does **not** buy back into the "Property Indemnity Scheme", then it will be liable for the first £6,000 (secondary schools), £3,000 (primary and special schools) or £2,000 (VA schools) *of any structural maintenance work as defined as a school responsibility*. Work above these de minimis limits for each item of repair will be classified as capital in the LA's accounts and the excess amounts above the limits may be funded by the LA from its capital programme if the funding is available. It should be noted that capital funding is limited, and capital projects are prioritised according to the limit of capital funding available. This capital funding does not apply to the responsibility of Trustees of voluntary aided schools who must support financially the work for which they are responsible. The school is responsible for routine maintenance, no matter its cost.

## **11.3 Capital Expenditure and Voluntary Aided Schools**

- 11.3.1. For voluntary aided schools, the liability of the Authority for repairs and maintenance (albeit met by delegation of funds through the budget share) is the same as for other maintained schools, and no separate list of responsibilities is necessary for such schools. However, eligibility for capital grant from the Secretary of State for capital works at voluntary aided schools depends on the *de minimis* limit applied by DfE to categorize such work, not the *de minimis* limit used by the Authority.

## **12. POWERS OF SCHOOLS TO PROVIDE COMMUNITY FACILITIES**

### **12.1 Powers to Operate Community Facilities**

12.1.1 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 that may not be undertaken at all under the main enabling power. Secondly, the school is obliged to consult its LA 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.

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

- those contained in schools' own instruments of government, if any; and
- in the maintaining LA'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.

12.1.3 Schools are therefore subject to all of the prohibitions, restrictions, and limitations in the scheme for financing schools in respect of their use of the community facilities powers. This includes, in accordance with the powers of the LA set out in Section 1 of this scheme, that the mismanagement of community facilities funds constitutes grounds for the LA to suspend the Governing body's right to a delegated budget.

12.1.4 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.

### **12.2 Consultation with the LA – Financial Aspects**

12.2.1. Under Section 28(4) of the Education Act 2002, Governing Bodies must consult the local authority, and have regard to advice given to them by their LA, **before** exercising the community facilities power.

12.2.2. Schools are required to notify the LA of the action that has been taken following the advice given by the LA. This notification must be supplied by the Governing body in writing within 10 days of the meeting of the Governing body.

12.2.3. The LA will not charge for advice given under this power in respect of the establishment of Community Facilities by a Governing body.

### **12.3 Funding Agreements – LA Powers**

12.3.1. 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.

- 12.3.2. All such funding agreements must be submitted to the LA for its comments. However, the LA 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 LA consent to the agreement for it to proceed, such a requirement and the method by which LA consent is to be signified is a matter for that third party, not for the scheme.
- 12.3.3. However, schools should be aware that if an agreement, has been or is to be concluded against the wishes of the LA, or has been concluded without informing the LA, 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.

## **12.4 Other Prohibitions, Restrictions and Limitations**

- 12.4.1. Although the LA has no right of veto either to funding agreements with third parties, or for other proposed uses of the community facilities power, the LA 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 LA.
- 12.4.2. The LA will only impose such a requirement only where it has good reason to believe that the proposed project carries significant financial risks.

## **12.5 Audit**

- 12.5.1. Schools must 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.
- 12.5.2. Schools, in concluding funding agreements with other parties pursuant to the exercise of the community facilities power, must ensure that such agreements contain adequate provision for access by the LA and its Auditors 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 LA to satisfy itself as to the propriety of expenditure on the facilities in question.

## **12.6 Treatment of Income and Surpluses**

- 12.6.1. Schools may retain all net income derived from community facilities except where otherwise agreed with a funding provider, whether that be the LA or some other person.
- 12.6.2. Schools may carry any 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 LA at the end of each financial year, transfer all or part of it to the budget share balance.

## **12.7 Health and Safety Matters**

- 12.7.1. The provisions set out elsewhere in the Scheme for the Financing of Schools in respect of health and safety responsibilities apply equally to activities provided under the community facilities power.
- 12.7.2. The governing body is responsible for the costs of securing Criminal Records Bureau clearance for all adults involved in community activities taking place during the school day. Governing bodies are free to pass on such costs to a funding partner as part of an agreement with that partner.

