



Walsall Children's Services

Walsall Children's Services Scheme for Financing Schools 2017

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References to ‘the Act’ are to the School Standards & Framework Act 1998

1 INTRODUCTION

1.1 The Funding Framework

The Local Schools Budget and Individual Schools Budget

The funding framework which replaces Local Management of Schools is based on the legislative provisions in sections 45-53 of The School Standards and Framework Act 1998.

Under this legislation, local authorities determine for themselves the size of their Schools Budget and their non-education budget – although at a minimum a local authority must appropriate its entire Dedicated Schools Grant to their Schools Budget. The categories of expenditure which fall within the two budgets are prescribed under regulations made by the Secretary of State, but included within the two, taken together, is all expenditure, direct and indirect, on an authority’s maintained schools except for capital and certain miscellaneous items. Local authorities may centrally retain funding in the Schools Budget for purposes defined in regulations made by the Secretary of State under s.45A of the Act. The amounts to be retained centrally are decided by the authority concerned, subject to any limits or conditions (including gaining the approval of their School Forum or the Secretary of State in certain instances) as prescribed by the Secretary of State. The balance of the Schools Budget left after deduction of centrally retained funds is termed the Individual Schools Budget (ISB). Expenditure items in the non-schools education budget must be retained centrally (although earmarked allocations may be made to schools).

Under the provisions of the Apprenticeships, Skills, Children and Learning Act 2009, private, voluntary and independent (PVI) Early Years providers as well as maintained providers will be funded from the individual schools budget and be subject to the school funding regulations.

Authorities must distribute the ISB amongst their maintained schools using a formula which accords with regulations made by the Secretary of State, and enables the calculation of a budget share for each maintained school. This budget share is then delegated to the governing body or the school concerned, unless the school is a new school which has not yet received a delegated budget, or the right to a delegated budget has been suspended in accordance with section 51 of The School Standards and Framework Act 1998. The financial controls within which delegation works are set out in the scheme in accordance with section 48 of the Act and regulations made under that section. All proposals to revise the scheme must be approved by the schools forum, though the authority may apply to the Secretary of State for approval in the event of the forum rejecting a proposal or approving it subject to modifications that are not acceptable to the authority.

Subject to any provisions made by or under the scheme, governing bodies of schools may spend budget shares for the purposes of their school* and any additional purposes prescribed by the Secretary of State in regulation made under s.50 of the Act. (*Section 50 has been amended to provide that amounts spent by a governing body on providing community facilities or services under section 27 of the Education Act 2002 are treated as if they were amounts spent for the purpose of the school (s50(3A) of the Act).

Detailed procedures for schools are set out in the authority's Finance Resource Advisory Service Guidelines (FRAS Guidelines).

The authority may suspend a school's right to a delegated budget if the provisions of the Scheme for Financing Schools (or rules applied by the scheme) have been substantially or persistently breached, or if the budget share has not been managed satisfactorily. A school's right to a delegated budget share may also be suspended for other reasons (section 17 of the Act).

The authority is obliged to publish each year a statement setting out details of its planned Schools Budget and other expenditure on children's services, showing the amounts to be centrally retained, and funding delegated to schools. After each financial year the authority must publish a statement showing out-turn expenditure at both central level and for each school, and the balances held in respect of each school.

The detailed publication requirements for financial statements and for schemes are set out in directions issued by the Secretary of State, but each school will receive a copy of each year's budget and outturn statements so far as they relate to that school or central expenditure.

Regulations also require a local authority to publish their scheme and any revisions to it on a website accessible to the general public, by the date that any revisions come into force, together with a statement that the revised scheme comes into force on that date.

1.2 The role of the scheme

The Walsall Scheme for Financing Schools sets out the financial relationship between the authority and its maintained schools. The scheme contains requirements relating to financial management and associated issues, binding on both the authority and schools.

Governing Bodies of all schools maintained by the LA must operate within this framework. The scheme contains guidance and directions to enable schools to execute their delegated financial powers appropriately.

1.2.1 Application of the Scheme to the LA and maintained schools

The scheme applies to all community, nursery, special, voluntary, foundation (including trust) and foundation special schools and pupil referral units maintained by the authority, whether they are situated in the area of the authority or situated elsewhere (see Annex 1). It does not apply to schools situated in the authority's area which are maintained by another authority. The scheme does not apply to Academies.

1.3 Publication of the scheme

As a minimum, the scheme will be published on a website which is accessible to the general public and revised versions of the scheme will be published by the date that the revisions come into force, together with a statement that the revised scheme comes into force on that date.

1.4 Revision of the scheme

Any proposed revisions to the scheme will be the subject of consultation with all maintained schools before they are submitted to the Schools Forum.

All proposed revisions will be submitted to the Schools Forum for approval by members of the forum representing maintained schools. Where the Schools Forum does not approve them or approves them subject to modifications which are not acceptable to the authority, the authority may apply to the Secretary of State for approval.

1.5 Delegation of financial powers to the head teacher

A governing body must consider the extent to which it wishes to delegate its financial powers to the head teacher, and to record its decision (and any revisions) in the minutes of the governing body.

The first and any subsequent formal budget plans for a particular financial year must be approved by the governing body or by a committee of the governing body.

The delegation of financial powers to the head teacher and relevant committees should be reviewed at least annually. Where there is a change in Headteacher, delegation to the head teacher must be reviewed at the earliest opportunity.

Detailed guidance setting out the terms of reference for schools is contained in the Finance Resource Advisory Service Guidelines (FRAS Guidelines) to a more appropriate level.

1.6 Maintenance of schools (School Maintained by LA)

The local authority is responsible for maintaining the schools covered by the scheme, and this includes the duty of defraying all the expenses of maintaining them (except in the case of a voluntary school where some of the expenses are, by statute, payable by the governing body). Part of the way an authority maintains schools is through the funding system put in place under sections 45 to 53 of The School Standards and Framework Act 1998.

2 FINANCIAL CONTROLS

2.1.1 Application of financial controls to schools

In the management of their delegated budgets all schools must abide by the Council's requirements on financial controls and monitoring. The detailed requirements and procedures can be found on the council's website including the council's regulations and standing orders and within FRAS Guidelines.

The purpose of such regulation is to ensure that public accountability and high standards of financial integrity are exercised over the control of public funds. In addition, they assist sound administration, reduce the risk of irregularities and support the delivery of effective, efficient and economical services.

2.1.2 Provision of financial information and reports

Unless the LA has notified a school that in its view the school's financial position requires more frequent submission, see 2.15 Notice of Concern, or the school is in

its first year of operation, the school must provide, in addition to the governors Formal Budget Plan, two further returns to the authority which must detail anticipated and actual expenditure and income as at the end of August and December. A pro-forma to be used for the submission of the information will be made available to schools. The requirement to provide additional information does not apply to schools which are part of the on-line financial accounting system operated by the LA.

Annex 8 lists a timetable of key documents

Schools operating their own bank account must comply with the financial procedures set out in Section 3 of the scheme.

The Authority has a duty to ensure the effective management of resources by schools. To this end, schools may be required to submit returns as specified by the Authority for this purpose. All submissions required by the Authority should be completed in a timely and accurate manner. The Authority has a duty to challenge schools' financial performance and will monitor and check school financial returns as part of the challenge process.

Where the schools' financial performance gives cause for concern, the schools will be required to attend a financial review meeting with the Authority, to work in collaboration to review the reasons for concern and agree a way forward. This process will form the initial stage of any intention or requirement for the Authority to issue a Notice of Concern (para 2.15).

The following reasons are deemed to give an indication that the schools financial position looks fragile or there is evidence of weak financial management:

- having a deficit budget
- applying for consecutive licensed deficits
- receiving a poor internal audit review
- financial returns are either not returned or give cause for concern
- requiring cash flow loan
- late payment of invoices
- the maintenance of a high level of uncommitted / unsupported surplus balance

2.1.3 Payment of salaries; payment of bills

The LA offers a payroll service to schools on a buy-back basis. Details can be found within the Traded Services Portfolio published annually by the LA. Schools buying into the LA payroll service receive a comprehensive service including all tax and statutory returns and pension administration. Schools administering their own payroll or buying in from an external provider must satisfy themselves that all statutory requirements are being met.

The LA also offers a transaction service to schools to enter payments onto the LA financial system, or schools may enter their own invoice payments directly into the LA system. Alternatively schools may apply for an external bank account to process payments through an external financial management information system. In such circumstances the school must comply with the LA's VAT guidance and make separate claims to the LA for reimbursement of VAT.

2.1.4 Control of assets

Each school is required to maintain an inventory of its moveable non-capital assets, in a form determined by the Authority, and setting out the basic authorisation procedures for disposal of assets. However, schools are free to determine their own arrangements for keeping a register of assets worth less than £500. Schools must keep a register in some form. Details setting out the basic procedures for the disposal of assets can be found within the FRAS Guidelines.

2.1.5 Accounting Policies (including year-end procedures)

All schools are required to abide by procedures issued by the LA; these will vary according to the systems operated by schools.

2.1.6 Writing off debts

The scheme allows for governing bodies to recommend the write off of debts up to a maximum limit of £2,500. In these cases, details must be forwarded in the first instance to Chief Finance Officer.

The list will subsequently be forwarded to the Head of Finance of the LA who is the Council's delegated officer for writing off such debts. A formal list for write off will then be prepared and actioned.

Debts of over £2,500 proposed for write off will be the subject of a report to Head of Finance of the LA. Therefore governing bodies will be required to write to the Chief Finance Officer detailing the debt and requesting that a report can be prepared.

The governing body is responsible for minimizing the risk that income owing to the school has to be written off. In particular, the governing body must collect payments in advance of the service or goods being provided, where this is practical, and issue invoices and reminders promptly.

2.2 Basis of accounting

Schools are free to use their own financial software to administer their accounts, however schools must be able to furnish the LA with reports on the basis required and schools are required to meet the costs of modifications needed in the provision of the information to the LA.

In accordance with the authority's corporate financial standards all goods and services received in a financial year must be accounted for within that financial year. All outstanding invoices as at close down must be accounted for via the accruals process. To satisfy external audit requirements documented evidence is required to support all such transactions.

2.3 Submission of budget plans

Schools are required to submit a formal budget plan, approved by the governing body or by a committee of the governing body no later than 1st June. This must include a detailed breakdown of planned income and expenditure for the year and the assumptions underpinning the budget plan (see next paragraph).

The format of the plan is specified by the LA and takes account of the requirements of the Consistent Financial Reporting (CFR) framework, as prescribed by

government regulations. The LA will continue to offer guidance to schools on assumptions likely to be the same for all schools, e.g. on inflation.

In addition, schools can take into account estimated surplus/deficits as at the previous 31st March in their budget plan.

For schools who purchase financial services from an external agency or have in-house finance officers, supporting budget documentation will be required by the LA, e.g. detailed staffing budgets, inflation factors, etc.

The LA, where appropriate, will ensure that the formal budget plan of each school is entered onto the council's financial systems within 30 days of receipt.

To assist in efficient planning, the LA will supply those schools not operating via the councils financial systems with a copy of the income and expenditure data which it holds. This information will be provided on a termly basis.

To reflect changes in financial circumstances, schools are free to submit a revised budget plan to the LA at 31st October in each financial year.

2.3.1 Submission of Financial Forecasts

The authority requires schools to submit a financial forecast covering each year for which schools have been notified of budget shares. In requiring this information the authority will be in a position to ensure schools are undertaking appropriate financial planning.

Beyond the current year governors should ensure they are planning for likely future resources, for example managing falling rolls, recovery of deficit.

In addition such forecasts will provide:

- Evidence that schools are taking timely action to manage falling rolls and a reducing budget;
- Support for the Authority's Balance Control Mechanism; (see 4.2) and
- Evidence in support of a school's deficit recovery plan where required. (see 4.10)

2.4 Efficiency and value for money

Schools must seek to achieve efficiencies and value for money, to optimise the use of their resources and to invest in teaching and learning, taking into account the Authority's purchasing, tendering and contracting requirements outlined in section 2.10.

It is for heads and governors to determine at school level how to secure better value for money.

In July 2011 the DfE introduced the Schools Financial Value Standard - a simpler and more effective standard, drawn up in association with schools themselves to give governors and heads, local authorities and Government real assurance about both value for money and proper use of public resources.

2.5 Virement

A virement is the transfer of funding between one budget head and another after the budget has been approved, in order to meet emerging budget pressures.

Governing bodies are free to vire budgets at any time, but must ensure that there is sufficient resource in the original budget head to meet known commitments or statutory provision.

In order to ensure the efficient running of the school, governing bodies are encouraged to delegate some of this responsibility to the Head teacher and/or others, so that virement, up to a predetermined amount, may take place without further consultation with the governing body (see paragraph 1.5).

