

Meeting date: 10 December 2019
Report to: Solihull School Forum
Subject/report title: Update to the Solihull scheme for the financing of schools
Report from: Steve Fenton
Report author/lead contact officer: Steve Fenton



Schools affected:

All Schools | All Primary | All Secondary | All Special | All Primary and Secondary and Special Maintained Schools Only | Academy Schools Only | Early Years Settings | PRUs | Other (specify |

Type of Report For Group to recommend to Forum
Forum Voting Maintained primary and/or secondary schools only
Public/private report: Public
Exempt by virtue of paragraph: N/a

1. Purpose of Report

1.1 For Forum to approve changes to the scheme for the financing of Solihull maintained schools. The changes reflect latest statutory guidance from DfE/ESFA, there are no significant local changes proposed.

2. Decision(s) recommended

2.1 Finance Group commends Forum are asked to approve the revised scheme as it properly reflects statutory guidance and justified local conditions. This is the recommendation of School Finance Group who considered these matters at their meeting on 11 September 2019

3. What is the issue?

3.1 On 5 February 2019 the DfE issued “number 10 of statutory guidance for local authorities on schemes for financing schools”. It relates to Section 48 of the School Standards and Framework Act 1998, and Schedule 14 to the act.

3.2 Local authorities are required to publish schemes for financing schools setting out the

financial relationship between them and the schools they maintain. The guidance lists the provisions which a local authority's scheme must, should or may include. Schemes need not follow the format used in the guidance.

- 3.3 In making any changes to their schemes, local authorities must consult all maintained schools in their area and receive the approval of the members of their schools forum representing maintained schools. Local authorities must take this guidance into account when they revise their schemes, in consultation with the schools forum.
- 3.4 The Secretary of State may by a direction revise the whole or any part of the scheme as from such date as may be specified in the direction. In order to make a directed revision to schemes, the Secretary of State is required, by provisions in the School Standards and Framework Act 1998, to consult the relevant local authorities and other interested parties.
- 3.5 Certain amendments have been made to the wording included in some of the directed revisions listed below, to reflect more recent policy positions.

4. Changes

4.1 Directed changes - Loan schemes – see section 4.10

- 4.1.1 The direction is to confirm loans cannot be made in case of a normal operating deficit; and clarifies treatment of loans upon academisation.
- 4.1.2 Other changes – Section 16 of the new statutory guidance sets out a number of key changes from the previous guidance. I have carefully examined the Solihull scheme to ensure the changes are all reflected.
- 4.1.3 A very small number of changes relate to changes in Solihull policy, e.g. paragraph 12.3.4, and that change has been worked through the Forum Capital Group. There are no major local changes proposed.
- 4.1.4 Changes to the old scheme are marked in yellow (deletions are not shown).

5. Reasons for recommending preferred option

- 5.1 All proposed changes are either directed by the government, changes to the statutory guidance, or very minor (drafting) revisions to local policies.

6. Implications and Considerations

6.1 Consultation and Scrutiny:

- 6.1.1 As the changes are directed / statutory I have not consulted with individual schools. Any local drafting changes are so minor as to not warrant consultation.

6.2 Financial implications:

- 6.2.1 There are no direct financial implications to maintained school budgets

6.3 Legal implications:

6.3.1 The proposed scheme will meet the requirements of the directed changes and changes to the statutory guidance.

6.4 Risk implications:

6.4.1 There has been no formal risk assessment – the changes are technical and not controversial.

6.5 Statutory Equality Duty:

6.5.1 No formal assessment has been undertaken.

7. List of appendices referred to

7.1 Appendix 1 – proposed Scheme for the financing of Solihull maintained schools

7.2 Appendix 2 – Schemes for financing local authority maintained schools – Statutory Guidance 5 February 2019