

**Item 8****TITLE OF REPORT: Directed Revisions to the Scheme for Financing Schools**

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**Purpose of the Report**

1. This report brings to Schools Forums attention the directed revisions to Gateshead's Scheme for Financing Schools and some additional amendments due to changes in procedures and school status for review before all maintained schools are consulted on the amendments to the Scheme.

**Background**

2. On the 19<sup>th</sup> August 2015 the DfE published new statutory guidance for local authorities on the Scheme for Financing Schools. The full guidance is available on the below link.

<https://www.gov.uk/government/publications/schemes-for-financing-schools>

3. Under sections 48 of the School Standards and Framework Act 1998 and schedule 14 to the Act, each local authority must publish a Scheme for Financing Schools. The Scheme sets out the financial relationship between the Authority and the maintained schools which it funds, it contains requirements relating to financial management and associated issues, binding on both the Authority and schools.
4. The directed revisions state that all maintained schools must be consulted on any updates to the Scheme, and receive approval of the members of Schools Forum representing maintained schools. The revised amendments must be published on a website accessible to the general public.
5. The Scheme covers all Community, Voluntary Aided and Foundation schools and covers all sectors- Nursery, Primary, Secondary, PRU's and Special Schools. Academies and Free Schools are not covered by the Scheme.

A copy of the draft Scheme is electronically available for review.

## **6. Directed Revisions to the Scheme**

The main changes are summarised below:

Removal from the Scheme of the requirement of:

- All references to General Purpose Accounts under banking arrangements

Inclusions to the Scheme of:

2.9 Requirement for maintained schools to publish a register of the business interests of their governors, along with any relationships between staff.

### **9. PFI /PPP**

An authority may wish to insert into its scheme other provisions relating to Private Finance Initiative (PFI) / Public Private Partnership (PPP) projects. Amongst other issues these might deal with the reaching of agreements with the governing bodies of schools as to the basis of such charge; and the treatment of monies withheld from contractors due to poor performance.

Among PFI/PPP provisions may be one which formally sets out the power of the authority to charge school's budget share amounts agreed under a PFI/PPP agreement entered into by the governing body of a school.

## **7. Other Revisions**

- 3.6.1 School Payment Cards has been included
- The following Schools have been deleted from the Scheme following conversion to Academy Status:
  - Thomas Hepburn
  - Charles Thorpe
  - Sacred Heart
- Other Schools that convert will be deleted from the Scheme as they transfer.
- Post titles and references have been changed to reflect the changes in the Authorities internal structure.

- General updates to reflect any changes in legislation.
- The Scheme and the dates of any amendments have to be published on Gateshead Councils Webpage.

### **Proposal**

8. That Schools Forum reviews the draft Scheme prior to all maintained schools being consulted on the revised Scheme.

### **Recommendations**

9. Schools Forum is asked to review the changes to the Scheme for Financing Schools prior to the Scheme being sent out to all maintained schools.

### **For the following reason(s):**

- To provide Schools Forum with an opportunity to comment on the Scheme prior to consultation with all maintained schools.
- To ensure compliance with the Schools standards and Framework Act 1998 and schedule 14 to the Act.

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