
Scheme for Financing Schools

(Revised April 2013)

**Section 48 School Standards and Framework Act
and Schedule 14 to the Act**

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Definitions

Within these regulations, unless the context otherwise requires, the following definitions shall apply:-

- a) "The Act" refers to the School Standards and Framework Act 1998
- b) "The Regulations" are the School Finance **and Early Years Finance** (England) Regulations 2012 made under the Act
- c) "The Authority" means the Council of the Administrative County of the Isle of Wight and any of the Committees or Sub-Committees of the Council where the exercise of functions has been delegated to them
- d) "The School" means any school in receipt of a budget share delegated in accordance with the provisions of the Act
- e) "The Governors" means the Governing Body of the school
- f) "The Headteacher" means the person who is, from time to time, the Headteacher or Acting Headteacher of the school
- g) "The Scheme" means the scheme prepared by the Authority in accordance with the provisions of the Financing of Maintained Schools Regulations. "The school premises" means all land and buildings used by or in connection with the school, including all playing fields, all conduits exclusively serving the premises and all fixtures and fittings.**

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Section 1: Introduction

1.1 The Funding Framework: Main Features

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-schools 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 authorities 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 Schools 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).

Local 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 of 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 s.51 of the Act. The financial controls within which delegation works are set out in a scheme made by the authority in accordance with s.48 of the Act and approved by the Secretary of State. All revisions to the scheme must also be approved by the Secretary of State, who has power to modify schemes or impose one.

Subject to provisions of the scheme, governing bodies of schools may spend budget shares for the purposes of their school. They may also spend budget shares on any additional purposes prescribed by the Secretary of State in regulations made under s.50. (* Section 50 has been amended to provide that amounts spent by a governing body on providing community facilities or services under S27 Of the education Act 2002 are treated as if they were amounts spent for the purposes of the school (s50(3A) of the Act)

An authority may suspend a school's right to a delegated budget if the provisions of the school financing scheme (or rules applied by the scheme) have been substantially or persistently breached, or if the budget has not been managed satisfactorily. There is a right of appeal to the Secretary of State. A school's right to a delegated budget share may also be suspended for other reasons (s.17 of the SSAF Act 1998) but in that case there is no right of appeal.

Each 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, the budget share for each school, the formula used to calculate those budget shares, and the detailed calculation for each school. 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 are set out in regulations, but each school must receive a copy of each year's budget and out-turn 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 web-site 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

This scheme sets out the financial relationship between the authority and the maintained schools which it funds. The requirements of the Scheme in relation to financial management and associated issues are binding on both parties

1.2.1 Application of the Scheme to the Authority and Maintained Schools

The Scheme applies to all Community, Voluntary, Foundation (including Trust), Community Special or Foundation Special schools **and pupil referral units (PRU's)** maintained by the authority, whether they are situated in the area of the authority or situated elsewhere. It does not apply to schools situated in the authority's area which are maintained by another authority nor does it apply to Academies.

1.3 Publication of the Scheme

The Scheme will be published on the Authority's web-site and any revised version will be published by the date 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

All proposed revisions must be submitted to the schools forum for approval by members of the forum representing maintained schools. Where the schools forum does not approve the proposed revisions 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 Powers to the Head-teacher

With the introduction of this Scheme, the governors of each school are required to review the extent to which they wish to delegate their financial powers to the head-teacher and for the head-teacher in turn to delegate financial powers to others, and to record these decisions (and any future decisions) in the minutes of the governing body. These minutes should be available for inspection by the Director of Finance, Director for Children and Young People, or their representatives.

In delegating financial powers to the head-teacher, the governing body should make a distinction between the “day to day” financial management of the school, and strategic financial planning issues for the whole school by reference to the School Development Plan. In ALL instances, the first formal budget plan of each financial year must be approved by the governing body.

1.6 Maintenance of Schools

The local authority is responsible for maintaining the schools covered by the Scheme, and this includes the cost of defraying all the expenses of maintaining them (except in the case of a voluntary aided 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 s.45-53 of the School Standards and Framework Act 1998.

Section 2: Financial Controls

2.1 Financial Information and Controls

2.1.1 Application of Financial Controls to Schools

The school is required to manage its delegated budget with due regard to the instruction laid out under the authority’s Standing Orders, Standing Orders as to Contracts and Financial Regulations, and to the exercise of budgetary control and the operation of financial controls where such instructions do not contradict those herein, which shall have precedence.

2.1.2 Provision of Financial Information and Reports

The school is required to provide the local authority with details of anticipated and actual expenditure and income at least every three months. ***However, because schools make their own arrangements for the payment of both employee and non-employee costs (Full Cheque Book schools) there is a requirement to submit to the Director of Children’s Services a monthly return of such costs.*** All submissions should be in a format which complies with the Consistent Financial Reporting framework.

2.1.3 Payment of Salaries/Payment of Bills

The preparation of payrolls and the payment of salaries, wages and other emoluments to the employees of the school have been delegated to schools (with the exception of the PRU’s) and the schools have determined alternative arrangements acceptable to the Director of Resources.

2.1.4 Control of Assets

The governors are responsible for the safe custody and control of equipment held at the school. The school is required to maintain an inventory of all its moveable non-capital assets in accordance with guidance issued by the Director of Resources or Director of Children’s Services in order to ensure efficient control of equipment and stores. However, schools are free to determine their own arrangements for keeping a register of assets worth LESS than £1,000. If a record is to be kept in a format other than that for assets with a value IN EXCESS of £1,000, the advice of the Director of Resources should be sought.

2.1.5 Accounting Policies (including year-end procedures)

The Director of Resources may issue guidance on such financial procedures as he considers appropriate. Governors shall ensure that such procedures are applied to those transactions for which they are responsible, subject to any variations which the Director of Resources agrees to be justified on the grounds of economy and effectiveness in relation to the particular circumstances of the school.

Schools are required to follow Standing orders, Standing Orders as to Contracts and Financial Regulations including the operation of procedures for:

- a) Advances and Petty Cash Imprest Accounts
- b) Banking Arrangements and Cheques
- c) Contracts
- d) Income
- e) Insurances
- f) Inventories
- g) Investment, Borrowing and Trust Funds
- h) Orders for Works, Goods and Services
- i) Payment of Invoices
- j) Protection of Private Property
- k) Salaries, Wages and Pensions
- l) Security
- m) Special Payments
- n) Stocks and Stores
- o) Travelling and Subsistence Allowances
- p) Unofficial Funds
- q) Controlled Stationery and retention of Documents.