Approvals should be minuted by the governing body.

2.6 Audit: General

The accounts of a school, being part of the overall accounts of the Council, will be subject to internal and external audit.

Under section 151 of the Local Government Act 1972 and the Accounts and Audit Regulations, the Corporate Board Director (Resources) shall maintain an effective internal audit of the accounts of the Council. In so doing, the Chief Internal Auditor shall review, appraise and report on:

- the economy, efficiency and effectiveness of financial and other management controls;
- the extent of compliance with, relevance and financial effect of, established policies, plans and procedures;
- the extent to which an organisation's assets are accounted for and safeguarded from losses of all kinds arising from:
 - fraud and other offences;
 - waste, extravagance, inefficient administration, poor value for money or any other cause; and
 - suitability and reliability of financial and other data produced within the organisation.

All schools under the scheme are required to co-operate with the Council's internal audit regime, this includes responding to recommendations and notifying internal audit immediately of any suspected irregularities.

2.7 Separate external audits

Walsall MBC's external auditors shall undertake such reviews of financial and other operations in schools as they deem necessary, for the discharge of their statutory functions. All schools under this scheme are required to co-operate with the external audit regime.

A Governing Body may spend funds from its budget share to obtain external audit certification of its accounts, separate from any LA internal or external audit process. There is no expectation by the Secretary of State that routine annual external audit at school level of budget share expenditure should be a usual feature of the funding system, however schools are not prevented from seeking an additional source of assurance at their own expense.

Where a school chooses to seek such an additional audit it does not remove the requirement that the school must also co-operate with the LA's internal and external auditors.

2.8 Audit of voluntary and private funds

Accounts for voluntary and private funds held by schools or groups of schools, and the accounts of any trading organisations controlled by a school must be audited annually and a certificate retained. The certificate must be made available to the LA on request. Refusal to provide an audit certificate will be taken as being in breach of the Scheme and the LA will take action on this basis.

The purpose of such a provision is to allow the LA to satisfy itself that public funds are not being misused. The LA may not seek to impose through the scheme a right to audit such funds themselves or otherwise access the accounts of private funds. Access to the accounts of such funds by other agencies is a matter for them. Any other requirement as to audit of such funds is a matter for those making the funds available, and any Charity Commission requirements.

The Consistent Financial Reporting framework requires that private funds under the control of the governing body be included.

Schools or groups of schools considering setting up a school company must have regard to DfE guidance and liaise with the local authority in advance of the company being setup.

2.9 Register of pecuniary / business interests

The governing body of each school must have a register which lists for each member of the governing body, and the head teacher of the school;

- Any business interests they or any member of their immediate family have;
- Details of any other educational establishments that they govern;
- Any relationships between school staff and members of the governing body;
- And to keep the register up to date with notification of changes and through annual review of entries, to make the register available for inspection by governors, staff, parents, and the authority and to publish the register, for example on a publicly accessible website

Any governor or member of staff should not be involved in any discussion or voting on a decision in which they have an interest.

2.10 Purchasing, tendering and contracting requirements

Schools must abide by the Council's financial regulations and standing orders in purchasing, tendering and contracting matters. This includes a requirement to assess in advance, where relevant, the health and safety competence of contractors, taking into account of the Council's policies and procedures. However, schools may disregard any provision of these regulations, which would otherwise require them:

- to do anything incompatible with any of the provisions of the scheme, or any statutory provision, or any EU Procurement Directive;

- to seek LA officer countersignature for any contracts for goods or services for a value below **£60,000** in any one year;
- to select supplies only from an approved list;
- or would permit schools to seek fewer than three tenders or quotations in respect of any contract with a value exceeding **£10,000** in any one year, subject to specified listed exceptions.

Schools may nominate suppliers for inclusion on lists of approved suppliers.

A countersignature requirement relates to the total value of a contract or service. Schools and the LA should not attempt to artificially aggregate or disaggregate orders to avoid or impose the requirement.

2.11 Application of contracts to schools

It is the right of schools to opt out of a council arranged contract except where:

Although governing bodies are empowered under paragraph 3 of schedule 10 to the School Standards and Framework Act 1998 to enter into contracts, in most cases they do so on behalf of the LA as maintainer of the school and the owner of the funds in the budget share. (This is the main reason for allowing LAs to require LA countersignature of contracts exceeding a certain value). Other contracts may be made solely on behalf of the governing body, when the governing body has clear statutory obligations – for example contracts made by aided or foundation schools for the employment of staff.

2.12 Central funds and earmarking

The LA may make sums available to schools from central funds, in the form of allocations which are additional to, and separate from, the schools' budget share. Such allocations will be subject to conditions setting out the purpose or purposes for which the funds may be used and may for example be sums for SEN or other initiatives from the central expenditure of the Schools Budget or other authority budget.

Separate accounting mechanisms may be required to establish that the schools' spending is consistent with the purpose for which it was given. The LA will require any unspent monies to be returned at the financial year-end, or within the period over which schools are allowed to use the funding if different.

The LA is barred from making any deduction, in respect of interest costs to the LA, from payments to schools of devolved specific grant.

2.13 Spending for the purposes of the school

Although s.50 (3) allows governing bodies to spend budget shares for the purpose of the school, this is subject to regulations made by the Secretary of State and any provisions of the scheme. As well as the various standard provisions the LA can, as required, propose its own restrictions on this freedom, arising from local circumstances. By virtue of s.50 (3A) (which came into force 1 April 2011) amounts spent by governing bodies on community facilities or services under section 27 of the Education Act 2002 will be treated as if spent for any purposes of the school.

Under s.50 (3)(b) the Secretary of State may prescribe additional purposes for which expenditure of the budget share may occur. He has done so in the School Budget Shares (Prescribed Purposes) (England) Regulations 2002 (SI 2002/378), which have been amended by the School Budget Shares (Prescribed Purposes) (England) (Amendment) Regulations 2010 (SI 2010/190). These allow schools to spend their budgets on pupils who are on the roll of other maintained schools or academies.

2.14 Capital spending from budget shares

The scheme allows governing bodies to use budget shares to meet the cost of capital expenditure on the school premises. This includes expenditure by the governing body of a voluntary aided school on work which is their responsibility under paragraph 3 of Schedule 3 of the Act.

However, if there is expected capital expenditure from the budget share the governing body must notify the LA; and it must take into account any advice from the Director of Children's Services as to the merits of the proposed expenditure if it exceeds the figure of £15,000.

It should be noted that from April 2017 Devolved Formula Capital (DFC) allocations are to be pass-ported to schools from the LA, as such the requirements to notify the LA have been extended to cover both capital spend from budget shares and devolved formula capital (DFC).

Where the premises are owned by the LA, or the school has voluntary controlled status, then the governing body must seek the consent of the LA to the proposed works, but such consent can be withheld only on health and safety grounds.

The reason for these requirements is to help ensure compliance with the current School Premises Regulations, DfE Construction Standards, and health and safety legislation.

Governor Body notification of all planned capital expenditure should be submitted to: Shelley Oakden, Integrated Facilities Management, 2nd Floor, Civic Centre, Darwall Street, Walsall. Guidance and pro-forma templates, available on The Link, should be used to notify the authority of proposed work, see a copy of the templates at Annex 3b.

In addition, the Chartered Institute of Public Finance and Accountancy (CIPFA), who determine the accounting rules for local authorities in conjunction with the Financial Reporting Advisory Board, now require local authorities to change how they account for schools.

The result of the new rules is that school accounts are to be fully integrated within the council's accounts, as such, the local authority must be able to identify capital spending from schools delegated revenue budgets.

At the end of each financial year schools will be required to submit detailed statements of capital spending funded by their delegated budget shares and devolved formula capital. To assist schools with this process a pro-forma template is available on The Link together with more detailed guidance, a copy of the template can be found at Annex 3c.

2.15 Notice of Concern

The authority may issue a notice of concern to the governing body of any school it maintains where, in the opinion of the Chief Finance Officer and the Director of Children's Services, the school has failed to comply with any provisions of the scheme, or where actions need to be taken to safeguard the financial position of the local authority or the school.

The notice will set out the reasons and evidence for it being made and will place on the governing body restrictions, limitations or prohibitions in relation to the management of funds delegated to it. Annex 6 – Areas of Concern.

Dependant on the level of financial concern, some or all of the following restrictions will be applied to the governing body and school:

- insisting that relevant staff undertake appropriate training to address any identified weaknesses in the financial management of the school;
- insisting that an appropriately trained/qualified person chairs the finance committee of the governing body;
- placing more stringent restrictions or conditions on the day to day financial management of a school than the scheme requires for all schools – such as the provision of monthly accounts to the local authority;
- insisting on regular financial monitoring meetings at the school attended by local authority officers, which may include attendance at governors meetings;
- requiring a governing body to buy into a local authority's financial management systems; and
- imposing restrictions or limitations on the manner in which a school manages extended school activity funded from within its delegated budget share – for example by requiring a school to submit income projections and/or financial monitoring reports on such activities.

The notice of concern will clearly state what the requirements are and the way in which and the time by which such requirements must be complied with in order for the notice to be withdrawn. It will also state the actions that the authority may take where the governing body does not comply with the notice.

A notice of concern will not be used in place of withdrawal of financial delegation where that is the appropriate action to take, however it will provide a way of making a governing body aware of LA concerns short of withdrawing delegation and the actions a governing body must take to avoid withdrawal.

Where a dispute arises between the LA and a school to whom a notice has been issued, the matter will be referred to the Schools Forum to aid resolution.

2.16 Schools Financial Value Standard (SFVS)

All local authority maintained schools (including nursery schools and pupil referral units (PRUs) that have a delegated budget) must demonstrate compliance with the Schools Financial Value Standard (SFVS) and complete the assessment form on

an annual basis. It is for the school to determine at what time in the year they wish to complete the form.

Governors must demonstrate compliance through the submission of the SFVS assessment form signed by the Chair of Governors. The form must include a summary of remedial actions with a clear timetable, ensuring that each action has a specified deadline and an agreed owner. **Governors must monitor the progress of these actions to ensure that all actions are cleared within specified deadlines.**

All other maintained schools with a delegated budget must submit the form to the local authority annually by 31st March each year.

2.17 Fraud

All schools must have a robust system of controls to safeguard themselves against fraudulent or improper use of public money and assets.

The governing body and head teacher must inform all staff of school policies and procedures related to fraud and theft, the controls in place to prevent them; and the consequences of breaching these controls. This information must also be included in induction for new school staff and governors.

3 INSTALMENTS OF THE BUDGET SHARE & BANKING ARRANGEMENTS

For the purposes of this section, “budget share” includes any place-led funding for special schools or pupil referral units

3.1 Frequency of instalments

Regulation requires local authorities to make payments in respect of top-up funding for high needs pupils on a monthly basis unless otherwise agreed.

From September 2013 budget share will be made available to governing bodies of schools operating within the authority’s financial systems termly in advance. Schools operating external banking arrangement will continue to receive budget paid in monthly instalments.

All schools will receive payments made in respect of Top-up for pupils with high needs termly subject to pupil data held at the beginning of each term. As Top-up funding is to relate to specific pupils and actual provision made it will be necessary, at the end of each term, to adjust termly payments upwards or downwards to reflect any change in provision during the term.

3.2 Proportion of budget share payable at each instalment

Where schools opt for an external bank account the governing body must indicate to the LA whether its wishes to include resources to meet employee costs or not. The proportion of the budget share will be made available to governing bodies under the principles listed below:

- **External Bank Account including employee costs** – The sum of CFR income codes I01, I02 and I03, i.e. the budget share determined via the funding formula, will be paid into a governing body's specified bank account in payments equal to 1/12th.
- **External Bank Account excluding employee costs** – The sum of CFR income codes I01, I02 and I03, i.e. the budget share determined by the funding formula, will be calculated and have deducted from it the school's estimate of salary costs. The amount net of these costs will be paid into a specified bank account in payments equal to 1/12th. Should LA monitoring of a school's spending on salaries reflect an increase over the school's initial estimates, the payment into the bank account will be amended accordingly.

Schools operating this type of external bank account must provide to the LA, by the end of February preceding the beginning of the financial year, their estimated salary costs for the next financial year.

For schools wishing to operate under local banking facilities the following in-house options are offered:

- **Non-Bank Account – i.e. schools using of the Oracle Finance System** – the governing body will have paid into their schools 'in-house' council bank their budget share, as determined by the funding formula, termly in advance.

3.3 Interest claw-back

The LA will not currently be operating interest claw-back.

3.3.1 Interest on late budget share payments

Any interest paid to a school because of a late budget share payment must at least be at the current Bank of England rate.