## **12.8 Insurance**

- 12.8.1. 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. The school should seek the Authority's advice before finalising any insurance arrangement for community facilities.
- 12.8.2. A school proposing to provide community facilities must, as an integral part of its plans, undertake an assessment of the insurance implications and costs, seeking professional advice if necessary.
- 12.8.3. The LA will 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. Any such costs would be charged to the school.

## **12.9 Taxation**

- 12.9.1. Schools should seek the advice of the LA and the local VAT office on any issues relating to the possible imposition of VAT on expenditure in connection with community facilities; including the use of the local authority VAT reclaim facility.
- 12.9.2. Where a member of staff employed by the school or LA 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), the school is likely to be held liable for payment of income tax and National Insurance, in line with HM Revenues and Customs rules.
- 12.9.3. Schools must follow LA advice in relation to the Construction Industry Scheme where this is relevant to the exercise of the community facilities power

## **12.10 Banking**

- 12.10.1. The provisions in sections 3.1 and 3.2 of the scheme for the financing of schools relating to the banks which may be used, signing of cheques, the titles of bank accounts, the contents of bank account mandates, and similar

matters will apply to banking arrangements in respect of the use of the Community Facilities powers.

- 12.10.2. Schools may not borrow money without the written consent of the Secretary of State. This requirement does not extend to monies lent to schools by their maintaining LA.



## **Annex A – List of Maintained Schools**

Warwickshire County Council Maintained Schools (as of 2 March 2022)

### **Maintained Nursery Schools**

Atherstone Nursery

Bedworth Heath Nursery & Children's Centre

Kenilworth Children's Centre & Nursery School

Stockingford Early Years Centre

Warwick Children's Centre & Nursery School

Whitnash Nursery

### **Maintained Primary Schools**

Abbey C of E Infant

Abbots Farm Infant

Abbots Farm Junior

All Saint's C of E Junior, Warwick

All Saint's C of E Primary, Nuneaton

Alveston C of E Primary

Arden Forest Infant

Arley Primary

Barford St Peter's C of E Primary

Bawnmore Infant

Bidford C of E Primary

Bilton Infant

Bilton Cof E Junior

Binley Woods Primary

Bishops Tachbrook C of E Primary

Bishopton Primary

Boughton Leigh Infant

Boughton Leigh Junior

Bournebrook C of E Primary

Briar Hill Infant

Bridgetown Primary

Brookhurst Primary

Brownsover Community Infant

Chetwynd Junior

Chilver's Coton Infant

Clapham Terrace Primary

Claverdon Primary

Clifton Primary

Clinton Primary

Coten End Primary
Croft Junior
Cubbington C of E Primary
Dunchurch Boughton C of E Junior
Dunchurch Infant School
Dunnington C of E Primary
Eastlands Primary
Emscote Infant
English Martyr's Catholic Primary
Ettington C of E Primary
Exhall Cedars Infant
Exhall Junior School
Galley Common Infant
Glendale Infant
Goodyers End Primary
Great Alne Primary
Hampton Lucy C of E Primary
Harbury C of E Primary
High Meadow Infant School
Hillmorton Primary
Holy Trinity Primary School
Hurley Primary School
Ilmington C of E Primary
Kineton C of E Primary
Kingsbury Primary
Knightlow C of E Primary
Lapworth C of E Primary
Lighthorne Heath Primary
Long Lawford Primary
Loxley C of E Primary
Mappleborough Green C of E Primary
Michael Drayton Junior
Middlemarch School
Milby Primary
Milverton Primary
Moreton Morrell C of E Primary School
Nathaniel Newton Infant
Newbold & Tredington C of E Primary
Newburgh Primary
Newdigate Primary
Northlands Primary
Nursery Hill Primary
Our Lady & St. Teresa's Catholic Primary

