

## Schools Forum

23 March 2023

### Section 48 – Scheme for the Financing of Schools

This report relates to Maintained Schools only.

#### Recommendations

1. The maintained school representatives of Schools Forum are asked to note the recommended changes to the Scheme for financing of schools.
2. The maintained school representatives of Schools Forum are asked to approve the timetable for consultation on the changes with maintained schools (paragraph 1.4)

#### 1. Introduction

- 1.1. Warwickshire County Council is required to publish a Scheme for financing of schools setting out the financial relationship between the authority and the schools it maintains.
- 1.2. The guidance the local authority publishes covers the following legislation:
  - Section 48 of the Schools Standards and Framework Act 1998, and Schedule 14 to the Act.
  - Schools and Early Years Finance (England) Regulations 2018.
- 1.3. The scheme for Warwickshire was last updated on 17 March 2022, and agreed by Schools Forum in June 2022. The Department for Education (DfE) periodically revise their guidance to Local Authorities and the last time the guidance changed was 31 March 2022 as is titled 'Issue 14'.
- 1.4. Schools Forum are asked to note the proposed amendments to the Scheme. The Local Authority will consult with all of its maintained schools on the proposed amendments and this **consultation is proposed to start on Monday 27 March and conclude on Tuesday 2 May 2023** (a 5 week period to allow for school holidays and bank holidays). The outcomes of this consultation will be reported back to the next meeting of the Schools Forum in June 2023.

1.5. The proposed revised Scheme for financing of schools (with proposed amended sections in purple for ease of reference is attached as an Appendix to this report.

## **2. Amendments to the Scheme**

### **2.1 Section 3.6 Borrowing by Schools**

2.1.1 In line with the DfE update of 31 March 2022, the reference to the Salix Scheme has been removed, as this scheme has now closed. The proposed paragraph now also better reflects the 'Issue 14' DfE guidance.

2.1.2 For reference, the changes can be seen in purple on page 15 of Appendix A.

### **2.2 Review of Section 4.9 Licenced Deficit Scheme**

2.2.1 A review of the section within the Scheme that relates to Licenced Deficits has also been carried out to provide additional clarity around the process. As such, the section includes some proposed narrative that better reflects the current practice, and the importance of a Deficit Recovery Plan to bring the school back into balance.

2.2.2 For reference, the changes can be seen in purple on pages 16 and 17 of Appendix A.

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