

SCHOOLS' FUNDING FORUM

SUBJECT:	Changes to the Scheme for Financing Schools
-----------------	---

AUTHOR:	Simon Pleace, Revenue Finance Manager
----------------	---------------------------------------

DATE:	28 November 2014
--------------	------------------

SUMMARY OF REPORT:

The LA has undertaken a review of the Scheme for Financial schools. This report highlights the changes to the Scheme and in line with School finance regulations seeks Schools Funding Forum approval for the updated Scheme as set out in Appendix 1.

FOR:	Approval (by maintained school and PRU members only)
-------------	--

1. Background

- 1.1 The Scheme for Financing Schools is the statutory document that governs the relationship on 'all matters financial' between the Local Authority (LA) and maintained schools (including PRUs) in Kent. It does not apply to Academies. It is the umbrella document that contains the rules and regulations which other finance guidance feeds from.
- 1.2 The Scheme was last approved by this forum in July 2013.
- 1.3 We have made some amendments to reflect latest information, best practice and to reduce bureaucracy in schools.

Summary of Scheme Changes

2.1.4	Remove requirement for schools to submit a return itemising any individual item value over £10,000 to the Local Authority
2.10	Increased financial thresholds covered by EU legislation for procurement
2.18	Remove requirement for schools to submit a Statement of Internal Control to the Local Authority. This was removed from the Scheme by the DfE in July 2013 when the Schools Financial Value Standard (SFVS) came into force. Now SFVS is embedded in schools it is no longer required
2.3	Change of date for submission of three year plan (for 2015 only) to the LA due to rolling out of new financial planning tool by Schools Financial Services
3.5.1	Amendment of list of approved banks (as per Treasury Strategy)

4.2 c	Amendment to clarify when any excess balances may be clawed back. See Appendix 2
4.9	Amendment to clarify operation of the loan scheme. See Appendix 3

5. Recommendations

- 5.1 Maintained School and PRU members of the Forum are asked to approve the amended version of the Scheme for Financial Schools as attached in Appendix 1.

Background Documents

[Scheme for Financing Schools \(current approved version\)](#)