3.4 Budget shares for closing schools

The budget shares for closing schools will be made available in instalments on a monthly basis net of estimated pay costs, even where other arrangements were previously used, until closure.

In order to reduce the possible risk of excessive spending by governing bodies of schools which are closing, the Authority will:

- require the submission of a formal budget plan by 1st May (regardless of the date given to other schools);
- require the submission of monthly budget monitoring reports if the financial risk of a deficit budget, at the point of closure, rests with the local authority;
- ensure that an officer from the LA will attend all relevant meetings of the Governing Body in the year of closure; and

- require all orders for items of expenditure in excess of £500 to be countersigned by the Service Manager of the School's Finance Team.

3.5 Bank and building society accounts

The Council intends to maintain a range of financial facilities and support to enable all schools to manage their delegated budgets effectively. It is the Authority's intention to continue to operate local banking facilities.

All maintained schools, however, are free to opt for their own external bank account, into which their budget share instalments are paid (paragraph 3.2).

Whilst detailed guidance relating to schools responsibilities in respect of all aspects of bank account arrangements can be found in the FRAS Guidelines, schools should make a note of the points listed below:

External Banking Arrangements

A new bank arrangement may only be effective from the beginning of each financial year after giving 4 months notice.

Schools without bank accounts cannot have one until any deficit balance is cleared.

Where schools have such accounts they shall be retain all interest earned on the account.

Bank charges generated will be debited to the account.

The opening and operation of bank accounts will be subject to the conditions laid out in the Authority's Financial Regulations.

If a school opens an external bank account the LA will, if the school desires, transfer immediately to the account an amount agreed by both school and LA as the estimated surplus balance held by the LA in respect of the school's budget share, on the basis that there is then a subsequent correction when accounts for the relevant year are closed.

3.5.1 Restrictions on accounts

Schools wishing to operate external banking facilities can use any bank or building society approved by the Council's Treasury Management policy (Annex 2). An up to date list of such institutions can be obtained by reference to the Head of Financial Services.

Any school closing an account and opening another must select the new bank or building society from the approved list.

The scheme allows schools to have accounts for budget share purposes which are in the name of the school rather than the Council. However, if a school has such an account, the account mandate should provide that the LA is the owner of the funds in the account; that it is entitled to receive statements; and that it can take control of the account if the school's right to a delegated budget is suspended by the LA.

The LA can continue to have arrangements negotiated with certain banks whereby the accounts are in the name of the LA but specific to each school, and offer such arrangements to schools.

Budget share funds paid by the LA and held in school accounts remains LA property until spent (s.49(5) of the Act).

LA employees and school employees are authorised signatories for school bank accounts. Governors who are not members of staff are barred from being signatories.

3.6 Borrowing by schools

Governing bodies may borrow money (which includes the use of finance leases) only with the written permission of the Secretary of State. The Secretary of State's general position is that schools will only be granted permission for borrowing in exceptional circumstances.

From time to time, however, the Secretary of State may introduce limited schemes in order to meet broader policy objectives. Schools will be allowed to use any scheme that the Secretary of State has said is available to schools without specific approval, currently including the Salix scheme, which is designed to support energy saving.

Schools are barred from using credit cards, which are regarded as borrowing. However the LA encourages schools to use debit cards or purchase cards, which can be a useful means of facilitating electronic purchase.

The restrictions above do not apply to Trustees and Foundations, whose borrowing, as private bodies, makes no impact on Government accounts. These debts cannot be met from the delegated budget, but schools are free to agree a charge for a service which the Trustees or Foundation are able to provide as a consequence of their own borrowing. Governing bodies do not act as agents of the authority when repaying loans.

3.6.1 Leasing of Equipment

Leases are a form of borrowing and there are two different types, operating leases and finance leases. As stated in 3.6 schools are barred from entering into a finance lease without the written permission of the Secretary of State.

Under an operating lease the Lessor will retain a significant interest in the residual value of the asset. The Lessor will not recover the whole of his capital investment from the rentals. A profit will only be achieved if the asset is sold or re-leased.

Criteria for an operating Lease is as follows;

- The term of the agreement must be short enough for the estimated value of the equipment at the end of the agreement period to be at least 10% of its original cost, and this should be specified in the agreement. As an example, an agreement for a large, heavily used photocopier should probably not exceed three years
- The agreement must NOT give an automatic right to continue with the lease at the end of the agreement period, although this could subsequently be arranged at an open market rental.

Leasing, rental or other deferred payment arrangements for equipment such as photocopiers and telephone systems must not conflict with the Council's Standing Orders regarding financial and operational leases.

In addition, schools should give careful consideration before committing future years' budget provision. Before entering into any leasing or rental agreement seek advice from the Capital Programming & Consolidation Team. They will be able to advise on the most appropriate agreement for you needs, particularly in terms of cost.

If in any doubt regarding the nature of a lease which is about to be entered into, please contact the Financial Reporting team at Walsall Council on the following contact details:

Richard Walley 01922 650708 richard.walley@walsall.gov.uk
Robert Page 01922 650317 robert.page@walsall.gov.uk

4 THE TREATMENT OF SURPLUS AND DEFICIT BALANCES ARISING IN RELATION TO BUDGET SHARES

4.1 The right to carry forward surplus balances

Schools are allowed to carry forward from one financial year to the next any shortfall in expenditure relative to the school's budget share for the year plus/minus any balance brought forward from the previous year. In addition, a school's surplus balance as at 1st April (i.e. the first day of a new financial year) is equal to that at 31st March i.e. of the last day of the previous financial year.

The amount of a surplus balance would be shown in the relevant outturn statement published in accordance with directions given by the Secretary of State under s.251 of Apprenticeships, Skills and Learners (ASCL) Act 2009 (although there may be commitments against any figures shown in such a statement).

4.2 Controls on surplus balances

Balance Control Mechanism - Surplus balances held by schools, as permitted under this scheme, are subject to the restrictions listed below with effect from 1st April 2012.

- a. the authority shall calculate by 31 May each year the surplus balance, if any, held by each school as at the preceding 31 March. For this purpose the balance will be the recurrent balance as defined in the Consistent Financial Reporting Framework.

- b. the authority shall deduct from the calculated balance any amounts for which the school has a prior year commitment to pay from the surplus balance.
- c. the authority shall then deduct from the resulting sum any amounts which the governing body of the school has declared to be assigned for specific purposes permitted by the authority, and which the authority is satisfied are properly assigned. To count as properly assigned, amounts must not be retained beyond the period stipulated for the purpose in question, without the consent of the Authority. In considering whether any sums are properly assigned the Authority may also take into account any previously declared assignment of such sums but may not take any change in planned assignments to be the sole reason for considering that a sum is not properly assigned.
- d. if the result of steps a to c results in a sum greater 8% of the budget share for the financial year just ended, then the authority shall deduct from the following years budget share an amount equal to the excess.

Funds held in relation to a school's exercise of powers under section 27 of the Education Act 2002 (community facilities) will not be taken into account unless added to the budget share surplus by the school as permitted by the authority.

The total of any amounts deducted from schools' budget shares by the authority under this provision are to be applied to the Schools Budget of the authority.

4.3 Bond Scheme

Schools have the opportunity to voluntarily loan to the LA, for an agreed period, a proportion of their year end balances. Participating schools are paid an appropriate rate of interest on the value of the sum loaned to the LA.

The loans will be used by the LA to finance capital schemes and projects, including repairs, maintenance or improvements to school premises identified in consultation with schools during the annual review of outstanding repair and improvement works, from which schools will benefit.

There are no circumstances in which schools will be denied access to their balances.

4.4 Obligations to carry forward deficit balances

Unplanned deficits will be carried forward and become a 'first call' on the following year's budget of the school, except where discussions between the school and the LA conclude that it would be unreasonable for the school to be required to recover the whole of that deficit from one financial year. Any agreement reached between the school and the LA on this type of issue must include a plan, stating how the governors intend to bring their school back to a balanced financial position over more than one financial year.

The deficit balance will be shown on the outturn statement published under section 251 of the ASCL Act 2009, (although this will be shown gross of committed expenditure and therefore appear lower than would otherwise be the case).

4.5 Planning for deficit budgets

Schools covered by the scheme are not permitted to deliberately plan for a deficit and are required to keep spending within the resources available to them year on year.

Where a governing body is unable to set a balanced budget they are required to apply for a licensed deficit in accordance with the conditions as set out in Section 4.10.

4.6 Charging of Interest on deficit balances

- Schools will not be charged interest on year-end deficit balances, providing they have agreed a financial recovery plan with the LA.
- Where a financial recovery plan has not been agreed, or where the period of recovery as laid down in 10 above has been exceeded, then the LA may charge interest as the prevailing base rate on deficit balances.

4.7 Interest on Surplus Balances

Where a school 'bank' with the LA, interest will be paid on surplus balances held by the authority at the prevailing Bank Base Rate minus 1%.

4.8 Writing off deficits

The Authority cannot write off any deficit balance of any school.

Should the authority wish to provide assistance towards the elimination of a deficit balance this should be through the allocation of a cash sum, from the authority's schools budget – from a de-delegated contingency for mainstream schools where this has been agreed by Schools Forum or for special schools and pupil referral units in financial difficulty from a centrally held budget specified for the purpose.

4.9 Balances of closing and replacement schools

When a school closes, any balance (whether surplus or deficit) reverts to the LA. Under the direction of the Secretary of State balances cannot be transferred to any other school, even when the school is a successor to the closing school, except that a surplus transfers to an academy where a school converts to academy status under section 4(1)(a) of the Academies Act 2010.

Allocation regulations made under section 47 of The Act make provision for the LA to make allocations to a replacement school (s) which have the effect of giving them the benefit of additional sums which are equal to or less than the balances of the relevant closing school (s). The regulations also provide for the amount of extra funding for the new school (s) can be reduced to recognise the deficit of a preceding school, but they do not allow a sum equal to the deficit to be set against any 'normal' funding of the new school – that is the elements of funding it would receive anyway if it was not new.

(See also 3.4 Budget shares for closing schools).

4.10 Licensed Deficits

Schools covered by the Scheme may not usually plan deficit budgets, except where governing bodies have prior written approval from the Director of Children's Services and in the following circumstances:-

- where a school has problems arising from serious leadership and management difficulties;
- unforeseen circumstances beyond the control of the governing body and head teacher;
- dealing with the budget difficulties in one financial year would seriously disadvantage the pupils of the school;
- elimination of the underlying budget deficit; and
- investment or other service improvement/development(s) as set out in the School Improvement Plan

The School may apply for a licensed deficit. The Director of Children's Services will approve the proposals for dealing with any deficit agreed.

The maximum length over which a school may repay their deficit (i.e. reach at least a zero balance) shall be 3 years, not including the financial year in which the deficit first occurred.

The minimum deficit which may be agreed shall be £10,000 and the maximum 15% of a school's Annual Budget Share.

No interest will be charged on licensed deficits.

These figures will be reviewed annually.

Progress in dealing with deficit will be monitored by:

- (i) The governing body submitting a deficit recovery plan for the recovery of the deficit. (The Financial Recovery Plan will be required to demonstrate that a school can operate within balance in subsequent years. Generally, plans relying on the exclusive use of the balances to resolve a deficits are unlikely to be acceptable);
- (ii) The head teacher submitting written progress termly to the School Finance Team during the period of deficit.
- (iii) The governing body reporting annually to the Director of Children's Services.

4.10.1 Loan Schemes

No loan schemes are currently available.

4.11 Credit union approach

Schools may wish to group together to utilise externally held balances for a credit union approach to loans. Where this approach is taken the authority will require an audit certification.

5 INCOME

5.1 Income from lettings

The Authority allows schools to retain income from lettings of the school premises which would otherwise accrue to the LA, subject to alternative provisions arising from any joint use or PFI/PPP arrangements. This enables schools to cross-subsidise lettings for community and voluntary use with income from other lettings provided the governing body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed upon them by the Education Act, including the requirement to conduct the school with a view to promoting high standards of educational achievement. Also that there is no net cost to the schools budget share.

Schools are required to have regard to directions issued by the authority as to use of school premises, as permitted under the Act for various categories of schools.

Income from lettings of school premises should not be paid into voluntary or private funds held by the school.

5.2 Income from fees and charges

Schools may retain income from fees and charges except where a service is provided by the LA from centrally retained funds. However, schools are required to have regard to the policy statements on charging produced by the LA. These statements are contained in the FRAS Guidelines. Income from boarding charges is collected on behalf of the LA and should not exceed that needed to provide board and lodgings for the pupils concerned.

5.3 Income from fund-raising activities

Schools may retain income from any fund-raising activities and events.