2.1.6 Writing off of debts

The governors may write off debts up to a value of **£5,000**, after informing the Director of Resources of their intention to do so and allowing him sufficient time to respond. Where it is proposed to write off larger debts these should be referred to the Director of Resources for approval.

2.2 Basis of Accounting

Schools are free to use their own accounting systems subject to the provisions in this section, but all reports and accounts submitted to the authority must be on an accrual basis.

2.3 Submission of Budget Plans

Each financial year the Individual Schools Budget (ISB) (the amount to be spent by or attributable to, all schools within the authority) shall be drawn up in accordance with the authority's relevant financial regulations on budgetary matters.

The Director of Children's Services, in consultation with the Director of Resources, will be responsible for deducting appropriate sums from the ISB and for allocating the remaining ISB for the financial year, to each school by means of the Authority's Formula.

The Director of Children's Services will notify each school before **28th February** each year of its budget for the next financial year expressed as a cash sum. In

addition, to support financial planning and monitoring, the Director of Children's Services will make available to schools through the regular meetings with head-teachers and the Financial Advisers Group, details of forecast budget changes for subsequent years.

On receipt of the delegated budget from the authority, the head-teacher, having access to all relevant information held by the authority, shall prepare estimates of expenditure and income, for consideration by the governors, and in a form prescribed by them.

The school is required to submit a budget plan, approved by the governing body or a committee of the governing body, plus any additional information as required by the Director of Resources or the Director of Children's Services by 15th May. The budget plan should indicate the school's intentions for expenditure during the current financial year and any assumptions underpinning said plan. The budget plan may include estimated balances at the previous 31st March and should be in a format compatible with the Consistent Financial Reporting framework.

Total planned expenditure for each financial year shall not exceed the cash limit of the school, adjusted by amounts carried forward from the previous year, any income receivable in relation to delegated functions, and any such in-year adjustments as may be made in accordance with the Scheme of Delegation.

2.3.1 Submission of Financial Forecasts

Schools are required to submit a financial forecast covering each year of a multi-year period for which they have been notified of budget shares beyond the current year. These budget plans will be used by as evidence to support the authority's responsibility for declaring schools adherence to the School Financial Value Standard.

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.

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

There are significant variations in efficiency between similar schools, and so it is important for schools to review their current expenditure, compare it to other schools and think about how to make improvements.

2.5 Virement

The governors shall be empowered to exercise virement between all heads of expenditure within the limits of the school's delegated budget, with the exception of items earmarked by the authority for specific funding. Governors may delegate their powers of virement to the head-teacher to whatever extent they specify, and this must be recorded in the minutes of the governors meeting and notified to the Director of Children's Services.

2.6 Audit: General

The Director of Resources shall be responsible for maintaining a continuous internal audit of the financial records, operations and systems of the school and shall advise as necessary on financial arrangements. For this purpose, the Director of Resources, or his authorised representative, shall have authority to visit the school at all reasonable times and have access to all records and property of the

school and may require such explanations he considers necessary. Whenever any matter arises at the school, which involves or is thought to involve, irregularities concerning cash, stores or other property of the school, the head-teacher shall immediately notify the Director of Resources and the Director of Children's Services. Where the Director of Resources identifies any such irregularities as a result of an internal audit or otherwise, he shall immediately inform, in writing, the Director of Children's Services and/or the governors as seems appropriate in the circumstances. Schools are required to comply with the external audit regime of the local authority as determined by the Audit Commission.

2.7 Separate External Audits

The governors of a school may, for the purposes of reassurance of the probity of the accounts, allocate funds from its budget share to obtain external audit certification of its accounts separate from any internal or external audits carried out on behalf of the authority.

2.8 Audit of Voluntary and Private Funds

The school is required to provide an audit certificate, *from a suitably qualified auditor* in respect of any voluntary or private funds held by the school as well as the accounts of any trading organisations controlled by the school, to the Director of Resources.

2.9 Register of Business Interests

The school is required to establish a register which lists for each member of the governing body and the head-teacher, any business interests that they, or any immediate members of their family, may have, in accordance with guidance already issued. This register must be kept up to date with appropriate notification of any changes, and a thorough annual review of entries. Schools should be aware of the requirement to make the register available for inspection by staff, governors, parents and authorised Council officers.

2.10 Purchasing, Tendering and Contracting Requirements

The school is required to abide by the authority's Financial regulations, Standing Orders in respect of Purchasing, Tendering and Contracting matters, where these do not contradict any other provisions of the Fair Funding scheme or any statutory provision or EU Directive. No school can be required to

- a) Obtain a countersignature from a local authority officer prior to letting a contract valued at less than £60,000.
- b) Only use suppliers from an approved list, although they must ensure that the contractor employed is suitably qualified and that his business is financially sound. In addition, where appropriate, the contractor must be able to demonstrate that sufficient Insurance cover exists for potential public liability claims. The minimum insured will be determined from time to time by the authority. Governors should ensure, in advance, that the Health and Safety competence of contractors complies with the authority's Health and Safety Policies. Where it is established that building works have been completed to a poor standard of workmanship, the authority may instruct governors to carry out remedial works to ensure that building standards are maintained.
- c) See fewer than three tenders for one contract, which is to be let, with a

value exceeding £10,000 in any one year. (i.e. all contracts let by a school for more than £10,000 in any one year must be subject to at least three tenders.)

The figures stated in a) and c) above will be subject to revision by DfE at periodic intervals.

2.11 Application of Contracts to Schools

The school has the right to opt out of proposed authority contracts or of arranged authority contracts where the contract contains clauses allowing variance of its terms and conditions as long as this would not be to the detriment of other parties to the contract, (i.e. increased unit costs to the other parties due to the volume variance). Schools will otherwise be bound into the contract for its length in respect of those contracts where they have agreed to participate. In respect of other contracts, schools may be bound up for three years, where this can be justified.

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 local authority as maintainer of the schools and the owner of the funds in the budget share. However, other contracts may be made solely on behalf of the governing body, when the governing body has clear statutory obligations – e.g. contracts made by aided or foundation schools for the employment of staff.

