

Title of meeting: Schools Forum

Date of meeting: 13 July 2022

Subject: Scheme for Financing Schools

Report from: Sarah Daly, Director of Children, Families and Education

Report by: Angela Mann, Finance Manager

Wards affected: All Wards

Key decision: No

Full Council decision: No

1. Purpose of report

1.1. This report outlines the proposed changes to the Scheme for Financing Schools which reflects the revisions to the scheme as outlined in the guidance issued by the Department for Education (DfE).

2. Recommendations

2.1. It is recommended that Schools Forum members representing maintained schools, approve the revised 'Scheme for Financing Schools', attached at Appendix 1, to come into force on 14 July 2022.

3. Background

3.1. The latest statutory guidance for Local Authorities issued by the DfE in respect of the Scheme for Financing Schools reflects the recent changes to legislation as set out in The School and Early Years Finance (England) Regulations. The proposed Portsmouth City Council Scheme for Financing Schools attached at Appendix 1, incorporates the requirements of the statutory guidance issued by the DfE.

3.2. There were no directed revisions to the Scheme in the guidance issued by the DfE for 2022 to 2023. The guidance included a number of changes across the whole of the document, and these have been reflected in the Scheme for Financing Schools issued by Portsmouth City Council where appropriate. The proposed scheme will become effective on 14 July 2022 once approved by Schools Forum.

3.3. Consultation on the changes to the Scheme with Headteachers, Governors and Finance Managers, took place between 19 May and 6

June 2022. No responses were received. The final document is attached at Appendix 1.

4. Proposed revisions

4.1. The proposed Scheme has been revised to ensure consistency of language, the correct use of titles for responsible officers together with updated hyperlinks to further information, and any changes to relevant legislation. The main revisions to the scheme are listed below and reflect both the changes to the statutory guidance issued by the DfE, together with the general revisions for changes to Portsmouth City Council policies and procedures.

Paragraph	Update
1.1	This section has been updated in line with the guidance issued by the Department for Education.
1.2	Updated date scheme will come into effect.
1.4	Updated to reflect that no directed revisions were required by DfE to the 2022-23 scheme.
2.2	Updated the link for the Consistent Financial Reporting Framework to the latest 2022-23 version.
2.3	Updated name of corporate finance system to Oracle Fusion.
2.16	Updated guidance to remove the temporarily extended date of the deadline for schools to submit their SFVS return (due to Covid 19) and the extended date for the local authority to submit their assurance statement to the DfE. These have reverted to 31 March and 30 May respectively.
3.6	Updated with latest DfE information re the introduction of IFRS 16, which has been postponed in relation to 2022 to 2023. Advised schools will be contacted by the City Council closer to the time to clarify the requirements.
4.5	Updated the year to 31 March 2022 at which the 5% deficit threshold will apply when deficits are measured.
4.8	Updated the year of the School and Early Years Finance Regulations from 2021 to 2022.
7.1	Updated the wording relating to VAT status of

Paragraph	Update
	voluntary aided schools as directed by the City Council's Tax Accountant.
10.1	Following advice from the council's insurance section the paragraph re Risk Protection Arrangement (RPA) has been amended.
11.5	Updated Health and Safety wording as advised by PCC Corporate Health and Safety Advisor.
Annex 1	Updated list of schools as at April 2022.
Annex 1	Special unit places numbers amended to reflect places agreed by Schools Forum and Cabinet member for 2022-23.

- 4.3 The revised version of the Scheme for Financing Schools, once approved, will be issued to schools (including Head Teachers, Governors and Finance Managers) and made available on the intranet and the external website.

5. Reasons for recommendations

- 5.1 Part 4 of The School and Early Years Finance (England) Regulations 2022 sets out the responsibilities in respect of the scheme for Financing Schools, including the required content which the scheme must contain (Regulation 32) and the requirement for members of Schools Forum who represent schools maintained by the authority, to approve revisions to the Scheme (Regulation 33). The recommendations contained within this report, seek approval from the relevant Schools Forum members to the proposed changes to Portsmouth City Council's Scheme for Financing Schools in line with those Regulations.

6. Equality impact assessment (EIA)

- 6.1 The Scheme for Financing Schools sets out the financial relationship, procedural arrangements and the statutory duties between maintained schools and the City Council. There is no direct impact on any particular equalities group and therefore does not require an equities impact assessment.

7. Legal comments

7.1 Approval of the recommendations in this report will enable the Council to meet its statutory duties in respect of the maintenance and publication of a scheme for financing the schools which it maintains. (Section 48 and Schedule 14 of the School Standards and Framework Act 1998 and Part 4 and Schedule 5 of the School and Early Years Finance (England) Regulations 2022).

8. Finance comments

8.1 There are no financial implications arising directly from the recommendations contained within this report.

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Signed by: Sarah Daly, Director of Children, Families and Education

Appendices:

Appendix 1 - Scheme for Financing Schools 2022-23 (Proposed)

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Statutory Guidance - Schemes for Financing Schools	https://www.gov.uk/government/publications/schemes-for-financing-schools

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by:



Portsmouth
CITY COUNCIL