

## Schools Forum

28 September 2023

### Consultation on Schools Advance Process

This report relates to representatives of maintained schools only and is for information.

#### 1. Purpose of the Report

- 1.1. This report is to inform Schools Forum about a consultation that will be going out to Maintained Schools in October 2023.
- 1.2. The consultation will collate the view of Maintained schools in regard to a proposal to change the current Monthly Advance payment process of the Schools DSG budget to a quarterly in Advance Process.

#### 2. Summary

- 2.1. The Local Authority has been transferring Schools DSG budgets to schools as part of a Monthly process for many years.
- 2.2. The current process sees payments to Schools going out 13 times a year with adjustments 4 times a year to account for revised payroll figures.
- 2.3. The proposal within the consultation will be to reduce this to 5 payments, 4 quarterly with 1 year end adjustment, made at the following points in the year:
  - 1<sup>st</sup> April
  - 1<sup>st</sup> July
  - 1<sup>st</sup> October
  - 1<sup>st</sup> January
  - 31<sup>st</sup> March
- 2.4. It is anticipated that doing this will provide some of the following benefits:

- Allow for the Local Authority to provide a breakdown of the payments to give greater clarity to the schools on the breakdown of the income, Payroll costs and any other adjustments included within the payment.
- Adjusting for the payroll at each quarter and at year end should provide a more uniform distribution of the adjustments across the year and solve the issue of large adjustments having to be made in March during year end processing.
- As funding is being paid quarterly in advance, this should mean greater resource for the schools to aid cashflow.

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