2.12 Central Funds and Earmarking

The authority may make sums available to schools from central funds, in the form of allocations which are additional to and separate from the schools' budget shares. Such funds will be subject to conditions setting out the purpose or purposes for which the funds may be used: and while these conditions need not preclude virement (except of course, where the funding is supported by a specific grant which the authority itself is not permitted to vire), this will not be carried to the point of assimilating the allocations into the school's budget share.

Such allocations might, for example, be sums for SEN or other initiatives funded from the central expenditure of the local authority's Schools Budget or other local authority budget.

Earmarked funding from centrally retained funds may only be spent on the purposes for which it is given, or on other budget heads for which earmarked funding is given, and may not be vired into the budget share. Schools must be able to demonstrate that this requirement has been complied with.

Schools may be required to return earmarked funds to the authority if they are not spent within any period stipulated by the authority.

The authority may not make any deduction in respect of interest costs to the authority, from payments to schools of devolved specific or special grant.

2.13 Spending for the Purposes of the School

Governors are empowered to spend budget shares for the purposes of the school, subject to regulations made by the Secretary of State, and any other provisions contained within this Scheme. S50 (3A) of the Act states that amounts spent by governing bodies on community facilities or services under s27 of the education Act 2002 will be treated as if spent for any purposes of the school.

The School Budget Shares (Prescribed Purposes) (England) (Amendment) Regulations 2004 allow schools to spend their budgets on pupils who are on the roll of other maintained schools.

2.14 Capital Spending from Budget Shares

Governors may use their budget shares to meet the cost of capital expenditure on the school premises, including capital expenditure by governing bodies of voluntary aided schools under para. 3 of Schedule 3 to the SSAF Act 1998. However, governors are required to inform the authority if the expected capital expenditure to be met from the budget share is likely to exceed £15,000, and to take into account any advice from the Director of Resources and the Director of Children's Services as to the merits of the proposed expenditure. Where the authority is the owner of the premises, or the school has voluntary controlled status, the governors must seek approval of the LA for the proposed works, to ensure that Health & Safety considerations have been adequately addressed.

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 Director of Resources 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.

Such a notice will set out the reasons and evidence for it being made and may place on the governing body restrictions, limitations, or prohibitions in relation to the management of funds delegated to it.

These may include:

- 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 authority;
- Insisting on regular financial monitoring meetings at the school attended by local authority officers;
- Requiring a governing body to buy into the local authority's financial management systems; and
- Imposing restrictions or limitations on the manner in which a school manages extended school activity 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 will clearly state what these requirements are and the way in which and the time by which these 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 a governing body does not comply with the notice.

2.16 Schools Financial Value Standard

All local authority maintained schools (including nursery schools and Pupil Referral Units (PRU's) 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 the specified deadlines.

All maintained schools with a delegated budget must submit the form to the local authority before 31 March 2013 and annually thereafter.

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 headteacher must inform all staff of school policies and procedures relating 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.

Section 3: Instalments of the Budget Share/Banking Arrangements

3.1 Frequency of Instalments

3.2 Proportion of Budget Share Payable at Each Instalment

Full cheque book schools will receive advances of their delegated budget share in monthly instalments, payable at the start of each month. The first instalment, payable at the beginning of April will represent 2/12ths of the total; budget share, with ten further equal instalments being paid between May and February.

3.3 Interest on Late Budget Share Payments

Should late payments of a school budget share instalment occur, and the local authority is found to be in error, interest will be added. The rate of interest will be equivalent to the estimated seven day money market rate.

3.4 Budget Shares for Closing Schools

Where approval for discontinuation has been secured for a school, then the budget share will be paid monthly net of estimated pay costs.

3.5 Bank and Building Society Accounts

Schools are required to have an external bank account in either the school's or authority's name, into which their budget share instalments are paid. The school will retain the interest on this account unless said account is held under an authority contract, in which case other arrangements may be made for the payment of interest on the accounts. New accounts can only be opened at the beginning of each financial year, and cannot be opened in current or future years until any deficit balances have been cleared.

Schools with newly opened bank accounts will receive immediate transfer of the estimated balance, agreed by both school and the local authority, to that account. There will follow a subsequent adjustment when final accounts for the previous year are finalised.

Note that money paid by the authority remains the property of the authority until spent.

3.5.1 Restrictions on Accounts

The school may only use certain Bank or Building Society accounts for the purpose of receiving budget share payments. Schools closing an account and opening a new account must still do so from those on the authority's list. However, schools having accounts with other banks prior to 1st April 2001 will be allowed to retain their account.

The current list of approved Banks and Building Societies is set out in Annex C.

Signatories for the bank account will be school and/or local authority staff.
Governors who are not members of staff cannot be signatories.

3.6 Borrowing by Schools

Governors may only borrow money with the written permission of the Secretary of State. This does not apply to any loan schemes run by the authority.

Schools are barred from using credit cards, which are regarded as borrowing, but they may use debit or procurement cards, which are a useful means of facilitating electronic purchases.

This paragraph does not apply to Trustees and Foundations, whose borrowing, as private bodies, makes no impact on Government accounts. These debts may not be serviced 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 local authority when repaying loans.

Section 4: The Treatment of Surplus/deficit balances Arising in relation to Budget Shares

4.1 The Right to Carry Forward Surplus Balances

The school can carry forward from one financial year to the next, any shortfall in expenditure relative to the schools budget share plus/minus any balance brought forward from a previous year.

The school's surplus balance at 1st April must be equal to that at 31st March in the same year.

4.2 Controls on Surplus Balances

Schools should not be constrained from making early efficiencies to support their medium term budgeting in a tighter financial climate. The local authority will therefore continue to monitor balances but will focus any claw-back mechanism only on those schools which have built up excessive uncommitted balances or where some level of redistribution would support improved provision across a local area.

4.3 Obligation to Carry Forward Deficit Balances

Any deficit balances will effectively be carried forward as they will be deducted from the following year's budget share. Any unlicensed deficit will be paid off throughout the year by the scheduling of repayments against the instalments of the school's budget share.

The deficit balance of the school at 31st March must equal its deficit balance at 1st April.

4.5 Planning for Deficit Budgets

No school should plan to have a deficit balance at the end of the financial year except in circumstances approved by the authority. (see Section 4.9)

4.7 Writing off of Deficits

The authority cannot write off the deficit balance of any school without the written permission of the Secretary of State.

