
Meeting: Schools Forum
Date: 28 September 2009
Subject: Revision to Scheme for Financing Schools and the Fully Funded Bank Account Scheme
Report of: Deputy Chief Executive and Director of Children, Families and Learning
Summary: To update the Schools Forum on the feedback from schools following the consultation on the proposed revisions to the Scheme for Financing Schools and the Fully Funded Bank Account Scheme.
To gain the Schools Forum approval on the five proposed changes.

Contact Officer: Dawn Hill, Borough Hall, Bedford
Public/Exempt: Public
Wards Affected: All
Function of: Council
Reason for urgency (if appropriate)

RECOMMENDATIONS:

- 1. That four of the five main changes to the Scheme for Financing Schools and Fully Funded Bank Account Scheme be approved.**
- 2. That a compromise on the proposed date for the return of Fully Funded monthly/quarterly returns of the 10th of each month be agreed as the 15th of each month.**

Background

1. Proposal to formally consult on the revision to the Schemes brought to School Forum on the 29 June 2009. A letter was sent to schools and posted on School website on the 30 June 2009 (Appendix A). The consultation period - 30 June to 31 July 2009.

The main changes Proposed:-

1. Changing the date by which fully funded schools send in either their monthly or quarterly returns to 10th of the month. (Previously 20th of the month)
2. The Budget Plan should be approved by the **FULL** governing body and governors meetings should be arranged in May in order to meet this requirement.
3. Voluntary Aided (VA) Schools should only transfer the 10% contribution to capital works from their LA school budget share to their formula capital bank accounts as and when it is required in order to pay invoices for works done.
4. Any school in receipt of a licensed deficit must return a monthly monitoring report to their School Financial Adviser by 20th of the following month.
5. Revision to the Appendix 'Earmarked Funds' form to take account of the previously agreed addition of 'Consultancy Fees' earned by the Head teacher or Senior Staff of the school.

Feedback from consultation

2. Five Responses were received: One from a Fully Funded Lower, one from a VA/Fully Funded Middle School and three from Fully Funded Upper Schools.
3. There were four responses out of the 48 Fully Funded Schools to the proposal to change the due date of Fully Funded financial returns and one out of the 14 Voluntary Aided Schools response regarding the transfer of Revenue funds to Capital applicable to VA Schools.
4. In relation to the Fully Funded financial returns, two schools requested that the date stayed at the 20th, one very strongly, and two schools appreciated the time pressures for LA officers and requested a compromise of the 15th of the month.
5. In relation to the proposal of a 10% Revenue Contribution, one middle school requested that they be allowed to transfer 10% contribution at the beginning of each financial year. The DCSF direction states that 'Revenue surpluses remain revenue until they are spent', therefore the LA would not be permitted to allow this transfer to take place at the beginning of each financial year.

Appendices:

Appendix A - Letter to schools