Our Lady's Catholic Primary, Princethorpe
Outwoods Primary
Paddox Primary
Park Hill Junior
Priors Field Primary
Provost Williams C of E Primary
Quinton Primary
Race Leys Infant
Radford Semele C of E Primary
Shottery St. Andrews C of E Primary
Shrubland Street Community Primary
Shustoke C of E Primary School
Snitterfield Primary
St Andrew's Benn C of E Primary
St Anthony's Catholic Primary
St Augustine's Catholic Primary
St John's Primary
St Joseph's Catholic Primary, Whitnash
St Lawrence's C of E Primary
St Margaret's C of E Junior, Whitnash
St Marie's Catholic Primary
St Mary Immaculate Catholic Primary
St Mary's Catholic Primary, Southam
St Mary's Catholic Primary, Studley
St Matthew's Bloxam C of E Primary
St Nicholas C of E Primary, Kenilworth
St Patrick's Catholic Primary
St Paul's C of E Primary, Leamington
St Paul's C of E Primary, Nuneaton
St Peter's Catholic Primary
Sydenham Primary
Telford Infant
Telford Junior
The Canons C of E Primary
The Dasset C of E Primary
The Revel C of E Primary
Thomas Jolyffe Primary
Thorns Community Infant
Water Orton Primary School
Weddington Primary
Welford On Avon Primary
Wembrook Primary
Westgate Primary

Wheelwright Lane Primary
Whitestone Infant
Whitnash Primary
Wilmcote C of E Primary
Wolston St Margaret's C of E Primary
Wolverton Primary School
Wolvey C of E Primary
<b>Maintained Secondary Schools</b>
The Avon Valley School & Performing Arts College
<b>Maintained Special Schools</b>
Exhall Grange School and Science College
Evergreen School

## Annex B – Treasury Management Strategy 2022/23

Link to full strategy: [here](#)

Extract from Warwickshire's Treasury Management Strategy (approved by Full Council on 8 February 2022).

### Specified Investments

Investment Type	Credit Criteria (Fitch Ratings)	Limits (per institution)	Use
DMO Deposit Facility	--	No Limit	In-house
Term deposits: Local Authorities	--	£10m	In-house
Nationalised Banks	Short-term F1, Support 1	£20m	In-house and External Manager
Term deposits: UK Banks	Short-term F1, Long-term A, Viability a, Support 3	£20m	In-house and External Manager
Term deposits: Bank Council uses for current account	--	£20m	In-house and External Manager
Term deposits: UK Building Societies	Top five largest societies as reported annually. (To be continually monitored)	£20m	In-house and External Manager
Term deposits: Overseas Banks	Short-term F1+, Long-term AA- Viability aa, Support 1	£20m	In-house and External Manager
Certificates of deposits issued by UK banks and building societies	Short-term F1, Long-term A, Viability a, Support 3	£20m	External Manager
Money Market Funds	AAA	£60m	In-house and External Manager
Ultra Short Dated Bond Funds	AA	£40m	In-house and External Manager
UK Government Gilts, Treasury Bills	--	No Limit	External Manager
Gilt Funds and Bond Funds	Long-term A	No Limit	External Manager

(All such investments will be sterling denominated, with **maturities up to a maximum of 1 year**, meeting the minimum 'high' rating criteria where applicable)

### Non-Specified Investments

Investment Type	Credit Criteria (Fitch Ratings)	Limits (per institution)	Use
Term deposits: UK banks and building societies with maturities in excess of one year with a maximum of three years allowed for in-house deposits	Short-term F1, Long-term A, Viability a, Support 3	£15m	In-house and External Manager
Fixed Term Deposit with Variable Rates and Variable Maturities	Short-term F1, Long-term A, Viability a+, Support 3	£15m	In-house and External Manager
Certificates of Deposits issued by UK banks and building societies	Short-term F1, Long-term A, Viability a, Support 3	£15m	External Manager
UK Government Gilts with maturities in excess of 1 year	--	£15m	External Manager
Local Government Association Municipal Bond Agency	--	£15m	--
CCLA Property Fund	--	£15m	--
Threadneedle Social Bond Fund	--	£40m	--
Local Authority wholly owned trading company	--	£3.9m	In-house