

Agenda Item 7 – Scheme for Financing Schools/ School Financial Procedures Manual

1. Introduction

- 1.1 This report provides Schools Forum with an update on the 'Scheme for Financing Schools' in operation in Hartlepool and also details the review process involved in updating the 'School Financial Procedures Manual' which acts as a source of best practice / guidance across a range of topics with financial and administrative aspects

2. Scheme for Financing Schools

- 2.1 Each local authority is required to publish a Scheme for Financing Schools setting out the financial relationship between it and the schools it maintains. The DfE publish guidance which lists the provisions which a local authority's scheme must incorporate and provides a format to be adopted. This scheme applies to maintained schools only as academies are subject to separate financial regulations which are monitored by the Education Funding Agency directly.
- 2.2 The local authority is required to consult all schools on the Scheme for Financing Schools and receive the approval of Schools' Forum. Consultation with all maintained schools will start in early February 2016. There will be 2 drop in sessions organised at the CETL week commencing 29th February, 2016. The consultation will close on 11th March, 2016 with the outcome of this consultation reported to Schools Forum in April 2016.

3. School Financial Procedures Manual

- 3.1 The School Financial Procedures Manual is deemed a best practice document and although schools do not have to follow this they do need to have their own best practice procedures in place if the local authority document is not adopted. Internal Audit can test a schools application of these policies as part of their audit visits and any departure from recommended practice would be reported through to the Head of Audit and Governance and Assistant Director, Education, Learning & Skills for further consideration and action.

4. Future Review Process

- 4.1 To ensure that both the Scheme for Financing Schools and the School Financial Procedures Manual are current and reflect best practice it is suggested that on an annual basis these documents are subject to review and the subject of a report to Schools Forum each June. Updated versions of both documents can then be made available to schools for the start of each academic year. Where the DfE issue guidance which requires immediate incorporation within the Scheme this will be brought to the attention of Schools Forum at the time of issue by the DfE.

5. Recommendation

- 5.1 Schools Forum is asked to note the procedure for updating the Scheme for Financing Schools and the School Financial Procedures Manual.