4.8 Balances of Closing and Replacement Schools

If a school closes, or is replaced, any balances, whether they be surplus or deficit, will revert to the authority. These amounts cannot be transferred as a balance to any other school, even when said school is a successor to the closing school.

Except that a surplus transfers to an academy where a school converts to academy status under s4(1)(a) of the Academies Act 2010.. The allocation regulations made under s.47 of the SSAF Act 1998 make provision for local authorities, if they wish, to make allocations to new schools which have the effect of giving them the benefit of additional sums which are equal to or less than the balances of relevant closing schools. The regulations also provide for the amount of extra funding for new schools to recognise the deficit of a preceding school by being reduced; 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.

4.9 Licensed Deficits

Schools, whose balances are held by the authority and with no deficit as at 31st March in any one year, may plan for a deficit budget in the following year with the express approval of the authority. The deficit will normally be funded from the collective surplus of school balances held by the authority. Where no such balances exist, or the school does not meet the above criterion, the authority may make alternative arrangements if it can do so within relevant local authority financial regulations.

The maximum length for which a deficit may last will be three years. The granting of a licensed deficit would normally be in circumstances of an increasing pupil number base, or the financing of an approved development at the school. A deficit will only be licensed if the school has a viable financial plan for repayment. The maximum deficit allowed will be 10% of the school budget share or £150,000, whichever is less. Any such arrangement will be subject to the approval of both the Director of Children's Services and the Director of Finance. In any event, a maximum of 30% of the collective balances can be used to fund approved deficits.

Section 5: Income

5.1 Income from Lettings

The school will be able to retain all net income from letting of the school premises subject to alternative provisions as regards joint use of PFI/PPP agreements. As long as there is no net cost to the budget share, a school may cross-subsidise lettings for Community or Voluntary use with income from other more commercial lettings ***provided 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.*** Schools should also bear in mind directions issued by the authority as to the use of school premises.

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

Schools not owned by the authority are not affected by these provisions.

5.2 Income from Fees and Charges

The school will be able to retain all net income from fees and charges except where the service is provided by the authority from central funds. All charges should be kept in line with any policy statements published by the authority. There will be no adjustment to the funding formula to take account of income in excess of that envisaged by the authority.

5.3 Income from Fund Raising Activities

The school will be able to retain all net income from fund raising activities.

5.4 Income from Sale of Assets

The school will be able to retain the proceeds from the sale of assets except in cases where the asset was purchased with non-delegated funds or is land and buildings forming part of the school premises, and owned by the authority. It is still recommended, however, that schools follow the guidelines as to the disposal of assets in the head-teachers handbook.

5.5 Administrative Procedures for the Collection of Income

The collection of monies due to the school shall be in accordance with arrangements approved by the Director of Resources. The head-teacher will be responsible for the security and prompt banking of all monies received.

5.6 Purposes for which Income may be used

Income from the sale of assets purchased with delegated funds may only be used for the purposes of the school.

Section 6: The Charging of Budget Shares

6.1 General Provision

In certain specific circumstances (see 6.2 below) the authority reserves the right to make a charge against the budget share of a school without the consent of the governors. The authority will however consult with the school as to its intentions to

make such a charge, and will notify them once the charge has been made. Such charges would generally be made by the authority in order to protect its financial position from liabilities caused by the action or inaction of governors. It should be noted that the authority would have to demonstrate that it had necessarily incurred expenditure which was now being charged to the budget share. Where no liability falls on the authority, no charge may be made against the budget share.

6.2 Circumstances in which Charges may be made.

- 6.2.1 Where premature retirement costs (including those falling on the Pension Fund) have been incurred without the prior written agreement of the authority to bear such costs, then any amount over that agreed by the authority may be charged against the budget share.
- 6.2.2 Where additional expenditure has been incurred by the school to secure resignations and the advice of the authority has not been followed.
- 6.2.3 Where awards by courts and industrial tribunals are made against the authority, or out of court settlements, resulting from the action or inaction of the governors, contrary to advice given by the authority. In any case, such awards may be made against the governors and would have to be met from the budget share.
- 6.2.4 Where expenditure is incurred by the authority in carrying out health and safety work or capital expenditure, for which the authority is liable but for which funds have been delegated to the governors and the governors have failed to have said work carried out in a timely manner.
- 6.2.5 Where expenditure is incurred by the authority in making good defects in building works funded from budget shares, where the premises are owned by the authority, or the school has voluntary controlled status.
- 6.2.6 Where expenditure is incurred by the authority in insuring its own interests in a school where funding has been delegated but where the school has failed to demonstrate that it has provided cover at least as good as that arranged by the authority. (Such charges can only be levied against the budget share where the authority has an insurable interest).
- 6.2.7 Where a dispute over monies due from the school for services provided to that school has been referred to a disputes procedure set out in a service level agreement and the result is that monies are owed to the authority by the school.
- 6.2.8 Where penalties are imposed on the authority by the Board of Inland Revenue, the Contributions Agency, HM Revenue and Customs, Teachers Pensions, the Environment Agency, or other regulatory authorities, as a result of school negligence, then a charge can be made for the recovery of said penalties from the school.
- 6.2.9 Where it is necessary to correct an error that has been made by the authority in calculating charges to a budget share (e.g. pensions deductions).
- 6.2.10 Where additional transport costs are incurred by the authority arising from decisions by the governors on the length of the school day and failure to notify the authority of non-pupil days resulting in unnecessary transport costs.
- 6.2.11 Where legal costs are incurred by the authority because the governors did not accept the advice of the authority
- 6.2.12 Where the funding of necessary Health and Safety training for staff employed by the authority has been delegated to the school, but the

- necessary training has not been carried out.
- 6.2.13 Where compensation is paid to a lender when the school enters into a contract for borrowing ultra vires, and the contract is of no effect.
- 6.2.14 Cost of work in respect of teacher pension remittance and records for schools using non-authority 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 authority 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 pupil with High Needs.***
- 6.2.16 Costs incurred by the authority 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 authority as a result of the governing body being in breach of the terms of a contract.
- 6.2.19 Costs incurred by the authority 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.

Section 7: Taxation

7.1 Value Added Tax

The school should follow the procedures set out by the authority in order to be able to utilise the authority's ability to reclaim expenditure relating to non-business activity. Amounts reclaimed by the authority will be passed back to the school. Any VAT reclaimed by schools when spending funding from the authority is treated as being incurred by the authority, and therefore qualifies for reclaim by the authority.