5.4 Income from the sale of assets

Schools may retain the proceeds of sale of assets except in cases where the asset was purchased with non-delegated funds (in which case it should be for the LA to decide whether the school should retain the proceeds), or the asset concerned is land or buildings forming part of the school premises and is owned by the LA.

5.5 Administrative procedures for the collection of income

The FRAS Guidelines contain details of the procedure for the collection of income. It is important to ensure VAT implications are covered.

5.6 Purposes for which income may be used

Any income received from the sale of assets purchased with delegated funds may only be spent for the purposes of the school and therefore should be included in a schools budget plan.

5.7 Charging for school activities

Schools should have regard to Section 449-462 of the Education Act 1996. This sets out the law on charging for school activities. It covers items such as residential visits, music tuition, transport and voluntary contributions.

6 THE CHARGING OF SCHOOL BUDGET SHARES

6.1 General provision

The LA may charge the budget share of a school, without the consent of the governing body, **only** in circumstances expressly permitted by the scheme. Where a charge is deemed necessary, the LA will consult the school in advance of the said charge, notifying the school of the reasons for the charge, the amount and when it is to be debited.

Any dispute regarding charges can be referred to the Director for Children's Services, in the first instance.

Although the right of LAs to protect their financial position from liabilities caused by the action or inaction of governing bodies by charging budget shares is well established, the Government is anxious to ensure that schools are clearly aware of the circumstances in which this may happen. A list of the circumstances in which such charging is permitted is detailed below.

Schools are reminded that the LA cannot act unreasonably in the exercise of any power given by the scheme or it may be the subject of a direction under section 496 of the Education Act 1996.

For the avoidance of doubt, local authorities may de-delegate funding for permitted services without the express permission of the governing body, provided this has been approved by the appropriate phase representative of the Schools Forum.

- 6.1.1 The Authority is required to charge the salaries of school based staff to school budget shares at actual cost.

6.2 Circumstances in which charges may be made by the LA without consent of the Governing Body

- 6.2.1 Premature Retirement, Dismissal and Resignation Costs – Where costs have been incurred by the LA without its prior written agreement, a school's budget share will be charged by the amount which the costs exceed any amount agreed by the LA.

For the avoidance of doubt premature retirement costs will be charged to the school budget share in line with DfE guidance (annex 7).

- 6.2.2 Other expenditure incurred to secure premature retirement, dismissal and resignations where a school has not followed LA advice.

- 6.2.3 Awards by courts or out of court settlements and industrial tribunals against the LA arising from action or inaction by the governing body contrary to the LA's advice will be chargeable to a school budget share. (Advice given to governing bodies of aided schools will take proper account of section 60(5) of the Act.)

Awards may sometimes be against the governing body directly and would fall to be met from the budget share. Where the LA is joined with the governing body in the action and has expenditure as a result of the governing body not taking LA advice, the charging of the budget share with the LA expenditure protects the LA's position.

- 6.2.4 Premises – Where the LA incurs expenditure in carrying out health and safety work or capital expenditure for which the LA is liable where funds have been delegated

to the governing body for such work, but the governing body has failed to carry out the required work.

- 6.2.5** Expenditure by the LA incurred in making good defects in building work funded by capital spending from budget shares, where the premises are owned by the LA or the school has voluntary controlled status.
- 6.2.6** Insurance – Any expenditure incurred by the LA in insuring its own interests in a school where funding has been delegated but the school has failed to demonstrate that it has arranged cover at least as good as that which would be arranged by the LA. See 10.1 insurance cover.
- 6.2.7** Service Level Agreements – A schools budget share will be charged as a result of monies due for services provided to the school, where a disputes procedure, as set out in a Service Level Agreement, finds in favour of the LA.
- 6.2.8** Penalties from Statutory Agencies – Recovery of penalties imposed on the LA by the Board of Inland Revenue, the Contributions Agency or HM Revenue and Customs, Teachers Pensions the *Environment Agency* or other regulatory authorities as a result of the negligence of a school will be recovered from that school's budget share. For example where an under payment of VAT by the LA has occurred as a result of errors made on financial returns submitted by a school.
- 6.2.9** Correction of LA errors – Errors made by the LA in charges to a school budget share, such as pension contributions, either debits or credits, will be corrected. However, if the error dates back several years the LA will consider whether such action is reasonable.
- 6.2.10** Transport Costs – A charge will be made should additional transport costs be incurred by the LA arising from decisions by the governing body on the length of the school day, and there has been a failure to notify the LA of non-pupil days resulting in unnecessary transport costs.
- 6.2.11** Legal Costs – Any legal costs which are incurred by the LA as a result of the Governing Body not accepting the advice of the LA (see also section 11).
- 6.2.12** Health and Safety – Where funding for the required training for staff employed by the LA has been delegated but the necessary training not carried out by a school, the costs of necessary health and safety training will be debited.
- 6.2.13** Contract for Borrowing – The compensation paid to a lender where a school enters into a contract for borrowing beyond its legal powers, and the contract is of no effect, will be charged to a school budget share.

The LA wishes to remind schools that, where appropriate, advice will be given.

- 6.2.14** Cost of work done in respect of teacher pension remittance and records for schools using non-LA payroll contractors, the charge to be the minimum needed to meet the cost of the Authority's compliance with its statutory obligations.
- 6.2.15** Costs incurred by the LA in securing provision specified in a statement of SEN where the governing body of a school fails to secure such provision despite the delegation of funds in respect of low cost high incidence SEN and /or specific funding for a pupils with high needs.
- 6.2.16** Costs incurred by the LA due to submission by the school of incorrect data.

- 6.2.17 Recovery of amounts spent from specific grants on ineligible purposes.
- 6.2.18 Costs incurred by the LA as a result of the governing body being in breach of the terms of a contract.
- 6.2.19 Costs incurred by the LA or another school as a result of a school withdrawing from a cluster arrangement, for example where this has funded staff providing services across the cluster.
- 6.2.20 Costs incurred by the authority in administering admission appeals, where the local authority is the admissions authority and the funding for admission appeals has been delegated to all schools as part of their formula allocation
- 6.2.21 Costs incurred by the LA in relation to loans and licensed deficits
- 6.2.22 Costs incurred by the LA in relation to equal pay agreements where the school and local authority have agreed a payback scheme

7 TAXATION

7.1 Value Added Tax

The Council's VAT procedures for schools are contained in the FRAS Guidelines.

In summary, schools must not attempt to register for VAT in connection with activities involving the use of a budget delegated under the Scheme for Financing Schools. The Council remains entitled to reclaim VAT under section 33 of the VAT Act 1994, in respect of VAT paid out on goods and services purchased from those delegated budgets.

For any school operating external banking arrangements, the submission of a VAT return to the Council on a monthly basis will be a requirement. This will ensure the Council's ability to meet our specially agreed (with HM Revenue and Customs) claim periods during a financial year.

For schools operating external banking, their VAT will be reimbursed when the Council is reimbursed by HM Revenue and Customs.

Expenditure incurred by the governors of a voluntary aided school when carrying out their statutory responsibility to maintain the external fabric of their buildings. See also section 13 – community facilities.

All records relating to VAT must be retained for six years and be available for inspection by HM Revenue and Customs. If Customs and Excise raise any assessments, penalties and interest charges against the school, it will be the responsibility of that school to bear the charges incurred.

7.2 CIS (Construction Industry Taxation Scheme)

The scheme requires schools to abide by procedures issued by the Authority in connection with CIS, and these are contained in the FRAS Guidelines.

- 7.3** Self Employed Individuals - Schools cannot make payments to individuals (non employees) without considering their income tax status. There is a statutory duty to ensure PAYE is operated where applicable. Non-compliance would result in the school being liable to penalties imposed by HM Revenue and Customs.

8 THE PROVISION OF SERVICES AND FACILITIES BY THE AUTHORITY

8.1 Provision of services from centrally retained budgets

The LA will determine on what basis centrally funded services will be provided to schools. Although ordinarily PRC and redundancy payments (see Annex 7) may not be considered as services, the scheme encompasses existing payments in these areas.

However, the Council will be unable to discriminate in its provision of services on the basis of categories of schools except where such discrimination is justified by difference in statutory duties

8.2 Provision of services bought back from the LA using delegated budgets

While advice from the government states there is no minimum period for buying facilities, arrangements lasting less than two years may well be uneconomic. It is the Authority's intention to offer services under buy back arrangements for a minimum period of one year and a maximum of three years from the date of the agreement. Contracts for the supply of catering services may have longer periods applied to them, to a maximum of five years initially.

When a service is provided for which expenditure is not retainable centrally by the LA under the regulations made under section 45A of the Act, it must be offered at prices which are intended to generate income which is no less than the cost of providing those services. The total cost of the service must be met by the total income, even if schools are charged differentially.

This provision complements the implied requirements of the regulations on central retention of funds. It is recognised that absolute break-even or profit is not always achievable over fixed financial years, however it is for the LA to show that any charging policy can reasonably be expected to avoid central subsidy of services.

8.2.1 Packaging

All services will be offered to schools on a service by service basis, but they may also be offered as packages of services. Packages of services will not be offered in such a way so as to unreasonably restrict schools' freedom of choice.

8.3 Service level agreements

When purchasing services from the LA, schools will have at least one month to consider the terms of agreements. Service level agreements will be in place by 31st March each year to become effective for the following financial year.

- 8.3.1** The terms of any service level agreement for a service or facility, whether free or on a buy back basis, will be reviewed at least every three years, even if the agreement lasts longer.

8.3.2 Additional services other than those included in a service level agreement will be available to schools. Any such additional service, provided on an adhoc basis, may be charged at a different rate than that included within their SLA.

8.4 Teachers' Pension

The governing bodies of schools which provide payroll services should submit an annual return of salary and service to the LA. Governing bodies must also ensure that details of Additional Voluntary Contributions (AVCs) are passed to the authority within the time limit shown in the AVC Scheme. The standard text for this is in Annex 5

9 PFI/PPP (Private Initiative/Private Public Partnerships) CLAUSES

Schools should be aware of the existence of PFI's (Private Finance Initiatives) whereby the Council's existing capital programme might be supplemented by this further Government initiative to support capital schemes. The Central Government supply of such 'notional credits', as they are known, is limited on an annual basis.

The initiative for such schemes may be generated by the Government, a school or Council itself. However, from each source formal Council approval is required as each scheme entails certain contractual elements and upon final completion will have an operational effect on a school's revenue budget. Communication is paramount in what is considered to be a two way experience which can have far reaching consequences for the Council's finances overall.

The authority has the power to charge a school's budget share amounts agreed under a PFI/PPP agreement entered into by the governing body of a school.

10 INSURANCE

10.1 Insurance cover

Where funds for insurance are delegated to any school, the LA may require the school to demonstrate that cover relevant to the LA's insurable interests, under a policy arranged by the governing body, is at least as good as the relevant minimum cover arranged by the LA if the LA makes such arrangements, either paid for from central funds or from contributions from schools' delegated budgets. The LA will have regard to the actual risks which might reasonably be expected to arise at the school in question in operating such a requirement, rather than applying an arbitrary minimum level of cover for all schools.

The limits below are provided as a guide for schools. Individual circumstances may mean that some of these limits are too low for some schools.

Material Damage	Cover should be for the full reinstatement value of the property to include demolition costs, debris removal fees and professional fees cover should also include all contents. As a minimum the perils to be insured under this policy should be for fire, lightning, explosion, aircraft, riot & civil commotion and terrorism.
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Business Interruption	A minimum of £3,000,000 (primary and special schools) and £6,000,000 (secondary schools) with an Indemnity Period of at least 36 months.
Engineering Insurance	To include cover for all statutory inspections of boilers, lifts and mechanical plant
Contract Works	£500,000 minimum, but this may be inadequate for a capital project such as an extension. This limit will need to be considered on a school by school basis.
Money Limit	The sum covered needs to be adequate to meet the maximum amount of cash and cheques held by the school at any one time.
Fidelity Guarantee	£250,000 to £500,000 for schools with larger budgets.
Employers' Liability and Public/Products Liability	At least £10,000,000 for each risk class Schools with more than 500 pupils are recommended to have a Public Liability Indemnity of £20,000,000. Schools with more than 40 employees are recommended to have an Employers Liability Indemnity of £20,000,000.
Officials Indemnity	£5,000,000
Governors' liability	£1,000,000
Libel and Slander	£1,000,000
Legal Expenses	£250,000
Personal Accident Cover	For teaching and non-teaching staff to provide cover to meet the requirements of the various employee conditions of service at least for assault with a capital sum of 5 x annual earnings with a minimum capital sum of £35,000.

The covers quoted above are the minimum covers required the local authorities arrangements are in excess of these levels full details can be obtained from the insurance team. Additional covers may be required depending on a schools individual needs eg minibus insurance if applicable.

