


Agenda Item 7

	London Borough of Hammersmith & Fulham SCHOOLS FORUM March 14th 2023	
LBHF Proposed Amendments to the Financial Scheme		
Open		
Wards Affected: (All Wards); All		
Accountable Director: Jacqui McShannon, Strategic Director of Children Services		
Report Authors: Tony Burton Head of Finance for Children’s Services and Education		Contact Details: Tel: 07909 004 710 E-mail: tony.burton@lbhf.gov.uk
Purpose of the report This report is requesting agreement from the Schools’ Forum to an amended to The Scheme for Financing Schools with respect to the deadline regarding the submission of the detailed breakdown of the planned use of the school’s budget share: the 3-year budget plan.		

1. Introduction

- 1.1. The Scheme for Financing Schools (the "policy") sets out the financial relationship between the Local Authority and the maintained schools that it funds. It contains requirements relating to the financial management of its schools.
- 1.2. In making any changes to their schemes, local authorities must consult all maintained schools and receive approval of the Schools' Forum representing maintained schools.
- 1.3. The proposed policy is compliant with DfE guidance and the Authority's financial regulations.

2. Policy Updates for Consideration

- 2.1. The current Scheme for Financing Schools was last updated in March 2022 following agreement from the Schools' Forum.

- 2.2. It is proposed to revise the deadline for submission of the 3-year budget forecast to the first working day of May as opposed to the last working day of May which is the current deadline in the LHBF Schools Financial Scheme.
- 2.3. This is to ensure any budgetary issues and support requirements are picked up as early as possible in the financial year.
- 2.4. If approved following consultation, this revision is suggested to take effect from May 2024 with respect to three-year budget plans 2024-25 to 2026-27 financial years.
- 2.5. The intention is to achieve a gradual transition to an earlier budget setting timetable.

2.1.2	<p>Provision of financial information</p> <p>Current: <i>Schools are required to provide the local authority with details of expected and actual expenditure and income and other information for financial purposes, in a form and at times determined by the local authority. The Section 151 Officer of the local authority may at their discretion amend the requirements for financial information and reports from schools, and the timetable on which these are provided to suit the local authority's overall financial monitoring requirements.</i></p> <p><i>The details of the requirements are as follows:</i></p> <p><u><i>At the start of the financial year:</i></u></p> <p><i>A detailed breakdown of the planned use of the school's budget share no later than the 31 May (or the last working day of May). This breakdown must have been approved by the governing body. The budget report must provide the local authority with details of anticipated and actual expenditure and income. The format provided by the local authority will take account of the Consistent Financial Reporting (CFR) framework.</i></p> <p>Proposed change</p> <p><u><i>At the start of the financial year:</i></u></p> <p>Schools are required to submit a 3-year budget plan to the Authority by 1 May (or the first working day of May) each year. <i>This breakdown must have been approved by the governing body. The budget report must provide the local authority with details of anticipated and actual expenditure and income. The format provided by the local authority will take account of the Consistent Financial Reporting (CFR) framework.</i></p>
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3. Consultation

- 3.1. In accordance with the provision set out in 1.4 of the Scheme and DfE guidance, 'any proposed revisions to the Scheme will be the subject of consultation with the governing body and the headteacher of every school maintained by the Authority, before they are submitted to the Schools Forum for their approval'.
- 3.2. To comply with this requirement, Schools Forum is asked to note the updated provision and provide consent for the proposed Scheme to be circulated to all maintained schools for consultation.
- 3.3. Schools Forum is asked to agree to the Scheme being placed on the agenda for the next Schools Forum meeting to enable consultation responses to be reviewed and formally approved.

4. Recommendations

4.1 Schools Forum is asked to:

- review and approve the updated Scheme to be consulted on with all maintained schools (in line with provision 1.4 of the policy);
- agree to the Scheme being placed on the agenda for the next Schools Forum meeting so that consultation responses can be reviewed, the final policy approved and implemented from 2023-24.

Report ends