This does not include expenditure by the governors of a Voluntary Aided school when carrying out their statutory responsibilities to maintain the fabric of their buildings, nor to any capital works at Foundation schools funded directly by DfE.

7.2 Construction Industry Taxation Scheme (C.I.S.)

The school is required to abide by the procedures issued by the authority in connection with the Construction Industry Scheme.

Section 8: The Provision of Services and Facilities by the Authority

8.1 Provision of Services from Centrally Retained Services

The authority will decide on what basis services, including Premature Retirement Costs and redundancy payments, will be provided to the school from centrally retained funds, and there will be no discrimination between schools of differing categories except where;

- a) Funding has been delegated to some schools only
- b) The discrimination is justified by differences in statutory services

8.2 Provision of Services bought back from the Authority using Delegated Budgets

The authority will notify schools of proposed Service Level Agreements at least one month before the commencement of such an agreement to allow sufficient time for schools to consider the terms of such an agreement.

In setting the charges for these services subject to buy-back arrangements, service managers will set a tariff of charges that will ensure that income generated is no less than the cost of the service itself, with the total cost of the service being met from the income generated by buy-back arrangements.

Any contracts between the school and the authority starting on or after 1st April in any year for the provision of services or facilities are limited to a maximum of three years in the first place, and thereafter to a maximum of five years, unless the contract is for the supply of catering services when the maximum periods are five and seven years respectively.

No minimum period for such contracts is specified, although anything less than two years may be considered to be uneconomic.

8.2.1 Packaging

Where the authority is offering services on a buy-back basis for which funding has been delegated, schools will not be unreasonably restricted in their choice of said services, and where practicable, this will include provision on a service-by-service basis as well as in packages of services.

8.3 Service Level Agreements

8.3.1 Where services or facilities offered under this Scheme are provided under a service level agreement – whether free or on a buy-back basis – the terms of such an agreement will be subject to review at least every three years where the agreement lasts for a longer period.

8.3.2 Where services are offered by the authority, these will be available on an ad hoc basis as well as under a service level agreement, although the rates charged in each case may differ to cover set-up costs etc.

The requirements set out in 8.2 and 8.3 above specifically exclude the provision of centrally arranged premises and liability insurance from these requirements as to service supply, as the limitations envisaged may be impracticable for insurance purposes.

8.4 Teachers Pensions

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 (AVC's) 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 year. A governing body shall also ensure that Additional Voluntary Contributions (AVC's) 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.

Section 9: Insurance

- 9.1** Where funds for insurance are delegated to a school, the authority will require the school to demonstrate that the cover is relevant to the authority's interests and that it is at least as good as the relevant minimum cover arranged by the authority, and paid either through central funds or by contributions from the school's delegated budget. In all instances the authority, through the appropriate manager within the Directorate of Resources, will take into account and advise upon the risks applicable to individual schools, and necessary compliance with authority-wide risk requirements.

When the service is provided centrally, the Director of Resources shall, in consultation with the head-teacher, effect such insurances as are provided by the authority under the Scheme of Delegation, and shall negotiate and recover claims.

The head-teacher shall give prompt notification to the Director of Resources of all new risks, additions and alterations affecting existing insurances. The head-teacher should also inform the Director of Resources and the Strategic Manager Legal Services in respect of any indemnity which the school is required to give.

The head-teacher shall immediately notify the Director of Resources, in writing, of any loss, liability or damage, or any event likely to lead to a claim and take any other such action as may be necessary to satisfy any insurance policy conditions.

Section 10: Miscellaneous

10.1 Right of Access to Information

Governors are required to supply all financial and other information which might be required to enable the authority to satisfy itself as to the school's management of its delegated budget share, or the use made of any central expenditure by the authority on behalf of the school.

Head-teachers are responsible for controlling access to the main computer installation data and access to all computer data within their own school, in accordance with such advice and guidance as may be issued by the authority.

10.2 Liability of Governors

As the governors are a corporate body, then under Section 50(7) of the SSAF Act 1998, governors of maintained schools will not incur personal liability in the exercise of their powers to spend the delegated budget share, provided they act in good faith.

10.3 Governors Expenses

Where a school has yet to receive a delegated budget, the authority shall delegate to the governors of the school, funds to meet the governors' expenses. Only recognised allowances as specified in the regulations may be paid from a school's delegated budget share. No other allowances may be paid, nor should any payment be made which would duplicate expenses already paid by the Secretary of State to additional governors appointed by him to schools under special measures.

10.4 Responsibility for Legal Costs

Legal costs incurred by the governors may be charged against the budget share of the school if the governors choose to act contrary to the advice of the authority.

Where governors wish to obtain legal advice due to a conflict of interest between themselves and the authority, they may do so at their discretion and the amount will be chargeable against their budget share.

10.5 Health and Safety

Governors, in their management of the budget share, must have due regard to duties placed on the authority in relation to Health and Safety, and act within the guidelines of the authority's Health and Safety policy.

10.6 Right of Attendance for Director of Resources

Governors are required to permit the Director of Resources or his representative to attend any meeting of the governors at which agenda items relevant to the pursuance of his duties are discussed. This will generally only include such matters as financial probity or overall financial management of the school. The authority will give prior notice of such attendance unless this is impracticable.

10.7 Special Educational Needs

Schools are expected to work in partnership with the local authority in securing the special educational needs of their pupils. Partnership arrangements embrace (amongst other considerations) the role of the school SENCO and the support available to schools through a range of centrally provided services.

10.8 Interest on Late Payments

Refer to paragraphs 3.3 and 3.3.1

10.9 Whistleblowing

Should any governor or member of staff have concerns about the financial

management of financial propriety of the school or the Isle of Wight Council, they may raise them using the Confidential Reporting Code of the Isle of Wight Council, which all schools have been encouraged to adopt. A copy of the Code can be obtained from the Human Resources Section, County Hall, Newport, PO30 1UD.

10.10 Child Protection

Each educational establishment should designate a senior member of staff to take responsibility for child protection issues, including liaison with other agencies. In accordance with LSCB and “Working Together” guidance, there is an expectation that schools will be appropriately represented at child protection case conferences or related events, where the welfare of the child is of concern. Schools are expected to make appropriate arrangements in order to facilitate attendance at such meetings.

10.11 Redundancy/Early Retirement Costs

The 2002 Education Act sets out how premature retirement and redundancy costs should normally be funded and these arrangements are set out in Section 13.