A school seeking to make its own insurance arrangements is responsible for contacting the LA's insurance team to determine the correct level of cover required. (See also 6.2.6)

11 MISCELLANEOUS

11.1 Right of access to information

A comprehensive financial advice, guidance and support service is available to all schools managing their own budgets, through a team of experienced officers. These officers also have a monitoring role on behalf of the LA.

Information on finance and operations is fundamental to the good management of a school. It is important that schools control their finances adequately so that they may determine whether they are achieving their financial plans, and in so doing, meeting with their overall educational objectives.

The Council is required to produce accounts in accordance with statutory requirements and statements of standard accounting practice. Therefore governing bodies will be required to keep sets of accounts and maintain internal budgetary control systems in order to produce accurate financial records relating to its overall expenditure.

The Council has a monitoring role to ensure that schools are managing effectively, the resources delegated to them. For schools who continue to use the Council's local financial facilities and support services monitoring will be undertaken during regular school visits.

Schools who choose to operate systems outside those offered by the Council will be required to submit financial information and reports termly (except for VAT reclaim pro-forma, which are required on a monthly basis), in order to ensure that the Council's statutory responsibility are met and financial probity assured.

11.2 Liability of governors

Under the terms of section 50(7) of the Act, governors of maintained schools will not incur personal liability in the exercise of their power to spend the delegated budget share provided they are acting in good faith.

The carrying out of fraudulent acts is an example of behaviour which is not in good faith. However, breaches of the scheme or rejection of Council advice as to financial management are not necessarily in themselves failures to act in good faith.

11.3 Governors' expenses

Under s. 50(5) of the Act, only allowances in respect of purposes specified in regulations made under section 19 of the Education Act 2002 may be paid to governors from a school's delegated budget share.

Payment of any other allowance is not permitted.

Schools are also barred from payment of expenses duplicating those paid by the Secretary of State to additional governors appointed by him to schools under special measures.

Where delegation has been withdrawn, or where a school is yet to receive a delegated budget, the LA may delegate the necessary funds to allow governors' expenses to be met, where appropriate. The level of such allowances is set by the LA.

11.4 Responsibility for legal costs

Legal costs which are incurred by the LA, because the governing body did not accept the advice of the LA when it was reasonable to do so, may be re-charged to a schools delegated budget. This provision includes costs of being involved in legal actions and also costs awarded against the LA.

Where there is a conflict of interest between the LA and the governing body, the governing body should obtain independent legal advice using its own budget share unless otherwise agreed by the LA.

(See also section 6) The effect of this is that a school cannot expect to be reimbursed with the cost of legal action against the Authority itself (although there is nothing to stop an Authority making such reimbursement if it believes this to be desirable or necessary in the circumstances).

11.5 Health and Safety

The Health and Safety at Work Act 1974 places specific responsibilities on employers to ensure the health, safety and welfare of their employees and of other persons using their premises. In the case of educational establishments these persons include pupils, students, contractors, parents and other site users and visitors.

The statutory responsibility for health and safety is substantially unchanged by Local Management. The Authority, or in voluntary aided and foundation schools, the governing body will retain the primary responsibility as the employer under the Health and Safety legislation.

In light of these responsibilities the Authority has in place a policy for health and safety provision and as such governing bodies have a duty to comply with the policy when spending their school's budget share. For further detail refer to the FRAS guidelines or contact a Health and Safety adviser at the Council.

The LA may, under section 39(3) of the School Standards and Framework Act 1998, issue directions to the governing body and head teacher of a community, community special or voluntary controlled school on health and safety matters. Such directions are enforceable under section 497 of the Education Act 1996 if they are not complied with. This requirement covers any exercise of the community facilities power by governing bodies.

11.6 Right of attendance for Chief Finance Officer

The Chief Financial Officer, or any officer of the Authority nominated by him/her, must be allowed to attend any meetings of a governing body at which there will be consideration of agenda items that are relevant to the exercise of his/her responsibilities. Prior notice of such attendance will be given unless it is impracticable to do so. The Head of Schools Finance is also delegated to act in these matters.

11.7 Monitoring Special Educational Needs

The LA will require all schools to use their best endeavours in spending their budget share to secure appropriate provision for Special Educational Needs. The LA will consider exercising its statutory responsibility to suspend delegation in the event of a school significantly failing to adequately meet its responsibility in relation to the provision of Special Educational Needs, but this would not normally relate to an individual pupil.

11.8 'Whistleblowing'

The procedures to be followed by persons, working at a school or school governors, who wish to complain about the financial management or financial propriety at the school can do so using the LA's whistleblowing policy. The guidelines are detailed in Annex 4 of the Scheme.

11.9 Child Protection

The Authority recognises that there is a need to release staff to attend child protection case conferences and other related events; however, schools are required to fund any costs incurred.

11.10 Interest on Late Payments

Currently no interest is charged on late payments.

11.11 Redundancy/early retirement costs

The 2002 Education Act sets out how premature retirement and redundancy costs should normally be funded. (see Annex 7)

12 RESPONSIBILITY FOR REPAIRS AND MAINTENANCE

12.1 The LA expects the following categories of work to be financed from the school budget, roofing, flooring, ceilings, internal and external walls, window and doors, sanitary services (includes kitchen), mechanical services, electrical services, and external work.

12.2 As required by regulation, the LA has delegated all funding for repairs and maintenance to schools. The devolved formula capital allocation is for use to add to the highest priority items identified within a school's development plan i.e. urgent condition work. For these purposes, expenditure may be treated as capital only if it fits the definition of capital used by the LA for financial accounting, in line with the CIPFA Code of Practice. Walsall Council does not use a de-minimus limit on either capital or revenue spending.

12.3 Illustrative examples of capital expenditure items in line with the government interpretation of the CIPFA code of practice are included at Annex 3. For voluntary aided schools, the liability of the Authority for repairs and maintenance (albeit met by delegation of funds through the budget share) is the same as for other maintained schools, and no separate list of responsibilities is necessary for such schools. However, eligibility for capital grant from the Secretary of State for capital works at voluntary aided schools depends on the de minimus limit applied by the DfE to categorise such work, even though the LA does not use a de minimus limit.

13 EXTENDED SCHOOLS AND COMMUNITY FACILITIES

13.1 Governing bodies of schools may now choose to provide a range of community facilities or services to the benefit pupils, their families and the local community.

Governing bodies which choose to exercise the power conferred by s.27 (1) of the Education Act 2002 to provide community facilities will be subject to a range of controls. First regulations made under s.28 (2) specify activities which may not be undertaken at all under the main enabling power. Secondly, the school is obliged to consult its authority and have regard to advice from the authority. Thirdly, the Secretary of State issues guidance to governing bodies about a range of issues connected with exercise of the power, and a school must have regard to that.

However, under s.28(1), the main limitations and restrictions on the power will be those contained in the Scheme for Financing Schools made under section 48 of the School Standards and Framework Act 1998 as amended by paragraph 2 of Schedule 3 to the Education Act 2002. This amendment extended the coverage of schemes to include the exercise of the powers of governing bodies to provide community facilities.

Schools are therefore subject to prohibitions, restrictions and limitations in the scheme for financing schools.

This section of the scheme does not extend to joint-use agreements; transfer of control agreements, or agreements between the Authority and schools to secure the provision of adult and community learning.

- 13.2** Where there is evidence of mismanagement of community facilities funds the LA will consider the suspending the governing body's right to a delegated budget.

Consultation with the authority – financial aspects

- 13.3** Section 28(4) of the Education Act 2002 requires that before exercising the community facilities power, governing bodies must consult the LA and have regard to advice given to them.
- 13.4** Schools should seek advice from Walsall Council's School Finance Team, in respect of financing procedures well before formal consultation commences.
- 13.5** The LA will respond and provide advice within a reasonable time following receipt of the consultation material. In response to this, schools should subsequently inform the LA of their actions taken. The LA will not levy a charge for any advice.

The information to be provided to the LA should include:

- a business plan, covering at least three financial years which must demonstrate the financial viability of each activity and details of the assumptions on which the budget plan has been based, particularly in regard to income
- details of governor's consultation with staff, parents, the local community and other stakeholder groups
- details of the activity being considered
- staffing details including number, hours, pay rates
- operational information such as when the provision will be available – times, weeks etc

In the first instance the documentation should be forwarded to Walsall Council's Schools Finance Team.

Funding agreements – authority powers

- 13.6** The provision of community facilities in many schools may be dependent on the conclusion of a funding agreement with a third party which will either be supplying funding or supplying funding and taking part on the provision. A very wide range of bodies and organisations are potentially involved.
- 13.7** In relation to funding agreements with third parties (as opposed to funding agreements with the Authority itself) proposed draft agreements should be submitted to the LA for comments and advice.

Draft agreements will form part of a formal consultation with LA and schools are expected to have regard for any advice given. The LA does not have general power for veto of these agreements, however, if an agreement has been or is be concluded against the wishes of the LA, or has been concluded without informing the LA, which in the view of the Authority is seriously prejudicial to the interests of the school or the Authority, that may constitute grounds for suspension of the right to a delegated budget.

Other prohibitions, restrictions and limitations

- 13.8** While the LA has no right of veto to either funding agreements with third parties or for other uses of the community facilities power, there may be instances where the LA has reason to believe that a proposed project carries significant financial risk. In such instances the LA will require the governing body to make arrangements to protect the financial interests of the LA by either providing the activity through a limited company formed for the purpose, or by obtaining indemnity insurance for risks associated with the project, as specified by the LA.
- 13.9** Under S28 the exercise of community facilities power is subject to prohibitions, restrictions and limitations in the scheme for financing schools.

Supply of financial information

- 13.10** Financial information relating to community facilities is now to be included in returns made by schools under the Consistent Financial Reporting (CFR) Framework. CFR income & expenditure codes have been created to record specific information.

In order for the LA ensure the financial viability of an activity, schools are required to submit, as part of their governor's agreed formal budget plan and by the 1st June, their planned income and expenditure in connection with said activity.

In addition to formal budget plans a further financial statement, showing the actual income and expenditure for the activity for the period 1st April to 30th September and, on an estimated basis, for the next six months i.e. 1st October to 31st March, will be also be required.

Lastly, information detailing the financial position at year end will be required and must be included in the schools CFR outturn statement each year.

- 13.11** If the LA, on giving notice to the school, believes there to be cause for concern as to the school's management of the financial consequences of the exercise of the community facilities power, then the school will be required to supply a financial statement every three months and, if the Authority sees fit, to require the submission of a recovery plan for the activity in question.

Audit

- 13.12** Schools are required to grant access to the school's records connected with exercise of the community facilities power, in order to facilitate internal and external audit of relevant income and expenditure.
- 13.13** In concluding funding agreements with other persons pursuant to the exercise of the community facilities power schools are required to ensure that such agreements contain adequate provision for access by the Authority. In order for the Authority to satisfy itself as to the propriety of expenditure on the facilities in question, this includes access to the records and other property of those persons held on the school premises, or held elsewhere insofar as they relate to the activity in question.

Treatment of income and surpluses

- 13.14** Schools may retain all net income derived from community facilities except where otherwise agreed with a funding provider, whether that be the LA or a third party.
- 13.15** Where a surplus has been accumulated then this may be carried over from one financial year to the next as a separate community facilities surplus, or, subject to the agreement of the Authority at the end of each financial year, transfer all or part of it to the budget share balance. In this instance and in case there is a future requirement to offset a subsequent community facilities deficit, the main budget share should be separately identified.
- 13.16** If the school is a community or community special school, and the Authority ceases to maintain the school, any accumulated retained income obtained from exercise of the community facilities power reverts to the Authority unless otherwise agreed with a funding provider.
- 13.17** Where there is a deficit on community facilities and the LA needs to recover funds to meet third party liabilities, it will do so from any accumulated community facilities surplus. If there are insufficient funds to meet the deficit and as the liabilities are part of the expenses of the maintaining school, the deficit will be recovered from the governing body.

Health and safety matters

- 13.18** Walsall's scheme extends any health and safety provisions of the main scheme to the community facilities power.
- 13.19** It is the governing body's responsibility for the costs of securing Criminal Records Bureau clearance for all adults involved in community activities taking place during the school day. Governing bodies would be free to pass on such costs to a funding partner as part of an agreement with that partner.

Insurance

- 13.20** In principle the insurance issues arising from use of the community facilities power are the same as those which already arise from non-school use of premises. It is the responsibility of the governing body to ensure adequate arrangements are made for insurance against risks arising from the exercise of the community facilities power, taking professional advice as necessary. Such insurance should not be funded from the school budget share. (Details of insurance arrangements for community facilities should be included in the formal consultation material).

