

Schools Forum

21 March 2024

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 change 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 change with maintained schools (paragraph 1.4)

1. Introduction

- 1.1. Warwickshire County Council is required to publish a Scheme for the 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 in March 2023, and agreed by Schools Forum in June 2023. The Department for Education (DfE) periodically revise their guidance to Local Authorities and the last time the guidance changed was 31 March 2023 and is titled 'Issue 15'.
- 1.4. Schools Forum are asked to note the one change that was made to the DfE's guidance which the Council proposes to reflect in Warwickshire's Section 48 Scheme. The Local Authority will consult with all of its maintained schools on the proposed amendment and this **consultation is proposed to start on Monday 25 March and conclude on Tuesday 7 May 2024** (a 6-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 2024.

2. Amendment to the Scheme

2.1 Income from the sale of Assets

- 2.1.1 In line with the DfE update of 31 March 2023, the following is proposed to be added to /amended in the Scheme:

Income from the sale of assets

The scheme should contain a provision which allows schools to retain the proceeds of sale of assets, except in cases where the asset was purchased with non-delegated funds (in which case it should be for the local authority to decide whether the school should retain the proceeds), or the asset concerned is land or buildings forming part of the school premises and is owned by the authority. Any retention of funds from the sale of land assets is subject to the consent of the Secretary of State, and any conditions the Secretary of State may attach to that consent relating to use of proceeds.

The retention of proceeds of sale for premises not owned by the local authority will not be a matter for the scheme.

- 2.1.2 For reference, the proposed changes to the Warwickshire Section 48 Scheme can be seen in [purple](#) on **page 19** of Item 6a of this agenda item.
- 2.1.3 Annex A and Annex B (of the Warwickshire Section 48 Scheme) have also been updated to provide an updated list of Maintained Schools and a link to the Council's most recently approved Treasury Management Strategy.
- 2.1.4 Schools Forum are asked to note that as the DfE tend to update their guidance on 31 March each year, going forward this report will move to the June meeting, with consultation taking place over the summer, and approval being requested in the September meeting of each year. This will allow an improved alignment of timing with the updates made by the DfE.

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