



North Northamptonshire Schools Forum: 7 July 2022

Agenda Item 3

(North Northamptonshire Council's Scheme for Financing Schools 2022-23)

1 Background

- 1.1 Each local authority is required to have a scheme for financing schools, which defines the financial relationship between the authority and the schools in its area.
- 1.2 The scheme covers items such as banking, accounting and audit arrangements. The DfE guidance describes what is to be included in schemes. The link to this guidance is as follows;

<https://www.gov.uk/government/publications/schemes-for-financing-schools>
- 1.3 All schools should be consulted on any amendments or additions to the scheme and the purpose of this report is to consult Schools Forum of the content of the scheme for 2022/23 and for Schools Forum to agree for the scheme to be published.

2 Changes to the Scheme for Financing Schools

- 2.1 Although there are no direct revisions to the Scheme within the guidance issued by the DfE some changes have been necessary due to local decisions these include the cessation of LGSS Payroll and a revised process for dealing with National Non-Domestic Rates both applicable from April 2022. These changes are set out in the Scheme for Financing Schools Document at Sections 3.1 and 6.4.

3 Future options

- 3.1 During 2022-23 a further consultation on future amendments will be undertaken and reported back to Schools Forum for approval, which will set out the scheme for 2023/24. The indicative timeline for this is as follows
 - **September 2022** – Open consultation with Maintained schools regarding proposed changes including:-
 - **Provision of financial information and reports** - Requirement for schools to submit bank account returns and VAT returns monthly. If a bank account return is missed the following month's funding will be withheld until the return is received.
 - **Submission of Financial Forecasts** - Requirement for schools to submit budget monitoring returns quarterly. If the budget monitoring returns are not received the funding will be withheld until the budget monitoring returns is received.
 - **December 2022** Schools Forum meeting - Present findings of the consultation and make recommendations.
 - **March 2023** Schools Forum meeting – Present updated Scheme for approval.
 - **1st April 2023** – Revised Scheme comes into effect.

4 Recommendations for Schools Forum

4.1 That Schools Forum approve the draft scheme for consultation for 2022/23 and note the proposed changes for 2023/24.

5 Next steps

5.1 The next steps depend on the feedback given by Schools Forum voting members (maintained Schools representatives only) at this meeting, which could include publishing it on the NNC website.

6 Financial implications

6.1 There are no financial implications arising this report.

7 Legal implications

7.1 The Scheme has been written using the Statutory guidance given by the Secretary of State pursuant to s.48 (4) and paragraph 2A(2) of Schedule 4 to the School Standards and Framework Act 1998, School Standards and Framework Act 1998.

8 Risks

8.1 Not meeting the minimum requirements if the scheme is not published on a website which is accessible to the general public.

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