- 13.21** The LA may undertake its own assessment of the insurance arrangements made by a school in respect of community facilities in order to protect itself against possible third party claims. If the local authority judges those arrangements to be inadequate, it will make arrangements itself and charge the resultant cost to the school.
- 13.22** A school seeking to make its own insurance arrangements is responsible for contacting the LA's Insurance Team to determine the correct level of cover required before finalising arrangements.

Taxation

- 13.23** Schools should seek the advice of the LA and the local VAT office on any issues relating to the possible imposition of Value Added Tax on expenditure in connection with community facilities, including the use of local authority VAT reclaim facility. Expenditure from funds obtained directly by schools from private (or central government) sources is not covered by the VAT reclaim facility. Full details are contained in the FRAS guidelines for schools.
- 13.24** If any members of staff employed by the school or LA in connection with community facilities is paid from funds held in a school's own bank account (whether a separate account is used for community facilities or not) the school will be liable for payment of income tax and National Insurance, in line with HMRC rules. Payments to staff for hours worked, travel etc should not be made directly to individuals but should be made via the school's payroll provider.
- 13.25** Schools are required to follow LA advice in relation to the Construction Industry Scheme where this is relevant to the exercise of the community facilities power.

Banking

- 13.26** A number of options are available to schools in Walsall, including the maintenance of separate bank accounts for budget share and community facilities, or dependant on the community facilities operating in school, have one account that provides adequate internal accounting controls to maintain separation of funds.
- 13.27** Banking arrangements are restricted to those arrangements as contained in section 3 of the Scheme, except that provision requiring that a mandate show the LA as owner of the funds in the account, should exempt the community facilities funds from that if they are in the same account as the budget share.
- 13.28** **Schools are reminded that they may not borrow money without the written consent of the Secretary of State.**

Glossary of Terms

The Act	-	Schools Standards and Framework Act 1998
LSB	-	Local Schools Budget
ISB	-	Individual Schools Budget
LA	-	The Local Authority
FRAS Guidelines	-	Finance Resource Advisory Service Guidelines
SLA	-	Service Level Agreement
CIPFA	-	Chartered Institute of Public Finance and Accountancy

Annex 1

List of Maintained Schools 1 April 2016

Special Schools

Castle
Jane Lane
Mary Elliott
Oakwood
Old Hall
Elmwood
Phoenix

Nursery Schools

Alumwell
Fullbrook
Lane Head
Millfields
Ogley Hay
Rowley View
Sandbank
Valley

Primary Schools

Abbey Primary
Alumwell Infant
Alumwell Junior
Barcroft Primary
Beacon Primary
Bentley West Primary
Blackwood
Blakenall Heath Junior
Blue Coat CE Infant
Blue Coat CE Junior
Brownhills West Primary
Busill Jones Primary
Butts Primary
Castlefort JMI
Christ Church CE JMI
Chuckery Primary
Cooper & Jordan Primary
County Bridge Primary
Delves Infant
Delves Junior
Elmore Green Primary
Greenfield Primary
Hillary Primary
Holy Trinity CE Primary
King Charles Primary
Kings Hill Primary
Leamore Primary
Leighswood Primary
Lindens Primary
Little Bloxwich CE Primary
Lower Farm Primary
Manor Primary

Meadow View JMI
Millfield Primary
Moorcroft Primary
New Invention Infant
New Invention Junior
Old Church CE Primary
Palfrey Infant
Palfrey Junior
Pelsall Village
Pheasey Park Farm Primary
Pinfold Street JMI
Pool Hayes Primary
The Radleys Primary
Rosedale CE Infant
Rushall JMI
Salisbury Primary
Short Heath Junior
St Anne's Catholic Primary
St Bernadette's Catholic Primary
St Francis Catholic Primary
St Giles CE Primary
St James Primary
St Johns CE Primary
St Joseph's Catholic Primary
St Mary of the Angels Catholic Primary
St Mary's the Mount Catholic Primary
St Michael's CE Primary
St Patrick's Catholic Primary
St Peter's Catholic Primary
St Thomas of Canterbury Catholic Primary
Walsall Wood
Watling Street JMI
Whetstone Field Primary
Whitehall Nursery & Infant
Whitehall Junior

Secondary Schools

Brownhills School
St. Francis of Assisi Catholic

St. Thomas More Catholic

Pupil Referral Units

New Leaf

Shepwell Green

Annex 2

List of Banks and Building Societies approved by the Council

Banks

- Bank of Scotland
- Barclays Bank PLC
- HSBC
- National Westminster Bank
- Royal Bank of Scotland
- Santander
- Yorkshire Bank
- Lloyds TSB PLC

Building Societies

- Cambridge
- Coventry Building Society
- Cumberland Building Society
- Leeds Building Society
- Leek Building Society
- Loughborough Building Society
- Manchester Building Society
- Marsden Building Society
- National Counties
- Nationwide Building Society
- Newcastle Building Society
- Nottingham
- Principality
- Saffron
- Scottish Building Society
- Skipton
- Tipton & Coseley Building Society
- Vernon Building Society
- West Bromwich
- Yorkshire Building Society

Annex 3a

Devolved LA Condition Capital/Delegated Budget Split

Illustrative Examples in Line with DCSF Interpretation of the Capita Code of Practice

Element	Devolved LA Condition/Capital; as CIPFA Code of Practice	Delegated Revenue Repair and Maintenance
Roofs		
Flat	<ul style="list-style-type: none"> • Structure. New (not replacement) structure • Structure. Replacement of all or substantial part of an existing structure to prevent imminent or correct actual major failure of the structure • Screed/insulation in a new building/extension • Screed/insulation. Replacement/repair of substantially all. Improve effectiveness of insulation. • Finish on new build. Replacement of all/substantially all on existing roof • Edge Trim/Fascia on new build • Edge Trim/Fascia, replacement of all/substantially all on existing roof • Drainage on new build 	<ul style="list-style-type: none"> • Repair/replacement of small parts of an existing structure • Replace small areas of rotten or defective timber, made good minor areas of spalling concrete where reinforcing bars exposed • Repair/replacement of screed/insulation where defective • Work to improve insulation standards, during work to repair/replace small areas of roof • Replacement of roof finish on existing building, to under capital value limit. Re-coating chippings to improve life expectancy • Repairs/replacement. (UPVC)Repainting • Repairs/replacement. (UPVC) Repainting • Clearing out gutters and downpipes. Replacement/repair/repainting of/individual gutters/pipes.
Pitched	<ul style="list-style-type: none"> • Other e.g. Flashings, Rooflights on new build replacement of all/substantially all on existing roof. • Structure. New (not 	<ul style="list-style-type: none"> • Clearing out gutters and downpipes. Replacement/repair/repainting of/individual gutters/pipes. • Repair/replacement/cleaning of

Element	Devolved LA Condition/Capital; as CIPFA Code of Practice	Delegated Revenue Repair and Maintenance
	<p>replacement) structure.</p> <ul style="list-style-type: none"> • Structure. Replacement of all or substantial part of an existing structure to prevent imminent or correct actual major failure of the structure. • Insulation in a new building/extension. • Insulation. Replacement/repair of substantially all. Improve insulation to current standards. • Roof finish in a new building/ extension, replacement of all/substantially all on existing roof. • Bargeboards/Fascias in a new building/extension, replacement of all/substantially all on existing roof. • Drainage in a new building/extension. 	<p>individual items</p> <ul style="list-style-type: none"> • Repair/replacement of small parts of an existing structure. • Replace/repair small areas of rotten/defective joists, rafters, purlins etc. Not complete trusses. • Repair/replacement/increasing thickness of insulation in an existing roof. • Replace missing/damaged • Repairs/replacement/repainting. • Clearing out gutters and downpipes. Replacement/repairs of individual pipes/gutters.
Other	<ul style="list-style-type: none"> • Other e.g. flashings, roof windows in new building/ extension, replacement of all/substantially all on existing roof. • Provide new covered link etc. between existing buildings • Rebuild or substantially repair structure of existing covered link 	<ul style="list-style-type: none"> • Repair/replacement/cleaning. • Minor repairs, maintenance to existing covered link • Minor repairs, maintenance to existing
Floors		
Ground Floor	<ul style="list-style-type: none"> • Add porch etc. to existing building 	
Ground Floor (Cont'd)	<ul style="list-style-type: none"> • Rebuild or substantially repair structure of existing porch. • Structure and dpc in new building. 	<ul style="list-style-type: none"> • Repair/replacement of small parts of an existing structure

Element	Devolved LA Condition/Capital; as CIPFA Code of Practice	Delegated Revenue Repair and Maintenance
Upper Floor	<ul style="list-style-type: none"> Structure and dpc – replacement of all or substantial part of an existing structure to prevent imminent or correct actual major failure of the structure 	
Ceilings	<ul style="list-style-type: none"> Screed and finish in new build, replacement of all/substantially all on existing floor, e.g. Replacement of most carpet/tiles in a room. 	<ul style="list-style-type: none"> Replacement and repair of screed and finishes/replacement of mats/mat wells. Maintenance e.g. revarnishing wooden floors.
Top/Only Storey	<ul style="list-style-type: none"> Structure – as ground floor Screed and finish – as ground floor Suspension 	<ul style="list-style-type: none"> As ground floor Repairs of finishes/replacement – as ground floor Repair/replacement inc. from water damage, and necessary decoration
Lower Storeys	<ul style="list-style-type: none"> Membrane Fixed Access Panels Suspension 	<ul style="list-style-type: none"> Repair/replacement inc. from water damage Repair/replacement Repair/replacement
All	<ul style="list-style-type: none"> Membrane Fixed 	<ul style="list-style-type: none"> Repair/replacement
External Walls		
Masonry/Cladding	<ul style="list-style-type: none"> Specialist removal/replacement of damaged/disturbed asbestos based materials, planned or emergency. Structure, underpinning/propping for new build. 	<ul style="list-style-type: none"> Inspection/air testing. Applying sealant coats to asbestos surfaces for protection. Repairs/preventative measures e.g. Tree removal
Masonry/Cladding (Cont'd)	<ul style="list-style-type: none"> External Finish on new build 	<ul style="list-style-type: none"> Repair/replacement of all small parts of an existing structure, e.g. repointing/recladding a proportion of a wall where failure has occurred.

Element	Devolved LA Condition/Capital; as CIPFA Code of Practice	Delegated Revenue Repair and Maintenance
Windows and Doors	<ul style="list-style-type: none"> External finish on existing build where needed to prevent imminent or correct actual major failure of the structure, e.g. Repointing /recladding work affecting most of building/replacement build. Framing – new build Glazing upgrading existing glazing 	<ul style="list-style-type: none"> Repair/replacement of individual frames. Repainting frames.
Masonry Chimneys	<ul style="list-style-type: none"> Ironmongery improved security 	<ul style="list-style-type: none"> Repair/replacement, upgrading locks etc
Internal Walls		
Solid	<ul style="list-style-type: none"> Jointing including mastic joints. Internal and external decorations to new build. Structure Jointing including expansion and mortar joints/pointing/DPC 	<ul style="list-style-type: none"> Internal and external decoration to include cleaning down and preparation. Repair/repointing
Partitions	<ul style="list-style-type: none"> Complete including various internal finishes, linings and decorations 	<ul style="list-style-type: none"> Repair/repointing
Doors and Screens	<ul style="list-style-type: none"> Complete including various internal finishes, linings and decorations Refurbishment and alterations 	<ul style="list-style-type: none"> Repairs and redecoration to internal plaster/linings tiles, pin boards etc Minor alterations
All	<ul style="list-style-type: none"> Refurbishment and alterations Framing/screens/doors to new building including glazing, ironmongery, jointing and internal decorations 	<ul style="list-style-type: none"> Minor alterations Internal maintenance and redecoration. Repair/replacement of defective doors and screens.
All (Cont'd)	<ul style="list-style-type: none"> Glazing to meet statutory Health and Safety requirements 	<ul style="list-style-type: none"> Replacement of broken glass
Sanitary Services		

Element	Devolved LA Condition/Capital; as CIPFA Code of Practice	Delegated Revenue Repair and Maintenance
Lavatories	<ul style="list-style-type: none"> In new buildings provision of all toilet fittings, waste plumbing and internal drainage Large scale toilet refurbishment Provision of disabled facilities, and specialist facilities related to pupils with statements 	<ul style="list-style-type: none"> Repair/replacement of damaged sanitary ware, fittings, waste plumbing etc. Small areas of refurbishment Repair/replacement of damaged fittings, waste plumbing etc.
Kitchens	<ul style="list-style-type: none"> Kitchens in new buildings, complete with fittings, equipment, waste plumbing and internal drainage. Internal finishes and decorations. General refurbishment. Large and costly items of equipment. 	<ul style="list-style-type: none"> Maintain kitchen to requirements of LA. Cleaning out drainage systems Repairs/replacement parts.
Mechanical Services		
Heating/ Hot Water	<ul style="list-style-type: none"> Complete heating and hot water systems to new projects, including fuel, storage, controls, distribution, flues etc. Safe removal of old/damaged asbestos boiler and pipework insulation, where risk to health and safety. Planned replacement of old boiler/controls systems past the end of their useful life Emergency replacement of boiler plants/systems 	<ul style="list-style-type: none"> General maintenance of all boiler house plant including replacement of defective parts. Regular cleaning. Energy saving projects. Monitoring systems. Health and safety issues. Replacement of defective parts
Cold Water	<ul style="list-style-type: none"> Provision of cold water services, storage tanks, distribution, boosters, hose reels etc. in major projects 	<ul style="list-style-type: none"> Maintenance and repair/replacement of defective parts such as servicing pipes. Annual servicing of cold water tanks.
Gas	<ul style="list-style-type: none"> Distribution of new and major refurbishments, terminal units 	<ul style="list-style-type: none"> Repairs, maintenance and gas safety. All servicing.