Section 11 Responsibility for Repairs and Maintenance

11.1 Responsibility for Capital Expenditure

The authority will delegate funding for building repairs and maintenance to the school, retaining only that portion relating to capital expenditure, which shall remain the responsibility of the authority. Expenditure will be treated as capital only if it fits the Local Authority definition of capital for financial accounting purposes, in line with the CIPFA Code of practice on Local Authority Accounting as set out in Appendix D.

11.2 Responsibility for Payment of Liabilities in Aided Schools

In the case of 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. 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 DCSF to categorise such work, not the de minimus level used by the authority.

11.3 Governors Inspection of School Premises

The governors of Community and Voluntary Controlled schools shall, from time to time, inspect and keep the authority informed as to the condition and state of the school premises, and shall have the power to carry out repairs, maintenance and minor alterations in a workmanlike manner as specified under section 4.3, provided that such works do not affect the structure or fabric of the buildings.

11.4 Authority Inspection of School Premises

The authority is empowered to inspect the premises of the school at any time and to offer any such advice as it considers appropriate and where it considers that the condition or repair of the premises which fall within the governors’ jurisdiction

is likely to prejudice the interest or statutory responsibilities of the authority, it may instruct the governors to carry out such remedial works as it considers necessary. Failure to do so may invoke charges as outlined in sections 6.2.4 and 6.2.5.

11.5 De Minimus Limits

The local authority has set a de minimus limit for capital expenditure of £10,000. Any expenditure below this level must be treated as revenue expenditure.

Section 12: Community Facilities

12.1 Application of Schemes for Financing Schools to the Community Facilities Power

Schools 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), if made, can 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 maintaining authority's scheme for financing schools made under s.48 of the SSAF 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.

12.2 Mismanagement of community use facilities funds can be grounds for suspension of the right to a delegated budget.

12.3 Consultation with the Local Authority – Financial Aspects

S.28 (4) of the Education Act 2002 requires that before exercising the community facilities power, governing bodies must consult with the local authority, and have regard to the advice given to them by the local authority. The procedure for consulting the authority, including any information required is to contact the Strategic Manager Pupil Services, who will provide advice within six weeks of being consulted.

Schools should inform the authority what action has been taken following authority advice.

12.3 Funding Arrangements – Local Authority Powers

The provision of community facilities in many schools may be dependent on the conclusion of a funding arrangement with a third party that will be either supplying funding, or supplying funding and taking part in the provision. A very wide range of bodies and organisations are potentially involved.

The authority's requirements in relation to funding agreements with third parties differ from those of funding agreements with the authority. Any proposed agreement should be submitted to the authority for its comments, and schools should submit proposals in adequate time to give the authority time to respond. However, there is no right of veto for the authority on such agreements. If an agreement has been or is about to be concluded against the wishes of the authority, or has been concluded without informing the authority which, in the view of the authority, is seriously prejudicial to the interests of the school or the authority, that may constitute grounds for the suspension of the right to a delegated budget. If the third party requires local authority consent to the agreement for it to proceed, such a requirement and the method by which authority consent is to be signified is a matter for that third party.

12.4 Other Prohibitions, Restrictions and Limitations

The authority requires that in a specific instance of use of community facilities power by a governing body, the governing body concerned shall make arrangements to protect the financial interest of the authority by either carrying out the activity concerned through the vehicle of a limited company formed for the purpose, or by obtaining indemnity insurance for risks associated with the project in question, as specified by the authority.

12.5 Supply of Financial Information

Schools which exercise the community facilities power must provide the authority every six months with a summary statement showing the income and expenditure for the school arising from the facilities in question, for the previous six months, and on an estimated basis for the next six months, in a format determined by the authority

The authority, on giving notice to the school that it 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, will require such financial statements to be supplied every three months and, if the authority sees fit, to require the submission of a recovery plan for the activity in question.

12.6 Audit

Schools shall grant access to the school's records connected with the exercise of the community facilities power, in order to facilitate internal and external audit of relevant income and expenditure.

Schools shall, in concluding funding agreements with other persons pursuant to the exercise of the community facilities power, ensure that such agreements contain adequate provision for access by the authority to the records and other property of those persons held on school premises, or held elsewhere inasmuch as they relate to the activity in question, in order for the authority to satisfy itself as to the propriety of expenditure on the facilities in question.

12.7 Treatment of Income and Surpluses

Schools will retain all net income derived from community facilities except where otherwise agreed with a funding provider, whether that is the local authority or some other person.

Schools may carry such retained income 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.

If a 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.

If under 12.7.3, there is a deficit on community facilities and the local authority needs to recover funds to meet third party liabilities, it may only do so from accumulated community facilities surplus. If this is insufficient the local authority will meet the balance of the liability from its schools-related resources.

12.8 Health and Safety Matters

The health and safety provisions contained in 10.5 of the main scheme extend to activities carried out under the community facilities power.

The governing body is responsible for the costs of securing Criminal Records Bureau clearance for all adults involved in community facility activities taking place during the school day. Governing bodies are free to pass on such costs to a funding partner as part of an agreement with that partner.

12.9 Insurance

It is the responsibility of the governing body to ensure that adequate arrangements are made for insurance against risks arising from the exercise of community facilities powers, taking professional advice as necessary. The school should seek the authority's advice before finalising any insurance arrangement for community facilities.

The authority is empowered to undertake its own assessment of the insurance arrangements made by a school in respect of community facilities and if it judges those arrangements to be inadequate, to make such arrangements itself and charge the resultant cost to the school.

12.10 Taxation

Schools should be mindful that not all scheme income and expenditure can fall within the authority's VAT registration and thus VAT on expenditure may not be recoverable through the authority.

It is essential that schools seek advice from the authority's VAT advisers on any community facilities plan. In some cases, where the project falls outside the authority's VAT registration, schools may need to seek advice from their local VAT office on expenditure in connection with community facilities, including the use of the local authority VAT reclaim facility.

Schools are reminded that if any member of staff employed by the school or local authority in connection with community facilities is paid from funds held in a school's own bank account (whether a separate bank account is used for community facilities or not – see section 12.11), the school is likely to be held responsible for payment of income tax and National Insurance, in line with Inland Revenue rules.

School should follow local authority advice in relation to the Construction Industry Scheme, where this is relevant to the exercise of community facilities power.