Element	Devolved LA Condition/Capital; as CIPFA Code of Practice	Delegated Revenue Repair and Maintenance
Ventilation	<ul style="list-style-type: none"> Mechanical ventilation/air conditioning to major projects 	<ul style="list-style-type: none"> Provision of local ventilation. Repair/replacement of defective systems and units.
Other	<ul style="list-style-type: none"> Swimming pool plant and its complete installation, including heat recovery systems. 	<ul style="list-style-type: none"> Repair/replacement of parts to plant, pumps and controls. Water treatment equipment and all distribution pipework. Simple heat recovery systems. Solar heating plant and equipment.
Electrical Services		
General	<ul style="list-style-type: none"> Main switchgear and distribution in major projects Replacement of obsolete and dangerous wiring systems, including distribution boards 	<ul style="list-style-type: none"> Testing/replacement of distribution boards. The repair and maintenance of all switchgear and interconnecting cables including that in temporary buildings. All testing, earthing and bonding to meet health and safety. All servicing.
Power	<ul style="list-style-type: none"> Control gear, distribution, fixed equipment, protection, etc. 	<ul style="list-style-type: none"> All testing, repair and replacement of small items of equipment.
Lighting	<ul style="list-style-type: none"> Provision of luminaries and emergency Lighting protection in new build. Alarm systems, CCTV, lifts/hoists, etc. 	<ul style="list-style-type: none"> Replacement of luminaires, all testing, adjustments and improvements to emergency Repair/replacement/maintenance
Other	<ul style="list-style-type: none"> New installation of communication systems, radio/TV, call, telephone, data transmission, IT etc and provision in new build 	<ul style="list-style-type: none"> Repair/replacement/maintenance, including all door access systems
External Works		
Paving	<ul style="list-style-type: none"> Provision of new roads, car parks, paths, court, terraces, play pitches, steps and handrails, as part of major project, including disabled 	<ul style="list-style-type: none"> Maintenance and repair car park and playground markings

Element	Devolved LA Condition/Capital; as CIPFA Code of Practice	Delegated Revenue Repair and Maintenance
	access	
Misc	<ul style="list-style-type: none"> • Provision of walls, fencing, gates and ancillary buildings as part of major project, including disabled access. 	<ul style="list-style-type: none"> • Maintenance and repair of all perimeter/boundary/retaining walls, fencing and gates.
Drainage	<ul style="list-style-type: none"> • Drains, soakaways, inspection chambers and sewage plant as part of new projects 	<ul style="list-style-type: none"> • Maintenance and repair of drains, gullies, grease traps and manholes between buildings and main sewers. Clearing of the above and unblocking as necessary.
Open Air Pools	<ul style="list-style-type: none"> • Structure, hygiene/safety in new build • Heating mains, gas mains, water mains, electricity mains, renewal of any above. 	<ul style="list-style-type: none"> • Hygiene, clearing, maintenance and repairs, including replacement parts. Simply energy saving systems. • Annual servicing.

Note

This illustrative list is the DCSF interpretation of the CIPFA Code of Practice and Local Authorities should refer to the Code when defining capital and revenue.



Walsall Children's Services

NOTIFICATION OF PROPOSED CAPITAL EXPENDITURE

The Scheme for Financing Schools requires that a governing body must notify the local authority of planned capital expenditure where such capital expenditure is to be funded from the school's budget share. In addition, from April 2017, this requirement is extended to cover capital expenditure funded from Devolved Formula Capital. The prescribed requirements ensure compliance with Schools Premises Regulations, DfE Construction Standards and health & safety legislation. The authority can also ensure condition data held is current.

School Name:	Maintained / Voluntary Controlled School
Name of contact:	
Contact Telephone:	

Is the capital expenditure to be funded from Devolved Formula Capital (DFC) Yes / No
--

Is the capital expenditure to be funded from Delegated Budget share i.e. revenue funds: Yes / No
--

Anticipated Cost:	£
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<p><i>Is the proposed capital expenditure for IT hardware; premises or grounds work <u>not impacting</u> on the structure or layout of building:</i></p> <p>Yes / No <i>If Yes please provide details of expenditure:</i></p>

<p><i>Is the proposed capital expenditure for building works :</i> Yes / No</p> <p><i>If Yes please complete: Appendix 1 Section 2 Documentation</i></p>

Please return completed form to:

Shelley Oakden
Integrated Facilities Management
Zone 2A, Civic Centre,
Walsall
WS1 1TP

Email: shelly.oakden@walsall.gov.uk



INTEGRATED FACILITIES MANAGEMENT

NOTIFICATION OF PROPOSED PLANNED MAINTENANCE OR BUILDING WORKS

Premise Name:	
Full Address:	
Name of contact:	Designation:
Contact phone numbers: Landline:	Mobile:

Notes:

1. This form is to be used for works that will alter the structure or layout of the building
2. This form is to be used where any works to asbestos containing materials are to be undertaken
3. This form is to be used if works will need the appointment of a principle designer
4. This form is to be used if an external company is appointed to specify or control the works

Each Premise Manager must inform Walsall council of any proposed works and request permission from Walsall council before carrying out any works to the building.

Permission must be in writing and received from Walsall council **PRIOR** to works commencing. Permission will not normally be withheld unless there is a health and safety related issue.

This is to ensure compliance with health & safety legislation and to further comply with Building and Planning Regulations. Walsall MBC also requires an updated CAD drawing where any alteration changed the layout or created openings in the structure.

Permission is a two part process:

1. Form 1 is the notification of intention to carry out works and requires a simple description of the works to be undertaken and location plan indicating the scope of the works, which can be a sketch
2. Form 2 is detailed information required by Walsall Council to ensure compliance with current legislation and financial standing orders

Any queries relating to the completion of the forms and the submission of completed form(s), with the requested documents, should be forwarded to:

Shelley Oakden
Integrated Facilities Management
Zone 2A, Civic Centre,
Walsall WS1 1TP

Email: shelley.oakden@walsall.gov.uk



FORM 1

NOTIFICATION OF PROPOSED PLANNED MAINTENANCE OR BUILDING WORKS

Premise Name:	
Full Address:	
Name of contact:	Designation:
Contact phone numbers: Landline:	Mobile:

Please supply brief details of the works below. Walsall will acknowledge receipt of the notification and either provide approval to proceed to design or request additional information if required.

To ensure compliance with current legislation the information contained in form two must be completed and written approval to proceed received from Walsall Council **PRIOR** to placing the order with the contractor, this is to ensure all relevant permissions have been gained and appropriate contract supervision and safety requirements are in place

Details of proposed work including a Sketch plan or CAD drawing to locate the works; please detail works to each area noted on the drawing:

The person signing this document must be a member of staff authorised to do so, agents or representatives are not acceptable.

Signed:

Name in Block Capitals:

Position:

Date:



FORM 2

DETAILS OF PROPOSED PLANNED MAINTENANCE OR BUILDING WORKS

Premise Name:	
Full Address:	
Name of contact:	Designation:
Contact phone numbers: Landline:	Mobile:

Please provide a cad drawing of the proposed works and a description of the works to be undertaken:

What is the anticipated value of the proposed work (required to confirm the correct procurement method is used):

Please provide a programme of works:

Please provide copies of quotes or tenders in compliance with Walsall MBC standing orders Council and EU Public Procurement Directives and Legislation, including UK Public Procurement Regulations, where public money is being utilised:

If Non compliant please detail why:

Please provide the name, address and contact number of the Main Contractor:

Have you appointed a consultant to manage the project: **Yes / No**

If **Yes** please provide their name, address and contact telephone number:

Is Planning or Building Regulation Approval required? **Yes / No**

If **Yes** please provide a copy of the approval/s

All works fall under the Construction Design & Management Regulations, (CDM), however CDM requires the appointment of a Principle Designer to control all safety related matters when the works take longer than 30 calendar days or 500 man days whichever occurs first

Do these works require a Principle Designer: **Yes / No**

If **Yes** please provide their name, address and contact telephone number:

If **No** please provide the name, address and contact number of the person supervising the works:

Most works require a *Refurbishment and Demolition Asbestos Survey*

Please provide a copy for the Council's records.

If areas of asbestos were found that will be affected by the proposed works please provide details of the licensed contractor and analyst that have been appointed:

Are all of the Contractor's operatives DBS checked. **Yes / No**

When the works are completed the following information is required:

- An updated CAD drawing
- Collateral Warranties
- Design Warranties
- A certificate of re-occupation (Applicable to works related to asbestos)
- Health and Safety Manual

The person signing this document must be a member of staff authorised to do so, agents or representatives are not acceptable.

Signed:

Name in Block Capitals:

Position:

Date:

Please return the completed form and the requested documents to:

Shelley Oakden
Integrated Facilities Management
Zone 2A, Civic Centre,
Walsall
WS1 1TP

Capital Statement 2017-2018 - EXAMPLE

School:

Head teacher signature:

N.B.
Copy invoices
must be attached

to statement

Part A: Please complete rows below for capital spend funded through Delegated Budget Share

LA notified Y/N	School Order.	Supplier Name	Description	Order Value £	Invoice Value £	Date Paid MM/YY			Invoice Number

Part B: Please complete rows below for capital spend funded through Devolved Formula Capital (DFC):

LA notified Y/N	School Order No.	Supplier Name	Description	Order Value £	Invoice Value £	Date Paid MM/YY			Invoice Number

Annex 4

Confidential Reporting Policy

(Whistle Blowing)

1. Introduction

All of us, at one time or another have concerns about what is happening at work. More often than not, these concerns are relatively minor and can be easily resolved. However, when those concerns are about unlawful conduct, financial malpractice or dangers to the public or environment, it can be difficult to know what to do. Confidential reporting or 'whistle blowing' is about helping people to raise legitimate concerns or worries about the council's activities and practices. Walsall Council has adopted this policy to make it possible for anyone who works for the council, including temporary and agency staff, and those providing goods and services to the council, who have serious concerns, to come forward and voice those concerns. These issues will be taken seriously and treated on a confidential basis.

2. What is the policy for?

The council has introduced this policy to:

- Encourage employees to feel confident in raising serious concerns regarding malpractice
- Provide avenues for employees to raise those concerns and receive feedback on any action taken
- Ensure that employees receive a response to their concerns and that they are aware of how to pursue them if they are not satisfied
- Reassure employees that they will be protected from possible reprisals or victimisation if they have reasonable belief that they have made any disclosure in good faith.

3. Who does the policy apply to?

The policy applies to all those working for the council, including temporary and agency staff, and those contractors working for the council on council premises; it also covers suppliers and those providing services under a contract with the council in their own premises

4. What kinds of area are covered

The policy is intended to cover the following areas of concern:

- Conduct which is an offence or a breach of the law
- Disclosures related to miscarriages of justice
- Health and safety risks, including risks to the public as well as other employees
- Damage to the environment

- Unauthorised use of public funds
- Possible fraud and corruption
- Sexual, physical or verbal abuse of clients
- Any other unethical conduct or improper conduct

Or it may be something that:

- Makes an employee feel uncomfortable in terms of known standards
- Is against the council's policies and practices

This policy is not intended to replace the customer corporate complaints, employee grievance or other established council procedures.

5. When to raise a concern

Under section 13 of the 'Code of Conduct for Employees', where they become aware of or suspect that unauthorized activity is taking place, there is a duty for employees to report such wrongdoing.

Employees may however, be worried about raising such issues or may want to keep the concerns to themselves, perhaps feeling that it is none of their business or that it is only a suspicion. Additionally there might be a feeling that raising the matter would be disloyal to colleagues, managers or the organisation. There is also the danger of saying something but finding out the wrong person has been notified or that the issue has been raised in the wrong way.

Walsall Council has put this policy in place to enable employees to raise their concerns about such malpractice at an early stage and in the right way. We would rather that the matter was raised when it was a concern rather than wait for proof.

Employees are encouraged to use this policy if ever there is an occasion when an issue is troubling or is of concern. The whistle blowing policy is primarily for concerns where the interests of others or the council itself are at risk.

6. Our Assurances to you

Safety

The Corporate Management Team is committed to this policy. Any employee raising a genuine concern under this policy will not be at risk of losing their job or suffering any form of retribution as a result. Provided it is an act of good faith, it does not matter if an employee is mistaken. Of course this assurance is not extended to anyone who maliciously raise a matter they know is not true.

Confidentiality

We will not tolerate the harassment or victimisation of anyone raising a genuine concern. However, we recognise that someone might want to raise a concern in confidence under

this policy. If an employee asks to have their identity protected, it will not be disclosed without their consent. If the situation arises where we are not able to resolve the concern without revealing an employee's identity (for instance because their evidence is needed in court) this will be discussed fully with them as to whether and how we can proceed.

Remember that if an employee does not disclose who they are, it will be much more difficult for us to look into the matter or to protect their position or to give them feedback. Accordingly while we consider anonymous reports, this policy is not well suited to concerns raised anonymously.

7. How we will handle this matter

Once an employee has told us of their concern, we will look into it to assess initially what action should be taken. This may involve an internal inquiry or a more formal investigation. In any case, within ten days, the employee will be written to with:

- An acknowledgement that the concern has been received
- An understanding of the concern that has been reported
- An indication of how the matter will be dealt with
- An indication of any initial enquires that have been made
- Information on staff support mechanisms
- Notification of any further investigations that will take place and if not, why not

Where appropriate the matters raised may:

- Be investigated by management, Internal Audit, or disciplinary process
- Be referred to the external auditor
- Form the subject of an independent enquiry
- Be referred to the police

The amount of contact between the officers considering the issues and the employee will depend on the nature of the matters raised, the potential difficulties involved and the clarity of the information provided. If necessary, the council will seek further information from the employee. Where any meeting is arranged, off-site if an employee wishes, they can be accompanied by a union or professional representative or a friend.

When someone raises a concern they might be asked to consider how the matter might best be resolved. If someone has a personal interest in the matter we ask that they tell us of this concern at the outset.

While the purpose of this policy is to enable us to investigate malpractice and take appropriate steps to deal with it, we will give anyone raising a concern as much feedback as we possibly can. If requested, we will confirm our response in writing. Please note, however, that we will not be able to divulge the precise action we take if this infringes a duty of confidence owed by us to someone else.

8. How to raise a concern internally

Step 1

Employees with a concern about malpractice should hopefully feel able to raise it with their manager. This can be done verbally or in writing. The more information that can be supplied, including dates, times, details and names, the greater the opportunity to establish the facts. Although employees are not expected to prove beyond doubt the truth of the allegation, they will need to demonstrate to the person contacted that there are reasonable grounds for their concern.

Step 2

In instances where anyone feels unable to raise the matter with their manager for whatever reason, please raise the matter with:

➤ Chief Internal Auditor	01922 652831
Executive Directors	
Children's	01922 652756
Neighbourhood	01922 653203
Regeneration	01922 652004
Resources	01922 652910
Social Care & Inclusion	01922 652700
➤ Head of Human Resources & Development	01922 655600

Step 3

In instances where someone has followed these channels and they still have concerns, or if they feel that they cannot discuss it with any of the above, please contact:

Chief Executive, Walsall Council, The Civic Centre, Darwall Street, Walsall WS1 1TP

Such concerns should be made in writing, marking your letter private and confidential. Alternatively you can telephone on 01922 652000

On line reporting

An **on line notification form** is available on the internal audit intranet page to enable concerns to be reported in a secure and confidential manner.

Social Services Employees

Social Services has built on the corporate policy in respect of its need to be especially vigilant in protecting the interests of vulnerable clients and operated a statutory complaints procedure for all complaints relating to service users receiving a service. In the first instance, such complaints should be directed to the Customer Care Team, Social Care and Inclusion, Tameway Tower, 6 Floor, East Wing, Bridge Street, Walsall WS1 1JZ (tel 01922 650487).

9. Independent Advice

Employees can also seek external advice from the following: the external auditor; their trade union; the Citizens Advice Bureau; the relevant professional body or regulatory

organisation; the police or “Public Concern at Work” (020 7404 6609).

Employees should specify that they want to raise this matter in confidence so that the appropriate arrangements can be made.

10. External Contacts

We hope this policy gives employees the reassurances they need to raise such matters internally. However, if an employee feels unable to raise a concern through internal channels, the council would rather employees raise their concern with an appropriate external regulator than not raise it at all.

Remember, malpractice affects everyone and is unacceptable.

Blowing the whistle on it is one way of stamping it out – for good.

Annex 5

Teachers Pension Scheme

In order to ensure that the performance of the duty on the Authority to supply Teachers Pensions with information under the Teachers' Pensions Regulations 1997, the following conditions are imposed on the Authority and governing bodies of all maintained schools covered by this Scheme in relation to their budget shares.

The conditions only apply to governing bodies of maintained schools that have not entered into an arrangement with the Authority to provide payroll services.

A governing body of any maintained school, whether or not the employer of the teachers at such a school, which has entered into any arrangement or agreement with a person other than the Authority to provide payroll services, shall ensure that any such arrangement or agreement is varied to require that person to supply salary, service and pensions data to the Authority which the Authority requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The Authority will advise schools each year of the timing, format and specification of the information required. A governing body shall also ensure that any such arrangement or agreement is varied to require that Additional Voluntary Contributions (AVCs) are passed to the Authority within the time limit specified in the AVC scheme. The governing body shall meet any consequential costs from the school's budget share.

A governing body of any maintained school which directly administers its payroll shall supply salary, service and pensions data to the Authority which the Authority requires to submit its annual return of salary and service to Teachers' Pensions and to produce its audited contributions certificate. The Authority will advise schools each year of the timing, format and specification of the information required from each school. A governing body shall also ensure that Additional Voluntary Contributions (AVCs) are passed to the Authority within the time limit specified in the AVC scheme. The governing body shall meet any consequential costs from the school's budget share.

Annex 6

Notice of Concern – Example Areas of Concern

Outlined below are examples of actions/behaviour which may lead the LA to believe the issue of a Notice of Concern is required. It should be noted the list is not exhaustive.

- Failure to meet statutory deadlines and requirements
- Failure to implement internal audit recommendations within prescribed timescale
- Failure to supply the LA with documentation required to enable the LA to undertake its statutory monitoring duties within appropriate timescale
- Failure to take appropriate action to safeguard the financial position of the LA or the school
- Audit report with limited or no assurance,
- Failure to meet requirements laid down in the scheme
- Failure to recover from licensed deficit within agreed time frame
- A school's outturn statement for the previous three financial years reflects a deficit at year end
- Concerns raised by the governing body in regard to the effectiveness of the financial decisions being made by the leadership team of the school
- The LA has concerns in regard to the effectiveness of the financial decisions being made by the leadership team of the school and/or governing body

Annex 7

Responsibility for redundancy and premature retirement costs

This guidance note summarises the position relating to the charging of voluntary early retirement and redundancy costs. It sets out what is specified in legislation and provides some examples of when it might be appropriate to charge an individual school's budget, the central Schools Budget or the local authority's non-schools budget.

Section 37 of the 2002 Education Act says:

(4) costs incurred by the local education authority in respect of any premature retirement of a member of the staff of a maintained school shall be met from the school's budget share for one or more financial years except in so far as the authority agree with the governing body in writing (whether before or after the retirement occurs) that they shall not be so met

(5) costs incurred by the local education authority in respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of a maintained school shall not be met from the school's budget share for any financial year except in so far as the authority have good reason for deducting those costs, or any part of those costs, from that share.

(6) The fact that the authority have a policy precluding dismissal of their employees by reason of redundancy is not to be regarded as a good reason for the purposes of subsection 5; and in this subsection the reference to dismissal by reason of redundancy shall be read in accordance with section 139 of the Employment Rights Act 1996 (c. 18).

The default position, therefore, is that premature retirement costs must be charged to the school's delegated budget, while redundancy costs must be charged to the local authority's budget. In the former case, the local authority has to agree otherwise for costs to be centrally funded, while in the latter case, there has to be a good reason for it not to be centrally funded, and that cannot include having a no redundancy policy. Ultimately, it would be for the courts to decide what "was a good reason", but the examples set out below indicate the situations in which exceptions to the default position might be taken.

Charge of dismissal/resignation costs to delegated school budget:

- If a school has decided to offer more generous terms than the authority's policy, then it would be reasonable to charge the excess to the school
- If a school is otherwise acting outside the local authority's policy
- Where the school is making staffing reductions which the local authority does not believe are necessary to either set a balanced budget or meet the conditions of a licensed deficit
- Where staffing reductions arise from a deficit caused by factors within the school's control
- Where the school has excess surplus balances and no agreed plan to use these
- Where a school has refused to engage with the local authority's redeployment policy

Charge of premature retirement costs to local authority non-schools budget:

- Where a school has a long-term reduction in pupil numbers and charging such costs to their budget would impact on standards
- Where a school is closing, does not have sufficient balances to cover the costs and where the central Schools Budget does not have capacity to absorb the deficit
- Where charging such costs to the school's budget would prevent the school from complying with a requirement to recover a licensed deficit within the agreed timescale
- Where a school is in special measures, does not have excess balances and employment of the relevant staff is being/has been terminated as a result of local authority or government intervention to improve standards

Costs of early retirements or redundancies may only be charged to the central part of the Schools Budget where the expenditure is to be incurred as a result of decisions made before 1st April 2013. Costs may not exceed the amount budgeted in the previous financial year.

It is important that the local authority discusses its policy with its Schools Forum. Although each case should be considered on its merits, this should be within an agreed framework. It may be reasonable to share costs in some cases, and some authorities operate a panel to adjudicate on applications.

Community Facilities and Extended Schools Staff

For staff employed under the community facilities power, the default position is that any costs must be met by the governing body, and can be funded from the school's delegated budget if the governing body is satisfied that this will not interfere to a significant extent with the performance of any duties imposed on them by the Education Acts, including the requirement to conduct the school with a view to promoting high standards of educational achievement. Section 37 now states:

(7) Where a local education authority incur costs:-

(a) in respect of any premature retirement of any member of the staff of a maintained school who is employed for community purposes, or

(b) in respect of the dismissal, or for the purpose of securing the resignation, of any member of the staff of a maintained school who is employed for those purposes, they shall recover those costs from the governing body except in so far as the authority agree with the governing body in writing (whether before or after the retirement, dismissal or resignation occurs) that they shall not be so recoverable.

(7A) Any amount payable by virtue of subsection (7) by the governing body of a maintained school in England to the local authority may be met by the governing body out of the school's budget share for any funding period if and to the extent that the condition in subsection (7B) is met.

(7B) The condition is that the governing body are satisfied that meeting the amount out of the school's budget share will not to a significant extent interfere with the

performance of any duty imposed on them by section 21(2) or by any other provision of the Education Acts.

- (8) *Where a person is employed partly for community purposes and partly for other purposes, any payment or costs in respect of that person is to be apportioned between the two purposes; and the preceding provisions of this section shall apply separately to each part of the payment or costs.*

Annex 8

Timetable of Key Documents

<u>Document</u>	<u>Date</u>
- Provided to schools by the local authority	
Notification of budget shares – primary & secondary	end February
Notification of Indicative budget – nursery & special	31 March
Closedown Monitoring reports to schools from LA	May
- To be submitted by schools to the local authority:	
All schools –	
Properly Assigned Sums (PAS)	mid February
Financial year closedown documents to include: Petty Cash Certificate – where used Creditor/Debtor Schedules Prior year commitment schedule	Early April
Formal Budget Plans	1 June
CFR Outturn (deadline may vary to meet DfE requirement)	1 July
Revised Formal Budget Plans - optional	31 October
Copy of Bank Statement(s) to show balances held as at 31 st March	mid April
In addition for schools operating in house financial systems – i.e. non-buy back schools:	
Monitoring returns - covering period April to August	30 September
- covering period April to December	31 January
Schools offering an Extended School Community Facility	
Planned Income and Expenditure – to form part of school Formal Budget Plans	1 June
Financial Monitoring Statement detailing: Actual expenditure 1 st April - 30 th September Estimated expenditure 1 st October - 31 st March	31 October
Closedown statement – to form part of school CFR outturn (deadline may vary to meet DfE requirement)	1 July
Copy of Bank Statement to show balances held as at 31 st March	end April