12.11 Banking

Schools must either maintain separate bank accounts for budget share and community facilities, or have one bank account but ensure adequate internal controls to maintain separation of duties.

Banking arrangements are the same as those contained in Section 3.1 of the main scheme, save that where a bank account is set up specifically for community facilities, the account mandate should not imply that the local authority is the owner of the funds in the account except insofar as those funds have been provided by the local authority itself.

Schools are reminded that they may not borrow money without the written consent of the Secretary of State. This requirement does not extend to monies lent to schools by their maintaining authority.

13. Redundancy Costs

Section 37 of the 2002 Education Act states:

- 1) costs incurred by the local 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.
- 2) Costs incurred by the local authority in respect of the dismissal, or for the purpose of securing the resignation, or 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 these costs or any part of those costs from that share.
- 3) The fact that the authority has 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 schools 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 non redundancy policy. Ultimately it would be for the courts to decide what a good reason was, 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 schools 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 plan to use these
- Where a school has refused to engage with the authority's redeployment policy.

Charge of premature retirement costs to a 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 the capacity to absorb the deficit
- Where charging such costs to the school's budget would prevent the school with complying with a requirement to recover a licensed deficit within the agreed timescale.
- Where a school is in special measures, does not have excessive 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 new early retirement 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 1 April 2013. Costs may not exceed the amount budgeted in the previous financial year.**

A de-delegated contingency could be provided, if the Schools Forum agree, to support individual schools where a governing body has incurred expenditure which it would be unreasonable to expect them to meet from the school's budget share.

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 met 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:

- 4) where a local education authority incurs costs:
- in respect of any premature retirement of any member of the staff of a maintained school who is employed for community purposes, or
 - 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 to the local education 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 is satisfied are satisfied that 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

(9) Where a person is employed partly for community purposes and partly for other purpose, any payment or costs incurred 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 A

List of Maintained Schools

Primary

Arreton C E
Bembridge C E
Binstead
Brading C E
Brighstone C E
Carisbrooke C E
Carisbrooke St. Thomas of Canterbury C
Chillerton
Cowes Lanesend
Cowes
East Cowes Holy Cross C
East Cowes Queensgate Foundation
Freshwater All Saints C E
Gatten and Lake
Godshill
Gurnard
Nettlestone
Newchurch
Newport Barton
Newport C E
Newport Hunnyhill
Newport Nine Acres
Newport Summerfields
Niton
Ryde Dover Park
Ryde Greenmount
Ryde Haylands
Ryde Oakfield C E
Ryde St. Mary's C
Sandown Broadlea
Sandown The Bay CE
Shafleet C E
St. Helens
Totland St. Saviours C
Ventnor St Francis C and CE
Wootton
Wroxall
Yarmouth C E

Secondary

Carisbrooke College
Christ the King College
Cowes Enterprise College
Medina College

Special

Medina House
St. Georges

Approved List of Banks and Building Societies

Abbey	34 High Street, Ryde
	26 St. James' Street, Newport
Alliance and Leicester PLC	23 St. James' Street, Newport
Barclays Bank PLC	102 St James' Square, Newport
	7 High Street, Ryde
	53 High Street, Shanklin
Halifax	116 High Street, Newport
Lloyds TSB PLC	High Street, Bembridge
	121 High Street, Cowes
	14 High Street, Sandown
	3 Regent Street, Shanklin
	22 St. Thomas' Square, Newport
	Tennyson Buildings Tennyson Road, Freshwater
	The Square, Yarmouth
	35 Union Street, Ryde
HSBC Bank PLC	Clarence Buildings, Avenue Road, Freshwater
	86 High Street, Cowes
	61 High Street, Sandown
	5 Regent Street, Shanklin
	2 High Street, Ventnor
	38 Union Street, Ryde
	101 St. James Street, Newport
NatWest PLC	Avenue Road, Freshwater
	104 High Street, Cowes
	79 High Street, Sandown
	19 High Street, Shanklin
	107 St. James Square, Newport
	St. Thomas' Square, Ryde
	13 High Street, Ventnor
Nationwide Building Society	94 High Street, Cowes
	107 St. James' Square, Newport
	3 St. Thomas' Square, Ryde
	65 Regent Street, Shanklin

LA Capital/Revenue split

Element	Capital: as CIPFA Code of Practice	Revenue: Repairs and Maintenance
Roofs		
<u>Flat</u>	<p>Structure. New (not replacement) structure.</p> <p>Structure. Replacement of all or substantial part of an existing structure to prevent imminent or correct actual major failure of the structure.</p> <p>Screed/insulation in a new building/extension</p> <p>Screed/insulation.</p> <p>Replacement/repair of substantially all. Improve effectiveness of insulation.</p> <p>Finish on new build. Replacement of all/substantially all on existing roof.</p> <p>Edge trim/fascia on new build</p> <p>Edge trim/fascia, replacement of all/substantially all on existing roof.</p> <p>Drainage on new build</p> <p>Other e.g. flashings, roof-lights on new build. Replacement of all/substantially all on existing roof.</p>	<p>Repair/replacement of small parts of an existing structure</p> <p>Replace small areas of rotten or defective timber; make good minor areas of spalling concrete where reinforcing bars are exposed.</p> <p>Repair/replacement of screed/insulation where defective. Work to improve insulation standards, during work to repair/replace small areas of roof.</p> <p>Replacement of roof finish on existing building. Re-costing chippings to improve life expectancy.</p> <p>Repairs/replacement. (uPVC) Repainting.</p> <p>Repairs/replacement. (uPVC) Repainting.</p> <p>Clearing out gutters and down-pipes.</p> <p>Replacement/repair/repainting of/individual gutters/pipes</p> <p>Repair/replacement/cleaning of individual items</p>
<u>Pitched</u>	<p>Structure. New (not replacement) structure.</p> <p>Structure. Replacement of all or substantial part of an existing structure to prevent imminent or correct actual major failure of the structure</p> <p>Insulation in a new building/extension</p> <p>Insulation. Replacement/repair of substantially all. Improve effectiveness of insulation.</p> <p>Roof finish in a new building/extension, replacement of all/substantially all on existing roof.</p>	<p>Repair/replacement of small parts of an existing structure</p> <p>Replace/repair small areas of rotten/defective joists, rafters, purlins, etc. Not complete trusses.</p> <p>Repair/replacement/increasing thickness of insulation in an existing roof.</p> <p>Replace missing/damaged small parts.</p>

	Bargeboards/Fascias in a new building/extension, replacement of all/substantially all on existing roof.	Repairs/replacement/repainting
	Drainage in a new building/extension	Clearing out gutters and down-pipes. Replacement/repairs of individual pipes/gutters.
	Drainage. Replacement of all/substantially all on existing roof. Other e.g. flashings, roof windows in a new building/extension, replacement of all or substantially all on existing roof.	Repair/replacement/cleaning.
<u>Other</u>	Provide new covered link etc. between existing buildings Rebuild or substantially repair structure of existing covered link. Add porch etc to existing building Rebuild or substantially repair structure of existing porch.	Minor repairs, maintenance to existing covered link. Minor repairs, maintenance to existing structure.
Floors		
<u>Ground Floor</u>	Structure and dpc in new building	Repair/replacement of small parts of an existing structure
	Structure and dpc – replacement of all or substantial part of an existing structure to prevent imminent or correct actual major failure of the structure	
	Screed and finish in new build, replacement of all/substantially all on existing floor – e.g. replacement of most carpet/tiles in a room.	Replacement and repair of screed and finishes/replacement of mats/matwells. Maintenance e.g. revarnishing wooden floors.
<u>Upper floor</u>	Structure – as ground floor Screed and finish – as ground floor	As ground floor Repair of finishes/replacement – as ground floor
Ceilings		
<u>Top/only storey</u>	Suspension	Repair/replacement inc from water damage & necessary decoration
	Membrane Fixed	Repair/replacement inc from water damage.
	Access panels	Repair replacement
	Suspension	Repair/replacement
<u>Lower storey</u>	Suspension	Repair/replacement
	Membrane Fixed	Repair/replacement
<u>All</u>	Specialist removal/replacement of damaged/disturbed Asbestos based materials, planned or emergency	Inspection/air testing. Applying sealant coats to asbestos surfaces for protection
External		

Walls

Masonry/cladding

Structure. Underpinning/propping for new build. External finish on new build

Repairs/preventative measures e.g. tree removal. Repairs/replacement of small parts of an existing structure e.g. repointing/recladding a proportion of a wall where failure has occurred.

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 a building/replacement build.

Windows and Doors

Framing – new build

Repair/replacement of individual frames. Repainting frames.

Framing – structural replacement programme

Repair/replacement of individual windows. Repainting frames.

Glazing – new build

Replacing broken glass

Glazing – upgrading existing glazing

Ironmongery

Repair/replacement

Improved security

Upgrading locks etc.

Jointing including mastic joints

Internal and external decorations to new build

Internal and external decoration to include cleaning down and preparation.

Masonry Chimneys

Structure

Jointing including expansion and mortar joints/pointing/dpc

Repair/repointing

Internal Walls

Solid

Complete including various internal finishes, linings and decorations

Repairs and redecoration to internal plaster/linings, pin boards, etc.

Partitions

Refurbishment and alterations Complete structure including linings, framing, glazing, decoration, etc.

Minor alterations

Repairs and redecoration

Doors and Screens

Refurbishment and alterations Framing/screens/doors to new buildings including glazing, ironmongery, jointing and internal decorations.

Minor alterations

Internal maintenance and redecoration. Repair and replacement of defective doors and screens

All

Glazing to meet statutory Health and Safety requirements

Replacement of broken glass

Sanitary Services

Lavatories

In new buildings provision of all toilet fittings, waste plumbing and internal drainage.

Repair/replacement of damaged sanitary ware, fittings, waste plumbing, etc.

Large scale toilet refurbishment

Small areas of refurbishment

Provision of disabled facilities and

Repair/replacement of damaged

	facilities related to pupils with statements	fittings, waste plumbing etc.
<u>Kitchens</u>	Kitchens in new buildings, complete with fittings, waste plumbing and internal drainage. Internal finishes and decorations. General refurbishment Large and costly items of equipment	Maintenance of kitchen to requirements of local authority. Cleaning out drainage systems Redecoration Repairs Repairs/replacement parts.
Mechanical Services		
<u>Heating/hot water</u>	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 plant/systems	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
<u>Cold water</u>	Provision of cold water services, storage tanks, distribution, boosters, hose reels etc. in major projects.	Maintenance and repair/replacement of defective parts such as servicing parts such as servicing pipes. Annual servicing of cold water tanks.
<u>Gas</u>	Distribution on new and major refurbishments, terminal units	Repairs, maintenance and gas safety All servicing
<u>Ventilation</u>	Mechanical ventilation/air conditioning to major projects.	Provision of local ventilation. Repair/replacement of defective systems and units.
<u>Other</u>	Swimming pool plant and its complete installation, including heat recovery systems	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		
<u>General</u>	Main switchgear and distribution in major projects	Testing/replacement of distribution boards. The repair and maintenance of all switchgear and interconnecting cables including that in temporary buildings.
<u>Power</u>	Control gear, distribution, fixed equipment, protection, etc.	All testing, repair and replacement of small items of equipment
<u>Lighting</u>	Provision of luminaries and emergency	Replacement of luminaries, all testing, adjustments and

<u>Other</u>	Lightning protection in new build. Alarm systems, CCTV, lifts/hoists, etc New installation of communication systems, radio/TV, call, telephone, data transmission, IT etc. and provision in new build	improvements to emergency. Repair/replacement Repair and maintenance Repair/replacement/maintenance, including all door access systems
External Works		
<u>Pavings</u>	Provision of new roads, car parks, paths, courts, terraces, play pitches, steps and handrails, as part of major project, including disabled access	Maintenance and repair Car park and playground markings
<u>Miscellaneous</u>	Provision of walls, fencing, gates and ancillary buildings as part of major project	Maintenance and repair of all perimeter/boundary/retaining walls, fencing and gates.
<u>Drainage</u>	Drains, soakaways, inspection chambers and sewage plant as part of new projects	Maintenance and repair of drains, gullies, grease traps and manholes between buildings and main sewers. Cleaning of the above and unblocking as necessary.
<u>Open air pools</u>	Structure, hygiene/safety in new build	Hygiene, cleaning, maintenance and repairs, including replacement parts. Simple energy saving systems
<u>Services distribution</u>	Heating mains, gas mains, water mains, electricity mains, renewal of any of the above	Annual servicing.